

# 1992 ANNUAL REPORT

The N.J. Election Law Enforcement Commission



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## ***THE COMMISSION***

### **Owen V. McNany, III, Chairman**

Owen V. McNany, III, is serving his fourth term on the Commission. Prior to his appointment as Chairman in February, 1990, he served for two years as the Commission's Vice Chairman.

Chairman McNany directs the for-profit subsidiary operations at the Center of Orange - New Jersey Orthopaedic Hospital. He also serves as the hospital's Director of Business Development.

Mr. McNany is a past State Director of the Institute of Financial Education of the U.S. League of Savings Associations as well as the former Chairman of the Board of Trustees of the Hospital Center at Orange. A member of the Maplewood Chamber of Commerce, the Chairman was honored as its "Man of the Year."

Chairman McNany is past President and Director of the Yorkwood Savings and Loan Association and former President and Director of the Crestwood Service Corporation.

Married to the former Patricia Beury, Owen V. McNany, III, is the father of four children.

**David Linett, Commissioner**

David Linett is serving his second term on the Commission. He is President of the Bridgewater law firm of Ginden and Linett, PC.

Commissioner Linett served a five-year term as the Prosecutor of Somerset County and was the Treasurer of the National District Attorneys Association. He is a past Chair of the Supreme Court's District XIII Ethics Committee and is the current Treasurer of the Supreme Court's Ethic's Financial Committee.

Active in Somerset County, Commissioner Linett was named "Citizen of the Year" in 1989 by the Somerset County Chamber of Commerce. He served three terms as Chair of the Board of Trustees of Alternatives, Inc. (formerly AAMH), and two terms as a Director of the Somerset Chamber of Commerce. Commissioner Linett served as District Governor of Rotary International in 1991-92 and is a past-president of the Somerville Rotary Club. He was twice elected to the Democratic State Committee from Somerset County.

Commissioner Linett, a graduate of Yale University and Harvard Law School, is the father of three children. He is married to the former Penny Amato.

**William H. Eldridge, Commissioner**

William H. Eldridge is serving his first term on the Commission. His nomination to the Commission was confirmed on March 22, 1993.

Commissioner Eldridge is a Professor of Business Law and Management at Kean College of New Jersey. A graduate of Rutgers university, he holds an M.B.A. from Rider College and a J.D. from Cornell Law School.

Commissioner Eldridge served as a Union County Freeholder from 1986-1988, as the Mayor of Berkeley Heights in 1982 and as the Deputy Mayor of Berkeley Heights in 1981 and 1985. He was Executive Director of the New Jersey Commission on Capital Budgeting and Planning from 1984-1987. He was Assistant Vice President of Citibank from 1976-1982 and Vice President of U.S. Trust Company from 1982-1984.

On the faculty of the National Conference of State Legislators, Commissioner Eldridge taught graduate and undergraduate courses in Management, Finance, Planning and Business Law at Fairleigh Dickerson University, Kean College, and Rutgers University.

Commissioner Eldridge has published several articles on management and has counselled small businesses both as a private consultant and in affiliation with the Kean College Small Business Development Center.

Commissioner Eldridge has won a variety of awards for his work with physically and mentally challenged citizens and children from the U. S. Jaycees and other organizations.

**Stanley G. Bedford, Former Commissioner**

Stanley G. Bedford, who left the Commission in March, 1993, after serving two terms, is a former judge of the Essex County Court (1972-1976) and the State Superior Court (1976-1986). From 1987 to early 1990, he was the Chairman of the Commission.

A member of the Essex County Bar Association and the New Jersey State Bar Association, Judge Bedford served as Acting Surrogate in Essex County from August, 1986 to January, 1987, and as Deputy Surrogate from January, 1987 to June, 1987.

Judge Bedford graduated from Columbia University with a B.A. in 1941 and a J.D. in 1948. He is a member of Phi Delta Phi. Currently serving as the Chairman of the Alpha Chi Rho Educational Foundation, the Commissioner was a Harlan Fiske Stone Scholar at Columbia.

A resident of Nutley, Judge Bedford is married to the former Ruth Grey.

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

Frederick M. Herrmann has been the Executive Director of ELEC for nine years.

The Executive Director has an A.B from the University of Pennsylvania and earned a doctorate in American Political History from Rutgers University. He is the author and co-author of numerous books, articles, and reviews in history and government and is a frequent guest at various forums in New Jersey, the United States, and Canada discussing campaign financing and lobbying issues. Among his many publications are: The 1990 Campaign Finance Update, prepared for the Council on Governmental Ethics Laws (COGEL), an international ethics organization, and the COGEL Campaign Financing and Lobbying Bibliography. His most recent publication, entitled "Budget Crunch - Living with a Larger Mandate and a Smaller Budget," appeared in the February, 1993, edition of The Guardian. In early 1993, the Executive Director was named Book Review Editor of that publication.

Formerly a teacher at Rutgers University and Kean College, Executive Director Herrmann has served on the Council of State Governments' (CSG) Organizational Planning and Coordinating Committee and has been the Chairperson of COGEL as well as a steering committee member.

The Executive Director has been instrumental in building the Northeastern Regional Conference on Lobbying (NORCOL), once serving as its Chairperson. In 1991, Dr. Herrmann received a Meritorious Services

Certificate from COGEL and in 1992, the COGEL Outstanding Service Recognition Award on behalf of ELEC for the bibliography he compiled. At the 1993 Annual COGEL Conference to be held in St. Paul, Minnesota, the Executive Director will be receiving the COGEL Award for contributions to governmental ethics in the United States and Canada. The COGEL Award is the highest honor bestowed by COGEL.



**Edward J. Farrell, Counsel**

Edward J. Farrell has been Counsel to the Commission since its inception in 1973. He is a partner in the Morristown law firm of Schenck, Price, Smith and King. Counsel Farrell has a national reputation as an expert in campaign financing and lobbying law.

*CHAIRMAN'S MESSAGE*

*By Owen V. McNany, III*

In 1992, the Election Law Enforcement Commission met the challenge of managing an increased workload while coping with a staff that had shrunk to its 1985 level.

Enacted in August 1991, the new "Legislative Activities Disclosure Act" became effective in January, 1992. The Act, which consolidated all lobbying regulatory functions in ELEC, required lobbyists to file quarterly activity reports, as well as annual financial reports, with the Commission, and to disclose executive branch lobbying and benefit-passing. These reforms added to the Commission's workload, necessitating new forms, regulations, computer software programs, and outreach programs to be developed, and requiring thousands of new filings to be processed.

Overall, the staff undertook these new responsibilities with enthusiasm and effectiveness, although with difficulty. In the first year of the new law, a total of 650 legislative agents registered with the Commission, resulting in the processing of over 3,609 lobbying filings and the preparation of four quarterly legislative reports. These tasks, accomplished through the combined efforts of the Compliance, Administration, and Data Entry staffs, complemented efforts made by the Legal Director to draft new regulations and the Director of Compliance and Information to draft new forms.

In a word, this team approach to managing the new responsibilities of the Act enabled the Commission to implement and administer one of the most important and monumental disclosure reform measures of the past decade.

During 1992, the Commission, against great odds, continued its leadership among sister agencies throughout the nation in terms of research and analysis. The Commission's eighth white paper, entitled Technology in the Future: Strengthening Disclosure, set the stage for investment in new technology should additional funding become available. Moreover, New Jersey Gubernatorial Public Financing Revised: 1989 and Beyond, a report on the 1989 gubernatorial elections and the public financing program, contains many ideas for enhancing this model program. Finally, a PAC press release and a lobbying press release analyzed financial activity by these entities.

Compliance efforts in 1992 continued to remain solid, thanks to the extension of a series of management initiatives introduced the previous year. The Compliance and Information Section met the increasing demand for public information and technical assistance with true professionalism. While processing 19,640 reports, it responded to 18,759 requests for information, including the photocopying of 187,881 pages of disclosure reports. It also conducted four on-site compliance seminars and prepared the Commission's analytical press releases.

Though its staff had been more than decimated in recent years by a series of budget cuts, the Review and Investigation Section nevertheless continued its efforts to insure that filers were in compliance with the law.

Though down from past years, completed investigations equalled 30 and complaints issued 188. A total of \$31,733 in fines was collected in 1992 as well.

Despite being hindered by staff reductions, the Legal Section also continued to turn in a fine performance during the past year. In addition to preparing 11 advisory opinions and numerous regulatory proposals, this Section also represented the Commission in many legal actions before the Office of Administrative Law (OAL).

A major accomplishment of the Commission in 1992 was the adoption of new gubernatorial public financing regulations in preparation for the 1993 gubernatorial primary and general elections. Along with this accomplishment the staff also readied itself for the upcoming gubernatorial season by obtaining approvals to hire temporary public financing staff and moving swiftly ahead to complete that task.

A true highlight of 1992 came late in the year when the Merit System Board of the Department of Personnel approved a highly complimentary personnel audit of the Commission which held that "in general, we [staff of the Office of Personnel Management] found the Election Law Enforcement Commission to be a well-run and efficient organization." Much credit goes to the Administration Section, the point section on this audit, for the effective way in which it has managed personnel matters and budgetary matters during a very trying time.

Finally, the Commission's veteran Executive Director, Frederick M. Herrmann, continued to prove himself to be one of a select group of leaders in the field of ethics, not only in New Jersey but also throughout the United States and Canada. The recipient of the Council on Governmental Ethics Law's coveted Service Award, the Executive Director pushed for campaign finance reform and was an invited panelist and speaker at many ethics forums held during the year.

The Commission is again proud of its excellent record. On behalf of the Commission I am happy to submit this report to the Legislature, which highlights this agency's fine record in 1992, and demonstrates that its tradition of competence and service has been more than upheld.

**COMMISSION STAFF**

**EXECUTIVE**

Frederick M. Herrmann, Ph.D.  
Jeffrey M. Brindle, M.A.  
Gregory E. Nagy, Esq.

Executive Director  
Deputy Director  
Legal Director

**ADMINISTRATION**

Barbra A. Fasanella  
Donna D. Margetts \*  
Elaine J. Salit  
Debra A. Kostival  
Irene Comiso

Director  
Personnel Officer/Lobbying Auditor  
Fiscal Officer  
Senior Receptionist  
Associate Receptionist

**COMPLIANCE AND INFORMATION**

Evelyn Ford, Esq.  
Virginia Wilkes Tesser \*\*  
Carolyn Neiman  
Kimberly Key  
Barbara Counts  
Monica T. Triplin  
Elizabeth A. Michael

Director  
Associate Director  
Associate Compliance Officer  
Associate Compliance Officer  
Secretarial Associate  
Clerk  
Messenger

**COMPUTER**

Anthony R. Chianese  
Shirley R. Thorpe  
Brenda A. Brickhouse  
Nelly R. Rosario

Systems Administrator  
Associate Systems Administrator  
Senior Data Entry Operator  
Associate Data Entry Operator

**LEGAL**

Nedda Gold Massar, Esq. \*\*\*  
Lisa Fagan, Esq.  
Ruth Ford

Associate Legal Director  
Assistant Legal Director  
Secretarial Assistant

**REVIEW AND INVESTIGATION**

Shreve E. Marshall, Jr.

Associate Director

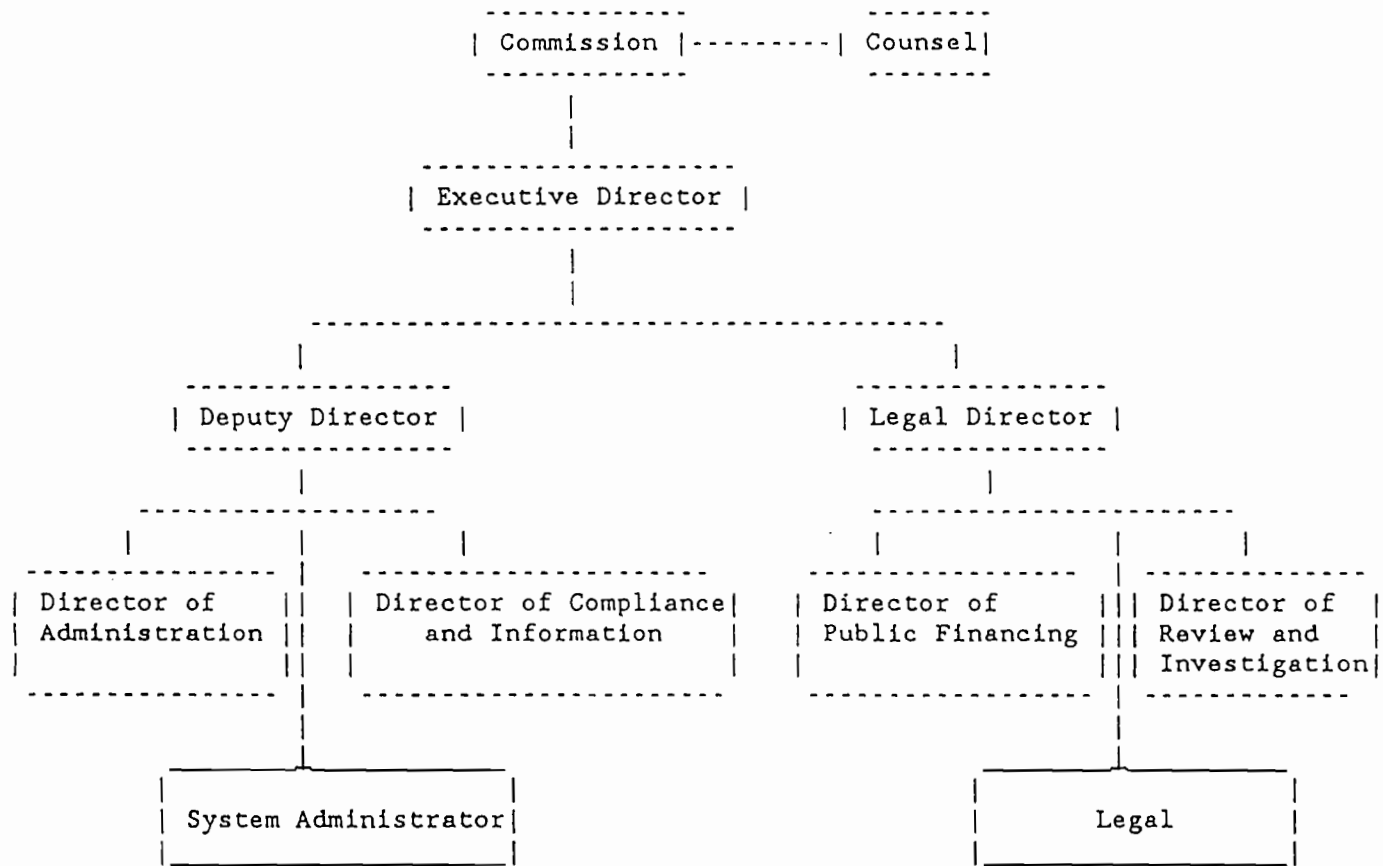
GUBERNATORIAL PUBLIC FINANCING

Nedda Gold Massar, Esq. ***	Director
Brett Mead	Assistant Director
Donna Bindas	Computer Assistant
Jeffrey Schneider	Analyst
Christopher Gear	Analyst
Steven Kimmelman	Analyst
Josephine A. Hall	Senior Secretary
Bernette Pettit	Data Entry Operator
Julia Tirado	Data Entry Operator
Patricia Martin	Data Entry Operator

- \* Donna Margetts is currently performing a dual function due to the shortage of staff.
- \*\* Virginia Wilkes Tesser served as Director for half of 1991 when Director Ford was on a leave of absence.
- \*\*\* Nedda Gold Massar is currently performing a dual function, due to the shortage of staff. In addition, Josephine Hall and Ruth Ford are providing much needed secretarial assistance in the Review and Investigation Section as well as in the Public Financing and Legal Sections.

New Jersey Election Law Enforcement Commission

Table of Organization





*EXECUTIVE DIRECTOR'S REMARKS*

With the signing of a major new campaign finance bill into law on March 8, 1993, it would seem an appropriate time to review the Commission's budget history. ELEC needs to be adequately staffed and equipped as recommended by the Rosenthal Commission three years ago. Its current weakened budgetary situation is related to three factors: insufficient previous appropriations dating from the inception of the agency, a continuing recession, and a burgeoning workload.

In 1973, the year ELEC was created, the agency's appropriation was only \$50,000. The fledgling Commission had a staff of only three persons (one fewer person than the number of part-time Commissioners) and a mandate to administer a campaign act that required all candidates for elective office from the Governor down through school board members to file at least six reports a year. This situation led a former member of the General Assembly testifying on ELEC's enabling legislation to call the Commission's predicament "an administrative nightmare." He suggested that the agency's budget should be somewhere between \$500,000 and \$1 million. Twenty years later, ELEC's annual appropriation is below his outside figure.

Moreover, in the 1980's, new legislation adding to the Commission's responsibilities was not funded. The Lobbying Act of 1981, the Personal Financial Disclosures Law of 1981, and the PAC Reporting Amendments of 1984 all contained no additional appropriations. Consequently, ELEC entered the

current national recession in much weaker condition than most other state agencies. Its position is akin to the proverbial thin man entering a famine.

Because of the economic downturn of the early nineties, ELEC's FY-93 budget is only \$895,000. This figure is down from \$1.235 million in FY-89 and even lower than FY-87's figure of \$1.059 million a half-decade ago. Of course, these numbers are not adjusted for inflation and the real situation is even worse than it appears. The Commission has lost almost one-third of its staff in only three years going from 34 persons to 24. As long ago as FY-86, ELEC had 28 persons on its payroll. Today, ELEC has lost all three of its desk auditors and funding for the one remaining field auditor's state car. Three staff, including a director, are on voluntary furloughs. The executive director and the deputy director have not had a secretary in over a year.

While ELEC's staff has been shrinking, its workload has been exploding. Between 1985 and 1991, for example, the following increases occurred:

- Legislative spending in the general election nearly tripled from \$5.6 million to \$15.1 million,
- PAC spending increased almost fourfold from \$2.2 million to \$7.8 million, and
- Lobbyist spending increased three times from \$4.3 million to \$12.4 million.

ELEC has had to deal with fewer resources and much more work. The agency has been forced to reduce its operational costs by desperately cutting

back in various areas and ELEC has aggressively pursued new labor-saving technologies. A White Paper by Deputy Director Jeffrey M. Brindle released in October, 1992, reviews an electronic reporting system and other high technology ideas such as a mass mailing machine and an image retrieval system. A modern telephone system and desktop publishing were also explored. However, none of these labor-saving and money-saving proposals can be implemented without special funding in the form of a one-time appropriation with carryover language in the near future.

If ongoing supplementary appropriations are not possible to help with staffing shortages, the Commission has suggested the possibility of charging filing fees to regulated entities such as PACs and party committees as an important additional source of revenue to cope with the situation. Such a fee plan should be adequate, simple, and fair. It should raise enough money to be worth the expense and effort of running, be easy to comply with and administer, and be based on actual agency financial needs (a necessity for constitutionality). It should be noted that fees should be viewed as a supplement to an annual appropriation (not as a substitute for it) because of the desirability of maintaining a governmental role in funding and the concern that filing entities not be overcharged.

The new Campaign Act is a sincere and valuable effort. Although there has been criticism of some of its provisions from various sources including the Commission, there are many fine improvements in it. ELEC will be working through the budget process this spring to address its staffing needs and next spring to review its computer plans. With an adequate staff and an upgraded

computer system, ELEC should be well positioned to perform its ethical mission going into the new century.

## *LEGISLATIVE REVIEW*

Campaign finance reform was a dominant theme of the 205th Legislature in 1992 as the 1993 gubernatorial and legislative elections approached. By the end of the year, the Assembly passed a comprehensive bill containing contribution limits, continuing political committee (i.e. political action committee, or PAC) registration, employer and occupation identification of contributors, surplus campaign fund controls, and other changes. The bill was subsequently passed by the Senate early in 1993, and signed into law by Governor Florio on March 8, 1993. The reform package will be in effect for the June 8, 1993 primary election.

The bill contains some of the recommendations made during the prior Legislature by the Ad Hoc Commission on Legislative Ethics and Campaign Finance, commonly referred to as the "Rosenthal Commission" after its chairperson, Dr. Alan Rosenthal, Director of the Eagleton Institute of Politics and Professor of Politics at Rutgers University. Members were appointed by the Senate President and Speaker of the General Assembly, and one of its missions was to recommend improvements in the Campaign Reporting Act.

During 1992, the first year of the 205th Legislature, a total of 39 bills directly affecting the Commission were introduced; twenty-seven amending the Campaign Reporting Act, seven affecting gubernatorial public financing, and five affecting lobbying reporting.

In addition to the campaign finance reform bill, other major legislative initiatives that have been introduced include:

- Establishment of a filing fee program to cover the costs of adequate staffing of the Commission. As noted by the Rosenthal Commission, there must be an adequate and stable funding source for ELEC if it is to continue carrying out its disclosure and regulatory missions at a meaningful level.
  
- Restructuring of the Commission to provide longer terms for Commission members in order to provide continuity and add autonomy.

These measures, and the pendency of the comprehensive changes envisioned in the Rosenthal Commission report, hold promise for a very busy 1993.

## *LEGAL SECTION*

The Legal Section is responsible for prosecuting civil complaints concerning violations of the campaign reporting or lobbying disclosure statutes, drafting of regulations to implement statutory requirements, preparing advisory opinions requested by reporting entities, and assisting in the drafting of new legislation (see Legislation Section). The Section has been compelled to reduce its enforcement activities because of the budget cutbacks that have affected the agency, particularly in the Review and Investigation Section which generates investigations. Nevertheless, there were important accomplishments during 1992.

### Civil Complaints

The Commission has focused its civil complaint activity on those matters that were identified as major substantive reporting violations and on those candidates who failed to file reports. Therefore, the high volume of complaint activity that had been undertaken in past years was reduced. A total of 188 complaints were issued in 1992, a figure that is comparable to the 218 complaints issued in 1991, and the 176 complaints issued in 1990, both of which were also years of reduced budgets. The great majority of these civil complaints concerns candidates who fail to file campaign reports. However, others were generated as a result of investigative activity (see Review and Investigation Section).

Revenues from the collection of penalties imposed as a result of civil complaints was \$31,733. This figure compares with revenues of \$51,497 in 1991, and \$32,610 in 1990. The fine collection revenue figures are subject to cyclical factors such as the type of elections in a given year. However, the reduction from the 1991 revenue figure can be largely attributed to staff cutbacks that occurred late in 1991.

Continuing a policy established last year, whenever possible civil complaints contain specific, proposed penalties. Setting forth specific fines at the beginning of the civil complaint process improves the prospects for amicable settlements, and removes any unintended inference that Commission penalties are subject to "plea bargaining."

During 1992, there were only five cases in which respondents pursued full hearings before the Office of Administrative Law (OAL). Three of these were ultimately settled at hearing, and two resulted in Initial Decisions on important legal issues that the Commission will be reviewing early in 1993 as it considers these cases for Final Decision action. In one case, which did not go to hearing, an important discovery question was resolved in favor of the Commission. In that case, the Administrative Law Judge ruled that the Commission was not compelled to disclose the name of the person who had provided information to the Commission and requested an investigation. The Commission successfully argued that in order to encourage interested persons to bring filing violations to its attention, the Commission must protect the identity of the complaining person.



### Rulemaking Activity

There was considerable regulatory activity by the Commission in the areas of lobbying and gubernatorial public financing. Early in the year, the Commission adopted the final text of comprehensive changes to lobbying and legislative regulations which implemented statutory amendments to the Legislative Activities Disclosure Act that had become effective on August 5, 1991. Among other changes, these regulations define the circumstances under which the law requires a person to file quarterly reports as a legislative agent, and added new provisions to cover State administrative agency lobbying. Other regulatory requirements were made during the year concerning the reporting of specific events, such as a reception, sponsored by lobbyist organizations. Also, the annual filing fee for legislative agents was increased.

In preparation for the 1993 gubernatorial primary election, the Commission proposed amendments concerning the operation of the public financing program. These changes were derived from the Commission's experience in administering past gubernatorial public financing programs and were necessitated by recent court decisions concerning political party activity in primary elections as well as enactment of statutory changes to the mandatory debate process. Finally, the Commission proposed and adopted regulations implementing inflationary adjustments to the various thresholds and limits that will be in operation in the 1993 primary election program. The Commission is charged with the responsibility by law of determining the

inflationary increase that has occurred since the prior program and implementing appropriate adjustments.

#### Advisory Opinions

Any person or filing entity that submits campaign, lobbying, or personal financial disclosure reports or undertakes other activity subject to Commission jurisdiction may seek an advisory opinion on any given set of facts that might constitute a statutory violation. The advisory opinion process has proven to be an effective tool for both reporting entities and the Commission in defining novel or ambiguous legal issues, and articulating appropriate reporting or other measures. During 1992, the Commission issued 11 advisory opinions. Questions concerning lobbying, and concerning the use of continuing political committee funds, dominated the year with four inquiries in each of those subject areas. Among the opinions issued were the following:

- A trade association conducting and paying for a seminar and reception was required to make lobbying reports for certain expenses relating to making communications with officials, or providing them benefits, even in the absence of specific invitations to those officials to attend. If the Association had actual or constructive knowledge of the attendance of the official, that is if the Association knew of, or had reason to know of the attendance of the official, lobbying reporting was required; see Advisory Opinion No. 03-1992;

- An attorney providing pro bono lobbying services for a trade association client could be required to register as a legislative agent if the attorney, or the firm, had a financial or business interest that could be construed as providing compensation to the attorney, or the firm; see Advisory Opinion No. 04-1992;
  
- An industry representative invited by a State agency to participate in a task force that would recommend the adoption or amendment of regulations could acquire legislative agent registration responsibilities notwithstanding the fact that the representative's participation had been solicited by the State agency; see Advisory Opinion 06-1992;
  
- A continuing political committee may use funds under its control to pay reasonable expenses of delegates to a national political party convention without violating the Commission rule against conversion of funds to personal use; see Advisory Opinion No. 08-1992; and,
  
- A complimentary ticket to a political event offered and accepted for the principal purpose of promoting a possible future election candidacy of an elected officeholder who has established a continuing political committee for future election purposes must be reported as an "in-kind" contribution to the officeholder/prospective candidate's continuing political committee. However, if the complimentary ticket is not treated and reported as an "in-kind" contribution, it must be

reported as a "gift" on the candidate's personal financial disclosure form; see Advisory Opinion No. 05-1992.

## ***COMPLIANCE AND INFORMATION SECTION***

Despite serious budget cuts that resulted in staff losses, the Compliance and Information Section was able to meet its statutory and regulatory mandates during 1992. By establishing new initiatives and clear cut priorities, compliance with disclosure laws remained high and information was disseminated to the public in a timely manner.

The efforts of staff to accomplish these priorities did not come without cost, however. The budgetary losses necessitated a reduction in some services and functions in order that the priorities of the Compliance Section be met.

### **Compliance**

1992, like the year 1990, was a year in which there were no legislative races. Accordingly, one might expect the number of reports processed to be about the same as those processed in 1990. This was not so in 1992. By year's end, approximately 19,500 disclosure reports were filed, representing a 20 percent increase over the number of reports filed in 1990. This ever-increasing workload was met by continuing with well tested initiatives.

With overtime funds non-existent, a "flex-time" program which was successfully instituted in 1991 was continued. Most reports which are filed during the busy periods arrive at ELEC close to the end of the day. To accommodate this occurrence, several staff members adjusted their work hours to an evening schedule. Accordingly, reports were processed promptly

throughout the evening. The Compliance Section, therefore, was able to expeditiously notify candidates and treasurers of their delinquencies.

Compliance rates by candidates remained high throughout the major 1992 elections. Approximately 90 percent of candidates and treasurers complied with the law by primary election day. In addition, 94 percent of local candidates and treasurers complied with the law by the date of the general election.

These outstanding compliance rates are thought to be directly related to the outreach efforts made during 1992 by the Compliance staff.

First, prior to the primary and general elections, the staff of ELEC conducted in-house training seminars for treasurers and candidates. These seminars were well attended and provided filing assistance to attendees. Of course, the "Compliance Manual for Campaign Reporting" was distributed at the seminars and sent directly to candidates and treasurers prior to the general election.

Furthermore, staff of ELEC held an information seminar upon the request and sponsorship of the New Jersey State Bar Association. Since many attorneys hold positions in the political parties and are involved in the political process as candidates and treasurers, the Bar Association sponsored a seminar on campaign finance. The seminar was very well attended and will probably be re-scheduled on a regular basis in years to come.

Also, Compliance staff attended the New Jersey League of Municipalities Convention in Atlantic City to serve as consultants to candidates and treasurers. Numerous League participants visited ELEC's consulting table to obtain information concerning their filing obligations. Staff also went out, upon request, to Morris County to speak with local candidates and treasurers concerning their filing obligations.

The Compliance and Information Section continued to do an excellent job of processing continuing political committee (CPC) reports. CPC's include special interest PAC's, personal PAC's and political party committee PAC's. The number of groups seeking to have continuing political committee status remained at a high level, averaging 13 per month. As expected, the actual number of CPC's filing reports with ELEC increased by 2 1/2 percent in 1992 to 1534.

Overall, compliance by CPC's remained high. On average, there was an 80 percent compliance rate throughout 1992.

In the area of reporting by lobbyists and legislative agents, sweeping new changes were enacted into law and became effective in 1992.

ELEC was given jurisdiction over the registration and filing requirements of legislative agents, formerly under the jurisdiction of the Attorney General. Furthermore, the new law now provides for reporting of lobbying activity on administrative rulemaking, and disclosure of a broader

spectrum of lobbying activities. Much of 1992 was spent in developing totally new forms and instructions for use in reporting under the new law.

To introduce the new law to the legislative agents registered in New Jersey as well as to the public at large, a seminar was held at Trenton City Hall. Approximately 120 persons attended the seminar, which featured a review of the requirements of the new lobbying statute and regulations. The new Notice of Representation, Quarterly Report and Notice of Termination were distributed to, and reviewed with, members of the lobbying community in attendance. A draft version of the new Annual Report was also presented and filing assistance was provided.

ELEC staff participated in an additional lobbying seminar sponsored by the New Jersey Chamber of Commerce in Cranford, New Jersey. Numerous in-house meetings were scheduled throughout 1992 with individuals from the lobbying community who requested ELEC assistance. In all, ELEC staff made itself readily available to anyone desiring information on, or clarification of, the new lobbying law.

Prior to each quarterly report period, each registered agent was sent a packet of "reminder" materials for use with quarterly filing. If a legislative agent failed to file a quarterly report, a letter was sent to the agent. If an agent filed a quarterly report with errors, the new initiative of sending a correction letter was put into practice. These materials improved compliance by two percentage points (from 72 percent compliance in 1991 to 74 percent compliance in 1992).



A compliance manual on lobbying was developed for use by staff during 1992, so that telephone and walk-in assistance would be provided to agents, the press, and public with accuracy and consistency. Annual Report forms for lobbyists and legislative agents were completely re-designed during 1992. Complete, detailed instructions were prepared, and both the forms and instructions were mailed to lobbyists and agents almost three months prior to the Annual Report due date. It is hoped that there will be improved compliance with the lobbying law during 1993 as a result of the new forms and instructions.

Compliance efforts through informational mailings to candidates and treasurers continued at a brisk pace, despite staff shortages. To assist candidates and treasurers to comply with the laws, reminder materials were sent according to schedule to potential filers. ELEC continued to provide, free of charge, manuals, forms, and other compliance materials, despite a tight budget for these items. Delinquent and non-filer letters were promptly sent to all of those to which this applied, giving each an opportunity to correct the situation quickly.

Telephone assistance provided to candidates, treasurers and legislative agents remained high in 1992, averaging 700 contacts per month. The highest density of contacts occurred during the primary and general elections.

All of these compliance efforts were well rewarded, since overall compliance rates remained extremely high in 1992.

## Information

ELEC has been touted as one of the best disclosure agencies in the area of campaign finance in the entire country. In part, this observation is due to the high priority given to disclosure of reports filed with ELEC to the press and public. This activity is accomplished not only by providing copies of actual reports filed, but by campaign finance analyses done by the Compliance Section.

The number of photocopies continued to remain high during 1992. When 1992 is compared to a similar year (1990), the number of photocopies increased from 100,000 copies to almost 180,000 copies. Since this increase was expected, the Compliance and Information Section continued its policy of temporarily limiting photocopy requests for reports to the current election. This initiative worked well since it was announced well in advance of the critical period allowing those needing reports from prior elections to obtain their copies early.

A total of 28 press releases were done during 1992, two of which were analytical projects. A press release assessing the activities of lobbyist organizations and legislative agents was done in April of 1992. The other analyzed the spending by special interest PACs during 1992. Both of these releases created increased interest by television networks, radio stations, and journalists in reviewing disclosure reports.

In addition, a Quarterly Report Summary was published four times during 1992, pursuant to the mandates of the "Legislative Activities Disclosure Act." The Summary included the names of all registered agents in New Jersey, their registration numbers, their business addresses, and whom they represent. New and terminated agents were listed separately within the Summary, along with information concerning whether or not a given legislative agent filed his or her quarterly report.

### Conclusion

While budget cuts and staff shortages in 1992 presented a great challenge to the Compliance and Information Section, the staff has reason to be very proud of its accomplishments. All statutory and regulatory mandates were met in 1992 with a staff smaller than in 1991, and with the addition of a lobbying program to administer. This achievement was possible through the continuation of a "flex-time" program and by continuing to follow a thoughtful and careful system of priorities. Service reduction cuts were kept to a minimum, and the press and public received valuable disclosure within a reasonable timeframe. Staff will continue to strive to meet its priorities with remaining personnel and resources in years to come.

## ***REVIEW AND INVESTIGATION SECTION***

The Review and Investigation Section operated in 1992 under severe staffing limitations. Its staffing consists of a single professional, whose principal assignment is to conduct investigations. The Section Director and three Desk Auditor positions are vacant. Nevertheless, the Commission is committed to continuing investigations to the fullest extent that its current staffing permits.

### **Investigations**

There were 30 investigations closed during the calendar year, and 25 new investigations opened. Closing an investigation involves interviewing respondents or other witnesses, examining records such as bank statements, cancelled checks, and similar instruments, and preparing a written report for Commission action. These figures are a reduction from the 65 investigations closed during 1991, and the 59 new investigations opened that year. The lower numbers reflect the reductions in staff that occurred late in 1991.

The 30 investigations that were completed resulted in recommendations for 40 civil complaint prosecutions, 12 letters of corrections, and three recommendations of no further action.

Some of the more significant investigations that were completed included the following:

- Failure to file notice of an additional campaign depository, and failure to file disbursement information for 426 expenditures totaling more than \$31,000;
  
- Filing late, and after the date of an election, the identity of 40 contributors, each in excess of \$100.00, totaling more than \$20,000; and,
  
- Personal use of campaign or continuing political committee funds.

A member of the public may request that the Commission undertake an investigation by submitting a written statement setting forth an allegation that constitutes a potential violation of the Campaign Reporting Act. All requests for investigations are evaluated by the Commission, which must determine their potential severity and public importance. Because there is only a single investigator currently on staff, the Commission must also consider its existing workload when making judgments on which investigations to open. During 1992, the Commission received 45 requests for investigations from the public. It also initiated investigations as a result of staff review of campaign reports. The total number of new investigations opened last year from both internal and external sources totalled 25.

### Other Enforcement Activity

The Review and Investigation Section, in addition to conducting investigations, is also responsible for generating recommendations for complaints for filing violations that do not require investigative activity. Specifically, incidents of candidates not filing campaign or personal financial disclosure reports do not require formal investigations, but can be determined from internal records maintained by the staff. The Section is responsible for examining Commission records and files to identify those candidates that have failed to file any reports for a given election. During 1992, the Section identified a total of 210 candidates who had not filed campaign reports for the 1991 general election, the 1992 municipal election, the 1992 primary election, and the 1992 general election. These candidates either have received or will receive formal complaints from the Commission.

A major responsibility of the Section is to prepare the fact record for complaint cases in which the Respondents have requested a hearing in the Office of Administrative Law (OAL). The investigator must prepare the fact record for the prosecuting attorney who is handling the hearing, and must serve as the Commission's principal witness. During 1992, 16 cases were prepared for hearing, and of those cases five necessitated the attendance of the investigator at hearings.

In support of the enforcement process, the Section is responsible for determining the correct addresses for Respondents who have not replied to complaints, and who have not been located after attempts by county sheriffs to

serve complaint papers. During 1992, the investigator conducted 14 address searches to obtain current whereabouts of respondents.

Finally, the Section is responsible for conducting fine collection efforts when the penalties imposed by the Commission are not paid timely. During the year, a total of 91 fine collection letters were issued, resulting in payment of \$5,505.68 in previously unpaid fines. Also, the investigator prepared two press releases which identified the names of Respondents who had not paid the civil penalties imposed by the Commission.

#### **Other Activities**

Besides investigations and prosecutorial activity, the Section provided public assistance during 1992 for 503 telephone calls or in in-office contacts with candidates, treasurers, or other persons seeking information on guidance on reporting requirements. Further, the Section completed a review of 1991 primary and general election reports filed by legislative candidates in order to code by category each contribution received by those candidates. The purpose of this review is to prepare these reports for the data entry staff so that a statistical report on legislative election contributions can be prepared by the Commission.

### Future Staffing

The Commission believes that it is of paramount importance that this Section be re-staffed so that the Commission can undertake more of the investigations that are requested by the public, and further so that it can respond more effectively to demands for technical assistance in helping reporting entities establish good recordkeeping procedures and properly report more complex transactions. The current staffing of a single professional does not permit the Section to review completely the approximately 20,000 campaign, continuing political committee, lobbying, and personal financial disclosure reports that it receives in a typical year. The limitations on review make it more likely that filing entities will make errors or compound previous mistakes. Therefore, the Commission is hopeful that future budgets will permit restoration of this Section to at least its full complement of five professionals.



## ***GUBERNATORIAL PUBLIC FINANCING SECTION***

The highly visible Gubernatorial Public Financing Program requires intense preparation and attention in the year immediately preceding a gubernatorial election. Not only must administrative concerns and staffing issues be resolved, but the Commission is now under a statutory mandate to report in December to the Legislature its adjustment of various limits and thresholds which distinguish gubernatorial from other elections in New Jersey.

### **First Cost Index Developed**

The Commission was required for the first time in 1992 not only to report on the changes in costs relevant to gubernatorial elections but also to adjust the limits and thresholds in the public financing law to reflect the changes in those costs.

The public financing statutory changes enacted in January, 1989, required that the Commission "establish an index reflecting the changes occurring in the general level of prices of particular goods and services ... directly affecting the overall costs of election campaigning in this State" (N.J.S.A. 19:44A-7.1(b)). That index must then be used to adjust on a quadrennial basis the following components of public financing: the contribution limit, the threshold for candidate qualification to receive public matching funds, the threshold amount of contributions for which no public matching funds are awarded, the expenditure limit, and the maximum

public funds that may be given to a candidate (see N.J.S.A. 19:44A-7.1, as amended by P.L. 1989, c. 4, effective January 21, 1989).

Research required to produce the first New Jersey Campaign Cost Index and the accompanying report to the Legislature in response to the statutory mandate was the dominant project of the Public Financing Section during 1992. Determination of the index for the 1993 elections required analysis of the campaign expenditures of the 1989 publicly-financed gubernatorial general election campaigns and relied upon data developed for the Commission's study of the 1989 gubernatorial public financing program, New Jersey Gubernatorial Public Financing Revised: 1989 and Beyond. Staff concluded that 82 percent of 1989 gubernatorial general election expenditures were associated with communication of the candidates' message to voters, and that the remaining 18 percent of 1989 general election expenditures included all other campaign costs such as transportation, personnel, compliance, and fundraising expenses.

The Commission then used established, available indices to evaluate the change in costs during the period between the 1989 and 1993 elections in these two expenditure categories, mass communication costs and other campaign costs. The change in mass communication costs was found to be an increase of 17.4 percent. The level of change in all other campaign costs during the same period of time was calculated to be an increase of 20.2 percent.

Applying methodology first described in the Commission's June, 1988 Gubernatorial Cost Analysis Report, the 17.4 percent increase in communication costs was multiplied by the proportion of 1989 campaign expenditures for mass

communications, or 82 percent, resulting in a communication component of 14.27. The 20.2 percent increase in other campaign costs was multiplied by the proportion of 1989 campaign expenditures on such items or 18 percent, which resulted in a component of 3.64. The 14.27 percent increase in communication costs was then combined with the 3.64 percent increase in other costs to yield a total New Jersey Campaign Cost Index (NJCCI) of 17.91 percent.

Applying the cost index to the various public financing thresholds and caps resulted in the following changes for the 1993 gubernatorial primary and general elections:

Contribution Limit:	\$ 1,800.00
Qualification Threshold:	177,000.00
Amount for which no public funds are awarded:	59,000.00
Primary Expenditure Limit:	2,600,000.00
Primary Public Fund Cap:	1,600,000.00
General Expenditure Limit:	5,900,000.00
General Public Fund Cap:	3,900,000.00

These adjustments were transmitted to the Legislature in a detailed report in early December as required by the statute.

## Planning and Staffing

A detailed calendar was drafted by staff which itemized all tasks necessary for operation of the gubernatorial public financing program through the 1993 general election. Not only were statutory filing and reporting deadlines included, but public fund submission dates, optimal hiring dates, day-to-day operational tasks, and Office of Administrative Law filing targets were also noted. This calendar served during 1992 and will continue during 1993 as the framework for the entire Commission staff to coordinate efforts necessary to once again administer the public financing program.

Staffing projections, which were incorporated into FY 1993 budget and public financing calendar, were designed to provide adequate time for hiring and training of the temporary public financing staff. It was projected that an assistant director and computer assistant would be hired for the program in August and September of 1992, and that additional public financing analysts and data entry staff would be in place and trained by December of 1992.

The hiring freeze in State government significantly delayed this process, and no public financing staff members were able to be hired until January, 1993. Therefore, it was necessary for all preparatory work to be undertaken by existing Commission staff, which includes a permanent director of public financing and public financing secretary. The impact of the hiring freeze was certainly alleviated by the presence among the permanent Commission staff of the public financing staff members with experience from the 1989 public financing program. An intensive training program was undertaken during

January of 1993 for temporary public financing staff members. The absence of public fund submissions from 1993 gubernatorial primary election candidates during January provided time for necessary staff training.

During the fall of 1992, forms and instructional manuals used by publicly-financed gubernatorial candidates to apply for public matching funds were reviewed and revised as necessary, and computer-based operations related to public financing were tested.

### Regulatory Review

One of the most important tasks undertaken prior to a gubernatorial election year is the thorough review of Commission public financing regulations. This process results in proposed amendments to regulations which reflect not only the Commission's past experience in administering the program, but also includes statutory changes. This review became even more essential for the 1993 elections because the amendments incorporated the adjusted primary and general election public financing contribution limit, public funds caps, expenditure limits, and qualification threshold.

The Commission held public hearings on September 16, 1992, and October 21, 1992 to solicit input on its proposed primary election and cost adjustment regulations.

Among the amendments adopted were requirements that publicly-financed campaigns file additional photocopies of all public financing submission

documents and also identify contributors on submissions for matching funds by type of contributor. Each of these changes will reduce the administrative burden upon Commission staff, permit more efficient processing of candidates' claims for matching funds, and ultimately speed-up the distribution to candidates of public funds. For similar reasons, the regulations were amended to require that each application for public matching funds be accompanied by an alphabetized cumulative list of all contributors from which Commission staff can monitor compliance with the contribution limit and which may be disclosed to the public.

The regulation which specifies the permitted uses of public funds was amended to require that publicly-financed campaigns obtain media affidavits from radio and television outlets at the time their advertisements are broadcast, certifying that the media time paid for with public funds was actually aired. The Commission believes that such documentation of media time purchased and used is necessary to determine whether refunds for unused media time are owed to the campaign and therefore potentially available for return to the State.

Another amendment was adopted to clarify that reporting requirements attach to the use by a gubernatorial campaign of any government or leased vehicle and to establish the appropriate method for valuation of such expenditures for transportation. These changes address issues which have arisen during the postelection audits in prior election cycles. The Commission believes therefore that these amendments provide appropriate

guidance in advance to campaigns which will ultimately make the audit process easier.

Regulations concerning the gubernatorial debate sponsor selection process were amended to conform to N.J.S.A. 19:44A-46, which no longer requires that a debate sponsor be a private organization and which provides for an additional category of debate sponsors.

For the first time, the primary and general election regulations were amended to include the campaign cost index revisions to the following limits and thresholds which are at the core of the gubernatorial public financing program:

- the contribution limit,
- the primary and general election public funds caps,
- the candidate qualification threshold,
- the amount of private contributions within the qualification threshold which is not subject to match, and;
- the primary and general election expenditure limits.

Public financing regulatory review was therefore a primary focus of Commission activity in 1992, serving for the first time the additional important purpose of notifying interested individuals of the results of the new statutorily-required quadrennial campaign cost adjustments.

### Public Information

Requests from the public for information increased in 1992 over 1991 levels as the 1993 gubernatorial election approached. Over 13,000 pages of data were provided in response to 122 specific requests for gubernatorial information. More than 300 telephone calls specifically related to public financing issues were taken. It is expected that the volume of public financing information distributed will continue to increase during the actual year of the election.

As they have in the past, the Director of Public Financing and Public Financing Secretary continued to support all phases of the Legal and Review and Investigation Sections of the Commission. In her role as Associate Legal Director, the Director of Public Financing assisted the Legal Director in accomplishing the various legal tasks in the Commission's day-to-day operations.

### Conclusion

With necessary tasks completed, the Commission and the gubernatorial public financing staff are prepared to meet the demands during 1993 of the public and participating gubernatorial candidates. Time spent during 1992 in planning, training, and program review will become evident as New Jersey's nationally-recognized gubernatorial public financing program operates for the fifth time as an essential component of the gubernatorial electoral process.



## **COMPUTER SECTION**

The Computer Section is critical to the efficient management of the Election Law Enforcement Commission. It involves two functional areas, data entry and computer systems/operations.

### **Data Entry**

In the past year the Data Entry staff completed the legislative contributors project, which permitted the Commission to make detailed contributor information on 1991 candidates for the Senate and Assembly available to the public. Summary information on receipts and expenditures for candidates from school board through county elections was also keyed along with summary financial information on political parties, political committees, and PACs. All of these reports are available to the public upon request.

Besides the Data Entry staff's accomplishments relative to campaign financing, the staff also keyed important information on lobbyists and legislative agents. This data, which for the first time included information contained on agent's quarterly activity reports as well as annual financial reports, was useful in terms of compliance efforts as well as in terms of enforcement efforts.

The Data Entry staff, because of staff shortages, assisted other areas of the Commission when necessary. In addition to performing its regular data

entry functions, the Data Entry staff assisted with filing, sorting, coding, and photocopying reports. These staff members also filled in as receptionists and mail delivery persons.

In a word, the Data Entry staff is mainly responsible for entry and maintenance of all information input into ELEC's Prime Information Database Information System. However, during these tight economic times, the staff has also been called upon to assist with many other functions in the agency which require support.

### **Systems Operation**

An essential cog in the computer wheel, the systems/operations area has responsibility for maintaining the system software for the Prime Information 4050 operating system and the personal computers used by the secretarial staff. It also has the task of upgrading the various systems and enhancing the capacity of the computer to do its job. In 1992, this process was aided in the following ways:

- 1) a Lotus program was created for the Compliance Section which supported an analysis of PAC activity;
- 2) a Lotus program was created to assist with the analysis of legislative expenditures;
- 3) a variety of modifications to the public financing software were made to support the monitoring of the 1993 gubernatorial public financing program; and,

- 4) numerous software changes were made to enhance various aspects of the Commission's operations, including special reports for detailed contributor information, for the Computer White Paper and for a statistical analysis of G-89 through G-91 total receipts and expenditures, ranking them high-to-low.

Aside from the technical modifications made to the system, additional steps were taken under the systems operation function to enhance the operational efficiency of the overall system. These steps include:

- 1) the continuation of the in-house personal computer users training program, with emphasis on procedure to backup and restore wordprocessing documents;
- 2) the continuation of the in-house training for all personnel on enhancements of the WordMarc wordprocessing software;
- 3) the in-house training of Data Entry staff on Lotus 1-2-3 and Database III Plus, now used for the Lobbyist Agent Reporting System; and,
- 4) the continued technical support of hardware and software for the secretarial staff.

As in 1991, the systems operations area in 1992 again made a huge contribution to the Commission's research efforts. In addition to the production of statistical information pertinent to campaigns and elections, the Section assisted with providing information for use in White Paper Number Eight: Technology in the Future: Strengthening Disclosure.

In a word, the task of the Computer Section is to provide support to the users of the system and to provide the public with timely data. During 1991, the Computer Section lived up to this challenge and will continue to do so in the future.

## **ADMINISTRATION SECTION**

During 1992, the Administration Section effectively met the increased fiscal and personnel demands of the Commission. An essential part of the agency, Administration provides all management services for the Commission.

Since ELEC is "in but not of" the Department of Law and Public Safety, the Department has no administrative responsibility or control over the Commission.

### **1. MANAGING THE BUDGET**

During FY 1993, the Commission's budget of \$950,000 was further reduced to \$895,000 due to an interdepartmental assessment of \$55,000. This loss amounted to a six percent reduction. This reduction was on top of the 10 percent reduction from the FY92 appropriation of \$1,051,000 to the FY 1993 appropriation of \$950,000. The budget has been met in part through an internal hiring freeze begun in fiscal year 1990.

Through attrition and a reduction in many internal functions, the Commission has been able to manage within its financial constraints without the need for layoffs. However, working with a reduced staff of 24 people (a 29 percent reduction since 1990 when staff levels were at 34), makes the management of an ever-increasing workload a more challenging task. During FY 1991, ELEC was allowed, for the first time, to retain its fine revenues. This source of funding in FY 1993 has become an additional asset during the course

of the fiscal year, raising about the same amount of money as ELEC's photocopying fees and constituting about 3 percent of ELEC's budget. ELEC has requested permission from OMB every year to carry forward any remaining funds from this revenue account so as to provide a small cushion for the Commission in subsequent fiscal years. ELEC is anticipating that this request will eventually be approved.

Looking forward to FY 1994, the Commission's operating budget for continuing operations is anticipated to be \$913,000. This amount provides funding for day-to-day operations. In addition, there will be a special purpose appropriation in FY 1994 for the Public Financing program because of the upcoming gubernatorial election.

The FY 1994 proposed budget of \$913,000 is \$37,000 less than the original FY 1993 appropriation, thus bringing the reduction since FY 1990 to \$318,000, or 26 percent. Needless to say, the added cuts in FY 1994 will place further strain on the Commission's trimmed budget resources, placing an enormous challenge on the Administration Section as it attempts to navigate the Commission through the rough fiscal seas of FY 1994. The austere budget situation caused by the recession will continue to place enormous strain on scant staff resources and may necessitate the continuation of service reductions.

## OTHER ACTIVITIES

In 1992, the Commission took over the administration of the Quarterly Lobbying Reports from the Attorney General's Office. This added responsibility has caused the Commission to once again utilize existing staff for numerous responsibilities. In the Administration Section, the personnel officer took on the added workload of monitoring the quarterly reports submitted by legislative agents and administering the distribution of badges as well as collecting the annual fees. These responsibilities are in addition to her regular functions of payroll, health benefits coordination, and maintenance of the PMIS system. The Administrative Section also assists in the production of the quarterly compilation reports of legislative agent filings.

The Director of Administration prepared 22 fiscal notes for the Office of Legislative Services over the past year, including several which provide filing fees as an additional source of revenue for ELEC. Currently, only legislative agents pay an annual fee of \$200 to the Commission. Filing fees would undoubtedly assist the Commission in performing the statutorily-mandated responsibilities in the absence of an increased appropriation.

Due to lack of staff, it is necessary to utilize existing personnel resources to the fullest. ELEC is fortunate to have the dedicated staff that it does in these hard economic times. However, as existing staff leave to pursue career opportunities beyond ELEC, the continuation of the hiring freeze is making it increasingly difficult to maintain services at historic levels.

### HIGH MARKS FOR OPERATIONAL PERFORMANCE

ELEC was the subject of several audits during past years. In March, 1992, the Department of Personnel conducted a classification audit which resulted in the creation of two new titles, Deputy Legal Counsel and Compliance and Systems Administrator. The findings also indicated that the Election Law Enforcement Commission is a "well-run and efficient organization." It recognized that during the past several years, the Commission has had to re-prioritize its work to keep up with ever-increasing demands by the public for information. It also recognized that most employees at the Commission now perform more than one job function due to limited staff resources.

Undoubtedly, the Administration Section, with its responsibility for purchase and contract negotiation, fiscal and personnel management, and the efficient functioning of the Commission's day-to-day operations, is a vital part of the Election Law Enforcement Commission. As it has always done during its seven years in existence, the Administration Section will strive to improve efficiency in management and daily operations in the coming year.



1992 and 1993 BUDGET OVERVIEW

In FY 1993, the Commission sustained a \$55,000 budget cut from its original budget due to the economy, and no inflationary adjustments were received in the non-salary operating accounts. In FY 1994, the Commission anticipates an appropriation without adjustment for inflation.

COMPARISON OF FISCAL YEARS 1992 AND 1993 APPROPRIATIONS

	<u>FY 1992</u> <u>Appropriation</u>	<u>FY 1993</u> <u>Appropriation</u>
Personnel	\$886,000	\$805,000
Printing & Supplies	36,000	21,000
Travel	2,000	0
Telephone	17,000	17,000
Postage	19,000	19,000
Data Processing	34,000	34,000
Professional Services	33,000	33,000
Other Services	3,000	0
OTIS	5,000	5,000
Maintenance/Equipment	1,000	1,000
Central Motor Pool	0	0
Furniture/Equipment	0	0
Commissioner Per Diem	<u>15,000</u>	<u>15,000</u>
Total Operational	\$1,051,000 *	\$ 950,000 **
Public Financing Administration	0	0
Gubernatorial Public Financing	0	0

\* In FY 1992, \$86,000 was taken from the ELEC budget due to an Interdepartmental Assessment. This amount was removed from the salary account.

\*\* In FY 1993, \$55,000 was taken from the ELEC budget due to an Interdepartmental Assessment. This amount was removed from the salary account.

1992 Evaluation Data

Disclosure Reports (Total)	19,640
Campaign & Quarterly	16,030
Lobbyist	3,609
Personal Finance	1
Photocopies	200,815
Investigations	30
Civil Prosecutions *	188
Public Assistance Requests	18,759
Fine Collection	\$31,733
Lobbying Annual Fees	\$94,800

\* Changed from Agency-Initiated Civil Proceedings