



State of New Jersey

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ELECTION LAW ENFORCEMENT COMMISSION

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Legal Director

EVELYN FORD
Compliance Director

JAMES P. WYSE
Legal Counsel

PUBLIC SESSION MINUTES

September 21, 2010

Chair English, Vice Chair Saunders, Commissioner DeFilippis, Legal Counsel Wyse, and Senior Staff were present. Special Programs Director Amy Davis and Associate Director of Review and Investigation Shreve Marshall were present. Report Review Officer Lovinsky Joseph was also present for the purpose of recording the minutes. Commissioner Burstein was absent from the meeting.

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

The meeting convened at 11:00 a.m. in Trenton.

1. Open Public Meetings Statement

Chair English called the meeting to order and announced that pursuant to the "Open Public Meetings Act," N.J.S.A. 10:4-6 et seq., 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 July 20, 2010

On a motion by Vice Chair Saunders, seconded by Commissioner DeFilippis and passed by a vote of 3-0, the Commission approved the Public Session Minutes of July 20, 2010 as amended by Chair English.

3. Approval of Public Session Minutes of August 4, 2010

On a motion by Vice Chair Saunders, seconded by Commissioner DeFilippis and passed by a vote of 3-0, the Commission approved the Public Session Minutes of August 4, 2010.

4. Executive Director's Report

A. Governor's Ethics Package

Executive Director Brindle informed the Commissioners of Governor Christie's recently unveiled ethics package, which incorporates reform of pay-to-play regulation. He reported that the package proposed a single statewide pay-to-play law, disclosure of all contracts over \$17,500, elimination of the "fair and open" exemption, and limits to party transfers facilitating the practice known as "wheeling."

The Executive Director noted that several features of the ethics package closely resemble items in the Commission's legislative proposals issued in January.

B. Local Contributor Database

Executive Director Brindle reported on updates to the local contributor database, noting the addition of municipal party committees to the resource. He stated that this contribution completed the database.

The Executive Director informed the Commissioners that the local contributor database now incorporated data from Gubernatorial, Legislative, Municipal, June Runoff, and school board elections as well as State, county, and municipal party committees.

Executive Director Brindle recognized Director of Information Technology Carol Neiman, Data Entry Supervisor Brenda Brickhouse, Assistant Data Entry Supervisor Darlene Koslowski, and the remainder of the Data Entry staff for their work in completing this major project.

Chair English praised the aforementioned staff members and recognized their contribution to informing the general public and assisting the work of the press.

C. Analytical Press Releases

Executive Director Brindle informed the Commissioners of three analytical press releases published by the Commission concerning special interest PACs, the June Runoff election, and municipal party committees.

The Executive Director noted the proliferation of party oriented PACs after the passage of pay-to-play reform in 2005 to about 60 in number. He reported that it appeared that many of these committees may have been organized to circumvent pay-to-play legislation and contribution limits, and suggested that increasing the minimum membership of such PACs to 9 people, as is already FEC practice, would help reduce abuses of this kind.

D. Agency and Legislative Leadership Meetings

Executive Director Brindle reported that Compliance Director Evelyn Ford and he had met with First Assistant Attorney General Philip Kwon concerning lobbying regulation. He also reported productive meetings with Democratic and Republican legislative staff

concerning the Commission's proposals to regulate "527" committees and standardize pay-to-play reform.

E. Gubernatorial Debate Working Group

Executive Director Brindle informed the Commissioners that the first meeting of the Gubernatorial Debate working group formed to review and improve the structuring and promotion of debates would take place on September 22. He reported that representatives of all candidates, debate sponsors, and other relevant parties were slated to attend.

The Executive Director noted that the working group derives from the Public Financing Public Hearing, and would likely meet for two sessions.

F. Training Sessions

Executive Director Brindle informed the Commission of forthcoming training sessions for treasurers of candidate committees, lobbyists, and PACs.

G. New Compliance Director

The Executive Director announced the retirement of Compliance Director Evelyn Ford after 25 years at the Commission. He praised her commitment to excellence, and stated that she would be missed.

Executive Director Brindle informed the Commissioners that Special Programs Director Amy Davis had been selected as the new Compliance Director. He praised her qualifications and noted that she has been working with Director Ford to facilitate a smooth transition.

Chair English congratulated Director Davis on her new position and expressed a desire for Director Ford to be present at the next meeting to be recognized for her service.

H. Online Lobbyist Reports

The Executive Director announced that the Commission now provides lobbyist reports online. He acknowledged Director of Lobbying Linda White, Executive Secretary Maureen Tilbury, Technical Assistant Bettie Michael, and Principal Webmaster Maryanne Garcia for their efforts in completing this project.

Director of Information Technology Carol Neiman and Associate Help Desk Technician Peter Palaitis provided a demonstration of the new lobbyist database.

Director Neiman reported that electronic filing for lobbyists was not yet available, but reports may currently be filled out and saved on a computer for eventual printing and submission of a hard copy. She anticipated that electronic filing would be available in the future.

Vice Chair Saunders expressed admiration for the volume of information represented in the database.

Commissioner DeFilippis asked if 2010 lobbyist reports would be released in less time than required for the 2009 reports.

Director Neiman replied that she anticipated this would be the case as staff had now gained experience in processing the reports.

Commissioner DeFilippis asked if lobbyist reports filed prior to 2009 would remain available in hard copy only.

Director Neiman answered in the affirmative.

Deputy Director Donohue noted that Commission summaries of lobbying activity were available for previous years in electronic format, and contained very detailed information.

Commissioner DeFilippis asked about availability of reports for the upcoming 2010 general election.

Director Neiman replied that reports were scanned immediately and were uploaded into the system within 48 hours, but incorporation into the local contributor database could only be completed when all reports had been filed.

I. Fall /Winter Meeting Schedule

- October 5, 2010 at 11:00 a.m. in Trenton;
- November 16, 2010 at 11:00 a.m. in Trenton;
- December 21, 2010 at 11:00 a.m. in Trenton.

5. Report on Gubernatorial Public Financing

Special Programs Director Amy Davis reported that staff had received an application from 1993 primary election gubernatorial candidate, Cary Edwards to finalize the reporting of his campaign. Director Davis informed the Commissioners that in 2009, the Commission adopted new regulations that allow for a past gubernatorial public financing campaign with outstanding obligations, to apply to the Commission to finalize campaign reporting. Since a publicly-financed campaign may not transfer outstanding obligations to a future campaign, the possibility arises that a campaign which is unable to raise funds postelection to liquidate its obligations may be required to file quarterly reports without end. Director Davis additionally reported that the Commission requires that any application for termination with net liabilities may not be made earlier than seven years after the date of the election. She explained that this time period allows for a campaign to fundraise to retire debt and extends beyond the statute of limitations in which a vendor may assert a claim against the campaign to enforce any contractual obligation.

Director Davis informed the Commissioners that former candidate Edwards currently has \$89,055.57 in outstanding obligations and reports the campaign has been unsuccessful in raising funds to extinguish debt. The Director stated that staff has reviewed the application and has determined that it meets the regulatory requirements to be able to finalize. She further informed the Commissioners that if they had no objection, staff will contact the campaign and notify them they may file a final report with required certifications.

On a motion by Commissioner DeFilippis and passed by a vote of 2-0, in which the Chair invoked the doctrine of necessity, the Commission approved the staff recommendation to permit the candidate committee of former candidate Edwards to file a final report with required certifications. Vice Chair Saunders recused himself from participating in the vote, since he has known Mr. Edwards for many years.

Director Davis informed the Commissioners that an outside audit of the Gubernatorial Public Financing Program being conducted by the Mercadien Group of Princeton would be ready in time for the November meeting.

6. Resolution to go into Executive Session

On a motion by Commissioner DeFilippis, seconded by Vice Chair Saunders and passed by a vote of 3-0, the Commission resolved to go into Executive Session to discuss anticipated litigation, which will become public as follows:

- A. Final Decision Recommendations in violation 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. Investigative Reports of possible violations, which reports will not become public. However, any complaint generated as the result of an Investigative Report will become public not later than seven business days after mailing to the named respondents.

7. Adjournment

On a motion by Commissioner DeFilippis, seconded by Vice Chair Saunders and passed by a vote of 3-0, the Commission voted to adjourn at 12:45 p.m.

Respectfully submitted as true
and correct,

Jeffrey M. Brindle
Executive Director