

NEW JERSEY ELECTION LAW ENFORCEMENT COMMISSION

PUBLIC SESSION MINUTES

AUGUST 11, 1982

PRESENT

Andrew C. Axtell, Chairman
M. Robert DeCotiis, Member
Haydn Proctor, Member
Alexander P. Waugh, Jr., Member
Scott A. Weiner, Executive Director
William R. Schmidt, Assistant Executive Director
Edward J. Farrell, General Counsel

Chairman Axtell called the meeting to order and announced that pursuant to the Open Public Meetings Law, P.L. 1975, c.231, annual notice of the meetings of the Commission, as amended, has been filed with the Secretary of State's office, and that copies have been filed in the State House Annex, and mailed to the Newark Star Ledger, and the entire State House press corps.

The meeting convened at 10:10 A.M. at Justice Proctor's office, 501 Grand Avenue, Asbury Park, N. J.

1. Approval of Minutes of Public Session of Commission Meeting of July 12, 1982

On a motion by Commissioner Proctor, seconded by Commissioner Waugh and a vote of 4-0, the Commission approved the minutes of the public session of the July 12, 1982 meeting.

2. Advisory Opinion No. 11-82 from the New Jersey School Board's Association

The Commission discussed the draft advisory opinion prepared by Staff Counsel Nagy in response to a request from David W. Carroll, Assistant Executive Director and General Counsel, New Jersey School Board's Association. The Commission agreed that the last paragraph should be revised to state clearly that the School Board's Association does not have to file lobbyist reports because the Association has been created by statute which in turn requires all New Jersey School Boards to be members. On a motion by Commissioner Proctor, seconded by Commissioner Waugh and a vote of 4-0, the Commission approved the advisory opinion, as amended.

Allocation of Expenditures by the Hudson County Dinner Committee to the Florio for Governor Committee

Representatives of the Florio for Governor Committee did not appear to apply for a reduction in the allocation of expenditures nor did the Florio for Governor Committee submit any additional information or affidavits to support its application for a reduction in the allocation.

Executive Director Weiner said that he had spoken with Nicholas Rudi, Finance Director, and Alan Vogelsson, Legal Counsel for the Florio campaign. Mr. Weiner said that neither Mr. Rudi nor Mr. Vogelsson could adjust their schedules to appear at the August 11 Commission meeting. Mr. Weiner reported that the position of the representatives of the Florio for Governor Committee was as follows:

- (1) The finance director knew nothing about the advertisements placed by the Hudson County Dinner Committee;
- (2) The advertisements appeared during the last week of the campaign; and
- (3) The Florio for Governor Committee did not authorize the use of Congressman Florio's name in the advertisements.

Furthermore, Mr. Rudi argues that the advertisements were of limited, if any, benefit to the Florio campaign, in part because the layout and style of the ads were not similar to the style of ads placed directly by the Florio campaign. Mr. Weiner said that the chief concern is that the allocation creates an excess contribution of \$4,000 which may also put the Florio campaign over the expenditure limit. The problem with the Florio campaign is how to raise the \$4,000 and how long the Florio Committee would have to pay the money back. Mr. Weiner noted that the Commission had given the Kramer for Governor Committee a reasonable period of time in which to raise the funds to pay back the excess contributions which arose from the in-kind expenditures made on behalf of candidate Kramer by the Bergen County Republican group. Mr. Weiner said Mr. Rudi had another concern that the Commission would take some affirmative action in the middle of Congressman Florio's re-election campaign this fall.

Executive Director Weiner recommended, in the absence of an adjournment, that the Commission formalize its earlier decision on the allocation of expenditures by the Hudson County Dinner Committee and require that the Florio for Governor Committee refund the amount in excess of \$10,000 within six to eight months. Mr. Weiner noted that the Florio for Governor Committee has three options namely: (1) appeal to the Appellate Division; (2) wait for the Commission to take enforcement action to effect the refund, or (3) request a re-hearing.

After additional discussion, the Commission directed the Executive Director to write the Florio for Governor Committee advising the Commission's decision to grant an adjournment of this matter until September 13, 1982.

4. Correspondence from Chief Justice Robert N. Wilentz Regarding the Audit of Lawyer Lobbyists

The Commission reviewed Chief Justice Wilentz' July 28, 1982 letter. The Commission reached agreement that General Legal Counsel Farrell apply for an opinion from the Advisory Committee on Professional Ethics. The Commission concurred with Counsel that he should contact the N. J. Bar Association and invite their participation in a joint application.

5. Discussion of the Commission's Budget

Executive Director Weiner reported that he had submitted a fiscal year 1983 spending plan for the Commission reflecting a \$40,000 to \$50,000 shortfall. The plan shows that we would leave the vacancies for the lobbying program unfilled for a period of time to accrue the shortfall amount. What would suffer is the administration of the lobbying program. Executive Director Weiner also requested that the Director of Budget and Accounting agreed to make a discretionary appropriation of \$20,000 to the Commission in recognition of its fiscal situation.

Executive Director Weiner reported that work will begin very soon on the budget for fiscal year 1984. He said the budget must be submitted to the Director of Budget and Accounting on October 1, 1982. Mr. Weiner said he would submit a package of information to the Commission at its first meeting in September and that the budget would be put in final form at the Commission's second meeting in September.

6. September Meeting Dates

The Commission agreed to hold meetings in September on Monday, September 13th and on Friday, September 24th.

7. Governor's Management Improvement Program

The Executive Director reported on the meetings he and Assistant Executive Director Schmidt attended during the week of August 2nd. He described the "dictionary of activity" that the consultants and the managers from the Department of Law and Public Safety developed during the four days of meetings. He also reported on the initial meeting for the "program analysis". He said that Dennis Bliss agreed that ELEC, along with a few other agencies in but not of the Department of Law and Public Safety, would be separated out from the management improvement program in terms of not having to spend the five or six days in Framingham, Massachusetts. Instead, the consultants will spend a day with ELEC managers.

8. Executive Director's Report

Mr. Weiner reported that the staff are proceeding with the review of the lobbyist statute and will be reporting shortly on initial recommendations or changes. Mr. Weiner reported he had met with James Morford of the New Jersey Chamber of Commerce who expressed a great interest in the process of reviewing and possibly amending the regulations and law. Mr. Morford also expressed interest in the proposal to switch the lobbyist registration from Attorney General's office to ELEC.

Mr. Weiner reported that an ELEC workshop would be held in Atlantic City for the Municipal Clerks' Association during the League of Municipalities conference. He also said that staff are preparing for a meeting with Bergen County Municipal Clerks in September.

Mr. Weiner reported that General Legal Counsel Farrell and the ELEC staff are continuing their review of the Reporting Act and will submit to the Commission a set of staff recommendations on possible changes.

Mr. Weiner discussed a July 28, 1982 memorandum from Greg Nagy on the subject of regulating newspaper advertising costs. Following Commission discussion, Mr. Weiner said that staff would prepare a revised and updated report for a subsequent Commission meeting.

9. Gubernatorial Escrow Accounts

The Executive Director advised the Commission that it must adopt a resolution designating the State of New Jersey Cash Management Fund as the legal depository for the escrow accounts to be set up for those gubernatorial candidates who have retained campaign funds but still have outstanding obligations. On a motion by Commissioner Proctor, seconded by Commissioner DeCotiis and a vote of 4-0, the Commission approved and executed the resolution.

10. Executive Session

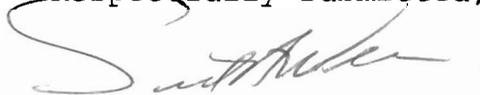
On a motion by Commissioner Waugh, seconded by Commissioner Proctor and a vote of 4-0, the Commission voted to resolve to go into Executive Session to review the Executive Session Minutes of July 12, 1982 and to discuss investigations and enforcement actions,

the results of which will be made public at their conclusion.

11. Adjournment

On a motion by Commissioner Waugh, seconded by Commissioner Proctor and a vote of 4-0, the Commission voted to adjourn.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Scott A. Weiner".

SCOTT A. WEINER
Executive Director