

RONALD DEFILIPPIS Chairman

STEPHEN M. HOLDEN Commissioner

ERIC H. JASO Commissioner

ELECTION LAW ENFORCEMENT COMMISSION

Respond to: P.O. Box 185 Trenton, New Jersey 08625-0185

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

Website: http://www.elec.state.nj.us/

JEFFREY M. BRINDLE Executive Director

JOSEPH W. DONOHUE Deputy Director

DEMERY J. ROBERTS
Legal Director

STEPHANIE A. OLIVO Compliance Director

EDWIN R. MATTHEWS Legal Counsel

PUBLIC SESSION MINUTES

March 28, 2017

Chairman DeFilippis, Commissioner Holden, Commissioner Jaso, Legal Counsel Matthews, Executive Director Brindle, Deputy Director Donohue, Legal Director Roberts, Compliance Director Olivo, Deputy Legal Director Amanda Haines and Director of Review and Investigation Shreve Marshall were present. Personnel Officer Judy Sheridan was also present for the purpose of recording the minutes.

The Public Session Minutes will be available online on the Commission's website at: http://www.elec.state.nj.us.

The meeting convened at 10:30 a.m. in Trenton.

1. Open Public Meetings Statement

Chairman DeFilippis called the meeting to order. Executive Director Brindle announced that pursuant to the "Open Public Meetings Act," <u>N.J.S.A.</u> 10:4-6 <u>et seq.</u>, adequate 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.

It was also posted on the Commission's website.

2. Approval of Public Session Minutes of March 15, 2016

On a motion by Commissioner Holden, seconded by Commissioner Jaso, and passed by a vote of 1-0, the Commission approved the Public Session Minutes of March 15, 2016. Commissioners Holden and Jaso abstained from the vote.

3. <u>Executive Director's Report</u>

- A. <u>New Commissioners</u> Executive Director Brindle welcomed Commissioners Jaso and Holden. He expressed his appreciation to Chairman DeFilippis for his full support and acknowledged staff for their professionalism during a difficult year. The Executive Director welcomed Judge Marguerite Simon, who was in the audience, and noted that with her nomination, ELEC hopes to have a full complement soon.
- B. <u>Budget Fiscal Year 2018</u> The Executive Director reported on the status of the Commission's budget. He stated that the Commission is tentatively set to receive a regular budget of \$4.5 million for Fiscal Year 2018. The Executive Director mentioned that the Commission was provided with a special appropriation for the administration of the Gubernatorial Public Financing Program in the amount of \$19,680,000. This appropriation is for the general election. He noted that the Commission has operated effectively within a flat budget for the last ten years.
- C. Reevaluation and Reallocation of Staff Executive Director Brindle stated that an evaluation of staffing priorities was conducted. He said that staff was reallocated to accommodate the changing needs of the Commission. He reported that in the Legal Section, by the end of April, five new attorneys will have been hired, bringing the total to ten attorneys plus a legal secretary. The Executive Director added that in the Review and Investigation Section, three investigators have been added for a total of seven investigators plus two support staff. He noted that new staff members were acquired within the current budget. The Executive Director said that staffing moves were accomplished due to retirements and resignations. The Executive Director mentioned that the nature of campaign finance law has become more complicated, leading to a greater number of legal challenges. He also stated that staffing changes are also necessitated by the transition to all electronic filing.
- D. <u>Computer Upgrade</u> Executive Director Brindle reported that after three years of lobbying the Legislature, the Commission received an appropriation in Fiscal Year 2015 of \$2 million to upgrade its computer infrastructure. He stated that in May of this year, ELEC will hold a press conference to unveil its new computer system and its simplified homepage. Staff will be conducting a training seminar in May on the new computer system. He noted that the system that is being upgraded is 15 years old. The new system will contain:
 - Simplified homepage;
 - Electronic filing for all entities;
 - Remote access to database and filing by mobile devices;
 - Software to provide charts and graphs; and a
 - Rebuilt system undercarriage.
- E. <u>Move</u> Executive Director Brindle mentioned that the Division of Property Management within the Department of the Treasury is finally making headway. He said the Commission's move is scheduled to take place in December 2017 to the old NJN building. He mentioned all staff members will be on the same floor with adequate parking provided.
- F. <u>A-4423/S1404 Weinberg</u> Executive Director Brindle announced that A-4423/S-1404 passed the Senate and Assembly and is now awaiting Governor's action. The bill, sponsored by Senator Loretta Weinberg, requires Governmental Affairs Agents (lobbyists) hired by local governments

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to disclose their activity. He added that the Commission is also proposing that lobbying on local governments be disclosed.

G. Republican Party of Louisiana v. Federal Election Commission (FEC) – Executive Director Brindle informed the Commissioners that a lawsuit brought by the Republican Party of Louisiana seeks an end to the ban on soft money involving national parties. He said that a three-judge panel of the U.S. District Court for the District of Columbia upheld the ban on November 7, 2016. He mentioned that the case was appealed directly to the Supreme Court under a special provision in the Bipartisan Campaign Reform Act.

Executive Director Brindle mentioned a resolution passed by the municipality of Princeton supporting legislation in New Jersey proposed by the Commission. He said the resolution calls for disclosure of independent groups and the strengthening of political parties. He informed the Commission that this proposed legislation is based on ELEC's recommendations and in support of bills introduced by Assemblymen John Bramnick and Troy Singleton. He noted that ELEC worked with the legislators and that he was very pleased with the statewide effort.

H. Future Meetings Schedule

- April 18, 2017 at 11:00 am in Trenton; and
- May 16, 2017 at 11:00 am in Trenton.

Chairman DeFilippis thanked Executive Director Brindle for his report.

4. Report on 2017 Gubernatorial Public Financing Program

Compliance Director Stephanie Olivo reported that two candidates have received public matching funds. She stated that Democratic Candidate James Johnson has received a total of \$875,474 in public matching funds. The funds were dispersed upon three submission dates. On February 24, Candidate Johnson received \$652,008; on March 7, he received \$100,540; and on March 24, he received \$122,926.

Compliance Director Olivo additionally reported that Republican Candidate Kimberly Guadagno submitted for public financing and received \$830,818 on March 24, 2017.

Chairman DeFilippis queried as to how the situation would be remedied if candidates receiving public funds exceeded the amount appropriated by the Legislature?

Executive Director Brindle responded that there is a provision in the Appropriation Act that would automatically release additional funds.

The Chairman thanked Compliance Director Olivo for her report.

5. <u>Selection of 2017 Gubernatorial Primary Election Debate Sponsors</u>

Chairman DeFilippis announced that a public hearing was being conducted for the purpose of selecting sponsors for the 2017 Primary Gubernatorial Election Debates and that two sponsors had applied to be considered.

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A court reporter was available to record the proceedings.

Two applications were received from the following:

- NJTV Public Media of NJ and NJ Spotlight; and,
- Stockton University.

On a motion by Commissioner Holden, seconded by Commissioner Jaso and passed by a vote of 3-0, the Commission selected NJTV Public Media of NJ/NJ Spotlight, and the William J. Hughes Center for Public Policy at Stockton University, as the 2017 Gubernatorial primary election debate sponsors. Each sponsor is expected to host two debates, one for Democratic candidates and one for Republican candidates.

6. Resolution to enter Executive Session

On a motion by Commissioner Holden, seconded by Commissioner Jaso, and passed by a vote of 3-0, the Commission resolved to enter Executive Session to discuss anticipated litigation and current litigation, which will become public as follows:

- A. Final Decision Recommendations in complaint proceedings, which will not become public. However, the Final Decisions resulting from those recommendations will become public not later than seven business days after mailing to the named respondents.
- B. Matters under current litigation, the substance of discussions of which will not become public in order to protect the attorney-client privilege and the deliberative process. However, any litigation in which the Commission is currently a party is a public matter and will become public subject to the above limitations and privileges.

Return to Public Session

7. Final Decision Recommendations

On a motion by Commissioner Holden, seconded by Commissioner Jaso, and passed by a vote of 3-0, the Commission approved the staff recommendation for Final Decision Recommendations 1 through 51.

8. Consent Orders and Final Decision Recommendations

On a motion by Commissioner Jaso, seconded by Commissioner Holden, and passed by a vote of 3-0, the Commission approved the staff recommendation for Consent Orders and Final Decision Recommendations 1 thru 5.

9. Public Comments

Chairman DeFilippis asked if any members of the public wished to comment. Seeing none, he asked for a motion to adjourn.

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10. Adjournment

On a motion by Commissioner Jaso, seconded by Commissioner Holden and passed by a vote of 3-0, the Commission resolved to adjourn at 12:15 p.m.

Respectfully submitted as true and correct,

Jeffrey M. Brindle Executive Director

JMB/elz