



State of New Jersey

## ELECTION LAW ENFORCEMENT COMMISSION

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GREGORY E. NAGY  
Legal Director

JAMES P. WYSE  
Counsel

### PUBLIC SESSION MINUTES

February 21, 2002

Chair Martin, Commissioner Lederman, Commissioner Tober, Senior Staff, and Deputy Legal Director Nedda Gold Massar were present. Vice Chair Franzese participated by telephone. Counsel Wyse and Legal Director Nagy were absent.

#### 1. Open Public Meetings Statement

Chair Martin called the meeting to order and announced that pursuant to the "Open Public Meetings Act," N.J.S.A. 10:4-6 et seq., adequate notice of the meeting of the Commission had been filed with the Secretary of State's Office and distributed to the entire State House Press Corps.

The meeting convened at 10:00 a.m. in Trenton, New Jersey.

#### 2. Approval of Public Session Minutes of January 14, 2002

On a motion by Commissioner Lederman, seconded by Commissioner Tober and passed by a vote of 4-0, the Commission approved the Public Session Minutes of January 14, 2002.

#### 3. Executive Director's Report

##### A. Staff Activities

Executive Director Herrmann reported that the web site of the Christine Todd Whitman Excellence in Public Service Series has added ELEC to its list of links. He added that Director of Compliance and Information Evelyn Ford and Director of Systems Administration Carol Neiman have become annual speakers for the group.

The Executive Director mentioned that ELEC is continuing as a participant in the Rutgers University History Department Internship Program. Executive Director Herrmann said that due to a limited academic job market, many historians are now working in the public and private sectors in various non-traditional positions that utilize their research and writing skills.

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Executive Director Herrmann apprised the Commission that on February 8, 2002, he served as a judge for a statewide civics competition. According to the Executive Director, students from nine high schools competed in answering questions about the structure of the American political system and the history and principles of the Constitution. He said that the event was sponsored by the New Jersey Center for Civic and Law-Related Education.

Executive Director Herrmann reported that staff has been working with the Attorney General's Office on proposed rules to implement the new Right-to-Know Law.

### B. Budget Notes

The Executive Director noted that due to the recent severe cuts in ELEC's computer budget for FY-2002, the electronic filing project for political party committees and PAC's has been placed on hold as have various enhancements to ELEC's web site. He stated that staff will continue to concentrate on essential computer upgrades and perfecting previously designed electronic filing software for candidates.

According to Executive Director Herrmann, a January 27, 2002, story appearing in the Record (Bergen) reviewed a recent report on political corruption in New Jersey by four former Attorneys General and the former Director of the Division of Criminal Justice. Executive Director Herrmann said that the report deals in part with the major problem of local government corruption. He added that one of the factors cited as aggravating this problem is "the lack of oversight and enforcement of . . . campaign finance laws." Executive Director Herrmann mentioned that Larry J. Sabato, the Director of the University of Virginia Center for Governmental Studies, considers "New Jersey second only to Louisiana in the amount of corruption occurring at all levels of government." The Executive Director advised the Commission that the report reinforces ELEC's desire to double its resources to better administer and enforce the Campaign Act at the local level.

Booming local spending is driving the need to focus more of ELEC's resources at the municipal and school board levels. In the past decade, the Commission's White Paper Number 14, Local Campaign Financing, found that spending on local elections had increased by almost 60 percent. School board election spending, meanwhile, had grown by an astounding 215 percent. There are 566 municipalities and 597 school districts that hold elections in New Jersey. Moreover, there are 1,100 municipal political party committees. ELEC receives about 25,000 reports a year from its filing entities. In 1999, the paper reported about 60 percent of campaign spending was local. Of the \$43 million spent, \$18 million was for the General Assembly election while \$25 million was for local elections.

Additional funding of the Commission could be used in creating a local contributions and expenditures data base, providing a more adequate review of local reports, and creating an outreach program to assist often uninformed local candidates and committees of their filing responsibilities.

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C. Review of White Paper #15 – School Board Campaign Financing

The Commission reviewed White Paper #15 on School Board Campaign Financing. Commissioner Lederman made a few suggestions for consideration.

D. Proposed Spring Schedule

March 18, 2002, at 11:00 a.m. at Seton Hall University Law School in Newark;

April 18, 2002, at 11:00 a.m. in Trenton;

May 16, 2002, at 11:00 a.m. in Trenton; and

June 20, 2002, at 11:00 a.m. in Trenton.

4. Proposed Regulation Amendments

Deputy Legal Director Nedda Massar introduced proposed regulations, which had been circulated to the Commissioners, that require legislative agents to submit photographs for improved identification and implement recently enacted statutory changes to contribution limits. The proposed rule changes also include a new rule that Commission penalty hearings are conducted pursuant to the Administrative Procedure Act (APA). This proposed new rule codifies the Commission's practice of offering each respondent in a complaint proceeding the opportunity for a hearing.

The proposal notices will be submitted to the Office of Administrative Law (OAL) for publication in the April 1, 2002 edition of the New Jersey Register. Secondary notice will be accomplished by posting the proposals on the Commission's Internet web site, by posting in the Commission's public room, and by circulating a press advisory to the State House press corps. Copies of the proposal will be mailed or faxed to any person requesting them.

A public hearing will be announced for the Commission's May 16, 2002 meeting in Trenton, and the 60-day period for receipt of written public comments will expire on May 31, 2002. Under this proposed schedule, the rules will be ripe for adoption consideration at the Commission's June 20, 2002 meeting, and the anticipated effective adoption and publication date in the New Jersey Register will be July 15, 2002. The rule requiring legislative agents to submit their photographs along with their annual registration fees will be in effect prior to the August 1, 2002 deadline for agent registration submissions.

On a motion by Commissioner Lederman, seconded by Commissioner Tober and passed by a vote of 4-0, the Commission approved the proposed regulatory amendment regarding legislative agent photographs and directed staff to file the proposal with the Office of Administrative Law.

On a motion by Commissioner Lederman, seconded by Commissioner Tober and passed by a vote of 4-0, the Commission approved the proposed regulatory amendments to implement statutory changes to contribution limits and to provide that respondents have the opportunity for a hearing pursuant to the APA and directed staff to file the proposal with the Office of Administrative Law.

5. Gubernatorial Report

Deputy Legal Director Nedda Massar advised the Commission that she completed research regarding the differences between the reimbursement requests submitted by the county clerks for ballot statement costs. She indicated that two factors appear to contribute to the discrepancy:

1. More election districts with different ballots in counties with larger populations, and
2. More bilingual ballots to print.

Deputy Legal Director Nedda Massar indicated that all requests for reimbursement of ballot statement costs have been paid to the counties. The Deputy Legal Director also advised the Commission that the process has begun to solicit bids from accounting firms to conduct agreed upon procedures to review gubernatorial public financing expenditures.

6. Resolution to go into Executive Session

On a motion by Commissioner Lederman, seconded by Commissioner Tober and passed by a vote of 4-0, the Commission resolved to go into Executive Session to discuss the following matters which will become public as follows:

- A. Final Decision Recommendations in violation proceedings which will not become public. However, the Final Decisions resulting from those recommendations will become public no later than 35 days after mailing.
- B. Investigative Reports of possible violations, which reports will not become public. However, any complaint generated as the result of an Investigative Report will become public no later than 50 days after mailing.

7. Return to Public Session

On a motion by Commissioner Tober, seconded by Commissioner Lederman and passed by a vote of 4-0, the Commission voted to return to Public Session.

8. Adjournment

On a motion by Commissioner Tober, seconded by Commissioner Lederman and passed by a vote of 4-0, the Commission voted to adjourn at 11:00 a.m.

Respectfully submitted,

Frederick M. Herrmann, Ph.D.  
Executive Director