

NEW JERSEY ELECTION LAW ENFORCEMENT COMMISSION

MINUTES - January 6, 1977 Meeting

PRESENT

ABSENT

Frank P. Reiche, Chairman
Sidney Goldmann, Vice-Chairman
Josephine S. Margetts, Member *
Archibald S. Alexander, Member
Lewis B. Thurston, III, Executive Director
Edward J. Farrell, Legal Counsel
Herbert Alexander, Consultant
Neil Upmeyer, E.L.E.C. staff

*Commissioner Margetts was present until approximately 3:45 p.m.

The meeting convened at 10:15 a.m.

Pursuant to the Open Public Meetings Law, P.L. 1975, c.231, annual notice of the meetings of the Commission, as amended, was filed with the Secretary of State's office, copies were posted in the State House Annex, copies were mailed to the Newark Star Ledger and the Philadelphia Bulletin and the entire State House Press Corps.

The purpose of this meeting was to discuss a draft of Commission regulations to implement the statute providing for the public financing of gubernatorial general elections. The draft prepared by counsel was reviewed in detail and a number of changes and additions suggested. Counsel was directed to make the indicated changes and additions and forward the new draft to members of the Commission prior to the Commission meeting on January 19. It is anticipated that the Commission will give final approval to a draft on January 19 so that it may be submitted by January 26 to the Division of Administrative Procedure for inclusion in the February 10 New Jersey Register.

Among the more significant questions tentatively resolved by the Commission were the following:

1. Surplus Primary Funds

It was concluded generally that in the absence of specific statutory prohibition on use of primary funds in the general election, such funds could be used under certain conditions. Candidates in the primary would be permitted to allocate up to \$600 of any contribution received in the primary for use in the general election, provided that such funds had been deposited in the bank account established by the Election Law Enforcement Commission for the candidate for the general election prior to the date of the primary. Funds so deposited would be eligible to be used in the general election and to be matched in the general election with public funds. The same evidence regarding the contribution and contributor would be required as for those contributions raised subsequent to the primary. Funds specifically earmarked by the contributor for either the primary or general election could only be used by the candidate for such election specified. Candidates allocating up to and including \$600 of any contribution received prior to the primary election for use in the general election would be required to notify the contributors of how much of their contribution was used for this purpose.

Any amount so allocated would count toward the contributor's \$600 contribution limit for the general election.

2. Basis of Contributions to Fundraising Affairs

In general, the Commission tentatively concluded that contributions in the form of the purchase price for admission to an activity that is essentially political shall be considered contributions entitled to match in said amount. Such gross amount would also be the basis for reporting for disclosure purposes and for the \$600 contribution limit. For these same purposes, contributions in the form of a purchase price paid for an item with significant intrinsic and enduring value, such as a watch, in the form of the purchase price paid for a chance to participate in a raffle, lottery, or a similar drawing for valuable prizes, or in the form of a purchase price paid for the admission to any activity that primarily confers private benefits in the form of entertainment to the contributor, such as a concert, motion picture, or theatrical performance, would be contributions entitled to match only to the extent of the value of the contribution in excess of the fair market value of the item or benefit conferred on a contributor.

3. Compliance Costs

The Commission tentatively concluded that reasonable and necessary expenses of compliance with the reporting and certification requirements imposed by the public finance provisions of the Act would not be deemed to be expenditures for purposes of the overall expenditure limit.

Adjournment - The Commission adjourned the meeting at 4:45 p.m.

Respectfully submitted,



LEWIS B. THURSTON, III
Executive Director