

NEW JERSEY ELECTION LAW ENFORCEMENT COMMISSION

PUBLIC SESSION MINUTES

May 2, 1979 Meeting

PRESENT

Frank P. Reiche, Chairman  
Sidney Goldman, Vice-Chairman  
\*Josephine S. Margetts, Member  
Archibald S. Alexander, Member  
Lewis B. Thurston, III, Executive Director  
Edward J. Farrell, Esq., General Legal Counsel  
Gregory E. Nagy, Esq., Staff Counsel  
Andrew Axtell, Nominee to Commission

\*Commissioner Margetts attended the meeting until approximately 1:30 p.m., through item no. 3 of the minutes.

The chairman 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 posted in the State House Annex, and mailed to the Newark Star Ledger, the Philadelphia Bulletin and the entire State House press corps.

The meeting convened at 10:10 a.m.

1. Issues Relating to Political Action Committees' Filing Requirements and Commission Regulations Relative to This

The Commission reviewed its regulations regarding political action committees' filing requirements in the context of publicly-financed gubernatorial elections. The Commission also discussed specific issues relative to the filing requirements of the General Motors Civic Involvement Program and the Johnson and Johnson Employees' Good Government Fund.

The Commission concluded that a new regulation with general applicability was appropriate on the subject of political action committees and particularly out-of-state political action committees. The Commission indicated that as to out-of-state political action committees it would generally be required to have a New Jersey treasurer but not a New Jersey bank account unless their activity qualified them as a political committee in New Jersey. Generally they could submit copies of the reports they would file with the Federal Election Commission for the past year to ELEC on the 25th day prior to the election and supplement this with an indication of contributions made to New Jersey candidates in reports to be rendered 7 days before the election and 15 days after the election.

It was agreed that counsel would draft a new regulation for general application based upon these considerations. The staff will obtain information from the New York Election Board as to its treatment of allocation of certain overhead expenses of parent organizations and generally review this issue as to its possible future application to New Jersey.

2. Compensation for Commission Members

The Commission discussed various possible methods of provision of Commission compensation, including regular State payroll and payment by voucher. It was generally agreed that payment by voucher would be a more feasible and preferable procedure to be employed for this purpose. The executive director will consult further with Treasury Department officials to set up the appropriate account in anticipation of payment of Commission compensation beginning July 1, 1979.

3. Political Participation of Commission Members

After discussion, the Commission concluded that Commission members should not engage in partisan political activity, including the making of campaign contributions to parties or candidates at any level, including the Federal level. A majority of the Commission also concluded that spouses of Commission members should not engage in partisan political activity, including the making of campaign contributions to parties or candidates at any level, including the Federal level.

4. Report on Legislation

The executive director reported on the current status of legislation of particular interest to the Commission. He indicated that it was anticipated that the Senate State Government Committee would take up the subject of Senate 3133, a bill to extend public financing to gubernatorial primaries as drafted by the Commission, at its meeting on May 3, 1979. He also indicated that he anticipated that Assembly Majority Leader Burstein would introduce the Commission's bill to amend the Campaign Contributions and Expenditures Reporting Act in many respects in the very near future.

5. Enforcement Procedures Relative to Outstanding Fines

The executive director and staff counsel reported that they had begun gathering the appropriate information and preparing the appropriate letters to be utilized in intensifying the Commission's efforts to collect unpaid fines.

6. Minutes of Public Session of Commission Meeting of April 18, 1979

On a motion by Vice-Chairman Goldmann, seconded by Chairman Reiche and a vote of 3-0, the Commission approved as amended the minutes of the public session of the Commission meeting of April 18, 1979.

7. E.L.E.C. 1980 Fiscal Budget

The executive director reported that the line item in the annual appropriations bill for 1979-80 (S3200) is \$8,400 less than the previously-understood recommendation of the Joint Appropriations Committee. This is because of the effect of 2 resolu-

tions which made deductions in subscription, telephone, postage, and consultant accounts generally throughout the State budget. Under these resolutions as to certain of the accounts the Budget Division has discretion relative to allocating the deductions among several agencies which share a budget line. This is the case relative to the Election Law Enforcement Commission, the Commission on Ethical Standards and the Commission on Compensation of Victims of Violent Crimes. Mr. Thurston indicated that the \$8400 reduction was a result of this process. The recommended budget figure for ELEC is approximately \$156,000 in excess of the amount recommended by the Governor.

8. Annual Report Requirements of Political Information Organizations  
The Commission reviewed the status of these filing requirements. The annual reports of such organizations for 1977 and 1978 have been postponed until July 1, 1979, with designation of treasury and bank accounts for such reports postponed until May 31, 1979. Because of delays in scheduling consideration by the New Jersey Supreme Court of the appeal to that Court in the case of New Jersey Chamber of Commerce et al. vs. E.L.E.C. et al. it may be necessary at the next meeting to consider the question of whether a further extension of these filing dates is appropriate. Oral argument in this case is scheduled for May 9, 1979.
9. Executive Session  
On a motion by Vice-Chairman Goldmann, seconded by Chairman Reiche and a vote of 3-0, the Commission went into executive session to discuss investigative matters, the executive session minutes of the Commission meeting of April 18, 1979, enforcement matters relative to annual reports of political party committees, and personnel matters. At the conclusion of the executive session, the Commission returned to public session on a motion by Chairman Reiche, seconded by Commissioner Alexander and a vote of 3-0.
10. Adjournment - The Commission adjourned the meeting at 4:30 p.m.

Respectfully submitted,



LEWIS B. THURSTON, III  
Executive Director