



State of New Jersey

ELECTION LAW ENFORCEMENT COMMISSION

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PUBLIC SESSION MINUTES

January 24, 2003

Chair Martin, Commissioner Lederman, Commissioner Tober, Counsel Wyse, and Senior Staff were present. Vice Chair Franzese participated by telephone.

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 11:00 a.m. in Trenton, New Jersey.

2. Approval of Public Session Minutes of December 18, 2002

On a motion by Commissioner Lederman, seconded by Commissioner Tober and passed by a vote of 3-0, the Commission approved the Public Session Minutes of December 18, 2002.

Vice Chair Franzese joined the meeting by telephone at this point.

3. Executive Director's Report

A. Staff Activities

Executive Director Herrmann expressed congratulations to ELEC's new Acting Legal Director Nedda G. Massar. He reported that staff is in the process of submitting paperwork to make her position permanent. The Executive Director added that unfortunately, the Commission will be losing full funding for the Legal Director's position on July 1, 2003, and that consequently, ELEC cannot hire a replacement for the Deputy Legal Director position. Executive Director Herrmann said that in order to deal with the hole created by this situation, staff will thoroughly review its legal and

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investigative procedures over the next six months to find ways of coping while maintaining quality control.

The Executive Director noted that on January 8, 2003, Assistant Compliance Officer Christopher Guear ran a training session for lobbyists in Trenton. During the session, Mr. Guear thoroughly reviewed current statutes and regulations while explaining ELEC's forms and instructions. Executive Director Herrmann mentioned that all attendees were given a copy of the Commission publication "Lobbying in New Jersey 2002."

The Executive Director reported that on January 14, 2003, Acting Legal Director Massar attended an Institute for Continuing Legal Education (ICLE) seminar on election administration. He said that although not directly under ELEC jurisdiction, the staff does get some questions in this area; and, from time to time, the Commission has to determine whether or not to allow campaign money to be spent on election-related activity.

Executive Director Herrmann stated that on January 16, 2003, about 70 people attended former Legal Director Gregory Nagy's retirement dinner. He thanked Acting Legal Director Massar for planning it and putting it together. According to Executive Director Herrmann, he read the following items to the attendees: the inscription from the former Legal Director's Lifetime Achievement Award, Judge Martin's Proclamation, Governor McGreevey's Proclamation, a message from Vice Chair Franzese, and a submission to the COGEL Guardian.

B. Legislative Developments

Executive Director Herrmann reported that on January 16, 2003, Governor McGreevey, in his State of the State Address, mentioned his support of "Pay-to-Play" reform. Executive Director Herrmann noted that the Governor stated that he would "not support nor . . . would he sign legislation which fails to address the conflict problem in every branch and at every level of government."

C. Winter Meeting Schedule

- February 24, 2003 at 10:30 a.m. in Trenton;
- March 24, 2003 at 10:30 a.m. in Trenton; and,
- April 14, 2003 at 10:30 a.m. in Trenton.

4. Gubernatorial Public Financing Legislative Recommendations

Acting Legal Director Massar presented the following Gubernatorial Public Financing Legislative Recommendations to the Commission:

A. New Recommendations for Legislative Action

- That the Commission recommend to the Legislature that, if a contribution is delivered to a gubernatorial campaign by any person other than a member of the gubernatorial candidate committee, a practice referred to as “bundling,” the publicly-financed gubernatorial candidate be required to report the identity of the person who delivered the contribution.
- That the Commission recommend legislation to make it illegal to use force, threats, a condition of employment, or financial reprisal to obtain a contribution.
- That the Commission recommend that contributions from minors, that is from persons under the age of 18, be prohibited.
- That the Commission consider recommending legislation to eliminate the expenditure limit of a publicly-financed gubernatorial candidate who faces a non-publicly financed candidate spending in excess of the expenditure limit.
- That the Commission request funds in the FY2005 (2005 primary election) and FY2006 (2005 general election) budgets specifically for the purpose of advertising the mandatory gubernatorial debates in New Jersey newspapers.
- That the Commission recommend that the Legislature provide sufficient funds in the Commission’s annual appropriation to purchase computer hardware, to update software, and to provide staff training on their use.

B. Prior Recommendations for Legislative Action

- That the Commission repeat its recommendation to prohibit contributions made directly from corporations and labor unions and to permit only those contributions made through their voluntary employee political action committees.
- That the Commission repeat its recommendation to eliminate the gubernatorial spending qualification threshold (\$260,000 for the 2001 primary and general elections.)
- That the Commission reiterate its recommendation that penalties for gubernatorial violations be increased to equal the penalties for campaign reporting violations provided in N.J.S.A. 19:44A-22, as adjusted pursuant to N.J.S.A. 19:44A-7.2 (currently \$4,300 for a first offense and \$8,500 for a second and subsequent offense).
- That the Commission reiterate its recommendation, first made at the conclusion of the 1993 gubernatorial election, that the number of required debates for publicly-financed candidates be increased from two to three in the primary and general elections.
- That the Commission again recommend that the rounding provisions of the quadrennial cost adjustment process be modified and that the Legislature especially examine the impact of the rounding provisions on the limits and

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thresholds for non-gubernatorial candidates and committees to determine whether or not further modification of the rounding process is warranted.

- That the Commission reiterate its recommendation that the earliest dates for a gubernatorial primary election debate be changed from 48 to 44 days before the election and that the earliest date for a general election debate be changed to October 1st.
- That the Commission again recommend to the Legislature that N.J.S.A. 19:44A-18.1 be amended to require disclosure of occupation and employer information for contributions from individuals in the aggregate in excess of the \$400 disclosure threshold on reports filed by an Inaugural event committee.

Both, Vice Chair Franzese and Commissioner Lederman commended Acting Legal Director Massar for an excellent job.

Commissioner Lederman suggested that it would be good for the Commission to look into the issue of the qualification threshold as suggested by former Senator Schluter. She indicated that the suggestion was not for inclusion in this round of recommendations but for a later date. Commissioner Lederman said that the high qualification threshold constituted a daunting task for many candidates.

Vice Chair Franzese echoed Commissioner Lederman's concerns.

Chair Martin stated that in terms of the debates, geographic location should be taken into account in the future.

Commissioner Lederman stated that it was paramount for the Commission to figure out the problem of New Jersey being short-changed by the out-of-state networks in terms of the promotion of debates and the times the debates are aired. She said that Virginia has a similar problem and that perhaps staff could research how that State handles the problem.

Acting Legal Director Massar suggested that the Commission could include in the regulations a requirement that sponsors detail how they would confront this problem.

On a motion by Commissioner Lederman, seconded by Commissioner Tober and passed by a vote of 4-0, the Commission approved the staff recommendations in the Public Financing Program.

5. Resolution to go into Executive Session

On a motion by Commissioner Tober, seconded by Commissioner Lederman 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:

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- A. Final Decision Recommendations in violation proceedings which will not become public. However, the Final Decisions resulting from those recommendations will become public not later than seven business days after mailing to the named respondents.
- 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 not later than seven business days after mailing to the named respondents.
- C. A report on requests from the public for investigations of possible violations, which report will not become public in order to protect the identity of informants and maintain the integrity of investigative procedures and priorities. However, any complaint alleging violations, which complaint may be generated as a result of a request for investigation, will become public not later than seven business days after mailing to the named respondents.

6. Return to Public Session

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

7. Adjournment

On a motion by Commissioner Lederman, seconded by Commissioner Tober and passed by a vote of 4-0, the Commission voted to adjourn at 12:30 a.m.

Respectfully submitted,

Frederick M. Herrmann, Ph.D.
Executive Director

FMH/elz