

MINUTES OF THE COMMISSION MEETING

November 1, 1974

PRESENT

Frank P. Reiche, Chairman
Sidney Goldmann, Vice-Chairman
Josephine S. Margetts, Member
Edward J. Farrell, Counsel
David F. Norcross, Executive Director

ABSENT

Herbert Alexander, Consultant

- 1) The Commission postponed consideration of the minutes of September 23, 1974 as the Executive Director indicated that they were being redone to eliminate typographical errors.
- 2) The minutes of the meeting of October 10, 1974 were approved as corrected.
- 3) The Chairman discussed with the Commission his relationship to Richard Mulligan who is involved in Complaint #21 and 22 and formally withdrew from any consideration of either case.
- 4) The Commission approved the assignment of the following complaints to the hearing officers indicated: Donald Heeb, Henwood vs. Staton, Complaint # (C-06-74); Edward N. Adourian, Pt. Pleasant Beach Board of Education vs. Community Action for Responsive Education, Complaint #(C-17-74) and Pt. Pleasant Beach Board of Education vs. Pt. Pleasant Beach Civic Committee, Complaint #(C-14-74). Barry Osmun, Linett vs. Taxpayers Association of Franklin Township, Inc., Complaint #(C-11-74). The Executive Director was also requested to assign Commission vs. Lounsbury, Complaint #(C-18-74) to Mr. Osmun for hearing on the same day, if possible.
- 5) The Executive Director was excused so that the Commission could discuss the matter of Commission vs. Kramer, Complaint #(C-13-74).
- 6) Mr. Farrell raised the question of Joseph Stamler, the Hearing Officer assigned to the N. J. Republican Finance Committee matter, Complaint #(C-23-74), with respect to any conflict of interest which might arise by virtue of Mr. Stamler's connection with the law firm of McElroy, Connel, Foley and Geiser or his professional relationship with Governor Brendan T. Byrne when the latter was Assignment Judge of Morris County. All of the Commissioners indicated that there was no apparent conflict of interest arising from these matters.
- 7) Edward Rizzi - Candidate for Council, Paterson, New Jersey, May 14 municipal election. A hearing was held with respect to the

candidate's alleged failure to comply with the reporting requirements of the Act. After hearing the evidence, the Commission found a negligent, non-willful violation of the Act, taking specific note of the candidate's failure to respond to two letters from the Commission. Accordingly, the Commission resolved to issue a letter of reprimand and impose a \$25 fine. (Motion, Goldmann; second, Margetts - Vote 3-0)

The candidate executed a waiver of notice of formal hearing and a waiver of formal hearing.

8) Alma Paterson - Candidate for School Board, Lawnside, N. J. A hearing was held with respect to the candidate's alleged failure to comply with the reporting requirements of the Act. After hearing the evidence, the Commission found a negligent, non-willful violation of the Act taking specific note of the candidate's failure to respond to two letters from the Commission. Accordingly, the Commission resolved to issue a letter of reprimand and impose a \$25 fine. (Motion, Reiche; second, Goldmann - Vote 3-0)

The candidate executed a waiver of notice of formal hearing and a waiver of formal hearing.

9) Lewis Moore - Candidate for School Board, Lawnside, N. J. The Commission noted candidate Moore's repeated failures to appear, specifically noting his failure to appear on October 10. The Commission directed the issuance of a subpoena to compel appearance on December 12, 1974.

10) On Motion of Vice-Chairman Goldmann, seconded by Commissioner Margetts, the Commission authorized the attendance of Chairman Reiche and the Executive Director at the Conference of Principal Executive Officers of Disclosure Agencies in Washington on December 18, 19 and 20. (Vote 2-0)

11) The Commission considered the problems presented by the statutory language appearing in the last paragraph of Section 8 of the Campaign Contributions and Expenditures Reporting Act. This matter was considered in connection with the specific problems raised by the Commission's inquiry into the expenditures of the League to Restore Confidence in Lodi. In that instance, a committee operating on behalf of eight candidates expended \$7,280. In view of the language in paragraph 8, since no candidate was required to file a "report" the committee was not required to file and did not do so.

It was suggested that the Commission consider proposing and supporting an amendment to Chapter 83 of the Laws of 1973 which would provide committees with either an exemption from filing if their expenditures were \$1,000 or less or permit them to file affidavits similar to those filed by candidates in the event their expenditures were \$1,000 or less. Some reservation about this solution was expressed by Mr. Farrell and by Mr. Parks while others present were supportive of this proposed solution.

As a part of the amendatory language it was suggested that committees be required, as are candidates, to report the names and addresses of contributors who contribute in the aggregate in excess

of \$100 and further that committees be required to report to individual candidates the amount of expenditures made by the committee on behalf of the individual candidates.

It was directed that this matter be placed on the agenda for November 14. The Executive Director was requested to draft legislation consistent with the above and submit it to Counsel for review.

Mr. Alexander's absence was specifically noted and the Executive Director stated that he had advised Mr. Alexander that the matter would be considered again on November 14.

The advisability of including specific provisions for political party committees in the proposed amendment is to be considered.

12) It was suggested by Vice-Chairman Goldmann that the Commission attempt to utilize police assistance where inadequate addresses hamper delivery of hearing notices.

13) A list of candidates upon whom the Commission has been unable to serve process will be presented to Mr. Farrell for further action.

14) Stanley Wainwright - Candidate for School Board, Greenbrook, N. J. A hearing was held with respect to the candidate's alleged failure to comply with the reporting requirements of the Act. Mr. Wainwright testified that he had received the Commission forms and instructions but had been advised by the "School Board business agent, Mr. Frederick Paterson," that he "did not have to file anything."

In May when the Commission corresponded with Mr. Wainwright and included in that correspondence an affidavit form, Mr. Wainwright testified that he gave it to Mrs. Terry Nagel, the secretary to the school superintendent who mailed it. The candidate testified that he spent only \$69.00, and that that expenditure was from personal funds. He testified that he did not reply to Commission letters because he "knew" that he had mailed the affidavit.

The Commission at the conclusion of Mr. Wainwright's testimony adjourned the matter pending receipt of information from Mrs. Nagel.

15) Richard Thirion - Candidate for School Board, Somerville, N. J. A hearing was held with respect to the candidate's alleged failure to comply with the reporting requirements of the Act. Mr. Thirion testified that he was at no time a serious candidate for School Board, that he had filed only to encourage others to file, that he did not think he had to file a return with the Commission, that he had received no contributions, that he had spent no money and had not campaigned in any way even to the extent of not appearing on any candidate's nights with other candidates. He further testified that no one had informed him of any requirement

to file. The Commission found a negligent, non-willful violation of the Act and resolved to issue a letter of reprimand. (Motion, Margetts; second, Goldmann - Vote 2-0) The Chairman was absent and did not participate.

The candidate executed a waiver of notice of formal hearing and a waiver of formal hearing.

The meeting was adjourned at 5:10 p.m.

Respectfully submitted,


David F. Norcross
Executive Director