

NEW JERSEY ELECTION LAW ENFORCEMENT COMMISSION

PUBLIC SESSION MINUTES

DECEMBER 16, 1986

Present

Andrew C. Axtell, Chairman
Alexander P. Waugh, Jr., Vice Chairman
Haydn Proctor, Member
Owen V. McNany III, Member
Frederick M. Herrmann, Executive Director
Edward J. Farrell, General Counsel
Jeffrey M. Brindle, Deputy Director
Gregory E. Nagy, Staff Counsel

Chairman Axtell called the meeting to order and announced that pursuant to the "Open Public Meetings Act," P.L. 1974, c. 231, special 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 10:10 a.m., at the New Jersey Election Law Enforcement Commission office, Trenton, New Jersey.

1. Approval of Public Session Minutes of November 19, 1986

On a motion by Vice Chairman Waugh, seconded by Commissioner Proctor and a vote of 4-0, the Commission approved the public session minutes of November 19, 1986.

2. Executive Directors' Report

I. Administration

- a. Executive Director Herrmann provided a progress report on the new word processing system. He said that the four IBM personal computers were hooked up in the computer room and ready for training, which is to begin tomorrow. Dr. Herrmann said that the system will be operational by January 1, 1987 and will be integrated into the main frame Prime computer.
- b. Executive Director Herrmann informed the Commissioners that parking spaces will be provided for them in a lot behind the building, commencing with the first Commission meeting in January.
- c. Dr. Herrmann said that there has been speculation of a possible hiring freeze next year, due to a potential budget deficit in fiscal year 1988. He added, however, that across the board raises for cabinet members have been approved by the Governor. He said that upper level management positions, such as his own, would likely be affected by the increases and were being reviewed at the departmental level. The Executive Director indicated that he would inform the Commission of any such proposed increase in his own salary level as soon as he becomes aware of same. Vice Chairman Waugh commented that

approval of such an increase would be more properly made by the Commission than by the Department of Law and Public Safety to which the Commission is attached but not subordinated.

Dr. Herrmann reminded the members of the Commission that their quarterly Commissioner pay forms were due and that they could submit them at the meeting for processing.

- d. Dr. Herrmann presented the proposed Commission LOGO to the Commission. After limited discussion, the Commission, on a motion by Vice Chairman Waugh, seconded by Commissioner Proctor, approved the LOGO by a vote of 4-0.

II. Legislation

Executive Director Herrmann reported that he again testified (November 24, 1986) before the Assembly State Government Committee on the public financing bill and the 1986 annual report recommendations bill.

He said that the public financing bill, A-2996 (Zimmer) was released from the Committee with a number of important changes that he arranged with the sponsor. The legislation will now have the same effect on the ability of candidates of limited means to receive public funds as the Commission's proposals in its report on public financing. Originally, the bill made it extremely difficult for such candidates to receive public money. Dr. Herrmann reported that individual contributions of \$500 will now be matched on a 2 to 1 basis. He said that the \$50,000 qualifying threshold will be retained but that candidates will receive matching funds retroactively to \$25,000. He said that the bill also includes \$12,500 incremental thresholds after the first \$50,000 is raised. Executive Director Herrmann also reported that the bill now calls for the State Treasurer to supply ELEC with a list of state contractors and principals each month. This change represents Dr. Herrmann's efforts to remove language that required a cumbersome system of direct reporting by the contractors. He said that the bill is not yet printed.

Regarding A-2971 (Martin) and the Senate Committee Substitute for S-840 (Russo) and S-1866 (Van Wagner), which incorporate ELEC annual report recommendations, Dr. Herrmann said that pursuant to Commissioner McNany's suggestion at the last meeting that the reporting of employer and occupation be required when a contribution (or aggregate contributions) exceeds \$100 instead of \$250, he asked the Committee to make this change in the bill. He said that his efforts to forge an alliance with like-minded interests at the committee meeting helped in the Committee's decision to amend the bill to conform with Commissioner McNany's suggestion.

III. COGEL Conference

Executive Director Herrmann reported that the Conference was attended by Vice Chairman Waugh, General Counsel Farrell, Deputy Director Brindle, Staff Counsel Nagy, and himself. He said that he participated in a panel on public financing with Dr. Herbert E. Alexander and Dr. Ruth Jones, who are both noted authorities in this field. The Executive Director reported that Mr. Nagy participated in

the lobbying panel and did an outstanding job. At this point, Vice Chairman Waugh complimented Dr. Herrmann and Mr. Nagy for their respective presentations.

Dr. Herrmann said that he was elected to the COGEL Steering Committee and that he will serve as chairperson of the membership drive. He also remarked that he will continue to serve as Vice Chairman of the Northeast Regional Conference on Lobbying.

Executive Director Herrmann reported that the 1987 COGEL Conference will be held in Quebec City, Canada, from September 27 to 30.

IV. Commission Meeting

Executive Director Herrmann said that the next Commission meeting was scheduled for Trenton on January 20, 1987 at 10:00 a.m. After a brief discussion, the Commissioners changed the meeting to January 26, 1987, at 9:00 a.m.

V. Advisory Opinion

Dr. Herrmann presented a letter written by Staff Counsel Nagy to John O. Salvesen, Director Office of Project Development, Department of Community Affairs, who wrote requesting an advisory opinion on the possible reporting requirements of "The Governors' Award...The Pride of New Jersey, Inc." Staff Counsel Nagy wrote that no advisory opinion was necessary as there was clearly no reporting required for this non-profit enterprise. On a motion by Vice Chairman Waugh, seconded by Commissioner McNany, the Commission voted 4-0 to approve said response.

VI. Executive Session

On a motion by Vice Chairman Waugh, seconded by Commissioner McNany and a vote of 4-0, the Commission voted to go into executive session to discuss investigative and enforcement matters, the result of which will be made public at their conclusion.

VII. Adjournment

On a motion by Commissioner Proctor, seconded by Commissioner McNany and a vote of 4-0, the Commission voted to adjourn at 11:10 a.m.

Respectfully submitted,



FREDERICK M. HERRMANN