



**REPORT OF
THE REVIEW COMMITTEE ON THE STATE COMMISSION OF
INVESTIGATION**

W. Cary Edwards, Chairman

**Maryann Bielamowicz
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John J. Tumulty, Secretary

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FORWARD AND SUMMARY OF COMMITTEE ACTIVITIES

The State Commission of Investigation was created in 1968, as part of a package of legislation aimed at strengthening New Jersey's ability to deal with criminal activities, especially organized crime and corruption. Other legislation enacted as part of that 1968 package included the "New Jersey Wiretapping and Electronic Surveillance Act" and legislation creating the State grand jury. The 1968 enactments were based on the recommendations of a special blue-ribbon panel known as the Forsythe Commission which was charged with improving New Jersey's then much-maligned criminal justice system.

Over the more than twenty-seven years of its existence, in addition to monitoring organized crime activities, the S.C.I. has conducted numerous investigations dealing with the execution and effective enforcement of the laws of New Jersey.

The S.C.I. was established on a temporary basis and was initially scheduled to expire in 1974. By legislative enactments in 1974, 1979, 1985 and 1990, authorization for the S.C.I. was continued on a temporary basis. Authorization for the S.C.I. was most recently extended until July 1, 1996 by enactment of P.L. 1994, c.191.

In addition to continuing the S.C.I.'s statutory authorization, P.L. 1994, c.191 also established a special seven-member committee to review the activities of the S.C.I. The committee was directed "to review the activities of the S.C.I. for the purpose of determining whether the statutory authorization for the commission's operation should be renewed." Three members of the committee were to be selected by the Governor; two by the President of the Senate and two by the Speaker of the General Assembly. Members were to be selected on a bipartisan basis.

Pursuant to this enactment, Governor Christine Todd Whitman appointed to the committee Mercer County Prosecutor Maryann K. Bielowicz; Lorraine Kulick, Executive Director of the

New Jersey Police Chiefs Association and former Attorney General Peter N. Perretti, Jr. Senate President Donald T. DiFrancesco selected retired Superior Court Judge Martin L. Haines and Charlotte Smith-Tate, Esq., director of environmental crime prosecutions for the Essex County Prosecutor's Office. Assembly Speaker "Chuck" Haytaian appointed Thomas Dunn, former State legislator and mayor of Elizabeth and former Attorney General W. Cary Edwards. Mr. Edwards was elected chairman of the Committee. John J. Tumulty, of the Office of Legislative Services, was designated to serve as secretary to the committee.

Beginning in May of last year, the committee held a series of public hearings on the S.C.I. During the course of the hearings, the committee received testimony from Leslie Celentano, Esq., chair of the S.C.I., from James Morley, Esq., the S.C.I.'s executive director and from several present and former S.C.I. commissioners.

The committee also heard from Attorney General Deborah Poritz and former U.S. Attorney General Nicholas Katzenbach. The committee received testimony from groups such as the N.J. League of Municipalities and the N.J. Association of Environmental Authorities; from several legislators and from a number of private citizens interested in the S.C.I.

The committee also reviewed the statutes governing the S.C.I, written materials furnished by the S.C.I. outlining its procedures and reports issued by the S.C.I. In addition, the committee reviewed the experiences of other states with agencies similar to the S.C.I. It is on the basis of these efforts that the findings and recommendations contained in this report are submitted to the Governor and the Legislature.

STATUS OF S.C.I.

As noted in the forward to this report, since the creation of the S.C.I. in 1968 authorization for its continued existence has been on a temporary, fixed-term basis. The present statutory authorization for the S.C.I. is scheduled to expire on July 1, 1996. Therefore, the threshold issue for the committee to address is whether authorization for the S.C.I. should be extended beyond that date. It is the committee's recommendation that the S.C.I.'s statutory authorization be extended.

In making this recommendation, the committee notes that the testimony at public hearings held by the committee and the correspondence received from groups and individuals during the review process has been strongly supportive of the S.C.I. The committee also notes that while it did receive testimony critical of the manner in which some S.C.I. investigations were conducted and testimony expressing concern with regard to the effect of S.C.I. investigations on the rights of individuals, the committee received no testimony or other comment calling for the abolition of the S.C.I.

Moreover, the committee's review of the work of the S.C.I. as embodied in the S.C.I.'s reports has led the committee to conclude that the S.C.I. continues to perform a unique and valuable service by providing New Jersey and its citizens a non-partisan, independent body which can review and investigate matters which affect the confidence of citizens in their government.

Having concluded that the S.C.I. should continue to exist, the committee next addressed the question of whether to recommend that the S.C.I. be granted permanent status. In considering this issue, the committee is aware that legislation granting permanent status to the S.C.I. has been proposed. The committee also recognizes the long-standing desire on the part of the S.C.I. itself to achieve permanent status.

While being cognizant of these views, the committee recommends that the S.C.I. not be granted permanent status but that the S.C.I.'s authorization be extended for a period of six years until July 1, 2002.

The chief consideration underlying this recommendation is the nature of the S.C.I. itself and its potential for abuse. The S.C.I. has, subject only to statutory limitation, discretion in determining the focus of its attention. In addition to criminal activities, it can investigate the functions of government on all levels. In conducting its investigations, the S.C.I. is empowered to compel individuals to testify; to grant immunity to witnesses and to compel individuals to attend public hearings. In its reports, the S.C.I. can also, of course, cite individuals for misconduct.

The S.C.I., as an investigatory rather than a prosecutorial agency, exercises this discretion and these powers outside of the traditional criminal justice system and the due process rights and practices embodied in that system. In fact, not only is the S.C.I.'s status as an investigatory agency unique in New Jersey, no other state with the exception of New York has an agency with comparable powers.¹ Given this unique status of the S.C.I. as an institution within New Jersey's government, the committee determined that the temporary, fixed-term basis on which the S.C.I. presently operates is an appropriate method of curtailing the potential for abuse.

In addition to the nature of the S.C.I. itself, several other factors weighed in the committee's determination to recommend against permanent status. One was the need perceived by the

¹The Pennsylvania Crime Commission, which was similar to the S.C.I., was recently disbanded.

committee to encourage continued cooperation by the S.C.I. with the other agencies (the State Police, the Division of Criminal Justice, etc.) which comprise New Jersey's criminal justice system. Permanent status could undermine the desired level of cooperation.

Another consideration involves the S.C.I.'s mission and future focus. Since the S.C.I. has changed its primary focus over time from organized crime to governmental mismanagement and, no doubt, in the future this focus will continue to evolve, continuing the present arrangement will permit a periodic review of the propriety of the S.C.I.'s focus and its methods and manner of operation.

A fourth factor taken into account by the committee in rejecting permanency is the committee's belief that the S.C.I.'s ability to function as an investigatory agency has not been harmed in any material way by its temporary, fixed-term status. In their testimony, representatives of the S.C.I. indicated that not being a permanent agency has had a deleterious effect on staff morale. No convincing evidence, however, was submitted indicating that the S.C.I. has had a serious problem in either recruiting or retaining capable personnel. Its twenty-seven year history demonstrates this.

In recommending that the S.C.I. continue on a temporary, fixed-term basis, the committee also recommends that a review committee be appointed at least 18 months in advance of the date when authorization for the S.C.I. is next scheduled to expire. The committee should be given six months to complete its review. The appointment of a review committee in this manner will ensure that the committee will have sufficient time to complete its work in a meaningful way and that the Governor, the Legislature and the public will have ample opportunity to review the committee's recommendations.

In connection with the review process, it should be noted that in advocating permanent status, the S.C.I. suggested that permanency be coupled with periodic review. In addition to the reasons outlined above for not recommending permanency, the committee concluded that review without the need for statutory re-authorization would gradually become, if conducted at all, a meaningless exercise.

INVESTIGATORY AUTHORITY

N.J.S.A.52:9M-2 presently grants the S.C.I. the power to conduct investigations with regard to:

- a. The faithful execution and effective enforcement of the laws of the State, with particular reference but not limited to organized crime and racketeering;
- b. The conduct of public officers and public employees, and of officers and employees of public corporations and authorities;
- c. Any matter concerning the public peace, public safety and public justice.

This broad grant of investigatory power clearly gives the S.C.I. the right to investigate nearly any area that affects government in New Jersey. As the committee believes that this broad scope of investigatory power allows the S.C.I. to be flexible and to appropriately respond to changing circumstances, the committee does not recommend that the statutory authority of the S.C.I. be curtailed or limited.

In practice, however, the S.C.I. should restrict its operations so that they focus primarily upon governmental mismanagement and waste and possible criminal activity related thereto. That shift has already begun. It should continue.

Mismanagement and waste, an omnipresent condition in too many public offices, may be a seedbed for criminal activity. It is also associated with inadequate service and public distrust. Today, quality management of all organizations, public and private, has become a constant quest, one underlined with respect to the federal government in the report of the National Performance Review, headed by Vice President Al Gore: *Creating a Government that Works Better and Costs Less*. No one reading that report can doubt the need for more independent oversight of government operations.

The S.C.I. is well equipped to provide that oversight. It can do far more for the public welfare by concentrating its limited resources on investigations involving alleged government mismanagement and waste than upon a wide variety of criminal and organized crime activities. Inevitably, those investigations will expose corruption - a welcome exposure - but, as we later recommend in more detail, when they do so further pursuit should be entrusted to the Attorney General, thereby extending S.C.I. resources. It should be noted that the committee takes the view that the term "government mismanagement and waste" includes not only the activities of governmental agencies themselves but also the activities of companies, vendors and bidders who provide goods and services to governmental agencies. The committee also takes the view that the term "government mismanagement and waste" includes private entities, such as those involved in the health care industry, whose activities are regulated by government. Such entities should also be the focus of S.C.I. scrutiny. In point of fact, dishonest practices on their part are often coupled with the corruption of governmental officials.

There are several reasons for the committee's recommendation. First, since the creation of the S.C.I. in 1968, other law enforcement agencies in New Jersey, particularly the Division of State Police and the Division of Criminal Justice, have developed specialized personnel with the expertise and experience to deal effectively with organized crime. Criminal justice agencies on the federal level are also now more actively involved in efforts to fight organized crime. In addition, RICO statutes, which have greatly assisted prosecutorial agencies in combating the problems associated with organized crime, have been enacted on both the State and federal level. While in the 1970's the S.C.I.'s focus on the problem of organized crime was vital, strides made since then by other law enforcement agencies in this area have obviated the need for the S.C.I. to have organized crime as

a major focus of its investigatory efforts. This is not to say that organized crime has been eliminated altogether; rather, it is an acknowledgement that State and federal investigative and prosecutorial expertise is now the most effective societal response to that problem.

Secondly, the committee believes that it is crucial to New Jersey that its citizens have confidence that government on all levels is operating appropriately and efficiently. The S.C.I. is uniquely positioned to expose corruption and mismanagement to New Jersey residents and to make recommendations aimed at improving New Jersey's system of government.

Thirdly, on a more practical level, given the budgetary restraints under which the S.C.I. presently operates, the resources which the S.C.I. has available to conduct investigations are limited. By focusing on governmental corruption and mismanagement, it is the committee's view that the S.C.I. will help to ensure that its efforts will have the maximum positive impact.

COMMISSION STRUCTURE

A. COMMISSIONERS

Under the provisions of N.J.S.A. 52:9M-1, the S.C.I. consists of four commissioners. Two commissioners are appointed by the Governor; one commissioner is appointed by the President of the Senate and one commissioner is appointed by the Speaker of the General Assembly. Three of the commissioners must be attorneys and commissioners must be appointed on a bipartisan basis. A commissioner may only serve two full three-year terms plus any portion of an unexpired term to which the commissioner is appointed.

In reviewing the present structure of the S.C.I., the committee recognized the continued need for attorneys to be members of the S.C.I. Attorneys, regardless of their professional activities, have a fundamental familiarity with criminal law and, at least as importantly, are trained and educated to be sensitive to issues of fairness and due process. However, if the S.C.I. is to focus on governmental corruption and mismanagement, a broader leadership is advisable. For example: persons with experience in business, education and accounting can provide valuable services to the S.C.I. It is the committee's view that the appointment of individuals with extensive experience in State and especially local government will be of vital importance to the S.C.I. given its recent emphasis on mismanagement in government. Therefore, the committee recommends that the appointing authorities select attorneys and others from a variety of backgrounds to serve on the S.C.I.

The committee would also like to take this opportunity to reemphasize to the Governor and to the leaders of the Legislature the importance of continuing the appointment of commissioners who

have, through their professional achievements and prior public service, demonstrated the experience, ability and sensitivity necessary for service on the S.C.I.

B. EXECUTIVE DIRECTOR

The committee recommends that a statutory limitation be established for service as executive director of the S.C.I. Presently, the executive director serves at the pleasure of the commission. The committee recommends that while continuing to serve at the pleasure of the commission, a person should not serve as executive director for more than 12 years.

This recommendation is based upon the nature of the role which the executive director plays in the operation of the S.C.I. The executive director supervises the staff in its day-to-day activities and, more importantly, undertakes the initial review of all information received and all requests for investigations submitted to the S.C.I.² It is the executive director who recommends to the commissioners which investigations should be undertaken, taking into consideration their importance and the resources available for those purposes. The powers and controls exercised by the executive director are of critical significance.

²The committee recommends that the S.C.I. adopt an internal procedure whereby all requests for investigations be reviewed by the commission.

The committee, therefore, believes that just as there are limitations on the number of terms that an individual can serve as an S.C.I. commissioner, there should be a limitation upon the time that an individual can serve as the S.C.I.'s executive director.

In formulating this recommendation, the committee does not intend to imply criticism of the current executive director of the S.C.I., who has served with great skill and competence for over eleven years. Nor is it the committee's intention that this recommendation result in his ineligibility to continue to serve if the commission desires his continued service. On the contrary, this recommendation is intended to apply only to future executive directors.

C. CONSULTANTS

One problem which the committee believes that the S.C.I. will encounter as it continues to refocus its investigations on governmental mismanagement and waste is the need to access persons with expertise in specific areas (e.g.; health care, highway construction, computers). Given the S.C.I.'s limited staff, it seems clear that without access to a wider range of talents, the S.C.I. may not be able to undertake some investigations which could have a significant impact on how government in New Jersey operates. Therefore the committee recommends that the S.C.I. consider using "consultants" to augment its staff in conducting certain specific investigations. As envisioned by the committee, the term "consultants" could include both persons who are paid and persons who volunteer their services. Consultants could also be persons "on loan" from other agencies. The committee recognizes that while the use of persons not directly employed by the S.C.I. may raise some problems (e.g., confidentiality), the committee believes these problems can be overcome and that consultants are a tool which the S.C.I. could utilize in appropriate circumstances.

PROCEDURAL SAFEGUARDS

In In Re Zicarelli, 55 N.J. 249 (1970), the New Jersey Supreme Court upheld the constitutionality of P.L. 1968, c.375, the law creating the S.C.I. The court ruled that since the S.C.I. was an investigatory, not an accusatory (prosecutorial) or adjudicatory agency, the full panoply of due process rights (e.g., the right to know charges; the right to confront accusers and the right to cross-examine witnesses) available to criminal defendants need not be afforded to individuals whose activities become the object of S.C.I. scrutiny. The view adopted by our Supreme Court with regard to the nature of the S.C.I. and the rights of individuals was later concurred in by the federal judiciary in several cases (e.g., U.S. Ex. Rel. Catena v. Elias 465 F. 2d 765 (1972) and Freeman & Bass P.A. v. S.C.I. 486 F. 2d 176 (1973)).

The S.C.I. itself believes that the rights of individuals adversely affected by S.C.I. investigations are adequately protected by its compliance with the provisions of the Code of Fair Procedure (N.J.S.A. 52:13E-1 et seq.).

While accepting that the S.C.I. is an investigatory and not a prosecutorial agency and not discounting the importance of the S.C.I.'s adherence to the Code of Fair Procedures, it is the opinion of the committee that the present statutes and procedures governing the S.C.I. do not sufficiently protect the rights of individuals adversely named in S.C.I. reports or otherwise exposed to public scrutiny as the result of S.C.I. investigations.

In the cases in the early 1970's in which the constitutionality of the S.C.I. was upheld, the courts frequently stated that due process rights need not be afforded to those adversely affected by S.C.I. investigations because the S.C.I. is not empowered to make and publicize findings with respect to the guilt of specific individuals. (See Zicarelli, supra., at p. 258). While the S.C.I. may not, in

theory, be empowered to accuse individuals or to reach a judgment with regard to criminal accountability, it is the committee's view that this is what occurs or can occur in reality. When an individual is adversely mentioned in an S.C.I. report, the language used and the content of the report too often make clear the S.C.I.'s conclusion that the individual is guilty of serious misconduct which in some cases constitutes a criminal offense. That is how the findings are reported in the media and perceived by the public. The fact that the S.C.I. is not, in a technical, legal sense, an "accusatory or adjudicatory" agency provides little comfort. The adverse mention of an individual in an S.C.I. report is for all practical purposes an official accusation of wrongdoing. Even though an adverse mention in a hearing or a report may not initiate criminal penalties, the effect on the reputation of the person named can be extremely destructive. The committee concludes, therefore, that the following additional procedural safeguards should be adopted:

A. Under N.J.S.A. 52:9M-8, the S.C.I. is required to report evidence of criminal misconduct to the Attorney General's Office when such evidence is discovered during the course of an investigation. The committee recommends that whenever such evidence has been so reported the S.C.I. be required to delay any public hearing and the public release of its report. The delay should continue until the Attorney General gives the S.C.I. permission to release the report or hold the public hearing or the Attorney General notifies the S.C.I. that prosecutions based on that evidence have been initiated or that the Attorney General has determined not to seek prosecutions.

At a minimum this procedure would ensure that any publicity which an S.C.I. public hearing or report might engender concerning an individual's criminal accountability would occur only after that individual has been indicted. Moreover, Attorney General Poritz indicated in her testimony

that in some instances the issuance of a report by the S.C.I. prior to the completion of the Attorney General's investigation hindered or complicated prosecutions. The procedure recommended by the committee would address this concern as well.

B. The committee recommends that whenever a proposed S.C.I. report is critical of a person's conduct, with or without criminal implication, that a copy of the proposed report (or, at minimum, the portions thereof that are relevant to that individual) be sent to that individual prior to the report's release. The person criticized should have 15 days to submit a written response to the criticism, a response the S.C.I. would be required to include in its report along with evidence submitted by the person named.

C. The committee recommends that if the S.C.I. has evidence of an exculpatory nature, or evidence which tends to exonerate any criticized individual, the S.C.I. should have an affirmative obligation to include such evidence in its report.

D. The committee recommends that a provision be added to the S.C.I. statute indicating that the purpose of the S.C.I.'s reports is to inform the public about systemic problems. This provision should emphasize that specifics which identify individuals should not be included in a report unless such identifying facts are necessary for a meaningful and credible explanation of the subject described in the report.

E. The committee recommends that the S.C.I. reports include, at the request of the Attorney General, a statement indicating the result of any criminal investigation or disciplinary action related to the report.

The adoption of these recommendations will not have a substantial impact on the ability of the S.C.I. to conduct investigations; it will have the salutary effect of ensuring that the rights of

individuals involved in investigations are recognized and, to at least a limited extent, protected. While it is important to New Jersey's citizens that an agency such as the S.C.I. exists, it is equally important that the S.C.I.'s reports not inappropriately label individuals.

In formulating these recommendations the committee considered requiring that the S.C.I. submit its reports to a Superior Court judge for review and approval prior to release. This procedure, similar to that presently required by court procedure with regard to grand jury presentments, created many other collateral problems and was deemed too cumbersome. It was therefore rejected.

REFERRALS TO THE ATTORNEY GENERAL

N.J.S.A.52:9M-8 presently provides that:

Whenever the commission or any employee of the commission obtains any information or evidence of a reasonable possibility of criminal wrongdoing, or it shall appear to the commission that there is cause for the prosecution for a crime, or for the removal of a public officer for misconduct, the information or evidence of such crime or misconduct shall be called to the attention of the Attorney General as soon as practicable by the commission, unless the commission shall, by majority vote, determine that special circumstances exist which require the delay in transmittal of the information or evidence. However, if the commission or any employee of the commission obtains any information or evidence indicating a reasonable possibility of an unauthorized disclosure of information or a violation of any provision of this act, such information or evidence shall be immediately brought by the commission to the attention of the Attorney General.

The committee recommends that this section be amended to provide for immediate referrals by the S.C.I. of evidence of criminal wrongdoing to the Attorney General. The committee also recommends immediate referral by the S.C.I. of evidence of noncriminal misconduct on the part of a State officer or employee.³ The committee further recommends that language be added to 52:9M-8 indicating that when a referral is made to the Attorney General, the staffs of the S.C.I. and the Division of Criminal Justice should work jointly on the investigation, with the Attorney General assuming overall responsibility for the investigation. The committee believes that this recommendation, together with the previously discussed recommendation concerning the release

³ The only exception would be if the investigation involves the Attorney General, in which case referral by the S.C.I. would be to the Governor and the presiding officers of the Legislature.

of S.C.I. reports, is necessary to ensure that the executive branch is not hampered in fulfilling its obligation to prosecute criminal wrongdoing and to address misconduct on the part of State officials and employees.

IMMUNITY

Under the provisions of subsection b. of N.J.S.52:9M-15, the commissioners and staff of the S.C.I. have absolute immunity with regard to actions arising from the publication of S.C.I. reports. The committee recommends that this absolute immunity be modified to permit liability if it is shown that a commissioner or employee acted with gross negligence or in bad faith. In making this recommendation, the committee notes that a prosecutor acting in an investigatory capacity does not enjoy absolute immunity. The S.C.I.'s role in conducting an investigation is analogous to that of a prosecutor and the S.C.I. members and staff should enjoy immunity to the same extent as prosecutors. Good faith immunity affords sufficient protection to the S.C.I. and its staff and would better protect individuals from improper conduct.

PUBLIC HEARINGS

The S.C.I. is presently authorized to hold public hearings. Over the last several years, the S.C.I. has chosen to hold very few public hearings. The committee applauds this trend and strongly urges the S.C.I. to hold public hearings during the course of an investigation only when the commission determines that no other method of proceeding would satisfy the public interest. The committee is concerned that public hearings can unjustifiably harm reputations and prejudice possible criminal prosecutions. The committee concludes that in the vast majority of cases the public interest is best served by the issuance of a comprehensive report by the S.C.I. at the conclusion of the investigation.

COMMISSION BUDGET

In several portions of this report, the committee makes reference to the S.C.I.'s limited resources. In 1995, the S.C.I. received an appropriation of approximately \$1.9 million dollars. S.C.I.'s budgets in the past had reached nearly \$2.8 million dollars. While not suggesting any specific modification to the S.C.I.'s budget, the committee does recommend that both the Governor and the Legislature carefully review the S.C.I.'s budget to ensure that the commission has the resources necessary to perform its mission. In considering the S.C.I.'s budget, it should be noted that if the prime focus of S.C.I. investigations becomes government mismanagement and waste as recommended by this committee, there is the potential that any increase in the S.C.I.'s budget will be offset by the improvements and efficiencies which are instituted as the result of recommendations contained in future S.C.I. reports.

CONCLUSION AND SUMMARY OF RECOMMENDATIONS

While the committee strongly believes that the S.C.I. performs a valuable function and should be continued, the committee would be remiss if it did not take this opportunity to express some concerns about the manner in which the S.C.I. operates. The committee has, for example, misgivings concerning the way in which conclusions and recommendations in some S.C.I. reports are reached. It would appear that the S.C.I. will often undertake an investigation of a governmental agency and determine that there was indeed misconduct or at the least mismanagement. The S.C.I. will then use the facts particular to that agency and broadly conclude that other agencies suffer from the same management failures. The S.C.I.'s investigation of the Bergen County Utilities Authority is an example of this kind of situation. No doubt the findings of mismanagement at the BCUA by the S.C.I. were justified. However, the S.C.I. took these findings and promulgated a series of recommendations affecting all independent authorities with little or no evidence that the management problems at the BCUA were indeed prevalent throughout the State.

In other cases, the S.C.I. takes the opposite tack and appears unduly reluctant to face the broader implications of its findings. For example, in its recent investigation of the Casino Control Commission, the S.C.I. rightly concluded that CCC had used improper procedures⁴ to secure the termination of certain employees. However, there is no mention in the S.C.I. reports that these methods, while improper for State agencies, are quite common in the private sector. For that report

⁴ Permitting employees to remain on the payroll for a period of time without working in return for not contesting their termination.

to have greater value to the Governor and the Legislature, the S.C.I. should have suggested that the policies underlying the present limitations on personnel actions by public agencies be re-examined with a view to perhaps granting greater flexibility in the handling of legitimate personnel problems to those responsible for the management of public agencies.

Other reports which the committee found troublesome are those in which the S.C.I. merely compiled data developed by other law enforcement agencies. The 1989 S.C.I. Report on Cocaine and 1991 S.C.I. Report on Afro-lineal Organized Crime are examples of these types of reports. Given the S.C.I.'s limited resources, the committee questions the value of the S.C.I. involvement in undertakings of this nature.

Having expressed these concerns, the committee again reiterates its support for the S.C.I. and concludes by quoting former Attorney General Nicholas Katzenbach, who stated that the S.C.I. can remain an important part of New Jersey's system of government "if it remains sensitive to the need for respecting individual rights and for investigating government as part of government, and not independent and free floating above it all. It will . . . accomplish more with a modest approach to its success and being generous to others than it will by blowing its own horn too loudly."

The following is a summary of the committee's recommendations:

1. The authorization for the establishment of the New Jersey State Commission of Investigation should be extended until July 1, 2002.
2. A committee similar in structure to this committee should be organized in the year 2000 to again review the S.C.I.

3. The S.C.I. should continue to focus its investigations on governmental mismanagement and waste.

4. The S.C.I. should consider using consultants as a means of accessing expertise and augmenting S.C.I. staff.

5. Persons with experience in State government and especially in local government should be appointed to the S.C.I.

6. A person should not serve as executive director of the S.C.I. for more than 12 years.

7. The issuance of reports and the holding of public hearings by the S.C.I. should be delayed until prosecutions are initiated whenever evidence of criminal wrongdoing is referred to the Attorney General by the S.C.I.

8. The S.C.I. should not issue any report to the public until any person adversely mentioned has an opportunity to submit a written response.

9. The S.C.I. should include in its reports any evidence of an exculpatory nature.

10. S.C.I. reports should not include information identifying individuals unless such information is necessary for a meaningful report.

11. S.C.I. reports should include, at the request of the Attorney General, a statement indicating the results of any criminal investigation or disciplinary action.

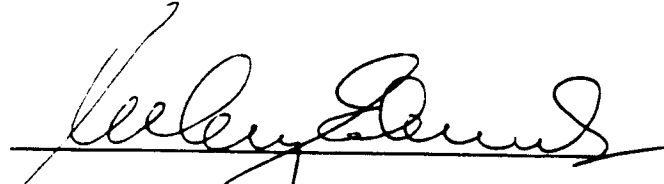
12. When evidence of criminal wrongdoing or misconduct by a State officer or employee is discovered by the S.C.I., such evidence should be immediately referred to the Attorney General and thereafter the Attorney General will have responsibility for the conduct of the investigation.

13. The S.C.I. and its staff should not have absolute civil immunity with regard to actions which are grossly negligent or taken in bad faith but limited immunity like other investigatory and prosecutorial personnel now have.

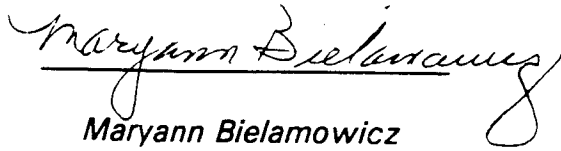
14. The S.C.I. should only hold public hearings if no other method of proceeding would satisfy the public interest.

15. The S.C.I.'s budget should be reviewed to determine whether the budget is adequate for the S.C.I. to perform its duties.

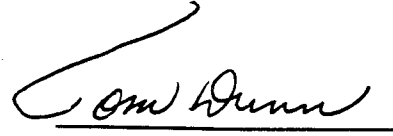
Respectfully submitted,




W. Cary Edwards
W. Cary Edwards, Chairman



Maryann Bielanowicz
Maryann Bielanowicz




Thomas Dunn
Thomas Dunn



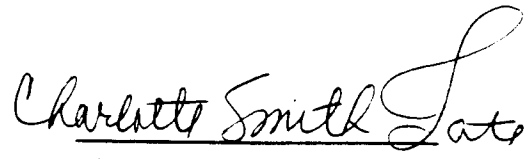
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Peter Perretti
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