



The N.J. Election Law Enforcement Commission

# ELEC





## COMMISSIONERS AND SENIOR STAFF

### Commission's Office

New Jersey Election Law Enforcement Commission  
28 West State Street, 13<sup>th</sup> Floor  
Trenton, New Jersey

(609) 292-8700 or  
Toll Free Within NJ 1-888-313-ELEC (3532)

Website Address: <http://www.elec.state.nj.us/>



Clockwise: Chair Jerry Fitzgerald English, Vice Chair Peter J. Tober, Executive Director Frederick M. Herrmann, Deputy Director Jeffrey M. Brindle, Legal Director Nedda G. Massar, Counsel James P. Wyse, Commissioner Theodore Z. Davis, and Commissioner Albert Burstein.



## MISSION STATEMENT

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The essence of Democracy is an informed electorate. It is the fulfillment of this goal that the New Jersey Election Law Enforcement Commission (ELEC) embraces as its valued mission.



Reflection of:  
28 West State Street

Established in 1973, ELEC monitors the campaign financing of all elections in the State. Whether the election is for Governor or Mayor, member of the Legislature or a City Council, candidates and campaign organizations are required to file with the Commission contribution and expenditure reports.

The Commission also administers the law requiring candidates for the Governorship and Legislature to make public their personal finances prior to election-day. Moreover, ELEC administers those sections of the

law, which establish a filing obligation on the part of lobbyists and their clients.

In addition, the Commission is responsible for administering partial public financing of gubernatorial primary and general elections, for rule making, and, as part of its regulatory duties, for holding public hearings. Finally, ELEC exercises its enforcement authority, insuring the integrity of the financial aspects of the State's electoral process.

A major part of New Jersey's system of elections, the Election Law Enforcement Commission has upheld a tradition of fair, but energetic, administration of the State's financial disclosure laws. That tradition is strong today and will remain so in the future.



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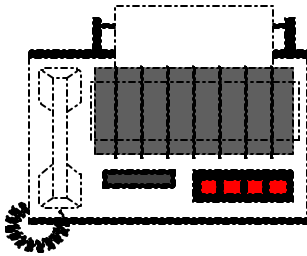
## HOW TO CONTACT ELEC



**By visiting our offices located at:**  
 28 West State Street, 13<sup>th</sup> Floor  
 Trenton, NJ



**By mail at:**  
 N.J. Election Law Enforcement Commission  
 P.O. Box 185  
 Trenton, NJ 08625-0185



**By telephone at:**  
 (609) 292-8700 or  
 Toll Free Within NJ 1-888-313-ELEC (3532)



**By Fax at:**  
 48-hour reporting of contributions  
 and expenditures made between  
 13 days prior to election and  
 election day .....(609) 292-7662  
 Requests .....(609) 633-9854  
 Administration .....(609) 777-1448  
 Legal.....(609) 777-1457



**Via the Internet at:**  
<http://www.elec.state.nj.us/>



## THE COMMISSION

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### **Jerry Fitzgerald English, Chair**

Jerry Fitzgerald English, former Commissioner of the Department of Environmental Protection and Legislative Counsel to Governor Brendan T. Byrne, was appointed to the Commission in January, 2004. Mrs. English was named Chair in July of that year and reappointed to a second term by Acting Governor Richard J. Cody in 2005.

Long involved in service to the people of New Jersey, Mrs. English is a past Commissioner of the Port Authority of New York and New Jersey and a former State Senator.

Chair English, in addition to being a member of the New Jersey, American, and International Bar Associations, was a founding member of the Women's Political Caucus, a former member of the Democratic National Committee, and an honorary trustee of the Passaic River Coalition.

Currently a partner in the law firm of Cooper, Rose and English, Mrs. English is: a former member of the Board of Directors of the Regional Plan Association, Co-chair of the American Bar Association Litigation Subcommittee on CERCLA and Hazardous Waste, on the Board of Visitors for the School of Science and Liberal Arts at New Jersey Institute of Technology (NJIT), a member of the Leadership Council of Harvard Law School, and a trustee of the New Jersey Federal Bar Association.

Mrs. English is an attorney specializing in environmental law. She has been an expert witness for the New Jersey courts for private clients in environmental cases and has published extensively in a variety of journals regarding environmental issues of great importance. Mrs. English currently is on the editorial board of the New Jersey Law Journal.

A former candidate for the U.S. House of Representatives, Chair English shares her knowledge of government and environmental problem solving with students at NJIT as an adjunct instructor.



Jerry Fitzgerald English, Chair

Mrs. English holds a B.A. in International Relations from Stanford University and a J.D. from Boston College Law School combined with studies at Harvard University Law School. Her husband, Dr. Alan English, and she reside in Summit, New Jersey.



## THE COMMISSION continued

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### **Peter J. Tober, Vice Chair**

Peter J. Tober, initially appointed to the Commission in January, 2002, and reappointed in 2004, served as Senior Assistant Counsel to former Governor Christine Todd Whitman and former Governor Donald T. DiFrancesco. He was elected Vice Chair in October, 2004.

An advisor to the former governors on election, ethics, banking, and insurance issues, Vice Chair Tober served as the liaison to the New Jersey State Senate.

Vice Chair Tober is a graduate of Cornell University, where he majored in economics and government, and of Hofstra University School of Law, where he was Associate Editor of the Hofstra Law Review and a Moot Court Judge.

Admitted to the Bar in New Jersey and New York, Vice Chair Tober began working for Wilentz, Goldman and Spitzer, P.C. in 1992.

An associate on the complex commercial litigation team, he served as lead counsel on jury and non-jury trials and specialized in partnership disputes, restrictive covenants, antitrust, and intellectual property law.

Vice Chair Tober is now affiliated with Shain, Schaffer and Rafanello in Bernardsville.



Peter J. Tober, Vice Chair



## THE COMMISSION continued

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### Albert Burstein, Commissioner

Albert Burstein, a former Majority Leader of the New Jersey General Assembly, was appointed to the Commission in June, 2004.

A member of the American, New Jersey, and Bergen County Bar Associations, Commissioner Burstein is a partner in the Hackensack law firm of Herten, Burstein, Sheridan, Cevasco, Bottinelli, Litt, & Harz, L.L.C.

While in the Assembly, Commissioner Burstein was the Chairman of the Assembly Education Committee from 1974-75 and again from 1980-81. He also served on numerous other committees and commissions, including: the Election Law Revision Committee, the Capital Budgeting and Planning Commission, and the Public Employees Relations Study Commission. The Commissioner is noted for sponsoring Title 19A, a total revision of the State's election laws, and the Gubernatorial Public Financing Law of 1974.

A former Chairman of the State Commission of Investigation Review Committee, Commissioner Burstein is: Chairman of the New Jersey Law Revision Commission, former Chairman of the Bergen County IIB South District Ethics Committee, and former member of the New Jersey Law Journal editorial board.

Commissioner Burstein is a graduate of Columbia College and Columbia University Law School. In addition to practicing law, he continues to be involved in many civic and charitable causes. In past years, he was President of the Occupational Center of Hudson County and a Trustee of the Jewish Hospital and Rehabilitation Center of Jersey City.

Married to Ruth Burstein, the couple reside in Tenafly and have three children and three grandchildren.



Albert Burstein, Commissioner





## THE COMMISSION continued

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### Theodore Z. Davis, Commissioner

Judge Theodore Z. Davis, a retired Superior Court Judge and current member of the law firm of Cozen O'Connor, was initially appointed to the Commission in June, 2004 and reappointed in 2005. A member of the Business and Commercial Litigation Department, Judge Davis is affiliated with this international firm with offices in the United States; Toronto, Canada; and London, England.

Appointed to the Superior Court by Governor Brendan T. Byrne, Commissioner Davis sat on the bench for 22 years until his retirement in 2003. As a Judge, Commissioner Davis was a frequent lecturer at judiciary seminars and seminars held by the State Bar Association. He also has served as Chairman of the New Jersey Supreme Court's Task Force on Minority Concerns with the judiciary. Prior to his appointment to the Superior Court, Commissioner Davis had practiced corporate law and estate law and spent time as an Assistant City Attorney and Assistant County Prosecutor.

Commissioner Davis is a graduate of the Temple University School of Business and Temple University School of Law. He also was a member of the United States Army Finance Corps and is a veteran of the Korean War. Currently, the Commissioner is a member of the Board of Trustees of Temple University and is also a Trustee of the Temple University Health System.

Judge Davis resides in Camden, New Jersey with his wife Joan. They have one child, Theodore Z. Davis, Jr.



Theodore Z. Davis, Commissioner



## THE COMMISSION continued

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### **Frederick M. Herrmann, Ph.D., Executive Director**

Frederick M. Herrmann, Ph.D., has been the executive director of the New Jersey Election Law Enforcement Commission for over two decades. He



Frederick M. Herrmann, Executive Director

received an A.B. (1969) from the University of Pennsylvania and an M.A. (1970) and a Ph.D. (1976) from Rutgers, The State University of New Jersey. Dr. Herrmann is also an honor graduate of the United States Army Quartermaster School at Fort Lee, Virginia.

The author of many publications about history and government, he is a frequent speaker at various forums inside and outside of New Jersey. Dr. Herrmann has also appeared as a campaign financing and lobbying law expert on radio and television. Currently, he is the book review editor of the *Guardian* and on the editorial board of *Public Integrity*. He is also on the Board of Trustees for the Friends of the State House.

Once a teacher at Rutgers and Kean Universities as well as a staff member of the New Jersey Legislature,

he has also served on the Organizational Planning and Coordinating Committee of the Council of State Governments and has been the President of the Council on Governmental Ethics Laws (COGEL), an international organization, and the President of the Northeastern Regional Conference on Lobbying (NORCOL). Executive Director Herrmann currently serves on the COGEL Awards and Publications Committees.

In 1993, Dr. Herrmann was the recipient of the Annual COGEL Award for his continued efforts to promote the highest level of ethical conduct among governmental officials and candidates for public office in the international arena. At its regional meeting in 2001, NORCOL presented him with its 20<sup>th</sup> Anniversary Service Award for his outstanding efforts on behalf of and contributions to the organization. In 2005, he received the Haddonfield Alumni Society Lifetime Achievement Award. Dr. Herrmann has met often with dignitaries from various jurisdictions throughout the world to assist in the developing and drafting of statutes and regulations.



## THE COMMISSION continued

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### James P. Wyse, Counsel

James P. Wyse was selected to be the Commission's Counsel in 1994, and began serving in that capacity in January, 1995.

Mr. Wyse is an attorney with the firm of Herold and Haines, P.A. in Warren, New Jersey. He specializes in the areas of corporate and commercial law, real estate, environmental law, and estate planning.

Mr. Wyse, admitted to practice in New Jersey and before the United States Court of Appeals for the Third Circuit, has argued cases in that Court and before the New Jersey Supreme Court.

As Counsel for a number of national, State, and local land trust organizations, Mr. Wyse has developed special expertise regarding conservation and agricultural easements and innovative land preservation techniques.

Mr. Wyse received a B.A. degree from Bucknell University and J.D. degree with honors from the Rutgers University School of Law.



James P. Wyse, Counsel



## COMMISSION STAFF

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### EXECUTIVE

Frederick M. Herrmann, Ph.D., Executive Director  
Jeffrey M. Brindle, M.A., Deputy Director  
Steven Kimmelman, M.A., Research Associate  
Elbia L. Zeppetelli, Administrative Assistant  
Maureen Tilbury, Executive Secretary

### COMPLIANCE DIVISION

#### Campaign Financing and Lobbying

Evelyn Ford, Esq., Compliance Director  
Linda White, Director  
Kimberly Key, Senior Compliance Officer  
Titus Kamal, Associate Compliance Officer  
Nancy Fitzpatrick, Associate Compliance Officer  
Todd J. Wojcik, Associate Compliance Officer  
Sylvette Seay, Assistant Compliance Officer  
Maite Urtasun, Assistant Compliance Officer  
Marcus Malmignati, Assistant Compliance Officer  
Danielle Hacker, Assistant Compliance Officer  
Christopher Vigale, Assistant Compliance Officer  
Milene Matos, Assistant Compliance Officer  
Joseph Barish, Assistant Compliance Officer  
Monica Triplin-Nelson, Technical Assistant  
Elizabeth A. Michael, Technical Assistant  
Michelle Hackett, Compliance Secretary  
Desiree DeVito, Technical Assistant  
Samira Wood, Technical Assistant  
Michel Donato-Suarez, Clerk  
Igor Milewski, Clerk

### LAW DIVISION

#### Legal

Nedda G. Massar, Esq., Legal Director  
Gail Shanker, Esq., Associate Legal Director  
Michelle Levy, Esq., Associate Legal Director  
Leonard Gicas, Esq., Assistant Legal Director  
Amanda Haines, Esq., Assistant Legal Director  
Ruth Ford, Legal Secretary

#### Review and Investigation

Carol Hoekje, Esq., Deputy Legal Director  
Shreve E. Marshall, Jr., Associate Director  
Brett Mead, Senior Review Officer  
Christopher Gear, M.P.A., Associate Review Officer  
Matthew Krinsley, Assistant Review Officer

Christopher Mistichelli, Assistant Review Officer  
Lovinsky Joseph, Assistant Report Examiner  
Kenneth Mariano, Assistant Report Examiner  
Renee Cardelucci, Legal Secretary

### Special Programs

Amy F. Davis, Esq., Director  
Christine Aquilante, Special Programs Analyst  
Laura Jurkiewicz, Special Programs Analyst  
Scott M. Fagerty, Special Programs Analyst  
Felice Fava, Special Programs Analyst

### OPERATIONS DIVISION

#### Information Technology

Carolyn Neiman, Director  
Kim Vandegrift, Associate Director  
Brian Robbins, Executive Software Engineer  
Anthony Giancarli, Associate Systems Administrator  
Aydan A. Altan, Assistant Software Engineer  
Peter Palaitis, Associate Help Desk Technician  
Louis Solimeo, Associate Computer Technician  
Ken Colandrea, Assistant Computer Technician  
Maryanne Garcia, Webmaster  
Brenda A. Brickhouse, Data Entry Supervisor  
Darlene Kozlowski, Assistant Data Entry Supervisor  
Shirley R. Bryant, Senior Data Entry Technician  
Nelly R. Rosario, Associate Data Entry Technician  
Barbara Counts, Associate Data Entry Technician  
Pamela Kinsey, Associate Data Entry Technician/Secretary  
Helen Kelly, Associate Data Entry Technician  
Tamika McCoy, Assistant Data Entry Technician  
Susan Danley, Assistant Data Entry Technician  
Tamico Flack, Data Entry Technician

### Finance and Administration

Gary T. Alpert, M.P.A., Director  
Donna D. Margetts, M.A., Personnel Officer  
Elaine J. Salit, Senior Fiscal Officer  
Linda Lopez, Fiscal Assistant  
Anita Vaingankar, M.S., Personnel Assistant  
Debra A. Kostival, Principal Receptionist  
Irene Comiso, Senior Receptionist  
Aracelis Ocasio, Senior Clerk  
Meggan Mathies, Clerk



## MESSAGE FROM THE CHAIR

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On behalf of my colleagues and staff at the New Jersey Election Law Enforcement Commission (ELEC), I point with pride at the progress made toward full implementation of the many reform laws passed by the Legislature and signed by the Governor in 2004 and 2005.

Last year, an innovative program to eliminate the influence of money in elections assumed center stage. Clean Elections, a public financing pilot program, involved Assembly elections in the sixth and thirteenth districts. To qualify, participating candidates had to collect \$20,000 in five and thirty dollar denominations. A special Citizens Commission is currently studying the program and preparing a report to the Legislature. Important lessons were learned during the process; lessons that will serve the process well in the future.

The Commission managed its part of the program effectively. Beyond adopting regulations, it modified statutory guidelines by allowing candidates to raise money via check cards. Further, staff worked with candidates in explaining the program, processing checks, assisting the Department of the Treasury in establishing on-line contributing, and publishing voter guide statements on ELEC's website.

Clean Elections was not the only public financing program receiving attention last year, however. New Jersey's model Gubernatorial Public Financing Program provided \$6.9 million in matching funds to six primary candidates and one general election candidate. It provided a forum for candidate debates as well. Seven primary candidates and two general election candidates participated in Commission sponsored debates.

The public expects the Gubernatorial Public Financing Program to be administered professionally and with integrity. ELEC again upheld that standard in the election of 2005.

New Jersey's ethical climate has been the focus of press and public scrutiny in recent years. As noted, comprehensive reforms were enacted in 2004 and 2005.

Through it all, the Commission has been at the center of the action.

Two of the major components of reform involved changes to the Lobbying Law and passage of pay-to-play legislation. Hearings were held to elicit public commentary in order to craft workable guidelines to effectuate comprehensive lobbying reform. These hearings enabled the Commission to adopt regulations that served to carry out the spirit of the new Lobbying Law.



Jerry Fitzgerald English, Chair

Plans were also set for lobbyist information sessions. These sessions will help lobbyists comply with the requirements of the new law, which includes reporting of lobbying on governmental processes.

During 2005, the Commission readied itself for undertaking its role in implementing important pay-to-play legislation. Working with the Department of the Treasury and the Department of Community Affairs, both of which are involved in the contracting side of pay-to-play, the Commission was carving out its function, which involves disclosure and enforcement. ELEC staff attended meetings and forums explaining the new law to those potentially subject to it.

In another area, the Commission progressed toward having the most user-friendly ethics website in the nation. Enhancements were made to its recently unveiled website that have improved its comprehensiveness and useability.

One new feature of the system is the treasurer training module. Available to candidate and party committee treasurers, the training module not only is an excellent educational tool, but one that certifies individuals as competent campaign financial officers.

Finally, providing an Internet electronic filing component, a local candidate database, pay-to-play transparency, and electronic filing for lobbyists, are among the automation goals of the Commission.



## MESSAGE FROM THE CHAIR *continued*

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To accomplish this objective, the Commission is requesting an increase of \$1 million to its regular budget for Fiscal Year 2007 and the future.

These advances in technology are an example of the Commission's commitment to carrying out its mission of disclosure. But, as I have noted on numerous occasions, these advances must be complimented by a continued dedication toward serving the public in a friendly and personal way. As the result of the 2004 reforms, the Commission's budget was increased by \$2 million. This increase has resulted in a growth in staff to 73 employees, with more to come in the future. It has also permitted the Commission to expand its offices to four floors. Nevertheless, the traditional commitment to old-fashioned personal attention remains and is one of the hallmarks of ELEC's success.

In keeping with this personal approach, the Compliance Division provided assistance to treasurers, candidates, lobbyists, the press, and the public through seminars, outreach, the telephone, and in-person assistance. During 2005, 28,954 reports were processed and 32,939 copies of reports reproduced. Staff efforts resulted in a compliance rate of more than 90 percent. Further, in accordance with the Open Public Records Act (OPRA), information was provided to the public in a timely fashion.

The Commission holds a national reputation for analytical reports that track trends in campaign financing and lobbying. During 2005, Deputy Director Jeffrey M. Brindle wrote "Local Campaign Financing: An Analysis of Trends in Communities Large and Small," eighteenth in a series of analytical white papers. Moreover, much statistical information was provided to the public regarding lobbying activity as well as campaign financial activity among legislative and gubernatorial candidates.

Much was accomplished by the Commission's Law Division in 2005. Researching and writing of advisory opinions and regulations consumed much of the Legal staff's time. In addition, the Legal Section issued

75 complaints and final decisions against violators of campaign and lobbyist statutes.

In conjunction with staff attorneys, investigators in the Review and Investigation Section undertook 32 investigations that resulted in penalty actions. While significant penalties were imposed on serious violators of campaign and lobby statutes, all penalties served to promote compliance with disclosure rules and regulations.

The Commission's experienced Executive Director, Frederick M. Herrmann, Ph.D., continued to set a standard of excellence in 2005. In fact, the Executive Director is so highly respected that his name was suggested to President Bush by Senator John McCain of Arizona for a seat on the Federal Election Commission. As a national expert in the field of governmental ethics, Herrmann lent his knowledge and experience toward the enactment of important reforms in New Jersey in 2004, and toward the enactment of additional ones last year. Moreover, besides authoring several articles in national and State publications last year, the Executive Director served on the editorial board of Public Integrity, as the book review editor of the Guardian, and as the author of "Lobbying in New Jersey 2005." The Commission is fortunate to have Executive Director Herrmann at the helm of its staff.

The Commission is very pleased with its accomplishments in 2005 and of its continued reputation as a national leader in the field of ethics. The staff is dedicated and professional; without them ELEC could not administer its responsibilities. I would especially like to mention its special sense of accomplishment with the naming of Legal Director Nedda Massar as the President-Elect of the Council on Governmental Ethics Laws (COGEL) and Compliance Director Evelyn Ford as the President-Elect of the Northeastern Regional Conference on Lobbying (NORCOL). On behalf of Vice Chair Peter J. Tober, Commissioner Albert Burstein, Commissioner Theodore Z. Davis, and the staff, I proudly submit this report to the Legislature.



## EXECUTIVE DIRECTOR'S REMARKS

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Over the past two years, New Jersey has witnessed a virtual revolution in ethics reform. Early in 2004, current Speaker Joseph J. Roberts announced a sweeping legislative reform package that impacted the work of the New Jersey Election Law Enforcement Commission (ELEC) in the areas of campaign financing and lobbying. Among the many major initiatives were: a Clean Elections Pilot Project to fund with public dollars legislative elections in two selected districts, the regulation of Professional Campaign Fundraisers, increased penalties for violating the Campaign Act, an expansion of the 48-hour expenditure reporting requirement, regulation of grassroots lobbying, expanded coverage of the Lobbying Law to include governmental processes as well as legislation and regulations, and a revolving door provision for top state officials who become lobbyists. However, the most publicized reform in the package was the “Pay-to-Play Prohibition Law.”

This act forbids businesses with governmental contracts over \$17,500 from making contributions of over \$300 to candidates and political party committees. Its purpose is to prevent campaign money from influencing governmental decision making on contracting. The ban applies separately at four governmental access points: the executive branch, the legislative branch, the county level, and the municipal level. For the executive branch, contractors may not give to gubernatorial candidates, state political party committees, and county political party committees. At the other access points, contractors may not give at the same access point as the contract to candidates holding office at the time of the awarding of the contract and to a political party committee to which such a candidate belongs. Additionally, an “anti-

wheeling” provision bans a county political party committee from contributing to other county political party committees during the first half of each calendar year when the primary election is being held.



Frederick M. Herrmann, Executive Director

In January of 2006, Governor Richard J. Codey signed a “Pay-to-Play Disclosure Law.” This act built upon the previous prohibition law by providing that a business entering a non-publicly advertised contract over \$17,500 must file a list of contributions over the past year with the public entity with which it wants to contract. Moreover, a business with public contracts of \$50,000 or more must file an annual ELEC report listing

all contributions to various committees along with contracting information. A provision of the disclosure law also allows local governments to establish their own pay-to-play programs outside of the State law.

Both of these new laws point to a pressing need for “Pay-to-Play Transparency.” As reported in the [Asbury Park Press](#), the Commission is hoping to create a local contributions database so that the media and public can monitor potential “pay-to-play” giving not only at the State level but also at the local level. I explained to the paper’s reporter, Gregory J. Volpe, that “the computer has now really become the heart of disclosure. If you don’t have a computer system and a website that’s completely functional, you’re not really disclosing what’s going on.” ELEC has asked the Governor and the Legislature for an ongoing appropriation of one million dollars a year in order to expand the database to the local level and upgrade other parts of its computer system. Since the



## EXECUTIVE DIRECTOR'S REMARKS continued

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Pay-to-Play laws extend to local governments, the Commission wants the voters of New Jersey to be able to see a record of who is donating what to local campaigns as well as Statewide ones.

In a 2004 report, required by a bill in the reform package, to the Governor and the Legislature entitled “Road to the Future: Improving the Usefulness and Convenience of ELEC’s Internet Site,” the Commission recommended a list of computer initiatives that went beyond the creation of a local contributions database, which is so vital to full pay-to-play transparency. ELEC also targeted: a need for electronic filing of reports, addition of more searchable lobbying information, the placement of expenditure reporting into a database, industry coding of contributions, and Internet treasurer training as essential elements of a truly functional disclosure system. More recently, retired Associate Justice of the New Jersey Supreme Court Daniel J. O’Hern and Professor of Law at Seton Hall University School of Law Paula A. Franzese, who had both been appointed by Governor Codey as Special Ethics Counsel, wrote in an OP-Ed piece that the State needs to “cross-index the campaign records maintained by ... ELEC with the records of public contracts awarded.” Their important insight further strengthens the argument for increased funding of ELEC’s computer capabilities.

“True campaign reform” needs to be funded adequately. In New Jersey, thanks to Senate President Codey, Speaker Roberts, and members of the Legislature from both sides of the aisle, empowerment of ELEC was a major part of the reform package of 2004. With our new Governor, Jon S. Corzine, and a climate conducive to improving governmental ethics, it may now be time to go a step further—if the State’s fiscal situation allows it—and heed the recent words of the media. The Courier-Post commented that “ELEC needs one million dollars to expand its operations so Pay-to-Play at the local level can be exposed to the public. If State legislators don’t make

[such] funding a priority, [their efforts] will be ... less effective.” According to the Asbury Park Press, “Legislators ... must approve ELEC’s request for an additional one million dollars to expand the

Commission’s computer system.” In the end, all New Jerseyans concerned about open and honest government in their State will agree with the Press that “ELEC’s call for easy public access to campaign donation records is a

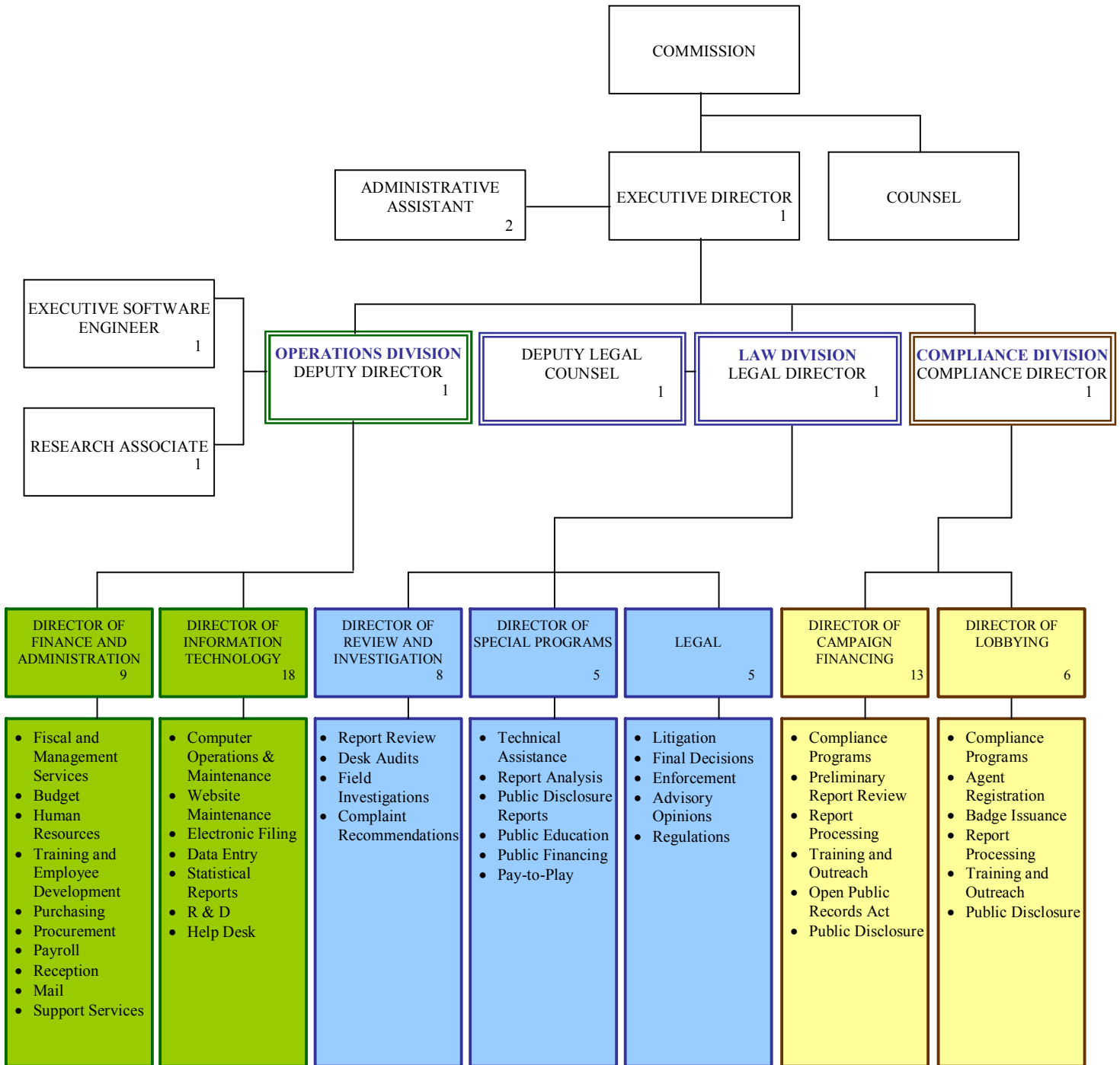
natural complement to [the Pay-to-Play reform] effort.”

*“True campaign reform” needs to be funded adequately. In New Jersey, thanks to Senate President Codey, Speaker Roberts, and members of the Legislature from both sides of the aisle, empowerment of ELEC was a major part of the reform package of 2004.*





# TABLE OF ORGANIZATION





## ELEC OVERVIEW

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### 1973

- Frank P. Reiche, Chair
- Judge Sidney Goldmann, Vice Chair
- Judge Bartholomew Sheehan, Commissioner
- Florence P. Dwyer, Commissioner

### 1974-1979

- Frank P. Reiche, Chair
- Judge Sidney Goldmann, Vice Chair
- Josephine Margetts, Commissioner
- Archibald S. Alexander, Commissioner

### 1980-1981

- Judge Sidney Goldmann, Chair
- Josephine Margetts, Vice Chair
- Andrew C. Axtell, Commissioner
- M. Robert DeCotiis, Commissioner

### 1982-1983

- Andrew C. Axtell, Chair
- M. Robert DeCotiis, Vice Chair
- Justice Haydn Proctor, Commissioner
- Alexander P. Waugh, Jr., Commissioner

### 1984-1986

- Andrew C. Axtell, Chair
- Alexander P. Waugh, Jr., Vice Chair
- Justice Haydn Proctor, Commissioner
- Owen V. McNanny III, Commissioner

### 1987-1988

- Judge Stanley G. Bedford, Chair
- Owen V. McNanny, III, Vice Chair
- Andrew C. Axtell, Commissioner
- David Linett, Commissioner

### 1989-1990

- Judge Stanley G. Bedford, Chair
- Owen V. McNanny, III, Vice Chair
- David Linett, Commissioner
- S. Elliott Mayo, Commissioner

### 1991-1992

- Owen V. McNanny, III, Chair
- Judge Stanley G. Bedford, Commissioner
- David Linett, Commissioner

### 1993-1994

- Owen V. McNanny, III, Chair
- William H. Eldridge, Vice Chair
- David Linett, Commissioner

### 1995

- William H. Eldridge, Chair
- Owen V. McNanny, III, Vice Chair
- David Linett, Commissioner
- Michael Chertoff, Commissioner

### 1996

- Judge Ralph V. Martin, Chair
- David Linett, Vice Chair
- Paula A. Franzese, Commissioner

### 1997-2000

- Judge Ralph V. Martin, Chair
- David Linett, Vice Chair
- Paula A. Franzese, Commissioner
- Lynnann B. Ware, Commissioner

### 2001

- Judge Ralph V. Martin, Chair
- Paula A. Franzese, Vice Chair
- Lynnann B. Ware, Commissioner
- Susan S. Lederman, Commissioner

### 2002-2003

- Judge Ralph V. Martin, Chair
- Paula A. Franzese, Vice Chair
- Susan S. Lederman, Commissioner
- Peter J. Tober, Commissioner

### 2004-2006

- Jerry Fitzgerald English, Chair
- Peter J. Tober, Vice Chair
- Albert Burstein, Commissioner
- Judge Theodore Z. Davis, Commissioner

### EXECUTIVE DIRECTORS

- 1973-1976 David F. Norcross  
1976-1981 Lewis B. Thurston, III  
1981-1984 Scott A. Weiner  
1984-present Frederick M. Herrmann

### COUNSELS

- 1973-1994 Edward J. Farrell  
1994-present James P. Wyse

### CONSULTANT

- 1973-1978, Herbert E. Alexander  
1982,  
1986-1988



## LEGISLATIVE REVIEW AND RECOMMENDATIONS

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As mentioned throughout, the Commission has been implementing the comprehensive legislative ethics reforms enacted in recent months. Many reflected



Jeffrey M. Brindle, Deputy Director

recommendations made in previous annual reports. Recognizing, however, that the cause of ethical government is a continuous task, the Commission anticipates working with the Governor and Legislature for further meaningful amendments to the law.

In this regard, the Commission makes the following recommendations based on experience with the Campaign Reporting Act, the Lobbying Disclosure Act, the Gubernatorial Public Financing Program, and the Personal Financial Disclosure Act. Importantly, as noted in “Road to the Future: Improving the Convenience and Usefulness of ELEC’s Internet Site,” the Commission is recommending an ongoing increase of \$1 million to its annual budget for computer upgrades to effectuate pay-to-play transparency and lobbying disclosure.

### **Campaign Reporting Act**

- Ban contributions made directly from corporate and labor union treasuries.
- Ban the use of partnership funds for the purpose of making contributions.

- Expand the regulation of “Wheeling” to include contributions by county political party committees to other county political party committees during the entire year.
- Make illegal in the private sector, as well as the public sector, the use of force, threats, a condition of employment, or financial reprisal to obtain a contribution.
- Reduce the annual contribution limit to county political party committees to conform to the limit for State political party committees.
- Include in the definition of “candidate” all appointees to fill vacancies for elected offices.
- Amend the 48-hour notice requirement for continuing political committee expenditures to require that notices be filed for expenditures made in municipal, school, and special elections, as well as primary and general elections.
- Prohibit a political committee or continuing political committee from containing in its name the name of a candidate or officeholder.
- Require that the name given to a candidate’s campaign depository account comport with the name of the candidate.

### **Gubernatorial Public Financing**

- Include funds in the Commission’s public financing budget specifically for the purpose of advertising the mandatory gubernatorial debates in New Jersey newspapers.
- Eliminate the gubernatorial spending qualification threshold. A gubernatorial candidate must raise and spend a threshold amount (\$300,000 in 2005) by a date in April for the primary election and in September for the general election in order to receive public matching funds and to participate in the gubernatorial debates. The purpose of the threshold is to ensure that public matching funds are distributed



## LEGISLATIVE REVIEW AND RECOMMENDATIONS continued

only to viable candidates and that viable candidates participate in the debates. The contribution threshold continues to serve as a test of viability, but requiring that a candidate spend a threshold amount by a fixed date in advance of the election is unduly burdensome on a candidate who may need to spend campaign funds closer to the date of the election. Further, the existing statutory requirement to return all unspent funds to the State at the conclusion of a publicly-financed campaign is sufficient protection against the possibility that a campaign may apply for and receive public matching funds and then not spend them.

- Increase the penalties for public financing violations to conform to penalties applicable for other Campaign Reporting Act violations because the public financing penalty amounts have not been changed since 1974. The current maximum penalty for public financing violations is \$1,000 for a first offense and \$2,000 for a second and each subsequent offense. Other penalty provisions in the Campaign Reporting Act have been increased in the intervening years to \$6,000 for a first offense and \$12,000 for a second offense. To serve as a deterrent, the penalty provisions should be the same.
- Study the impact of increasing the number of required debates for publicly-financed candidates from two to three in the primary and general elections.
- Require disclosure of occupation and employer information for contributions from individuals in the aggregate in excess of the \$300 disclosure threshold on reports filed by an Inaugural event committee.
- Study the effectiveness of the gubernatorial ballot statement program to determine whether or not it is an effective means of communicating the candidates' messages to New Jersey voters and to recommend alternatives to the ballot statement program.
- Study the impact of eliminating the expenditure limit of a publicly-financed candidate who faces a non-publicly financed candidate who spends in excess of the expenditure limit.

- Study the fiscal impact of providing additional matching funds to publicly-financed candidates who face non-publicly financed candidates whose spending exceeds the gubernatorial public financing expenditure limit.

*Importantly, as noted in "Road to the Future: Improving the Convenience and Usefulness of ELEC's Internet Site," the Commission is recommending an ongoing increase of \$1 million to its annual budget for computer upgrades to effectuate pay-to-play transparency and lobbying disclosure.*

### **Lobbying Disclosure Act**

- Require lobbyists to file quarterly rather than annual reports which include both financial and lobbying activity.
- Conform the penalty provisions of the Lobbying Disclosure Act to those of the Campaign Reporting Act.
- Add political ID to grassroots lobbying materials.
- Study expansion of lobbying reporting requirements to include activity of outside governmental affairs agents hired by public entities.

### **Personal Financial Disclosure Act**

- Provide for uniform disclosure of gifts, reimbursements, and honoraria of over \$250 in a calendar year and require disclosure of their value and a description of the article if other than cash.
- Require reporting of the occupation and employer of individuals providing reportable benefits.
- Conform the penalty provisions of the Personal Financial Disclosure Act to the Campaign Reporting Act.



## COMPLIANCE DIVISION

With 2005 a legislative year and with 17 new laws to implement, the Compliance Division was exceedingly busy last year. Yet, despite its daunting responsibilities, the Compliance Division met the challenge and again performed in an exemplary fashion.

### **Introduction of New Laws**

An important task, indeed an all-consuming task, was the implementation of the new laws passed as part of

revision of all filing materials. During 2005, the Compliance Division completed final revisions of the Compliance Manual for candidates and the Manual for Continuing Political Committees (PACs), Legislative Leadership Committees, and Political Party Committees. Moreover, the Compliance Division created a manual for political committees and the new packet of materials for Recall Committees. Importantly, the staff updated fact sheets involving pay-to-play legislation and undertook periodic staff training. All of the new materials are available through the Commission's website.



Standing from left: Monica Triplin-Nelson, Linda White, Sylvette Seay, Michel Donato-Suarez, Evelyn Ford, Joseph Barish, Titus Kamal, Igor Milewski, Maite Urtasun, Nancy Fitzpatrick, Marcus Malmignati, and Milene Matos.

Sitting from left: Samira Wood, Todd Wojcik, Christopher Vigale, Danielle Hacker, and Desiree DeVito.

the overall reform effort in New Jersey. This process took three forms: implementation of changes to the Campaign Finance Laws, implementation of the Professional Campaign Fundraiser Law, and implementation of the new Lobbying Law.

Central to integrating campaign finance reforms into the Commission's fabric of disclosure was the major

Gearing up for the introduction of the Professional Campaign Fundraiser Law was a major undertaking. As part of this effort, the Compliance staff developed and issued registration and termination forms. These forms, along with a question and answer packet, were provided to potential filers after an exhaustive research effort designed to identify professional fundraisers. In addition to preparing and publishing a quarterly report of activities, the Compliance Division made

sure that staff was trained in the nuances of the new laws.

Implementing the new Lobbying Law was another daunting responsibility. All materials were revised, including the Notice of Representation, the Notice of Termination, and the forms for reporting quarterly activity reports. Further, ongoing staff training



## COMPLIANCE DIVISION continued

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became a regular part of Compliance activities as well as conducting seminars for lobbyists. The Compliance staff posted summaries of the new Lobbying Law and developed power point presentations.

As if this were not enough, the Compliance Division provided formal training for treasurers, maintained a database for keeping records of trained treasurers, and implemented the Internet Treasurer Training Program. As part of the Internet Training Program, staff developed 100 questions and tested and reviewed the training program.

### Ongoing Activities

In 2005, the Compliance Division continued to publish the lobbying activity quarterly report. Moreover, staff contributed to a report detailing the annual financial activity of lobbyists while registering 550 legislative agents. Finally, the Compliance Division produced six legislative statistical reports, facilitated personal financial disclosure reporting, and responded to numerous Open Public Records Act (OPRA) requests last year. And, while all of this activity was taking place, the Compliance staff employed eight additional staff people, all of whom underwent compliance training.

### Compliance

In expected fashion, the Compliance Division did an excellent job of promoting disclosure last year. Through direct mail, daily telephone assistance, seminars, consultations, and a home page, the Division was again able to accomplish over 90 percent compliance with the disclosure laws. As noted above, an important part of this effort was the informational seminars presented to candidates, treasurers, the public, and lobbyists. During 2005, 31 information sessions were held, an activity that dovetailed well with the valuable telephone assistance afforded to filers. Together, these two activities allowed staff to provide answers to complex questions, both over the phone and in person.

The Commission takes very seriously its mission of disclosure. And, in this regard, the Compliance Division proved once again that it plays a central role in this process.

### Information

Legislative elections were held in 2005, thus adding to the overall number of reports filed and to the workload of the Compliance staff. During 2005, 6,193 candidates and committees filed reports. In addition, 1,665 political parties and PACs submitted reports along with 613 registered lobbyists. Altogether, 8,471 filing entities filed over 29,000 reports with the Commission, all of which were processed by the Compliance Division. Campaign and quarterly reports constituted about 25,000 of the total, personal financial disclosure 242, and lobbyist reports almost 4,000.

Beyond processing reports and making them available for public consumption, the Compliance staff responded to almost 10,000 telephone requests and

*An important task, indeed an all consuming task, was the implementation of the new laws passed as part of the overall reform effort in New Jersey.*

provided about 33,000 photocopies.

Obviously, there is great public interest in the work of

the Commission and the Compliance Division staff was very responsive to public needs.

### Conclusion

The Compliance Division carried out its responsibilities in tremendous fashion in 2005. From implementing new laws to performing traditional functions, the Compliance Division was integral to the Commission maintaining its reputation as a constituent friendly agency whose priority is serving the public.



## LAW DIVISION

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### LEGAL SECTION

The process of implementing 17 new laws consumed much of the Law Division's time last year. Throughout 2005, the participation of the Legal staff in effectuating much of the comprehensive reform package was invaluable.

### The Regulatory Process



Standing from left: Nedda Massar, Leonard Gicas, Michelle Levy, and Carol Hoekje.  
Sitting from left: Amanda Haines, Gail Shanker, and Ruth Ford.

The scope of legislative reforms was enormous. Even though the majority of reforms were passed in 2004, the business of implementing the changes to the law did not ease in 2005, but rather intensified. Much of the responsibility for accomplishing this task fell to the Law Division. Specifically, the responsibility to reconcile existing rules and procedures with the new laws was that of the Legal Section. This responsibility was both daunting and challenging.

The top of the list of challenges was the innovative Clean Elections Pilot Program. This program,

which involved legislative candidates in the sixth and thirteenth districts, required candidates to seek five and thirty dollar donations from constituents in the very short time between the primary election and the middle of September. In order to become a certified candidate and receive public funds, candidates had to raise a threshold amount of \$20,000 in these small denominations. As might well be imagined, this program, which holds promise for the future, required both regulatory action as well as administrative oversight. Moreover, numerous meetings were held by the New Jersey Citizens' Clean Elections Commission in order to monitor the pilot program and make adjustments as needed. In all of these functions and activities, the Legal Section staff played a pivotal role.

Another very significant undertaking was the promulgation and adoption of regulations designed to make the Lobbying Reform Law effective. This reform expanded the Lobbying Disclosure Law to include governmental processes, grassroots lobbying, mandated auditing of lobbyist activity, and a gift ban. The process of implementing the new law, particularly with respect to governmental processes, was an arduous one. In addition to the drafting of regulations, the process involved public hearings, which

generated much interest, along with obtaining much input from the lobbying community and other interested parties. Throughout this process the Legal Section staff was central to the effort toward making the process successful and workable.

In terms of campaign financing, the reform package included the regulation of professional fundraisers and the creation of a Treasurer Training Program. Again, the Legal Section staff was central to the task of implementing these laws through the promulgation and adoption of regulations.



## LAW DIVISION continued

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Finally, the staff of the Legal Section played a very important part in preparing for the implementation of significant pay-to-play legislation. The Law Division Director, along with the Executive Director, worked with the Department of the Treasury and the Department of Community Affairs, in carving out a respective division of authority. The Department of the Treasury and the Department of Community Affairs are responsible for the contracting side of the legislation whereas the Commission is responsible for disclosure of campaign contributions. In the current year, the Law Division is in the process of promulgating regulations to implement pay-to-play. Law Division staff, through the Special Programs Section, is responsible for advising the public and for administering the Commission's part of the program.

### **Advisory Opinions**

Another very important function of the Legal Section is the preparation of advisory opinions. During 2005, the Legal Section prepared and issued five advisory opinions.

A publicly-financed gubernatorial candidate was advised that public matching funds could be used to pay the costs to develop a campaign website and to send email messages to New Jersey voters. A non-publicly financed gubernatorial candidate was told that it was permissible to count an unlimited amount of his own personal funds toward the \$300,000 debate qualification threshold and a State political party committee was instructed that it was not subject to the \$500 inaugural event contribution limit.

The Commission authorized the use by Clean Elections Pilot Project candidates of a "check card process" to accept qualifying contributions. Two non-qualifying candidates were advised that they could return contributions to contributors.

### **Civil Complaints**

Not to be overlooked, the Legal Section performs another vital Commission function, namely the

preparation and issuance of complaints and final decisions. This responsibility is integral to the process of assuring strong compliance with campaign financing and lobbying laws. As noted, the compliance rate is always 90 percent or better, and the Legal staff, through its enforcement activity, is critical to this success rate.

During 2005, 75 complaints were issued, four of which resulted from lengthy and exhaustive investigations that involved complex issues. Included among the complaints rendered, were complaints involving personal financial disclosure, primary, general, and May municipal elections. This complaint activity also involved major local elections and party organizations.

In addition to issuing complaints, the Legal

Section staff issued numerous final decisions closing cases and imposing penalties. In total, 60 final decisions were rendered. These final decisions involved alleged violations including: non-filing,

late filing, failure to report missing contributions and expenditure activity, failure to maintain records, and failure to file 48-hour notices. The staff was able to obtain missing information valuable to the public. In total, fines amounting to \$145,382.00 were paid in 2004.

The Commission makes all complaints and final decisions available on its website [www.elec.state.nj.us/](http://www.elec.state.nj.us/) for inspection by the public.

### **Conclusion**

Enforcing the law and interpreting the law through regulations and advisory opinions is the mission of the Legal Section. This activity is critical to the effective administration of the Campaign and Lobbying Financial Disclosure Laws, the Personal Financial Disclosure Law, and the Gubernatorial Public Financing Program. In every way the Legal Section undertakes its responsibilities professionally and artfully.

*The scope of legislative reforms was enormous. Even though the majority of reforms were passed in 2004, the business of implementing the changes to the law did not ease in 2005, but rather intensified.*





## LAW DIVISION continued

### **REVIEW AND INVESTIGATION SECTION**

Vital to the Commission's efforts to enforce compliance with disclosure laws is the function performed by the Review and Investigation Section. The Section's workload and emphasis continues to revolve around the fundamental issues of financial disclosure and

the contribution limits, compliance with the 48-hour notice reporting requirements, compliance with the regulation concerning the reporting of contributions received from partnerships, and reporting requirements for persons or entities allegedly engaged in election advocacy. The Commission's enhanced website proves of invaluable assistance in providing almost immediate access to scanned reports and filings.



From left to right: Matthew Krinsley, Christopher Mistichelli, Brett Mead, Kenneth Mariano, Carol Hoekje, Renee Cardelucci, Shreve Marshall, and Christopher Gear.

campaign finance reform. The requirements of the new legislation have added to the Section's anticipated workload but not to its fundamental emphasis on campaign finance reform.

### **Investigations**

The Commission closed 32 investigations in calendar year 2005, with complaint recommendations in 13 of those cases. The investigations continue to concern such issues as the timely reporting of complete contribution and expenditure information, adherence to

One major investigation involved the late reporting by a candidate for municipal office in the 2002 municipal election. The investigation concluded with a complaint recommendation involving over forty counts for the late filing of contribution and expenditure information, of which 31 counts related to preelection quarterly disclosure requirements. The complaint also included twenty counts for the late filing of required occupation and employer information for individual contributors.

Staff also concluded a report review project reviewing the 2003 fourth quarter reporting of continuing political committees. The results of the report review indicated in particular a pattern of non-compliance with the obligation to file 48-hour notices of expenditures in excess of \$800 in the aggregate made to support or defeat a candidate or public question during the time period from October 1, 2003 through the date of the 2003 general election. As of the close of the 2005 calendar year, staff had concluded four of five investigations opened as a result of the report review project, with complaint recommendations in three cases.



## LAW DIVISION continued

The Section issued 12 subpoenas in calendar year 2005, all for records of a campaign or organizational depository.

### Requests for investigation

Any member of the public can request an investigation by completing the Request for Investigation form which can be found on the Commission's website, [www.elec.state.nj.us](http://www.elec.state.nj.us). All requests for investigation over which the Commission has jurisdiction are presented to the Commission within approximately 90 days of receipt, and the Commission determines whether or not to open a review of the allegations.

The Commission received a total of 181 requests for investigation in calendar year 2005. The Commission did not have jurisdiction over 31 requests, and 17 others were either administratively resolved or held pending receipt of additional information. A total of 133 requests for investigation were presented to the Commission for its determination whether or not to open a review. In calendar year 2005, the Commission determined to open a total of 50 investigations.

### Administrative Hearing and other Legal Support

The Review and Investigation Section also assists the Legal Section in the preparation of cases for hearings before the Office of Administrative Law when respondents do not waive such hearings and in the review of amended reports filed by respondents in response to Commission complaints. The Section's investigators also review the Commission's files for records of candidates and entities participating in an election who have failed to file any reports. The Section transmitted recommendations to the Legal Section which resulted in the issuance of 69 complaints for non-filing of reports. These complaints included 22 from the 2004 general election, 41 from the 2005 primary election, two from the 2005 municipal election, and four from the 2005 Personal Financial Disclosure filings.

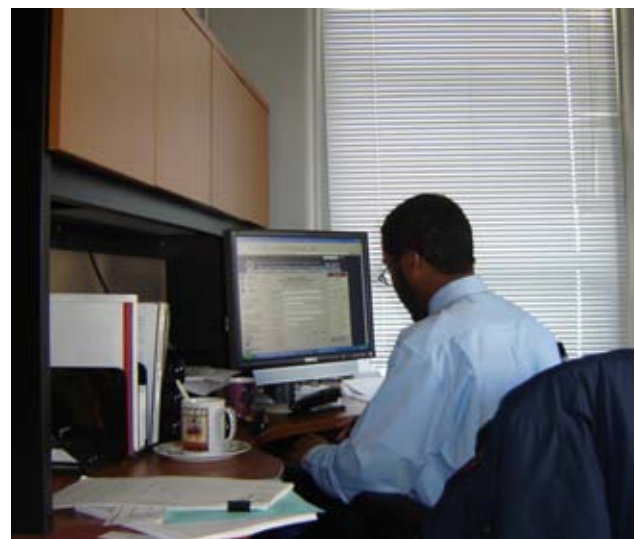
### Other Activities

The Investigative staff also continued to provide assistance to other law enforcement agencies including the Division of Criminal Justice and the U.S. Attorney's office. Senior investigative staff also provided training to new Section and Commission staff members.

*The requirements of the new legislation have added to the Section's anticipated workload but not to its fundamental emphasis on campaign finance reform.*

The Review and Investigation Section saw the addition of two new investigators, for a total of five investigators

at the close of the year, and three report review positions in a newly created report review subsection. As the year closed, the Review and Investigation Section looked forward to the challenges posed by the new legislation and to continued service to the members of the public and to the Commission.



Lovinsky Joseph  
A typical work day at ELEC



## LAW DIVISION continued

### SPECIAL PROGRAMS

During 2005, the Commission administered its eighth consecutive Gubernatorial Public Financing Program. Six primary candidates and one general election candidate received matching funds totaling \$6.9 million. In addition, one primary candidate for Governor and one general election candidate qualified to participate in the publicly sponsored debates, but opted to not receive public funds.

In 1989, New Jersey became the first State to require candidates receiving publicly matched funds to participate in two publicly sponsored televised debates. As part of that law, the Commission was charged with the responsibility to select debate sponsors and to oversee the process. As it has always done, the Commission understood its mission to be very important, and selected sponsors with an eye toward ensuring that all New Jersey voters would have access to televised debates. This effort toward enlightening the public about the views of potential governors was again successful. The two 2005 primary election debates provided a forum for seven Republican candidates. In the 2005 general election, the Commission determined that two candidates were qualified to take part in the debates.

As part of its responsibility to manage the Gubernatorial Public Financing Program, the Commission also has the obligation to administer the Gubernatorial Ballot Statement Program. This program permits each gubernatorial candidate to submit a statement to be printed on the general election sample

ballot in the 21 counties. Moreover, these statements were also published on the Commission’s website. As it has done in the past, the Commission, charged with the responsibility to reimburse the county clerks for the costs of printing and mailing, ran the program in a very effective and efficient manner.

Finally, in terms of gubernatorial public financing, the Commission oversaw compliance with guidelines regarding the gubernatorial Inaugural event. In addition to ensuring that this Inaugural committee complied with the \$500 contribution limit, all Inaugural event reports were made available on the Commission’s website.

The Special Programs Section was responsible for carrying out all gubernatorial public financing responsibilities and again did an exceptional job.



Standing from left: Felice Fava, Christine Aquilante, Laura Jurkiewicz, and Scott Fagerty.  
Sitting from left: Amy Davis and Lou Solimeo

*The recent election represented another successful effort by the Special Programs Section. A major effort was made to better facilitate electronic filing and in turn, better public access to gubernatorial and clean elections information.*



## LAW DIVISION continued

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### **Clean Elections Program**

In June 2004, the Governor and Legislature enacted a pilot program to debut in the 2005 legislative general election. The Commission was given the responsibility to administer the program that would be tried in two legislative districts, the sixth and thirteenth. Candidates in these districts, chosen by the chairs of the two state political parties, would be eligible to receive Clean Elections funds if they raised \$20,000 in five dollar and thirty dollar denominations.

In the end, \$260,000 in public funds was distributed to the Democratic candidates in the sixth districts. While all candidates eligible to participate in the program attempted to raise the requisite amount of money, only the two candidates in the sixth district qualified. Nevertheless, all candidates agreed that the program represented a solid pioneering effort and expressed the hope that with certain changes, the program could move forward in the future.

The Commission, through its Special Programs Section, contributed much to the program. For example, the Special Programs Section created new forms, held informational sessions, and worked with computer staff to develop the Clean Elections Electronic Filing System (CEEFS). This software allowed participating Clean Elections candidates to key contribution and expenditure information into a database and file their campaign reports on a single compact disk.

Similar to the Gubernatorial Public Financing Program, the Clean Elections Program required certified candidates to participate in two general election debates. This process was overseen by the Commission through the Special Programs Unit. Moreover, Assembly candidates in the two selected districts could submit a 500-word statement for publication in a voter's guide contained on the Commission's website. The Special Programs Section processed statements from five candidates.

### **Information Seminars**

During 2005, information seminars and training sessions were held for gubernatorial candidates and treasurers. Altogether, nine primary and general election campaigns utilized the Commission's electronic filing software. Use of this software was taught by Special Programs Staff during the training sessions mentioned above. The beauty of the electronic filing program was that it eliminated the need for campaigns to submit voluminous documents containing information on contributions eligible for match. In the end, less time was needed for staff to review matching fund applications, to provide campaign with public money, and to provide the public with this important information.

Finally, enhancements were made to the software that allowed for an Inaugural committee to create a separate database to key contributor and expenditure information and to submit electronically filed reports.

### **Conclusion**

The recent election represented another successful effort by the Special Programs Section. A major effort was made to better facilitate electronic filing and in turn, better public access to gubernatorial and clean elections information. With the ability given to the public to immediately generate and view reports, sort contributor data, and download it, the Commission has again improved upon its ability to fulfill its mission of disclosure. Despite this impressive record, the need remains for the Special Programs Staff to respond to telephone inquiries and to provide guidance to candidates, the public, and the press. Staff will continue to strive for an even better record in the future.



## OPERATIONS DIVISION

### INFORMATION TECHNOLOGY SECTION

#### Development and Programming

With the assistance of consultants and input from non-computer staff members, the Information Technology Section unveiled the Commission’s new, state-of-the-art, homepage in 2005.



Standing from left: Ken Colandrea, Anthony Giancarli, Lou Solimeo, Peter Palaitis, and Brian Robbins.  
Sitting from left: Carol Neiman, Kim Vandegrift, Maryanne Garcia, and Aydan Altan

As expected, the website is pleasing to the eye, user friendly, and easy to navigate. Among the many new features are sections entitled: “About ELEC,” “Public Information,” “For ELEC Filers,” and “Legal Resources.”

The “About Us” section provides ready information about commissioners and staff; meeting dates and times; press releases; ELEC publications; and, importantly, how to contact the Commission.

*As the result of the new homepage and additional technological developments, the public, press, and filers will be well served for years to come.*

Among the features contained in the “Public Information” section are the means to view 48-hour notices, undertake simple or advanced contributor searches, and create customized listing of candidates, parties and PACs. The user can also download data quickly, view complaints and final decisions, and search for current and historical information.

Those needing filing instructions can access the “For ELEC Filers” section, which provides one stop shopping for reporting dates, seminar notices, and forms and instructions. This section includes the newly developed on-line Treasurer Training for candidates and committees, political party committees, legislative leadership committees, and PACs.

For those seeking “Legal Resources,” this section provides information about requesting an advisory opinion or requesting an investigation. By accessing the “Legal Resources” section, the user can also view advisory opinions, regulations, complaints, and final decisions.

The introduction of the new homepage was a milestone in the Commission’s efforts to remain on top of the disclosure world. But progress did not stop there. The completion of additional development projects demonstrated ELEC’s determination to provide the best in disclosure of campaign finance and lobbying information to New Jersey residents.

Among these developments were on-line Treasurer Training and tracking, design of a Clean Elections Electronic Filing Program, and major FileNet upgrades. Moreover, updates and enhancements were made to the gubernatorial and non-gubernatorial electronic filing systems and work was begun on short form electronic filing.



## OPERATIONS DIVISION continued

As the result of the new homepage and additional technological developments, the public, press, and filers will be well served for years to come.

### **Maintenance and Support**

Throughout 2005, the Information Technology team provided maintenance and support for the many servers, switches, routers, PC's, printers, and scanners utilized at the Commission. Critical to the effort of phasing in the new website was the help desk support provided by staff to the public. Moreover, the assistance provided from the Information Technology Section during its monumental effort to move staff to the eighth floor was invaluable. The technical support team assisted with rewiring plans for voice, data, and electricity prior to the move. It also relocated PC's, printers, and scanners to the eighth floor and upgraded CISCO network equipment. Finally, the technical support staff held training classes on ELEC track coding, email, and discovering ELEC's website.

Finally, help desk assistance was provided to staff for hardware and program support. Importantly, help desk support was given to both electronic filers and Internet users. Users were assisted in viewing campaign finance reports and detailed data information on-line.

### **Data Entry Staff**

An important component of Information Technology, the data entry staff, which grew to ten in 2005, worked with the Compliance Division to produce campaign financial statistics on the recent legislative election. Thus, the public is able to obtain fundraising and spending totals for 2005 assembly candidates on-line.

As the result of the efforts of the data entry staff, gubernatorial contributor and expenditure data was entered and posted on the Internet in record time. Moreover, these key staff members entered contributor data reported by legislative candidates, state party committees, county party committees, and legislative

leadership committees. Data staff entered detailed information from annual lobbyist/legislative agent reports and provided valuable assistance in providing data used in White Paper Number 18, "Local Campaign Financing: An Analysis of Trends in Communities Large and Small," published in 2005.

In a word, the data entry staff has played a major role in making important campaign related information available to the public.



Standing from left: Pam Kinsey, Helen Kelly, Tamico Flack, and Brenda Brickhouse.  
Sitting from left: Shirley Bryant, Darlene Kozlowski, Tamika McCoy, and Susan Danley

### **Work In Progress**

During the current budget process, the Commission is requesting an ongoing increase of one million dollars to its annual budget. This increase would allow for the following:

- Creation of pay-to-play vendor electronic filing,
- Creation of a local database for greater pay-to-play transparency,
- Creation of a lobbyist module for scanning and electronic filing,
- Replacement of outmoded equipment, and
- Creation of an electronic filing program for political parties, legislative leadership committees, and PACs.



## OPERATIONS DIVISION continued

### FINANCE AND ADMINISTRATION SECTION

To reflect the increased responsibilities resulting from growth in the Commission's budget and staff, the Section charged with administering the agency is now called Finance and Administration. A central part of the agency, the Finance and Administration Section provides

### Budget Management

Last year, the Commission's annual budget was \$5 million. In addition, the Commission received over \$8.8 million for distributing public matching funds to qualified gubernatorial candidates and an additional \$1 million for administering the program, including funding the Ballot Statement Program. During 2005, the



From left to right: Aracelis Ocasio, Linda Lopez, Meggan Mathies, Gary Alpert, Debra Kostival, Irene Comiso, Donna Margetts, Anita Vaingankar, and Elaine Salit

management services to the Commission. These services include budgetary forecasting, analysis and planning, personnel, payroll, purchasing and procurement, health benefits, mail processing, maintenance and security. Moreover, the Finance and Administration area has responsibility for overseeing the reception area, whose receptionists are recognized for their courtesy, friendliness, and commitment.

Commission provided \$6.9 million in public funds to qualified gubernatorial primary and general election candidates.

The \$5 million annual budget was the result of an increase of \$2 million due to the enactment of 17 campaign finance and lobbying reform laws. The reform laws and budget increase were naturally accompanied by



## OPERATIONS DIVISION continued

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added major responsibilities. In order to implement the new laws, staff needed to be hired and office space added. During 2005, the Finance and Administration Section worked with the Department of Personnel (DOP) in hiring new staff, with the ultimate goal of hiring 36 new staff members as directed by the Legislature. Moreover, the Section successfully acquired new office space, providing accommodations for the administrative, data entry, and Special Programs staff.

### Personnel

As noted, the Finance and Administration Section staff worked together with representatives from DOP to implement an expedited hiring process to fill newly created positions. As a result, an open competitive list was generated, from which the Commission hired 13 new staff members. These new staff were assigned to various sections within the Commission. In addition, two individuals transferred from other State agencies to fill investigative positions and two attorneys were hired to fill legal positions. In total, the hiring of new staff brought the Commission's total complement to 73, an increase of 67 percent over previous years.

### Office Space

To accommodate the expansion of the Commission's staff, additional office space was acquired. Working in tandem with Lease Management, the Commission secured a commitment to occupy the 8<sup>th</sup> floor of the building in which ELEC is located. As the result of the enlargement of the Commission's staff and the expansion of its duties, the Commission now is an occupant on four floors of the Old National State Bank building.

### Other Activities

With additional resources, the Commission has been able to allocate funding in the area of purchasing, which includes upgrading its computer hardware, service and maintenance contracts, and agreements with vendors for much needed software enhancements to fulfill the new legislative mandates. Most critically, these developments have paved the way for the continued improvement in the Commission's historic mission of disclosure and has allowed for significant progress in the area of electronic filing for gubernatorial candidates and eventual Internet filing for all candidates for public office.

By providing fiscal and personnel needs for the Commission, the Finance and Administration Section performs essential services and support. In 2005, the Section continued to meet these responsibilities effectively and welcomes all additional future challenges and responsibilities.

*During 2005, the Finance and Administration Section worked with the Department of Personnel (DOP) in hiring new staff, with the ultimate goal of hiring 36 new staff members as directed by the Legislature.*





**OPERATIONS DIVISION continued**

In FY-2007, the Commission anticipates an appropriation of \$5,027,000 based on the Governor's Budget Recommendation.

**Comparison of Fiscal Years 2005 and 2006 Original Appropriations**

	<u>FY-2005 Appropriation</u>	<u>FY-2006 Appropriation</u>
Personnel	\$4,431,000	\$4,545,000
Printing & Supplies	49,000	49,000
Travel	10,000	10,000
Telephone	40,000	40,000
Postage	38,000	38,000
Data Processing	250,000	250,000
Professional Services	40,000	40,000
Other Services	28,000	28,000
OIT	19,000	19,000
Maintenance/Equipment	2,000	2,000
Furniture/Equipment	0	0
Commissioner Per Diem	<u>15,000</u>	<u>15,000</u>
<b>Total Operational</b>	<b>\$4,922,000</b>	<b>\$5,036,000</b>

**2005 Evaluation Data**

Disclosure Reports (Total).....	28,954
<i>Campaign &amp; Quarterly</i> .....	24,730
<i>Lobbyist</i> .....	3,982
<i>Personal Finance</i> .....	242
Photocopies.....	32,939
Investigations.....	32
Civil Prosecutions.....	75
Public Assistance Requests.....	11,265
Fine Collection.....	\$145,382
Lobbying Annual Fees.....	\$239,425



## STATUTORY HISTORY OF ELEC

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- **Commission** created by P.L. 1973, c.83 (N.J.S.A. 19:44A-1 et seq.) -"The New Jersey Campaign Contributions and Expenditures Reporting Act" - effective date: April 24, 1973.
- **Gubernatorial Public Financing Program** established by P.L. 1974, c.26 (N.J.S.A. 19:44A-27 et seq.) - effective date: May 6, 1974.
- **Personal Financial Disclosure Program** established by P.L. 1981, c.129 (N.J.S.A. 19:44B-1 et seq.) - effective date: May 1, 1981.
- **Lobbying Program** established by P.L. 1981, c.150 (N.J.S.A. 52:13C-18 et seq.) - effective date: May 22, 1981.
- **Continuing Political Committee (PACs) Quarterly Reporting** established by P.L. 1983, c.579 (amendments to N.J.S.A. 19:44A-1 et seq.) - effective date: January 17, 1984.
- **Lobbying Reform** established by P.L. 1991, c.243 (amendments to N.J.S.A. 52:13C-18 et seq.) - effective date: January 1, 1992.
- **Campaign Finance Reform** established by P.L. 1993, c.65 (amendments to N.J.S.A. 19:44A-1 et seq.) - effective date: April 7, 1993.
- **Street Money Reform Law** established by P.L. 1993, c.370, (codified as N.J.S.A. 19:44A-11.7) - effective date: January 7, 1994.
- **Uniform Recall Election Law** established by P.L. 1995, c. 105, (codified as N.J.S.A. 19:27A-1 et seq.) - effective date: May 17, 1995.
- **Political Identification Law** established by P.L. 1995, c. 391, (codified as N.J.S.A. 19:44A-22.2 and 22.3) - effective date: February 1, 1996
- **Contribution Limit Changes** established by P.L. 2001, c. 384 (amendments to N.J.S.A. 19:44A-1 et seq.) – effective date: January 8, 2002.
- **Campaign Financing Reform Initiatives** established by P.L. 2004, c. 19, 21, 22, 28, 29, 30, 31, 32, 33, 123, and 174 (amendments to N.J.S.A. 19:44A-1 et seq.) – effective dates from June 16, 2004 through January 1, 2006.
- **Clean Elections Pilot Project** established by P.L. 2004, c. 121 – effective date August 11, 2004.
- **Lobbying Law Expansion** established by P.L. 2003, c. 255 (effective April 13, 2004) and P.L. 2004, c. 20, 27, 34, 36, 37, and 38 (amendments to N.J.S.A. 52:13C-18 et seq.) – effective dates April 13 through August 16, 2004.
- **Pay-to-Play Contracting Reform** (amendments to N.J.S.A. 19:44A-1 et seq.) established by P.L. 2004, c. 19 (codified as N.J.S.A. 19:44A-20.3 through 20.12) - effective January 1, 2006; P.L. 2005, c. 51 (codified as N.J.S.A. 19:44A-20.13 through 20.25) - portions retroactive to October 15, 2004 and portions effective January 1, 2006; and, P.L. 2005, c.271 (codified as N.J.S.A. 19:44A-20.26 and 20.27) - effective January 5, 2006



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