
Commission Meeting

of

NEW JERSEY CITIZENS' CLEAN ELECTIONS COMMISSION

"The Commission will meet to finish its review of the draft of the NJCCEC's preliminary report on the NJFACE Pilot Project and to discuss several open issues"

LOCATION: Committee Room 7
State House Annex
Trenton, New Jersey

DATE: January 18, 2006
5:00 p.m.

MEMBERS OF COMMISSION PRESENT:

William E. Schluter, Chair
Steven Lenox, Vice Chair
Assemblywoman Linda R. Greenstein
Assemblyman Bill Baroni
Victor DeLuca
Curtis Tao

ALSO PRESENT:

Frank J. Parisi
Commission Secretary
Office of Legislative Services
Gina M. Winters
Commission Staff
Office of Legislative Services



Meeting Recorded and Transcribed by
The Office of Legislative Services, Public Information Office,
Hearing Unit, State House Annex, PO 068, Trenton, New Jersey

TABLE OF CONTENTS

	<u>Page</u>
Frederick M. Herrmann, Ph.D. Executive Director New Jersey Election Law Enforcement Commission	1
rs: 1-104	

SENATOR WILLIAM E. SCHLUTER (Chair): Shall we get started?

We're starting with a larger number of Commission members than normal, and we're starting at an earlier time than normal. But I think that one of our members stepped down the hall for a second. And he will be right back.

Before we get into what I hope is the final session for working on the draft and, generally, the recommendations -- that we can hear some preliminaries from Mr. Herrmann.

Mr. Herrmann, at the last meeting, we asked if you would give us a report. Was it two issues or one? Two.

Would you come forward and--

Now, is there anyone on conference call, Gina?

MS. WINTERS (Commission Staff): I don't believe so. Assemblywoman Murphy had said she was going to call in, but she hasn't yet.

SENATOR SCHLUTER: And when they call in, is that another phone that--

MS. WINTERS: That phone will beep, and it will announce that she's joined the call.

SENATOR SCHLUTER: It will announce that she's joined the call. Very good.

Mr. Herrmann, you're on.

FREDERICK M. HERRMANN, Ph.D.: Thank you.

I think the red light is on, which, in the Legislature, means go. (referring to PA microphone)

MR. PARISI: Yes, that's correct.

DR. HERRMANN: Thank you.

There were actually two issues, Mr. Chairman, that you asked us to take a look at, which I'd be happy to talk about a little bit and answer some questions if there are any.

First of all was the administration of the program by the Election Law Enforcement Commission. And the second issue that we were going to look at was the netting out of campaign contributions, to figure out how much money Clean candidates might get in the future -- how we would calculate that.

SENATOR SCHLUTER: If you could, proceed on number one.

Mr. DeLuca, we wanted to start with somebody who was just going to give additional information. And Fred Herrmann is reporting from the last meeting.

MR. DeLUCA: Good.

DR. HERRMANN: We would be-- Let me just start by saying we would be happy to administer the program again if we're asked to. Because of the State budget situation in 2005, the Commission volunteered to administer the program without any funding, which made it a little bit more difficult. But we thought we could do it. We had a public financing staff in place, and it seemed to make sense that -- this is something we could do. And so we did do it, but we did it without any additional budget.

With necessary funding in the future, the Commission feels confident that we'd have no problem doing an expanded program. It's really just a question of having some additional appropriation resources.

We have the expertise and the structure to do the program. For over 30 years, we have run the public financing program at the gubernatorial level. We have the oldest gubernatorial public financing program in the nation. So we have 30 years of experience doing that.

We also have a history of supporting legislative public financing. As far back as 1989, the Commission issued a white paper in which it recommended to the Governor and Legislature that we do legislative public financing. So there's always been a commitment at ELEC to do this sort of thing.

We have an experienced staff. Director Amy Davis, who is with us tonight -- and, actually, Felice Fava, one of the members of her staff -- not only did the gubernatorial public financing program in 2005, but they also ran the Clean Elections program. So they had experience, last year, doing that. Also, our Legal Director, Nedda Massar, who is with us, was actually the director of public financing for the four previous gubernatorial elections. And we do have other staff members who have worked on public financing over the years. So we have a core staff of people that have had great experience running public financing programs, and specifically ran the Clean Elections program in 2005.

So, really, all that's missing at the Commission is just what funding we would need to do it again. And we would be happy to provide the Commission -- this Commission -- with a fiscal analysis of our administrative costs as soon as we decide exactly what the program is going to look like. Because there are many, as you know, different variations, in terms of what this might look like. And they would all have different price tags. But as soon as there's some agreement, in terms of what needs to be

done, we would be happy to provide the Clean Elections Commission with an estimate of what we think it would take to do the job.

I think if you have a separate entity running the program, it wouldn't be as cost-effective as using an expert agency that's already done it. And also, there, I think, would be a problem with overlapping jurisdictions if some other entity were to do this.

So we're looking forward to the challenge of doing it again if we are asked to do so once more.

SENATOR SCHLUTER: Let's have questions on this issue before we get to the next.

Do members of the Commission--

Starting with Curtis, on your side, do you have questions for Mr. Herrmann?

MR. TAO: To the extent you can -- and you may not be able to answer this -- just so that we have an approximation of cost. For instance, if you had-- Let's say you were able to function appropriately, without designating additional funds, for purposes of assisting our designation of two election districts. Let's say if we expanded it to four, or even to eight, one or two additional staff members-- Obviously there are additional costs and additional personnel, but--

DR. HERRMANN: I think, Commissioner, it would be very difficult to say, because it really depends on what the program looks like. I mean, it can be designed in many different ways. And some would be more labor intensive than others. So, certainly, you are correct. One factor would be the number of districts. I think the more districts you have, the more staff we would need. But maybe as important, or maybe more

important, would be exactly how the program is structured, how much checking is involved. I mean, there have been many different suggestions in terms of how money can be collected, and how the money is collected. All those things would impact on our administrative overhead. But, as I said, once we have a concrete proposal, we can definitely come up with a fiscal note.

I was actually asked, I think, a couple years ago -- somebody called me up about Clean Elections and said, "How much would it cost?" I said, "Well, there's not--" "Do you have the bill?" They said, "Well, there's no bill yet." So I said, "Well, we really can't make an estimate, in terms -- we have the actual program in hand."

SENATOR SCHLUTER: Mr. Lenox.

MR. LENOX: No questions.

SENATOR SCHLUTER: Mr. DeLuca.

MR. DeLUCA: Yes, thank you.

Thanks for that information about the Clean Election paper you did a few years ago.

DR. HERRMANN: Oh, you're welcome.

MR. DeLUCA: I think that was good, because I think that was helpful.

DR. HERRMANN: It's on our Web site, too, if you're interested in reading it or taking a look at it.

MR. DeLUCA: Actually, I have a very hard time on your Web site. But I think my computer doesn't like all these pop-ups that you've created. But that's okay.

DR. HERRMANN: Well, you know what? We also have a help desk. And let me just mention that, because if anybody does have a problem, I think one of our best features is a help desk and a toll-free number. So if you do have any problems, you can just call for free and we'll help you.

MR. DeLUCA: There has been quite a bit of discussion about the need to inform the public better than we did before. In thinking about ELEC administering this, do you think that ELEC is the right entity to do that public education?

DR. HERRMANN: I think that's a wonderful question. It's one that I've thought about a little bit, too. I think there are a number of possibilities. One is, I believe we could do it directly. That would be a possibility if we had a few more staff people do to that. And the other possibility is, we could -- much like we do with the gubernatorial debates -- we can actually hire a vendor to do it. We can actually have applicants and review proposals that could be made to the Commission, in terms of how this might be done. That might even actually be more attractive than the Commission doing it directly.

But there are different possibilities. But if we were to do it directly, I think with being able to hire a few more staff people, we could do that. Sure.

MR. DeLUCA: Thank you.

The other question is, without hurting our feelings, what do you think about this Commission? Do you think that there's a need to continue a Clean Elections Commission in addition to an ELEC Commission, going forward?

DR. HERRMANN: I think that's probably a decision that would be better made by the Clean Elections Commission instead of the Election Law Enforcement Commission. So I don't really think that would be-- That really goes, I think, beyond our jurisdiction, in terms of what we would want to do. So I would leave that one to you, and really wouldn't even have a suggestion.

SENATOR SCHLUTER: I can make a--

MR. TAO: Commissioner, are you asking if we're doing a good job?

SENATOR SCHLUTER: I can make a good comment here.
(laughter)

I learned just before this session-- And judging by the nature of this report, and what Mr. Herrmann told me before-- He was trained by Mr. Sam Alito Sr. And his question there of saying that it goes beyond this -- it's up to you -- might be--

Excuse me, that's off the-- I can't say that's off the record, but--
(laughter)

MR. DeLUCA: Let me, if I can, Mr. Chairman, just follow up with an observation.

If ELEC was to continue this, would it make sense to concentrate all energies around ELEC, as opposed to having multiple entities looking at this?

DR. HERRMANN: Well, let me respond this way.

Currently, for the past 30 years, the Commission has run the gubernatorial public financing program. And as part of that process, we always evaluated the program. So the Commission has served that function

in the past, in terms of running a program, and then holding public hearings, evaluating what we hear, and then making recommendations to the Governor and the Legislature.

But having said that, this is a very special program. It's something that's brand new. I think either model could work. And it's really a decision that, I think, would best come from your Commissioners, not my Commissioners.

MR. DeLUCA: Thank you.

MR. TAO: And, indeed, in the past you haven't had a problem interfacing with the State Attorney General's Office -- Donna Kelly -- for any legal advice or rulings that you need?

DR. HERRMANN: That's an excellent question. Actually, we're separate from them. We're in, but not of, the Department of Law and Public Safety. They have the Division on Elections. But the Division on Elections -- and there's often confusion between the Division on Elections and the Election Law Enforcement Commission. But the Division on Elections is really -- their jurisdiction is election administration. Our jurisdiction is campaign financing. So we really don't-- We're really doing different things. And that's an important point to make, because I think because of the similarity in the name, a lot of people-- I would say that, at one point, about 25 percent of my phone calls, years ago, were for the Division on Elections. And I'd have to transfer the call.

But they are different functions. Some states have combined both functions in one Commission. But, interestingly, when I talked to Illinois -- their state board of elections, which is one example in the nation where they have a commission that does both -- I was told by them that

they didn't like it -- at least some of the staff people said -- because they thought that campaign financing was being shortchanged, that the commission -- there's only so much time in the day. They would spend most of their time with election administration. And the campaign financing became an afterthought.

Most states, I think, follow a model similar to ours, where the campaign financing agency does not do election administration, as well. And they are easily severable. They're really totally different responsibilities.

SENATOR SCHLUTER: Mr. Tao, when you have further questions -- through me, so we can order -- do this-- I don't mean to be picky or anything.

Now, I have a couple of questions, following up on what Mr. DeLuca said. And I don't think he made the distinction between perhaps launching the program and overseeing the program once it's launched. And do you think that there is a role-- I'll put the question a little differently. Do you think this Commission has a role to continue in the launching of the program in the next two or three election cycles? I can certainly see it not continuing after that.

DR. HERRMANN: Again, I think that's got to be a decision that your Commission has to make. ELEC doesn't have any special expertise in that. I would say this, I think it worked well this last time. I think that ELEC, pretty much, was clear on what we had to do, and you were clear on what you had to do, with maybe one exception. And we never got to that, which was when somebody withdraws. And for some reason, the legislation gave you that administrative task. If somebody wanted to

withdraw, they would come to your Commission. And, perhaps, that would be something that-- Again, I think the way the legislation was crafted was that your role was evaluative, our role was administrative. And I think in that one area only, there was really a crossover between giving you an administrative function instead of us. And that may be something you want to take a look at for next time.

SENATOR SCHLUTER: In your review since our last meeting, did you, with your staff, have a chance to come up with any kind of administrative structure in ELEC, such as we would establish a bureau, or we would establish a-- Is there anything more specific that you can say you would--

DR. HERRMANN: Yes, actually we have a structure. Amy Davis has been the Director of Public Financing, so we have-- She has a staff of four analysts, maybe even a secretary -- I'm not sure. But there were four analysts. So there are five people there that did it last time. They're still with the Commission. They did an outstanding job, I thought. So that would be our structure. We would build on that section. And they would be public financing not only for gubernatorial public financing, but would also do public financing for the legislative level.

SENATOR SCHLUTER: So you feel that this would fit into the current structure, which is your bureau, or whatever, of Public Financing.

DR. HERRMANN: Absolutely. And, of course, the support structures -- because since we're an established agency, we have lawyers in our legal section that support these people. We have other compliance officers that can support them. So there is also a support network there of

other professionals at the Commission that would back them up. Whereas, if you created a new entity, you'd be really reinventing the wheel and, also, perhaps creating a situation where they didn't have that kind of support.

SENATOR SCHLUTER: Before we go to issue number two, I'd like for our Commission to just consider and deliberate on what we might want our report to say, with respect to this issue.

First, I'll ask Mr. Parisi, is there anything in the assumptions relating specifically to the administrative agency that you -- that we're saying should be responsible for this?

MR. PARISI (Commission Secretary): No, Mr. Chairman, there is not.

SENATOR SCHLUTER: What's the feeling on the Commission, with respect to there being some recommendation? And the -- or I should say the assumption, or the finding -- whatever you want to say -- with respect to ELEC?

MR. TAO: Mr. Chairman, I think it seems sensible, at least based on the testimony received today, to keep ELEC as the prime administrator of the Clean Election. I'm not sure if we need to put anything in our preliminary assumptions, or if that could simply be addressed in the May report. I think that whichever way the Commission concludes-- But I think it would be a very uncontroversial point for us to resolve.

SENATOR SCHLUTER: Well, we have other issues that we've put in, Mr. Tao, as assumptions, in terms of -- and Mr. Parisi can elaborate on this -- that there is-- We could say there is a need to focus the attention in a particular State agency, which has the capability of administering the

program and could administer the program with proper funding. And we could put that--

Could that, Mr. Parisi, be an assumption?

MR. PARISI: It's up to the Chair.

SENATOR SCHLUTER: And then we can say--

MR. PARISI: It's up to the Commission.

MR. DeLUCA: Mr. Chairman, on December 2, at Seton Hall, we received extensive testimony from Jonathan Wayne, who runs the Maine -- I think the Maine equivalent to ELEC. And it was clear to me, then, that having a strong presence in a State agency, like ELEC -- similar to what Maine -- how it was described to us in Maine -- made sense. And I think it could be part of our findings.

SENATOR SCHLUTER: Is there general agreement on that?

MR. TAO: I don't have an objection, but I guess I'm just -- in thinking out loud -- how we would articulate the finding, because the finding would be different from the conclusion we articulate in May. But the finding in this preliminary report would be something, like, "based on testimony we received, ELEC was, of the view of the participants, to be the proper--" Am I articulating correctly? Did we receive testimony on that -- to be the proper agency to administer the Clean Elections?

SENATOR SCHLUTER: I think this gets into our recommendation, which we might hold off until May.

MR. TAO: Right. But however we articulate it, I just think we should articulate--

SENATOR SCHLUTER: I think what Mr. DeLuca said before -- that there was testimony -- that it should be in -- focused in an agency that has a capacity -- a strong agency that has the capacity.

MR. TAO: Okay -- with appropriate funding.

SENATOR SCHLUTER: With appropriate funding.

Can you take care of that?

MR. PARISI: Do you want to make that, then, the 17th recommendation -- the 17th--

SENATOR SCHLUTER: Assumption.

MR. PARISI: --assumption?

SENATOR SCHLUTER: Do you see any reason why it can't be?

MR. PARISI: Certainly not.

SENATOR SCHLUTER: Fine. And then that -- when we conclude -- when we have our final report, we can flesh that out.

Greetings, Assemblyman.

ASSEMBLYMAN BARONI: Senator, Chairman.

SENATOR SCHLUTER: And I understand--

We're just getting started.

I understand you have a commitment, that you have to leave. How late can you stay?

ASSEMBLYMAN BARONI: A little after 7:00. I have to go to a wake.

SENATOR SCHLUTER: A little after 7:00?

ASSEMBLYMAN BARONI: Yes.

SENATOR SCHLUTER: Well, I think we'll be -- we'll have plenty of substance to discuss.

Mr. Herrmann has just completed one of his reporting chores. And we've added that to the report.

Did you hear the discussion, Mr. Baroni?

ASSEMBLYMAN BARONI: I did not, but I'll get caught up. Steve will catch me up. (laughter)

SENATOR SCHLUTER: Okay.

Can you go on to the second chore that you have?

DR. HERRMANN: I'd be happy, Mr. Chairman, to move into phase two.

This is about netting out -- the possibility of netting out campaign contributions for the purposes of calculating how much Clean Election candidates would get in the future.

And Commission staff looked at it, and we think it would be feasible to net out campaign contributions to other candidates and committees, because such expenditures are, arguably, severable campaign expenses. And they do appear on a separate reporting schedule. So it could be done.

We think, though, that other sorts of expenses may be viewed as too related to campaigning to be netted out. And other expenses would be things like the ordinary, necessary expenses of holding public office. And it may be felt that somebody who, say, is a sitting State Senator, and is traveling the district, giving speeches to constituents -- although they are doing that as an ordinary and necessary expense of holding public office, there would also be a campaign overtone to it. Giving money to charities is

another example of something that maybe you wouldn't want to net out, because, clearly, giving money to charities is a good thing, but there also could be political campaign ramifications to giving to a lot of charities.

So we don't think those are severable. But giving campaign contributions to other candidates and other committees is something that could be taken out. And we, indeed, even have a schedule to do that.

The Clean Elections Commission may wish to know, however, that netting out will reduce the amounts of money that are available to candidates. And you may feel that having fewer dollars available may not be a desirable result. Indeed, I noted that some of the Commissioners, last week, expressed a concern that current procedures for distributing money would have provided insufficient funds to some candidates.

So, consequently, the Commission feels that, technically, it could be done, but you really want to take a look at what the end result is going to be. And if the end result is going to be that, after you've netted out, the Clean Elections candidates even get fewer dollars than they do today, maybe that's not the direction you want to go.

SENATOR SCHLUTER: Thank you.

Can somebody refresh me of, in what context did we ask you for this? What were we anticipating?

DR. HERRMANN: I think-- My understanding was that there was some concern that by using the total amount of money being spent, it wasn't really reflective of what a candidate was spending for his or her campaign. And if you were going to make a recommendation for the future, in terms of how much money a candidate would need, perhaps it would be more realistic or on point to use money that was really campaign related.

But the problem is -- and I guess I go back to Dr. Herbert Alexander's comment many year's ago that, in a campaign, half the money is wasted; nobody knows which half. So it's very hard to try and, I guess, sort out what's in, what's out. These are decisions that are, often, in the candidate's head. And it's very hard to-- You know, why did somebody make a campaign contribution -- or a charitable contribution? Why did somebody go and give some sort of a speech? There are multiple reasons that somebody would do that. And to analytically try and separate it out is a difficult task. But if you were to go that route, probably the thing that seems to -- at least to ELEC staff -- be the most severable would be making campaign contributions to other candidates. But even there, arguably, could be a campaign reason.

For example, if I'm running for the Assembly and I'm giving a lot of money to municipal candidates, they may well be real happy with that, and then want to campaign for me for the Assembly. So even giving money to other candidates may be a campaign expenditure, as well. So those are things you would have to factor in and think about.

SENATOR SCHLUTER: I'm going to ask staff, in our structure of this final report, where we have assumptions, and then we have issues of concern, wasn't one of the things that would be decided in the final report exactly what we would recommend for the campaign subsidy for Clean candidates -- the formula to figure that? Was that part of our--

MR. PARISI: I don't recall that -- exactly the formula.

Was it, Gina? Do you recall that there was something on that?

MS. WINTERS: I don't know if there was something about the formula. There was two trains of thought, as I recall, for the

Commission. One was the idea of redoing the formula that we had -- the 75 percent -- to try to get a better formula that would make more sense. And that, I think, is where Mr. Herrmann's testimony comes in, the idea of, "Well, it's 75 percent of what?" Should you factor out donations from one candidate to another, because those aren't campaign expenditures.

The other idea that was brought out to the Commission was the idea of looking at what is a total, sufficient number to run a campaign, and starting from there, instead of starting from some sort of formula. I think those two ideas had kind of been batted around, but I don't remember a specific point on them in our current report.

SENATOR SCHLUTER: You don't remember whether they were going to be part--

Yes, Mr. DeLuca.

MR. DeLUCA: In our issues open to more deliberation, B, my notes say that we were going to ask ELEC on this question of whether the calculation for the amount of funding was flawed because it was based, in part, on expenditures a candidate made to individuals, groups, and committees in other parts of the state. So I think that's the response we were getting for this particular issue.

SENATOR SCHLUTER: And we went over that at our last meeting. And I think we concluded, with that, B was done.

MR. PARISI: Right.

SENATOR SCHLUTER: So this -- what Mr. Herrmann has just said could be part of our consideration for the full report.

MR. PARISI: Okay.

SENATOR SCHLUTER: I mean, it is--

Thank you.

It is spelled out right there. That's where it came up.

MR. DeLUCA: Yes. I don't think we--

SENATOR SCHLUTER: And this is very germane to that.

MR. DeLUCA: I don't think we've reached a conclusion yet.

SENATOR SCHLUTER: No.

MR. DeLUCA: But it needs further deliberation.

SENATOR SCHLUTER: We could presumably say 150 percent, rather than 75 percent, if we were of a mind to.

MR. DeLUCA: Correct.

SENATOR SCHLUTER: Any more comments from Commission members on that issue? (no response)

Thank you, Mr. Herrmann.

MR. DeLUCA: Mr. Chair, I'm not sure, because -- take another look at this.

But I think there's a related point to this, that we've talked about in the past, too. And that is, whether a Clean Election candidate should be wheeling around money to other candidates.

SENATOR SCHLUTER: In the off-season.

MR. DeLUCA: Right.

SENATOR SCHLUTER: Well, this--

MR. DeLUCA: And I think it is here. I'm just not sure.

SENATOR SCHLUTER: This is something that has come up. And I've talked to staff. We're going to discuss this issue a little later in this. And it's on that subject.

Thank you.

I wonder if, at this time, we could step back and if Mr. Parisi could bring us up to date on where we are in our deliberations, and what the -- how the final report -- or how the preliminary report is going to be structured.

MR. PARISI: Okay. In our last meeting, we had -- the members of the Commission had, systematically, started going through the report and had gotten up to Page 44 of the draft. And the thought was--

SENATOR SCHLUTER: Page what?

MR. PARISI: Page 44.

And the concern was that, as Commissioner Murphy said, all the meat was at the end, it wasn't at the beginning, and that there was a need to restructure it so that the big bang was at the beginning of the report, not at the end. And that is in the process of being done at the present time.

We did not go through a detailed description or analysis of the assumptions, which I imagine you still want to do. And, also, there were a number of items still to be discussed. And we stopped at Section -- stopped right before No. H. And I guess what you would want to do, at this point, is to continue -- whether or not these should be deliberated. There were some that were added during the course of the discussion last week, but there were no assumptions that were added. There were still some issues to be discussed further.

And as far as the structure of the report goes, the way we're seeing it now is that it would follow the conventional lines of a report. It would have a cover, then it would have a list of the members of the Commission, table of contents, and a separate introduction, a summary of

the assumptions -- which would be somewhat modified from the ones that are presented already in a more abbreviated form. There would then be -- but they would go right into a discussion of those assumptions in more detail. There would then be a history of public financing in New Jersey, and particularly of P.L. 2004, c.121. And then there would be a discussion of the activities of the Commission and the Clean Elections candidates. There would also be a number of appendices that would appear in the report.

All told, it may come up to between 60 and 70 pages.

SENATOR SCHLUTER: And, Mr. Parisi, the fact is, I think, at the last meeting it was decided to bring the discussion of the assumptions up near the beginning of the report. Is that correct?

MR. PARISI: Yes, that's correct. The discussion of the assumptions would really follow the executive summary.

SENATOR SCHLUTER: I'm told, Mr. Parisi, that your Page 44 is our Page 22, because you have double spacing.

MR. PARISI: Oh, okay. You're right. Sorry about that.

SENATOR SCHLUTER: Gina said that.

So, therefore, if Page 28 -- when we start with -- on our 28, we start with the assumptions, that would be brought up closer to the beginning of the report.

MR. PARISI: Correct.

SENATOR SCHLUTER: So, with that, we did go over the assumptions. And Mr. Tao has presented certain edits and comments for all of us. And it's in your material on the assumptions.

MR. PARISI: I would just point out, Mr. Chairman, that what the Commission went over was the summary of the assumptions, which appeared initially at the beginning. What the Commission has not gone over is the more detailed--

SENATOR SCHLUTER: Absolutely, yes.

MR. PARISI: --description of the assumptions.

SENATOR SCHLUTER: You're correct.

Now, do you also want to mention the report date, and get that on the record?

MR. PARISI: Certainly. The Commission's reporting date will be Tuesday -- not Thursday -- Tuesday, February 7. Sorry for the mistake in the e-mail. We have received the conference room number -- committee. It is Room 109 in the State House, from 11:00 to 12:30 p.m., on February 7, in the morning. And at that point, I guess the members of the Commission and the Chairman will want to make the findings -- the preliminary report public at that point, and I guess have a press conference to discuss it.

And then afterwards, I guess there will be future discussion of what will be included in the final report.

SENATOR SCHLUTER: Thank you.

ASSEMBLYMAN BARONI: Can I make a point about that?

SENATOR SCHLUTER: Yes.

ASSEMBLYMAN BARONI: One of the candidates who was involved in the two pilot districts requested that the -- our preliminary report be provided to the two, four, eight, or 10 candidates prior to its release, even by a short period of time, to give them the opportunity to read

what we're going to say about them. I think that's something at least worth discussing. Do we give it to Lou, and Amy, and Sam, and the other candidates, because they're going to get-- They're, immediately, I would imagine -- get a press call based on our report. And I think it would probably be fair to give them, at least, a heads-up of what's coming about them.

But I throw that out for discussion.

SENATOR SCHLUTER: Thank you. That's a very good point.

How much advanced notice do you consider reasonable?

ASSEMBLYMAN BARONI: The night before? I don't know. I mean, I just think it's probably fair to give them the heads-up about what we're going to say about them.

SENATOR SCHLUTER: Yes, Mr. DeLuca.

MR. DeLUCA: Assemblyman, you're not suggesting that they are part of the editing process? This is just for information?

ASSEMBLYMAN BARONI: No, just for information. No, no, absolutely.

MR. DeLUCA: Yes.

SENATOR SCHLUTER: Any further discussion by Commission members?

MR. DeLUCA: I would just suggest that as long as it's clear with them that it's embargoed, so that they don't go to the press first and all that.

SENATOR SCHLUTER: Yes.

ASSEMBLYMAN BARONI: Oh, yes.

MR. DeLUCA: So all the standard rules for things like that.

SENATOR SCHLUTER: I think so.

We absolutely don't want -- and we're not saying that anybody would do it -- but we wouldn't want anybody--

ASSEMBLYMAN BARONI: And I think you can give it to them late enough that--

SENATOR SCHLUTER: If we give it to them late enough and make it very clear that this is so they will have a little information on it.

MR. DeLUCA: I think it's a good idea.

SENATOR SCHLUTER: They pledge not to--

ASSEMBLYMAN BARONI: Especially because four of them are sitting in the Legislature. And the last thing we want is them beating up on the program as we're trying to keep it alive.

SENATOR SCHLUTER: Yes.

Okay?

MR. PARISI: Sure.

SENATOR SCHLUTER: Now, this meeting tonight, we hope, will be our last discussion meeting. And we hope we'll give staff enough information to put together the report, which will be in draft form, and will be e-mailed to all our members.

But, basically, we -- I hope we have come to pretty much a conclusion, as we did for the first components of the report last Wednesday, that we -- everybody had a chance to look at it. And I would suggest that if you have some major, major problem, we definitely want to hear about it. But little edits and things like that, we want to try and avoid, to get this thing moving.

Mr. DeLuca is going to be in Hawaii until, what, February 3?

MR. DeLUCA: Yes.

SENATOR SCHLUTER: But he is going to be able to access this through e-mail.

And if we can proceed on that basis--

Yes, Mr. Parisi.

MR. PARISI: I would suggest, for the Commissioners, that if they read the report and they see any minor things that they would suggest changing -- a word out of place, or an idea that's not complete, or something that should be finalized, something other than a policy change -- they can certainly send it to Gina or I, and we would be glad to make the changes, up until as soon as we can -- or as late as possible.

SENATOR SCHLUTER: If there's something in there that is major, and they didn't realize it was going to be in there, and they have a problem with it, bring it to your attention. And then we'll discuss it by phone. And we might have to resolve it, or we might just not do anything.

Now, in the interest of proceeding, Curtis Tao has given us some markups of one of the earlier drafts -- these don't have pages -- from the--

MR. TAO: Yes.

SENATOR SCHLUTER: Because you weren't here last time. And we had pages put on our draft from the last time.

MR. TAO: They are on the bottom, if you look at -- three of 44, one of 44, two of 44.

MR. DeLUCA: Right.

MR. TAO: By and large, I don't think that -- unless there's a specific objection that someone on the Commission has--

SENATOR SCHLUTER: Oh, I see.

MR. TAO: Most of these comments, I think, were wordsmithing. And I leave it to the discretion of staff, in terms of their review.

The one thing which I think would be worth us discussing is something which I did raise at our meeting last week, which is No. 15: "The Clean Elections Pilot Project should have applied to the primary elections."

I guess this point here isn't so much wordsmithing, which is why I have a question mark there. I did want to, first of all-- The nit would be to change the language so that it reflected, simply, a finding that testimony was received that there was a belief that the Clean Elections Pilot Project should be applied to the primary elections.

But then I know that the reason why it's in here as a preliminary assumption is -- and I recognize that I may be in disagreement with certain members of the Commission -- is that there is a sentiment on the Commission as to whether or not this will ultimately become a conclusion.

I think we should just-- And, again, this will be an opportunity for us to discuss, if you think this is appropriate. My concern last time -- is to try to bite off too much for us to chew. And I am concerned, in a word, that whatever package we do present back to the Legislature, we have sufficient support for passage; considering that there are many other points which I'm sure certain legislators would disagree with us -- just on the

substance of -- "Is it 500 contributions, 1,000 contributions" -- that I wouldn't want us to be dragged down on an issue which, frankly, may not be, in my view, appropriate for us to consider for the next cycle, but perhaps two cycles from now. And that's, simply, my view, which I articulate, again, for the consideration of the Commission.

SENATOR SCHLUTER: Before we get into a discussion on this, I'd like the Secretary to read what we concluded for Item 15. Was that in any way edited at our last meeting?

MR. PARISI: Mr. Chairman, I would have to ask for a five-minute break so I can run and check my other file on this. We did not change that. What we have-- All I have here is what is before us. I can check and see if there is anything further on this, if you'd like.

SENATOR SCHLUTER: I really think this is an important issue. We did discuss it at the last meeting.

Well, let's see, what can we do while you're gone?

MR. PARISI: See anything else on there.

MR. DeLUCA: Well, I guess I'm not--

Mr. Chairman.

SENATOR SCHLUTER: Yes.

MR. DeLUCA: I thought we discussed this, too. And I thought that we listened to your concern about this particular point. And we agreed that it was clear that from the testimony, that people felt that this should have gone beyond just the general election. And we felt strongly about putting it in there. So I'm not sure what new information we have this week that's different from last week.

MR. TAO: I have no objection to the articulation that there was strong public sentiment received that the Clean Elections Pilot Program should have applied to the primary election. That's fine. And I think that we can -- which is why I have a question mark. I wanted, simply, to have that discussion.

And I have no objection to that type of language being in there for 15. But I know that we didn't have a full complement of Commission members. And perhaps this is the same complement. But I recognize, also, that the path in which that is leading towards is, ultimately, going to be a conclusion. Because, obviously, each of these preliminary assumptions are the basis for us to base our conclusion. And we're providing the support of what we're going to recommend to the Legislature in our May report.

And, therefore, since we all agree that the language here in 15 should be reformed-- I just don't want us to go beyond what would be an accurate description of what the public stated. To support something, in my view, would be dangerously far-reaching.

SENATOR SCHLUTER: We did discuss this. And I think Assemblywoman Greenstein was here.

ASSEMBLYWOMAN GREENSTEIN: You're right. (laughter)

SENATOR SCHLUTER: Pardon me?

ASSEMBLYWOMAN GREENSTEIN: I said you're right.

SENATOR SCHLUTER: And I don't know if it was when you were here that we had the discussion on this.

ASSEMBLYWOMAN GREENSTEIN: No, I don't think so.

SENATOR SCHLUTER: And I know that Steve Lenox was here.

But my recollection is the same as Mr. DeLuca. The testimony we got from all of these organizations, number one, was unanimous in saying that it should apply to the primaries. And it was also brought to our attention that it's in the statute. The statute clearly says that in 2007 it should apply to -- I think it says at least four districts -- and the primary, and the general, and senators, and Assembly. So I think that there's going to be some things in here that might not be music to the ears of some people, but we have to-- I think we have a responsibility to call it as we find it.

Mr. Baroni.

ASSEMBLYMAN BARONI: I agree. And I think Curtis's point is very well-taken. And I think that we're not sitting here drafting legislation. I think we're trying to provide a report of -- summarizing what we've learned and heard. And I think, overwhelmingly, that the inclusion of the primaries is certainly something we've heard over and over again. So I would say we should put it in. We're not going to provide a report and have everybody in the Legislature accept it on its face.

I mean, Linda, I think we agree on this. We want to say what we think the world should be. And, hopefully, our efforts and the efforts of the Clean Elections candidates in the '05 race, and sort of reform-minded legislators otherwise, will sort of push as many of these recommendations -- hopefully all the recommendations. But we certainly don't want to leave something off the table for fear of offending one legislative leader or another legislative leader, what have you. I think we should say what we want it to be and, hopefully, they'll listen.

SENATOR SCHLUTER: Mr. Parisi showed me what his notes have. And it's a little bit different than either of these.

Can you read that in your--

MR. PARISI: Certainly.

Mr. Chairman, I think these are based on suggestions that you may have made, or may have been made at the last meeting. It just says, "The Clean Elections Pilot Project should apply to the primary elections," which is more along the lines of what Mr. Tao has suggested.

MR. TAO: I would recommend that we insert before that sentence that "Testimony was received that the Clean Elections Pilot Project should have applied to the primary elections," or something of that iteration, where we tie it to testimony with respect--

SENATOR SCHLUTER: We're talking here, Mr. Tao, on this list of just the summary assumptions.

In the discussion of this, back in the report, I think that should -- would be where that would be.

MR. PARISI: Also, Mr. Chairman, I would point out, with all due respect--

SENATOR SCHLUTER: Is it in the back there?

MR. PARISI: Yes, it is.

And, also, I would point out that you could make that same -- put that same phrase before each of these assumptions, because they really are based on the testimony of each of the candidates. And it says it, really, in the introduction -- that these assumptions are based on the findings of-- It says, "The report provides 16 preliminary assumptions that are based on the NJCCEC's monitoring the Pilot Project since its inception, the

testimony of candidates and individuals who appeared before the Commission, and the Commissioners' own views on Clean Elections."

So I think it's clear, from that point, that these findings are based on the testimony.

MR. DeLUCA: Mr. Chairman.

SENATOR SCHLUTER: Yes.

MR. DeLUCA: As I understand it, some of what drives the concern is the reception by members of the Legislature. On Page 38 of our -- the expanded version of the findings, we have a quote here from Assembly Majority Leader Roberts, who says that, "If we want to give candidates who might not have access to the process traditionally a chance to get involved, you need to give them a chance to have some public support in the primary." So I think that's-- I don't think we're going to come up against a wall there.

MR. TAO: I respect that. My opinion is noted. I understand.

SENATOR SCHLUTER: Well, that's a good point.

And thank you, Mr. DeLuca.

Anymore discussion on that particular issue? (no response)

Incidentally, there is another hot-button issue, or issue we are going to discuss later tonight, which the Commission determined should not be in the report. And that was, what do you do with the non-election funds of candidates, the non-campaign -- the in-between elections that are not in the Clean Elections? And we got a lot of comment. And there's a lot of comment from other states that this can be a problem. But we decided this went beyond our purview. It would not be a good thing to do. So we

decided that we would not include it in the report. But we are going to say something -- that we went through this process and decided not to.

ASSEMBLYWOMAN GREENSTEIN: Mr. Chairman, I'm sorry. Since I was late, you may have already discussed this.

Now, we've been through all these 15 or 16 points, correct? We've commented on those, or are we still doing that right now?

SENATOR SCHLUTER: Mr. Parisi said that in the final report, we're going to have a cover letter, contents, who the Commissioners are, and then an executive summary which is going to list those sort of bullets -- even abbreviated -- those 16 points.

ASSEMBLYWOMAN GREENSTEIN: The reason I ask is, I just had a question. This is something I know we've discussed. I didn't know if we had come to a conclusion about it.

In No. 2, where we recommend the idea that instead of \$5 and \$30 contributions, that there wasn't a real rationale -- actually, it's No. 2 and 3 -- that there wasn't a real rationale for having two different amounts. Are we taking the position that we would want one amount to be set, like, let's say, \$5? And people could give multiple amounts of \$5. Is there something magical about the number of \$5? How would that work?

SENATOR SCHLUTER: I think that what was -- how we were proceeding was No. 2 and No. 3 -- as we discussed the last time, which I have basically as being according to the draft -- would be as assumptions. But the exact amounts and the exact precisings would be in our May report of recommendations.

ASSEMBLYWOMAN GREENSTEIN: We're actually leaving some of these issues open for that reason.

SENATOR SCHLUTER: Oh, yes.

ASSEMBLYWOMAN GREENSTEIN: Particularly, I was thinking recently -- even though we've discussed it so many times -- that this issue of seed money-- I see here we're not actually-- We're saying \$3,000 isn't enough, but we're not setting the actual amount.

SENATOR SCHLUTER: That's right.

ASSEMBLYWOMAN GREENSTEIN: I just think that is really going to be critical to how this is done, because the seed money is going to determine what you're able to do to go out and collect the public funds. The seed money is the money you'll actually use for the mailings and that kind of things, right?

SENATOR SCHLUTER: Correct.

ASSEMBLYWOMAN GREENSTEIN: So there has to be enough money to do that or you defeat your own purpose. If you're so short on money, you can't go out and get the public funds.

SENATOR SCHLUTER: And we sort of took the position that this is a preliminary report laying out the problem areas.

ASSEMBLYWOMAN GREENSTEIN: Right.

SENATOR SCHLUTER: And when you talk about the seed money, you're not only talking about the magnitude of seed money, you're talking about in-kind contributions, and should they be--

ASSEMBLYWOMAN GREENSTEIN: Right.

SENATOR SCHLUTER: And we had some testimony about the fact that some people believe that it shouldn't be a \$200 amount, it should be a \$100 amount. But that, I would hope, we could hold for discussions after we finish our February--

ASSEMBLYWOMAN GREENSTEIN: Yes, I think that's a good idea.

SENATOR SCHLUTER: --7 report.

ASSEMBLYWOMAN GREENSTEIN: Thank you.

SENATOR SCHLUTER: Yes.

MR. DeLUCA: Mr. Chair, just one other thing on the suggested edits that we received from Curtis. You have the line through the first sentence -- "The Fair and Clean Election Project is worth continuing." I just want to state that I think that that should remain the way it is.

MR. TAO: My view -- and, certainly, it's the decision of the collective Commission -- is that that's a statement for the final report in May. And if we are going to stick with the -- again, confusing paradigm of findings -- I think that seems to be a conclusion rather than a finding.

MR. DeLUCA: Mr. Chairman, it just seemed to me that the finding -- the assumption I have, based -- or finding, whatever you want to call it -- there wasn't a person who testified that said that this should be scrapped. And I thought that it was our sense, when we were meeting at Rutgers and talking about this, that this was a-- We wanted to lead off capturing the strong sentiment of support by the testimony. And this was a way to do that -- that it was as much a finding as maybe a recommendation. But it clearly was a finding.

ASSEMBLYMAN BARONI: Mr. Chairman.

SENATOR SCHLUTER: Yes.

ASSEMBLYMAN BARONI: I agree with Victor, and I also agree with Curtis. I think we should say it, I think we should say it in February, but I don't think we should say it here.

Let me explain my thinking. I think that statement is going to be the first question that any reporter asks. It's going to be the first question legislative leaders ask. Should we keep doing it? And I would go so far as to say that we should put this in the top of the top of the report. I mean, I think this is-- Everything else is detail, how to do it. That sentence, in one sentence, is whether or not we should keep doing it. And I think that that needs to be highlighted in the most clear possible way. But I agree with Victor that it needs to be said, because I think they're going to ask.

The first question -- "Well, do you think we should keep doing it?" What are you going to say in February to a reporter from the *Asbury Park Press* who says, "Mr. Chairman, should we keep doing it?" "Well, we haven't figured that out yet." Well then, that's your story -- which is, the Clean Elections Commission hasn't decided whether or not they should continue the project.

I think there's certainly a consensus, maybe unanimity, of Commissioners that, of course, we want to keep doing it. We've already found that. We should--

Respectfully, Curtis, I think we should say it. Because if we don't say it, they're going to ask it. And if we don't answer yes, the story becomes we're considering recommending scrapping it.

SENATOR SCHLUTER: Well, let me ask you, Mr. Baroni--

There's going to be a paragraph or so leading into the executive summary. And if your statement there about the Fair and Clean Elections Project is worth continuing-- Maybe that could come in that introductory paragraph--

ASSEMBLYMAN BARONI: Yes, I think--

SENATOR SCHLUTER: --right off the--

ASSEMBLYMAN BARONI: And it can stay here, too, as a finding or an assumption. But I have to tell you, I think if we're not clear right at the very beginning with our first communication--

In fact, Chairman, when you make your remarks to the public, or the Legislature, or meet with legislative leaders, I think you need to lead with that. Because if we don't, and if we leave any room for the suggestion that we're considering not recommending it for renewal, that becomes the issue. And I don't think any of us want that.

MR. TAO: Mr. Chairman, I have no objection to Mr. Baroni's suggestion. I think it's a good one.

SENATOR SCHLUTER: Thank you, Mr. Tao.

And I think Mr. Parisi can read what he has distilled this down to in his executive summary.

Excuse me, go ahead.

ASSEMBLYWOMAN GREENSTEIN: I was just wondering, is there a reason that we're calling this -- and this kind of responds to what you're saying -- that we're calling this *Summary of Preliminary Assumptions*, rather than *Summary of Preliminary Conclusions*? Because isn't that really what this is, our preliminary conclusions?

The idea that the program is worth continuing is a conclusion we're making based on some of the work that we've done and the hearings that we've held. It isn't-- An assumption sounds, to me, like something you think up front, and a conclusion is what you draw after you've been

through hearings. So maybe what this is is our preliminary conclusions to be continued later.

SENATOR SCHLUTER: Mr. Parisi, could you-- You, I think, are the one that came up with that term.

MR. PARISI: Certainly-- We certainly can change it to conclusions. That's certainly your choice.

The thinking behind that was, this is what you assume, based upon the experience that -- which you've come up with. But I think maybe we're getting into semantics here. And if you'd prefer, instead of having it assumptions, have it as conclusions, that certainly can be -- that change can be effectuated without too much difficulty.

SENATOR SCHLUTER: If I may, would it capture both if you used the word *findings* as opposed to *assumptions*?

ASSEMBLYMAN BARONI: I think assumptions is the worst possible of the three.

SENATOR SCHLUTER: Pardon me?

ASSEMBLYMAN BARONI: If those are our three options: conclusions, findings, and assumptions, I think either findings or conclusions--

Sorry, Frank. No disrespect obviously meant to the draft--
(laughter)

Frank, it's the worst word you could have picked in the language. (laughter)

But I think finality is important.

ASSEMBLYWOMAN GREENSTEIN: Yes, the reason assumptions doesn't sound right, now that these points have been brought

up, is that you don't want to make it sound like we're starting from the assumption that the Clean Elections program should continue. Because it sounds like, what have we learned during all these hearings? We're not really--

SENATOR SCHLUTER: Or that we're ambivalent about it, or--

ASSEMBLYWOMAN GREENSTEIN: Right.

SENATOR SCHLUTER: What does the Commission feel?

MR. TAO: I would support findings. I think that sounds better than assumptions.

SENATOR SCHLUTER: Is there general agreement?
(affirmative responses)

Can we make that, Mr. Parisi--

MR. PARISI: Certainly.

ASSEMBLYMAN BARONI: Sorry, Frank. Search and replace.
(laughter)

MR. PARISI: So we will be deleting *assumptions* and replacing with *findings*.

MR. DeLUCA: Findings or conclusions?

ASSEMBLYWOMAN GREENSTEIN: Either one is fine with me.

ASSEMBLYMAN BARONI: Findings.

SENATOR SCHLUTER: I heard, mostly, findings.

ASSEMBLYMAN BARONI: I figure, if we keep doing this, Frank's head is just going to explode. (laughter)

MR. PARISI: I would also point out that to address the concern that was voiced before-- In a mock-up of the executive summary that I prepared, it starts off by saying, "The following are the key findings of the New Jersey Citizens' Clean Elections Commission." And No. 1 is, "The Fair and Clean Elections Project is worth continuing. The experience of the 2005 Pilot Project offered promise, and was positive and informative." So I think that that addresses it and hits the nail right on the head at the beginning.

SENATOR SCHLUTER: Now, thank you very much for submitting this, Curtis. And I think you've said that when you did this, you'd give staff a little bit of leeway to blend it in if they can.

MR. TAO: Absolutely.

SENATOR SCHLUTER: Okay.

But this is definitely appreciated.

Now, if we can proceed on.

Having already reviewed the summary of preliminary assumptions -- findings, and gone through Page 22 in the single-spaced draft, we had actually--

And, incidentally, we have one more tonight. We have a number 17--

MR. PARISI: That's correct.

SENATOR SCHLUTER: --which I think came from Mr. Herrmann.

But I think if we can now address the other issues of concern, which is in that separate list. And it goes by letters. And we went through G.

MR. PARISI: Well, Mr. Chairman, if I could, just for clarification purposes-- Are there any further changes you want made in the body of the draft itself, outside of the issues for concern? You have faxed me several different memos that you've prepared with some small items, which have been -- which will be taken care of in the final draft. And I just want to clarify with you and the other members of the Commission if there is anything further in the draft that you see should be done -- the changes made.

SENATOR SCHLUTER: I don't think so, other than the fact that we stopped at Page 22.

MR. PARISI: Okay.

SENATOR SCHLUTER: And we hadn't gone beyond that.

MR. DeLUCA: Mr. Chairman, are we going to go through Page 22 to 40-whatever -- 39?

SENATOR SCHLUTER: Not again, unless you have-- Do you have something--

MR. DeLUCA: No.

SENATOR SCHLUTER: --that is to be added?

MR. DeLUCA: No.

SENATOR SCHLUTER: Actually, Frank, when I sent you the other submission on the 10th -- or the 13th -- it incorporated what we had done last week, I think.

MR. PARISI: Correct.

SENATOR SCHLUTER: And I think it brought me up to speed with you.

MR. PARISI: Okay. I just want to make sure that nobody's suggestions are being inadvertently omitted.

SENATOR SCHLUTER: Okay.

Shall we proceed then with the--

"The following are issues of concern to the Commission and are open to more deliberation," which would be in the report.

Where would that be in the report, Mr. Parisi?

MR. PARISI: It's certainly totally up to you, Mr. Chairman. But my suggestion would be that it can be at the end after the main body of the report itself, probably after the description of the program and the experience of the Clean Elections candidates.

SENATOR SCHLUTER: So it will be in the report. And these are things that our Commission, then, will be working on in the interim weeks after February 7.

MR. PARISI: That's correct, Mr. Chairman. I think, to my mind, and in discussing it with Ms. Winters, our thought was to say something to the effect that these were items identified -- items of concerns identified by the Commission. Each is open to more consideration and deliberation by the Commission, the candidates, representatives of advocacy groups, and members of the public. And then just have them stated so that they -- it shows the public and readers that these are things that have been considered and may be revisited in the future.

SENATOR SCHLUTER: Good.

Shall we proceed on G?

If you could read this, Mr. Parisi or Ms. Winters. And then we can discuss, and we can go right down this line. I hope we can do it rather rapidly.

MR. PARISI: The question was: “Whether, for the 2000--” No. G was: “Whether, for the 2007 elections, the chairs of the political parties should select the participating districts in accordance with standards recommended by the NJCCEC.”

SENATOR SCHLUTER: I’m sorry, we did complete--

MR. DeLUCA: We did that one.

SENATOR SCHLUTER: We did conclude that. And we concluded that we leave it with the chairs of the two parties. But we do set up standards.

MR. PARISI: That’s correct. That would be left as an item for consideration then.

SENATOR SCHLUTER: Yes, about the standards.

Yes, Mr. Tao.

MR. TAO: Mr. Chair, did we agree to combine that with J, as well? I don’t remember. I thought we were going to combine two of these, and this might have been one of them, with respect to the selection.

MR. DeLUCA: We didn’t get to J.

SENATOR SCHLUTER: We didn’t get to J.

MR. DeLUCA: We didn’t get to J, so I don’t think so.

MR. TAO: Okay.

SENATOR SCHLUTER: We can take that up when we get to J.

MR. TAO: I guess J seems to articulate a little bit more of what our standards are. And perhaps, since we are saying that the chairs should select, in accordance with standards promulgated by the Commission, should we also make some type of statement or an issue open for discussion, as to what those standards should be? I mean, maybe this is the right place to combine more than one of these issues. I mean, I--

SENATOR SCHLUTER: Well, actually, G goes to who selects the districts, whereas J goes to how many districts.

MR. TAO: Right. And perhaps we should combine those. But I leave that to--

SENATOR SCHLUTER: Well, I think they are almost two separate-- Really, respectfully, they've been discussed in two different -- in different ways. And I think they are--

MR. TAO: Okay. Then perhaps we should reorder then. We should put the J right after G so it follows logically, perhaps.

SENATOR SCHLUTER: Let's give that consideration. J: Whether candidates in all legislative districts should have the opportunity to participate in Clean Elections program for the 2007 elections, instead of following the provisions which calls for a pilot program to be expanded to four districts in 2007.

Any objection to putting that in as H and reordering these?

ASSEMBLYWOMAN GREENSTEIN: No, but I do have a question about that, or a comment.

SENATOR SCHLUTER: Yes.

ASSEMBLYWOMAN GREENSTEIN: Do we know -- and I guess we have people in the audience who can answer this -- if, indeed,

many districts did decide to participate, and you had a tremendously unexpected large number of people, would we have the infrastructure in place to carry this out, or would this be a problem if we suddenly went from two to many?

I don't know if the Chairman wants to call on someone in the audience or not. (laughter)

SENATOR SCHLUTER: Well, actually, now that we're discussing this, I see a little bit of a conflict with what we have for No. 16 in our findings. And No. 16 in the findings--

What does that read in your up-to-date version?

MR. PARISI: No. 16 is: "It is essential that the project be reauthorized and expanded for 2007, that two of the participating districts be those that participated in the 2005 Pilot Project, specifically the 6th and 13th Districts, and the four additional districts be selected for 2007."

SENATOR SCHLUTER: And that was in a finding?

MR. PARISI: Yes.

SENATOR SCHLUTER: So now we're getting back into issues of concern. And in G, we have said that -- who does the select-- It's to be decided who does the selecting -- or, excuse me, the parties do the selecting. But there should be standards by which they select.

Now we're jumping over to seven -- to J -- "Whether candidates in all legislative districts should have the opportunity to participate in the Clean Elections program for the 2007 election, instead of following the provision which calls for the pilot--" This is a little bit contradictory, isn't it?

ASSEMBLYWOMAN GREENSTEIN: Yes.

ASSEMBLYMAN BARONI: It is contradictory.

SENATOR SCHLUTER: Can I just throw out the proposition, which you have created here, Mr. Tao, that maybe we don't need J? Maybe J is superfluous.

ASSEMBLYMAN BARONI: I think J oversteps our responsibilities anyway.

SENATOR SCHLUTER: What is the feeling?

MR. DeLUCA: I agree we should take out J.

SENATOR SCHLUTER: Okay.

See what you did? (laughter)

ASSEMBLYMAN BARONI: You killed J.

MR. TAO: That's just fine. And, again, it doesn't preclude us from making a statement as to this issue in our final report in May.

SENATOR SCHLUTER: Oh, yes, absolutely.

MR. TAO: One thing for us to consider, as I'm realizing this, these issues of concern will probably generate a lot of additional public comment, because this is just the recipe. All of these things are trial balloons.

And, Chairman, I think it is a very good idea to include it, because we'll at least know what track we'll be on.

ASSEMBLYWOMAN GREENSTEIN: Mr. Chairman, would it be possible to ask for an answer to that question from, perhaps, Mr. Herrmann or anybody else? I'd be interested in that, just generally. If this were to expand much larger, does he generally feel that the infrastructure is in place?

DR. HERRMANN: I think that's an excellent question. I also appreciate you asking it, Commissioner. I think it's doable. I think the experience we just had two years ago, with the 17 laws that were enacted and our ability to gear up very quickly, would be useful to us. And I think-- One of the things I would say is, it would not only require getting us the funding, but we'd also need the cooperation, I think, of the Department of Personnel in order to hire people quickly. Because you can get that funding, and then it can take you a year, year-and-a-half to hire people. We still haven't even hired all the people with the 17 laws. We're still in the process of trying to sort out various issues to get those people hired.

So the short answer is, I think that if you went statewide, and we got the funding, and we also got the administrative support to be able to hire people quickly and get them trained, we could do it. We do have the structure, we do have a group of experts.

To use a military analogy, we have a hardcore group of Green Berets who can train the militia very quickly to get up to speed. And we've got people like Amy Davis and Nedda Massar on the staff who understand the program and can train new people. So we do have people there that know what to do, and they could quickly train other people if we can get them on board quickly.

ASSEMBLYMAN BARONI: You make the ELEC employees wear green berets? (laughter)

DR. HERRMANN: It would be optional.

SENATOR SCHLUTER: Does that answer your question?

ASSEMBLYWOMAN GREENSTEIN: Yes, it does.

Thank you.

DR. HERRMANN: You're welcome.

SENATOR SCHLUTER: Thank you, Mr. Herrmann.

All right, we're back to H. Do you want to read that, or take turns reading it, Gina and Frank?

MR. PARISI: Certainly. I'll read it. "Whether a certified Clean Elections candidate who is unopposed in a primary or general election should be eligible for less public funding than a candidate who has an opponent in either election, who is either a certified candidate or nonparticipating candidate."

SENATOR SCHLUTER: That's fairly straightforward. I think we were up in New Brunswick when we decided to put that as a concern.

Any problem? (no response)

Next, I.

MR. PARISI: "Whether seed money should continue to be forwarded to the Clean Elections Fund if not spent by a participating candidate, or whether it should be retained by the unsuccessful candidate."

SENATOR SCHLUTER: Every time you read these, something else comes up.

MS. WINTERS: Stop reading. (laughter)

SENATOR SCHLUTER: If not spent by a--

Well, I see what we're trying to say, but if not spent by the participating candidate -- or whether it should be retained by an unsuccessful candidate.

ASSEMBLYMAN BARONI: What does that mean?

MR. TAO: I think we should have used parallel descriptions. I think what we're trying to say is, "If not spent by the unsuccessful

candidate, or should be retained by the unsuccessful candidate.” We’re talking about the same candidate, aren’t we?

SENATOR SCHLUTER: Well, we’re talking about--

MR. TAO: I think that’s what we’re saying.

SENATOR SCHLUTER: Well, we’re talking about seed money, regardless of whether it’s a participating candidate or an unsuccessful candidate.

MR. PARISI: Right.

MR. TAO: Maybe this is a simple wordsmithing issue, where I think we all understand the question but we could do a better job in articulating it.

ASSEMBLYMAN BARONI: I don’t understand the question.

MR. PARISI: I think what you’re looking at here is-- There really is a question -- what happens to the seed money. If you have a situation of a candidate who -- if it’s not spent by the participating candidate in full -- or it should be-- Should it go back to the Clean Elections Fund, or should it be retained by the unsuccessful candidate?

I see what you’re saying, Commissioner Tao -- maybe this would be -- this could be redrafted, and we can work on that.

ASSEMBLYMAN BARONI: I still don’t understand.

MR. LENOX: Unsuccessful in their election, or unsuccessful in becoming a certified candidate?

MR. PARISI: Unsuccessful in becoming a certified candidate.

ASSEMBLYMAN BARONI: So they’re not participating.

MR. PARISI: Correct.

ASSEMBLYWOMAN GREENSTEIN: Why would they get it as opposed to the successful participating candidate? Well, they're not getting it anyway. The Fund would get it. So why would it ever go to the unsuccessful candidate?

MS. WINTERS: I think part of the idea, here, was allowing a Clean Elections candidate, who is trying to qualify and doesn't, to have something to start their campaign with if they don't qualify. Part of the testimony the Commission received was that if you don't become a certified candidate, you're starting again from zero. The idea was, this is money they raised. Maybe allowing them to keep that, that could be kind of a little nest egg.

ASSEMBLYMAN BARONI: But that's not seed money.

MS. WINTERS: The seed money they had raised.

ASSEMBLYWOMAN GREENSTEIN: It would go from being seed money to something else.

ASSEMBLYMAN BARONI: So it's just the \$3,000, or whatever number that is.

MS. WINTERS: Right.

MR. PARISI: Right.

MS. WINTERS: Does that-- Am I making sense?

ASSEMBLYMAN BARONI: That makes some sense.

MS. WINTERS: Okay.

ASSEMBLYMAN BARONI: So, basically, we're questioning whether or not -- if you can raise the seed money, and you fail in becoming a participating candidate, you get to keep your seed money. That's the question.

MR. PARISI: Correct.

MS. WINTERS: Right.

ASSEMBLYMAN BARONI: I think we should just say it that way, because this participating and unsuccessful-- I mean, the question is whether or not a candidate gets to keep their seed money, whether they participate or not, whether they are unsuccessful or not. Do you get to keep your seed money?

SENATOR SCHLUTER: That's the--

ASSEMBLYMAN BARONI: That's the question.

SENATOR SCHLUTER: And that's--

ASSEMBLYMAN BARONI: Does a candidate in a Clean Elections district get to keep their seed money.

SENATOR SCHLUTER: Whether they are successful or--

ASSEMBLYMAN BARONI: Or not.

SENATOR SCHLUTER: Or they're participating or not.

ASSEMBLYMAN BARONI: Because if they participate, they get to keep it. If they don't get to participate they get to keep it.

SENATOR SCHLUTER: Anybody have any problem with that?

MR. LENOX: Seed money never passes through ELEC, does it?

SENATOR SCHLUTER: Oh, yes.

MR. LENOX: It does pass through -- seed money?

SENATOR SCHLUTER: Well, it is reported to ELEC.

MR. LENOX: It gets reported, but doesn't--

SENATOR SCHLUTER: Oh, no, no. It does not.

ASSEMBLYMAN BARONI: I think, of course, they get to keep it. I'm not sure how this is an open question. What is the--

MR. DeLUCA: Mr. Chairman.

SENATOR SCHLUTER: Yes.

MR. DeLUCA: The law says, "A participating candidate may use funds raised and reported to the Commission prior to becoming such a candidate, as the seed money required of a participating blah, blah, blah--" So I don't think it goes to ELEC. This money is collected by the candidate and stays with the candidate. The question is, if you're raising seed money as a declared Clean Elections candidate, and then you either fail or drop out, do you get to keep that seed money?

ASSEMBLYMAN BARONI: Is this that much of an open question?

MR. DeLUCA: I don't know. Maybe it isn't, because you have the money to begin with.

ASSEMBLYMAN BARONI: I mean, unless Fred is going to come knock on your door--

MR. DeLUCA: Right, who is going to give it up?

ASSEMBLYMAN BARONI: --who is going to give it up? I don't know if this is that much of an open question. Of course you get to keep it.

SENATOR SCHLUTER: Well, again--

ASSEMBLYMAN BARONI: Did we make them give it back this past year? Did Flynn have to give it back?

MR. DeLUCA: They never put it in.

ASSEMBLYMAN BARONI: At all. How about Amy and Sam?

MR. DeLUCA: We don't know that. We can get some testimony, I guess.

MR. LENOX: But the whole notion of giving it back is what doesn't make sense.

SENATOR SCHLUTER: Excuse me, Mr. Lenox, would you repeat that, please.

MR. LENOX: It's that whole notion of giving it back, I think, is what's throwing us off, because it's not going to back to anybody. It's never--

You've raised it, yourself. Mr. Greenwald raised it himself.

ASSEMBLYMAN BARONI: Yes, I've raised three grand, I've got three grand in an account. It's seed money. I've spent some amount of it, hypothetically, I guess, right? And the question is, does it go to you, or do I get to keep it?

DR. HERRMANN: Well, under the current law, it went into the fund.

MR. DeLUCA: That's right.

ASSEMBLYWOMAN GREENSTEIN: You don't get to keep it.

MR. DeLUCA: That's the thing here, Mr. Chairman.

DR. HERRMANN: You don't get to keep the seed money.

MR. DeLUCA: Right.

DR. HERRMANN: And I think one of the problems you're concerned about-- And I think Ms. Winters said you're going to start with

zero if you don't qualify. So you're right back to square one. So maybe you lost two months, and now, all of a sudden, you have no money at all. And you're running against people who have quite a bit of money because they qualified.

ASSEMBLYMAN BARONI: I would proffer to you that the point is not whether you get to keep the seed money. I think the question is, do you get to keep what you raise?

MR. DeLUCA: Mr. Chairman, I think what someone asked us is--

And I think you're right. If you raise the seed money and then don't qualify, that seed money is supposed to be turned over to ELEC, correct?

DR. HERRMANN: The problem was that the law sort of made the assumption everybody was going to qualify. And so we had this gray area of people who didn't qualify and what happened to their money. So the big issue for you to decide is -- and I think, also, Assemblyman Baroni made a point too -- I think it probably goes together that the seed money question -- do you keep that -- is related to, do you keep the qualifying money, as well. I mean, so the question is, the way it's currently set up is that you raise the seed money, you raise the qualifying money, you qualify. Anything you have there goes to the fund, and then you get the public money.

The problem is, for people who don't qualify, they could have spent months, and then all of a sudden they have no money at all. And it's almost impossible, late in the campaign, to all of a sudden raise a lot of

money against the candidates who have all this public money. So you certainly don't have a level playing field at that point.

SENATOR SCHLUTER: But I think the way Mr. Baroni expressed it, and what I hear is, that this is about disposition of seed money, not qualifying contributions.

DR. HERRMANN: Well, it could be either.

SENATOR SCHLUTER: Well, I think if you have qualifying contributions, it has to be a separate issue, I think. It shouldn't be folded into the seed money. And I think there will be different concerns of whether you are allowed to keep seed money, because it goes into the Clean Elections Fund.

DR. HERRMANN: So does the qualifying money.

SENATOR SCHLUTER: I'm sorry, qualifying contributions.

DR. HERRMANN: Well, they both do. Both forms of money-- When you qualify, you lose all the money you collected. You lose the seed money, and you also lose the qualifying money, and you have no money at all.

ASSEMBLYMAN BARONI: In some ways, the seed money-- There's two questions. One, does a candidate who fails to qualify as a -- fails to become a participating candidate -- a qualified candidate -- get to keep their seed money? And, question two, does a candidate who fails to qualify as a candidate get to keep their qualification money?

MR. DeLUCA: That's right.

MR. TAO: I think both questions are worthy for us to include as issues for further discussion.

SENATOR SCHLUTER: I think they should be separate.

MR. TAO: I agree, separate but both included.

SENATOR SCHLUTER: Separate because there's been strong feeling that I've sensed from some of the testimony that seed money is treated differently than qualifying money.

ASSEMBLYWOMAN GREENSTEIN: Mr. Chairman, can I ask a favor? Just to clarify, because I'm slightly confused right now. Can somebody state-- Before we can decide where we want this to be, can somebody state -- and maybe Mr. Herrmann can do this -- exactly, in the present law on seed money, what is the situation? And then we can decide what we'd like it to be. So what's the situation with seed money now?

DR. HERRMANN: If you were to qualify-- You raised your seed money, you raised your qualifying money -- with the seed money helping you -- you then qualify. You then must turn over all that money that you raised. Your qualifying money you can't keep anyway. But the seed money did go into your account. And any seed money you have left would go into the fund. The qualifying dollars, which had not been written to the candidate but to the Fund, of course, would go to the Fund.

ASSEMBLYWOMAN GREENSTEIN: And then is there something where the money you get -- if your opponent does not become a qualifying candidate -- is there something about that money going to those people?

DR. HERRMANN: Those people being--

ASSEMBLYWOMAN GREENSTEIN: The person who doesn't qualify.

DR. HERRMANN: That was done voluntarily. It was confusing in the 6th District.

ASSEMBLYWOMAN GREENSTEIN: Right, I know that was done voluntarily.

DR. HERRMANN: But that was something that the law did not require.

ASSEMBLYWOMAN GREENSTEIN: But the law doesn't require anything like that right now.

DR. HERRMANN: No.

ASSEMBLYWOMAN GREENSTEIN: Okay.

SENATOR SCHLUTER: Mr. DeLuca.

MR. DeLUCA: Mr. Chairman, you teased me about my box of papers here. (laughter) But I did find, finally -- and that's why I bring it.

We received a set of recommendations from the Green Party candidate.

Thank you, Marilyn, for whispering that up here.

And his point number three is, keep the seed money. He talks about the pilot program. He says, "And ELEC repeatedly requested seed money returned from all candidates." And what they're suggesting is, one consideration is that the process become simplified by eliminating, altogether, the requirement to turn over seed money. So I think that's where this question grew from.

SENATOR SCHLUTER: Can we simplify this thing and restrict it, in I, to seed money and just say, "What shall be the disposition of seed money."

MR. DeLUCA: Yes, it works for me.

ASSEMBLYMAN BARONI: Because there's none left. We're fighting over like a couple hundred bucks.

SENATOR SCHLUTER: Is that all right?

ASSEMBLYMAN BARONI: Sure.

ASSEMBLYWOMAN GREENSTEIN: Yes.

SENATOR SCHLUTER: What shall be the disposition.

ASSEMBLYMAN BARONI: There's not going to be-- I mean, how much seed money do you have left? You spent it. We're not talking-- I mean, a couple hundred bucks.

SENATOR SCHLUTER: That's the point. If you've got \$200 left--

ASSEMBLYMAN BARONI: As funny as it seems-- To quote Governor Whitman, "As funny as it seems, that's a lot of money to some people." (laughter)

SENATOR SCHLUTER: We move on.

We've already done J. We go to K.

Can you read that? Do you want to take turns?

MR. PARISI: Certainly, Mr. Chairman. I was trying to make some notes.

"Whether the dissemination of public information about the 2007 Pilot Project should be under the direction of ELEC or the New Jersey Division of Elections, in the Department of Law and Public Safety."

MR. TAO: I think, unless I'm not capturing the sentiment of this Commission-- I'm not sure if this is an open question. So perhaps we might not even consider this for a trial balloon.

SENATOR SCHLUTER: Issue of concern.

MR. TAO: Yes. My view is that ELEC would be the right place. And unless there is a disagreement or a need to solicit public comment on this, I'm not sure it's necessary to do.

SENATOR SCHLUTER: Do we have--

I ask this of staff. Do we have other places in there about the structuring, the-- Well, we--

What was our No. 17 that we did today?

MR. PARISI: No. 17 was -- and I don't have the final language on that -- was basically to convey the idea that there was a need to focus attention -- the attention of the administering of the Clean Elections program by means of employing a strong agency with experience in the administration of public financing. Basically, what you need is an agency to oversee the Clean Elections program. You need an agency with experience in public financing of elections in this state.

ASSEMBLYMAN BARONI: Mr. Chairman, there are other areas of elections that ELEC and Law and Public Safety work together. An example would be the gubernatorial financing system. A participating candidate in the gubernatorial financing system, obviously, works with ELEC on the financing. But ELEC has to work with Law and Public Safety because the ballot statements that candidates for governor write have to be transmitted to Law and Public Safety to be put on the ballot.

DR. HERRMANN: Actually, we discussed our relationship with the Division a little earlier, Assemblyman. The ballot statements are completely under us. The Division on Elections, really, just does the administration of elections. We work with them in the sense that they let us know who is on the ballots so we know who to send materials to, and

that sort of thing. But essentially, it's a totally different kind of shop. It's election administration. It's not campaign financing. And it's a much smaller shop than we have. There may only be -- I haven't looked recently -- but probably no more than 10 people there.

ASSEMBLYMAN BARONI: I agree with Curtis. I'm not sure how much of an open question this is. I don't think there is any thought that Law and Public Safety would take over this.

SENATOR SCHLUTER: Well, can we--

In your resertation here, Mr. Parisi, could you give me the first few words that you have there? Because maybe we'll add--

MR. PARISI: Well, again, this is not finalized. And, again, it is in draft form.

I think something to the effect that there is a need to focus the attention on administering Clean Elections in the future by means of using a strong agency with experience in public financing of elections.

SENATOR SCHLUTER: Could we add in there, and a sound public information program? Because that's the one new--

ASSEMBLYMAN BARONI: Chairman, forgive me. Maybe I'm missing something. Why are we opening the door to discussing it would go anywhere but ELEC?

SENATOR SCHLUTER: I don't think we-- I sense that that's what a conclusion will be. But we chose to-- And we put this in as a finding. It's got to go in a strong agency.

ASSEMBLYMAN BARONI: If I'm reading that, and I read that language, I say, "Okay. Are you calling for the creation for a new agency?" And maybe that is a decision we want to make, although I would

disagree with it. Just reading that, and listening to Frank's resertation of that, I read that and say, "You mean something other than ELEC. Because if you meant ELEC, you'd say it." I mean, do we want to say something other than ELEC? Do we want to, sort of, create a Clean Elections office?

SENATOR SCHLUTER: Well, maybe one of the things we're hung up -- including myself, and I shouldn't be. But maybe we're hung up on what is a finding and what is going to be considered for our May report. And the detail of how ELEC will handle this was sort of discussed early this evening as going to be in the May report.

Now, what do other Commissioners think? Should we come right out in No. 17 and point in the direction of ELEC?

MR. TAO: I think we should.

ASSEMBLYWOMAN GREENSTEIN: I agree.

SENATOR SCHLUTER: Mr. DeLuca?

MR. DeLUCA: I would have no trouble absorbing parts of K into that statement. I mean, Mr. Herrmann did say -- when I asked about the public information -- that they could do it. He also said they might want to farm it out.

I think though, for our sake, there was some concern raised by some of the people who testified that even in this Pilot Project, there was not enough dissemination of information, that there were supposed to be statements issued, or voters guide -- I'm sorry, a voter guide -- put together. And that was pretty much done through a Web site. So there was--

I guess it's almost a question less about who is doing it and -- what it should entail. Maybe that's what we need to talk more about.

When we think about a public education campaign, what are the things we want to include in it so that it's getting out there?

ASSEMBLYMAN BARONI: I think a potential May finding is, we recommend that voter statements go on the back of the ballot. That's a recommendation. That's sort of something we could suggest. But I think this is hanging up on who, as opposed to what. And I don't think we want to hang up on who, because that opens the door to a very easy question to you, Chairman, which is, you say we need to have this sort of entity that's got experience with campaign finance, but you specifically don't say ELEC. And unless that's-- I would say the question should be not who is doing the dissemination, because we think this should go to ELEC.

And, Linda, unless you disagree, I don't think there's any thought in the Legislature to go anywhere else.

ASSEMBLYWOMAN GREENSTEIN: No, I agree.

ASSEMBLYMAN BARONI: And let's talk about expanding a voter guide, put it on the ballot, print more of them, whatever. And then give them the resources to do it. I think it's the bigger question.

SENATOR SCHLUTER: Didn't we just, sort of, come to a consensus before, Mr. Parisi, that the sentiment here was to change 17 to identify that?

ASSEMBLYMAN BARONI: Good.

MR. PARISI: Okay.

SENATOR SCHLUTER: And then the question now, if I might-- We're getting awfully -- reparsing our statements here, and our words. But maybe K should be as an open issue -- what steps can be taken to maximize the dissemination of public information.

MR. DeLUCA: That's good.

ASSEMBLYWOMAN GREENSTEIN: That's good.

ASSEMBLYMAN BARONI: Excellent.

MR. DeLUCA: Mr. Chairman, I might offer, maybe we're getting cranky because the people didn't provide us with the nuts like they did at the last meeting. (laughter) Oh, they do have them. Then maybe-- Things seemed to flow a lot better after we passed around that bag last time.

ASSEMBLYWOMAN GREENSTEIN: What's in the bag?
(laughter)

MR. DeLUCA: Thank you.

MR. TAO: Being on conference call at the last meeting, I didn't have the benefit of the nuts.

MR. DeLUCA: No, you didn't.

MR. TAO: Paid for by surrendered seed money, no pun intended.

MR. DeLUCA: This is the Green Party seed money that didn't come back. (laughter)

DR. HERRMANN: While you're passing, I just wanted to comment, to pick up on Commissioner DeLuca's point. The law, again, was very specific about that voters' guide. And the law said post it on the Web site. It never said anything about distributing any other way. And as Commissioner Baroni pointed out, and very importantly, there was no funding. So it was a double whammy. The law directed us to do one thing, which we did in a timely fashion, and didn't fund us to do anything else.

SENATOR SCHLUTER: I think we've passed this now. We've resolved K, and we've resolved No. 17.

MR. DeLUCA: I move we adjourn now, because these nuts are great. (laughter) We can just go right through and just agree with everything. Got a high here.

SENATOR SCHLUTER: All right.

Are you with us? (affirmative response)

L-- Now, I think you did have some additional words for L, which have been submitted to you. Do you want to read that in your -- what you have currently for L, as possibly revised?

MR. PARISI: L has -- read here, "Whether a tiered system for qualifying contributions should be established, so that a participating candidate who receives more than a minimum number of contributions receives public financing in proportion to the tiered contribution -- tiered threshold of contributions received. The idea being that if a candidate only receives X amount of contributions, he would receive X amount of money. If he receives Y , he would receive Y , and so forth."

SENATOR SCHLUTER: Okay?

Move right along to M.

Do you want to read that, Mr. Parisi?

MR. PARISI: I'm going to let Ms. Winters do that while I work on No. 17, to make sure we get it clarified.

SENATOR SCHLUTER: Let's not stretch it out here on 17, because that's important.

MS. WINTERS: M: “Whether a participating candidate cannot begin to solicit or receive qualifying contributions until the day the candidate files his or her petition of nomination.”

ASSEMBLYMAN BARONI: Chairman, I think, inherently, this statement is wrapped up into the question of whether or not primaries will be financed. Because unless primaries are financed, you wouldn’t be filing petitions. If primaries aren’t financed, you’re already the candidate in the general election. So you wouldn’t begin collecting funds until your district is chosen. I’m saying, there are no petitions in a general election. There’s only petitions in the primary. But if the primaries aren’t being self -- aren’t being funded--

SENATOR SCHLUTER: No, it doesn’t, respectfully.

ASSEMBLYMAN BARONI: Sure.

SENATOR SCHLUTER: This talks to the issue of extending the time. And a lot of people-- A lot of other states say, “Well, start raising money the day after your last election.” And other states say, “Well, start January 1.” Now, we’ve got--

ASSEMBLYMAN BARONI: I’m with you on that.

SENATOR SCHLUTER: Okay.

ASSEMBLYMAN BARONI: But there’s no triggering mechanism for you to know that you should be a candidate collecting the contributions.

SENATOR SCHLUTER: Well, this is for-- It is presumed it is for the Clean--

ASSEMBLYMAN BARONI: But you don’t know you’re a Clean candidate until 20-something days after the primary.

SENATOR SCHLUTER: No, no. In our adjustment to the standards for the two party chairs to select the districts, one of the standards can be we say that they be established February 1.

But the idea was to get more time for candidates to collect -- particularly in the time in April, May-- Even if they don't cover primaries, they can still be collecting for a general candidate, even though they haven't qualified. But they would-- Again, they'd have to turn it back in or something if they got beaten in the primary. But it's to--

And rather than have it start after the previous election-- I think the League of Women Voters made the very good suggestion that you should have a point where a candidate is somewhat serious, and they file a petition as a good starting point. They don't-- They can't collect-- Assuming they're in a Clean district, they can't start collecting until they file a petition.

ASSEMBLYWOMAN GREENSTEIN: Mr. Chairman, maybe it's possible to-- Since this is just one of our future consideration-type things, maybe we can just leave the wording general about the idea that we want to put forth more time, but we don't make it specific as to when. Because, clearly, Mr. Baroni -- Commissioner Baroni is making a good point here. Maybe we don't need to decide that right now. We just say that we want the concept of much more time to be there, and then we decide on the specifics later.

SENATOR SCHLUTER: We can, but I think the point has been made by some of the people testifying that you just can't leave it totally open-ended, or let people think that it's totally open-ended.

If the Commission wants to leave it that way, that's fine by me.

MR. DeLUCA: May I suggest maybe we just leave, as a question, at what point can a participating candidate begin to solicit and receive qualifying contributions. And then--

ASSEMBLYMAN BARONI: I think it gets around it, because I think it opens up-- I mean, there's a lot of issues there. I think that's a good way to put it.

SENATOR SCHLUTER: Okay. Does everybody agree?
(affirmative responses)

And then, when we get into our discussion in April -- March and April, we can--

ASSEMBLYMAN BARONI: Make it much more specific.

SENATOR SCHLUTER: Have you got that, Mr. Parisi?
(affirmative response)

All right, we're up to N.

MS. WINTERS: N: "Whether to reduce from \$200 to \$100 the amount of seed money a participating candidate can receive from an individual contributor."

MR. TAO: Mr. Chairman, if you could, refresh my memory. Why would we want to reduce that amount?

SENATOR SCHLUTER: There was testimony from a number of sources recommending that. And it doesn't have to be-- In other words, it's an open issue. We don't have to agree to it. But it's something that will come up after our initial report, for our consideration to make a recommendation on the final report.

MR. TAO: My view is that if you reduce the amount of money you can receive from an individual for seed money, you may reduce the candidate's ability to solicit and raise seed money, perhaps.

SENATOR SCHLUTER: I think this argument is good, but I think it should come farther along in the process, when we make a recommendation.

MR. LENOX: Perhaps we're getting too specific by putting numbers in there right now -- by putting the \$200 and \$100. Perhaps we want to be more general and say, should we alter the amounts raised in seed money, or whatever.

SENATOR SCHLUTER: Is the seed money--

ASSEMBLYMAN BARONI: You could actually just strike the words "from \$200 to \$100," and it makes sense.

MR. TAO: Or we can say, "Whether to reduce or increase the amount of seed money a participating candidate can receive from an individual contributor."

SENATOR SCHLUTER: Well, we've already talked about the amount of seed money. We're talking about the contribution limit of seed money.

ASSEMBLYMAN BARONI: Right, but you could say, "Whether to reduce or increase the amount of seed money a participating candidate can receive from an individual contributor."

SENATOR SCHLUTER: That's already in here someplace else, I think, is it not?

MR. PARISI: Mr. Chairman, that's the overall amount of seed money that a candidate can raise, as opposed to--

SENATOR SCHLUTER: The contribution limit.

MR. PARISI: --the limit on individual amounts in -- a limit on the individual amount of seed money contribution.

SENATOR SCHLUTER: We could just say, "Is the contribution limit of \$200 for seed money the appropriate amount?"

Okay?

MR. DeLUCA: Good for me. It works.

MR. TAO: Sounds fine.

MS. WINTERS: Okay.

SENATOR SCHLUTER: Got it? (affirmative response)

Number O.

MS. WINTERS: Number O.

SENATOR SCHLUTER: Moving right along.

MS. WINTERS: "Whether to recommend the establishment of a statutory deadline by which time a certified Clean Elections candidate can apply to withdraw from the program without penalty."

MR. DeLUCA: It's okay.

ASSEMBLYWOMAN GREENSTEIN: What does the law say, right now, about that?

SENATOR SCHLUTER: They can withdraw at any time.

ASSEMBLYWOMAN GREENSTEIN: At any time.

SENATOR SCHLUTER: All right? (affirmative response)

P.

MS. WINTERS: P: "Whether to require that all campaign contributions for Clean Elections candidates be forwarded directly to ELEC,

which in turn deposits the money into the Clean Elections Fund in the Department of Treasury and periodically audits the receipt of such funds.”

SENATOR SCHLUTER: Does this cover the matter of some testimony for and some against the contributions being made to the candidate, or contributions being made to the Clean Elections Fund with identification of which candidate -- and this covers that concern?

MR. PARISI: I would defer to Dr. Herrmann on that one.

SENATOR SCHLUTER: We had a lot of discussion last time on that.

MR. PARISI: I think that's what the gist of this question-- That's at least what it was attempting to approach.

DR. HERRMANN: I think they're all related problems. There are other problems, as well. I think in a Clean Elections context, the Commission's concern would be to have, literally, tens of thousands of checks, if we go statewide -- they're not being deposited. It doesn't really strike one as Clean.

I know from my experience in State government -- 30 years -- if we have an undeposited check at the Commission that's hanging around for two or three days, the auditor gets very upset. So we create a campaign system where we've got all these undeposited checks. And in the last election, we literally had people bringing in checks in shoeboxes, undeposited. I mean, it's really almost the campaign equivalent of keeping your money under the mattress instead of putting it in the bank. So it's a very-- It strikes me as a very unsafe approach not to allow the candidates to actually deposit the money.

Also, another issue that came up earlier -- was asked a couple of times -- how much is this program going to cost? Well, I think if we go to this kind of model, it's going to incrementally jack up the costs in an extreme way. We're going to have that many people processing all these checks. I mean, actually, ELEC would be the treasurer for campaigns all over the State of New Jersey. And I think the taxpayers might even question that. I mean, why are we using taxpayer money to do a function of -- major function of campaigns, which is to keep control of their money and deposit it into the bank?

So it's a serious question. And I think the Commission would be happier if the candidates kept the money. And, also, there's the whole issue of the confusion with the contributors. "Am I giving the money to the fund, or am I giving the money to the candidate?" And that created all sorts of problems, I think, during this election. And I think a number of people testified before, and it seemed to make sense, that there is an identification between the person raising the money and the contributor. They do think they are giving that money to the person who raised the money. And they get very upset when the money shows up in another district going to a candidate of the opposite party.

And, also, just in terms of explaining the program to the public, which is another big issue that we've talked about. The more complicated this gets, the more difficult it is for anybody to comprehend how the program works and to try to explain to the public, "Well, you're not really giving that money to the candidate. And, of course, the money might end up in another district, in another party" -- is an incredibly complicated thing, I think, for candidates to have to do.

SENATOR SCHLUTER: Does this speak to the issue of when they have to make their reports to ELEC -- the candidates -- of having received these moneys?

DR. HERRMANN: You can design-- Not really. I mean, you can design this many different ways. You can have frequent reporting, and have the candidates receive the money. So I don't really think it hits on that. I mean, either way, the -- how many times you report is a different question.

But I think in terms of accountability, especially in modern society-- I mean, putting the money in the bank as quickly as possible seems to be about the best approach, especially if you're going to have a Clean campaign system and have all these checks floating out there.

Our experience, even with campaigns today-- When the Treasurer takes the money, and they don't deposit the money -- oh, it just creates a nightmare. So it just seems to be good accounting practice to take that money and get it to the bank as quickly as possible. And it would have to be reported to the Commission. I mean, these would be on the reports. We would know where the money went. That's not an issue at all.

SENATOR SCHLUTER: Everybody understand that?

ASSEMBLYWOMAN GREENSTEIN: I want to make sure-- So the issue -- the overall issue here, then, that you're talking about-- In the law, right now, it's saying that all the checks are being made out to ELEC. You're talking about having all checks -- \$5 checks, whatever -- made out to the candidates.

DR. HERRMANN: Whatever it is. And, actually, it's made out to the Fund. It's not even made out to the Election Law Enforcement

Commission. When we get the checks, we have to give them to Treasury, then the Treasury puts them in the Fund. So we're not even putting them into an ELEC account. We are actually holding onto all these checks and not depositing them either.

ASSEMBLYWOMAN GREENSTEIN: But am I understanding you, Mr. Herrmann, to say that you favor the idea of having the checks made out to the candidates?

DR. HERRMANN: I think to the Commission. That makes the most sense, for a variety of reasons.

ASSEMBLYWOMAN GREENSTEIN: To the Commission, not to the candidates.

DR. HERRMANN: Oh, I think to the candidates, as well. I think to the candidates it makes sense. And I think it makes sense to everybody. There's a philosophical reason, perhaps, to put the money into the Fund. But there's so many practical reasons not to do that. And especially if we're talking about \$5 -- even \$30 contributions. In terms of the cleanliness of the system, is it really an issue if somebody has a \$5 check -- that they may be improperly influenced by that in some way?

ASSEMBLYMAN BARONI: And isn't there some precedent to-- There is. It's not a question. But in the gubernatorial financing system the candidates (*sic*) are made out to "Corzine for Governor," "Forrester for Governor," deposited into a special account. That account, then, has to be reported to ELEC. But the candidate deposits it. The candidate opens the account, the candidate notifies ELEC of the account, and they keep-- But they do the check depositing in the gubernatorial campaign. So there's a precedent for this.

DR. HERRMANN: That's correct.

Also, I noticed-- Like Mr. DeLuca, I take great joy in reading the transcripts. And I think it was the December 2 testimony of a fellow from Public Campaign, I believe-- And he was asked about Connecticut and Massachusetts. And he said in both of those states, the candidates actually got the check. And then he commented that he thought that that system, in terms of the cleanliness of it, was just as good as doing it the other way. So he didn't see any advantage to not putting the money into a campaign account.

SENATOR SCHLUTER: Mr. DeLuca, did you have a--

MR. DeLUCA: I think we're-- This is good conversation, but this is conversation I think we're going to have later. We're just identifying this as a point that has to be discussed and decided upon, right? Because I think--

SENATOR SCHLUTER: Well, we had to be sure that the question covers all of this--

MR. DeLUCA: Yes.

SENATOR SCHLUTER: --area that we're concerned about.

MR. DeLUCA: Well, it seemed to me that it did, because it's just the question of who gets that.

But I just also want to raise that we've also received testimony from the AARP representatives that the very nature, here, of changing the way-- This changes-- You're right, it's a philosophical argument. This changes the way we do politics -- that you don't give money to candidates, that you give money to a fund and the process.

And we've also heard from Assemblyman Greenwald that politics is like sports. People like to pick their teams. And they make their checks out to their teams. So I think this point captures all that. And we're going to have to decide how to make that work.

SENATOR SCHLUTER: Does it capture the fact that, in one district, we had collection of the \$5 and \$30 contributions? This was from one party in the 13th District, which nobody knew about and weren't even reported.

MR. DeLUCA: Mr. Chairman, I think that's covered in another point about the timeliness of reporting. I'm trying to find it, but I can't find it at the moment. But I do believe there was something-- We raised it somewhere--

SENATOR SCHLUTER: That is a--

MR. DeLUCA: Absolutely. That was the whole question.

SENATOR SCHLUTER: Is everybody satisfied with this the way it is?

MR. TAO: A modest suggestion, because I think we're gaming the question to be a no, while we capture the issue. What if we phrase the question as, whether to require that all campaign contributions for Clean Elections candidates be properly forwarded to ELEC or handled by the individual candidate or candidates?

ASSEMBLYWOMAN GREENSTEIN: Yes.

SENATOR SCHLUTER: All right.

Did you get that, Mr. Parisi? (affirmative response)

I want to get-- Before Mr. Baroni has to leave, I want to get one other issue -- but after this Q.

Do you want to read Q, as it's--

MS. WINTERS: Q: "Whether Clean Elections candidates from the same political party in a legislative district must run as a team to receive public financing, or whether each Clean Elections candidate can run independently."

SENATOR SCHLUTER: That is not my Q, but it's a real issue.

MS. WINTERS: Okay. Ready for R?

SENATOR SCHLUTER: Everybody agrees that's going to be decided? (affirmative responses)

MS. WINTERS: R: "The role of political committees -- continuing political committees, political party committees, and legislative leadership committees in Clean Elections districts -- whether and how such organizations may assist Clean Election candidates from collecting qualifying contributions."

ASSEMBLYMAN BARONI: I think there's one addition to that. And that was raised at a couple -- other nonprofit organizations. Remember, this came up-- How can-- Who was the group that wanted to go out and collect checks?

MR. LENOX: Citizen Action.

ASSEMBLYMAN BARONI: Citizen Action wanted to do -- wanted to collect checks. And there was a discussion of whether or not that was an in-kind contribution or not. So I would just add them to the -- or other entities to that list.

SENATOR SCHLUTER: I had another couple of words in there, in some language that I had, just in doing this. “Whether and how such political organizations, as well as other organizations--”

MR. PARISI: Okay, sure.

SENATOR SCHLUTER: “Whether and how such political organizations --” those are all political organizations -- “as well as other organizations.”

MR. PARISI: Okay.

SENATOR SCHLUTER: We have finished the new issues -- open issues. But there’s one thing that--

MR. DeLUCA: Mr. Chairman, I’m sorry.

SENATOR SCHLUTER: Yes.

MR. DeLUCA: There is-- We did add an S last week.

SENATOR SCHLUTER: Oh really?

MR. DeLUCA: The question of how to fund primaries.

SENATOR SCHLUTER: I didn’t recall, but--

MR. DeLUCA: It came up when we were talking about funding primaries. And we said that the whole question of how to fund primaries was-- I think Commissioner Murphy was asking questions, because this was the question about what if you have seven people running in a primary? Should all seven people get funded? So we said that this was going to have to go under further consideration.

SENATOR SCHLUTER: I remember her saying that.

MR. DeLUCA: And I have it as S, with a note to say how to fund primaries.

Am I the only one? Did I dream it?

SENATOR SCHLUTER: I think that's a-- No, no, I remember her saying the seven candidates running in the open primaries in-- And I thought of that, and I thought of ways -- when we come to the discussion on it -- that that can be addressed.

So if we have -- can add that.

MR. PARISI: Right.

What exactly-- How exactly do you want to phrase that? I think that was included. Right now, I can't find it, of course.

SENATOR SCHLUTER: I think if we just say how to fund primaries, and let you come up with some language.

MR. PARISI: Here's the language. I just found it. "Whether it is possible to develop a method of providing public financing to Clean Elections candidates in a primary election that is fair and equitable in each county, as each of the current methods presents a challenge -- presents many challenges."

MR. DeLUCA: Mr. Chairman, I think the point was that two of the counties -- at least two were identified as having open primaries.

ASSEMBLYMAN BARONI: Oh.

MR. DeLUCA: And so that was an issue.

MR. PARISI: Right.

SENATOR SCHLUTER: It's the Morris County open primary situation that she's-- It would be very costly to have all of those--

Okay.

MR. PARISI: Okay. So we have that.

SENATOR SCHLUTER: Now, before Mr. Baroni leaves, I had some language that I submitted to staff, which might be added at the end of the--

MR. PARISI: Do you want me to read it, Mr. Chairman?

SENATOR SCHLUTER: If you read it -- as something that, if we don't put it in there, we're going to get asked, and people are going to say -- because I think it's a position that we came to.

So go ahead.

MR. PARISI: "It is recognized that the Clean Elections program is only one of several possible reforms to remove the taint of special money and to restore integrity to the political process. The Commission--"

SENATOR SCHLUTER: Special interest money.

MR. PARISI: "-- special interest money and to restore integrity to the political process. The Commission considered the issue of campaign funds raised from private sources by independent officeholders between elections. These funds are used by officeholders for a variety of permitted purposes, ranging from paying for the ordinary -- extraordinary costs associated with holding elected office, to contributions to the campaigns of political allies. Commission members agree that the issue of campaign funds raised by incumbent officeholders between elections is beyond the Commission's purview, and that the entire focus of this preliminary report and the final report must be the Clean Elections Pilot Project."

SENATOR SCHLUTER: I think that first one was *incumbent* rather than *independent* candidates.

MR. PARISI: Yes, I have incumbent. If I said independent, it should be, "The Commission considered the issue of campaign funds raised from private sources by incumbent officeholders between elections."

SENATOR SCHLUTER: Okay.

ASSEMBLYMAN BARONI: Okay.

SENATOR SCHLUTER: Does that capture the sense of what we heard a lot of? And we don't want to go -- let go--

Oh, go ahead. This is another thing that we want to--

MR. PARISI: There was a further suggestion offered by the Chair, in a correspondence he forwarded to me. "Whether the New Jersey Citizens' Clean Elections Commission, NJCCEC, will continue to perform its vital functions as the Clean Elections program is expanded for the 2007 elections and afterwards."

SENATOR SCHLUTER: So this was--

ASSEMBLYMAN BARONI: Don't we want to say yes to that?

(laughter)

MR. DeLUCA: Mr. Chair, I would actually offer that up as a finding.

ASSEMBLYMAN BARONI: Yes.

MR. DeLUCA: I mean, it was clear to-- We had testimony from Mark Murphy, from the Fund for New Jersey, and certainly others when we were at Rutgers those couple of days, clearly saying that there needs to be continuity of this process. And I think this should be a finding.

ASSEMBLYMAN BARONI: I agree. Let's say it.

MR. DeLUCA: Because we go out of business. The day the final report is issued, we're done.

ASSEMBLYMAN BARONI: Yes.

MR. DeLUCA: And I say, "Save the Commission." (laughter)

SENATOR SCHLUTER: You don't want to give up your--

MR. DeLUCA: I have a T-shirt, but I'm not showing it to you.

SENATOR SCHLUTER: You don't want to give up your salary as a Commissioner, is that right?

MR. DeLUCA: Well, I didn't say the Commissioners, I just said the Commission. (laughter)

SENATOR SCHLUTER: Can you add that, then? I think we hear a consensus.

MR. PARISI: As No. 18 of the findings?

SENATOR SCHLUTER: No. 18.

MR. PARISI: So there will be--

ASSEMBLYMAN BARONI: It should be the finding--
Whatever number of findings we end up with, it should be the final one.

MR. PARISI: Okay. That would be No. 18 then.

ASSEMBLYMAN BARONI: Mr. Chairman, I'm going to have to step out.

SENATOR SCHLUTER: Thank you very much, Mr. Baroni.

ASSEMBLYMAN BARONI: Thank you.

SENATOR SCHLUTER: We'll keep you apprised.

MR. PARISI: So just to wordsmith here, for a second, we can say that "New Jersey Citizens' Clean Elections Commission, the NJCCEC, should continue to perform its vital functions as the Clean Elections program is expanded for the 2007 elections and afterwards."

MR. DeLUCA: Mr. Chairman, just to wordsmith, I think that we should be clear that it should continue past the issuance of the final report, because that's our termination date. I think the rest of what you said about 2007 is okay, but it should be--

SENATOR SCHLUTER: I think-- Even if you just say past the -- should continue to be past the issuance of this final report.

MR. PARISI: Okay.

SENATOR SCHLUTER: All right.

Now we're going back to the text, which is either double-spaced or single-spaced, as the case may be.

ASSEMBLYWOMAN GREENSTEIN: Mr. Chairman.

SENATOR SCHLUTER: Yes.

ASSEMBLYWOMAN GREENSTEIN: I was just thinking about an area-- I don't know if we've talked about it recently. And I was just wondering -- I was just thinking to myself, is there a way to work it in either as a future consideration -- I guess it wouldn't really be a recommendation. And that's this whole issue of 527-type organizations and the impact that they can have in these elections. That's always hanging there as a bit of a specter. It could cause problems in this type of a situation, or in any kind of election situation. Is that something we'd want to have there, just as a general question to consider and look at?

SENATOR SCHLUTER: This is in the second supplementary bonus that participating -- qualifying candidates can receive. First they get it from those candidates who choose not to qualify. And we've got that pretty well covered. Now we're talking about independent expenditures.

ASSEMBLYWOMAN GREENSTEIN: Right.

SENATOR SCHLUTER: And they are subject--

Have we covered that in any of our findings or assumptions?

MS. WINTERS: I don't think we did. I don't think the Pilot Project really got that far for us to find anything on it, as far as I understand.

SENATOR SCHLUTER: I'm sorry Mr. Baroni has left, because he's done so much on this particular subject.

What's the feeling of Commissioners?

MR. DeLUCA: I guess I don't know what the issue is.

ASSEMBLYWOMAN GREENSTEIN: That's what I'm trying to narrow down.

MR. DeLUCA: If a 527 spends the money, then the candidate is entitled to that second -- it triggers off that second payment -- or actually the third payment, I guess it is.

SENATOR SCHLUTER: Yes.

MR. DeLUCA: So I think it's covered in the law already.

We do have one point here that we have to discuss, and that's the triggering of the second part, the trigger of when a nonparticipating candidate receives and expends more money than a certified candidate. So that's in E. Maybe what we can do is expand E to just think about the trigger--

SENATOR SCHLUTER: E, in the--

MR. DeLUCA: In the--

SENATOR SCHLUTER: --issues of concern.

MR. DeLUCA: And you don't have that.

ASSEMBLYWOMAN GREENSTEIN: I don't have that one.

MR. DeLUCA: It's this one.

But it may be that we want to just expand that to talk about triggers in general, what triggers the first one, what triggers the second one. Because even in the second one, it became a timing issue. Suppose that money was dumped into a campaign?

And I think you -- Curtis, you mentioned this, about doing a cable buy at the last minute, and ordering it and not expending the money, and gaming the system that way. So maybe we ought to expand E to just talk about triggering the second and third payment in general.

ASSEMBLYWOMAN GREENSTEIN: That would certainly seem to be one way of looking at this. I'm looking for different time periods when these independent expenditures can be made and to make sure that we've covered all the different ways that the other candidate can defend against that. So as long as that's being taken into account, that's what my concern is.

MR. LENOX: We can include it in E, or we could probably also include it in R, where we talk about the role of legislative leadership committees, other PACs. I know that speaks a little bit more towards raising qualifying contributions, but--

SENATOR SCHLUTER: That is more directed about the in-kind stuff.

MR. LENOX: Right.

SENATOR SCHLUTER: I think it might be added to E, as suggested here.

MR. LENOX: It's probably fair enough.

SENATOR SCHLUTER: Do you think you could add that to E?

MR. PARISI: What exact-- I guess I'm not clear. What exactly do you want to add to E?

ASSEMBLYWOMAN GREENSTEIN: I like the way you said it, Vic. Why don't you--

MR. DeLUCA: I think the question is to look at what triggers it, the timing of the triggering.

MR. PARISI: What triggers what, exactly?

MR. DeLUCA: That independent expenditure. So you have one trigger that -- when a nonparticipating candidate spends more than the participating candidate. And then there's another trigger if there's an independent expenditure.

MR. PARISI: Right.

MR. DeLUCA: And we don't capture that as a question. And so I guess that would be the phrase to add in E -- is the triggering of that independent expenditure. We never got there in the pilot, but certainly we should anticipate -- in thinking about recommendations going forward, which is what this section of--

MR. PARISI: Okay.

MR. DeLUCA: Is that right?

ASSEMBLYWOMAN GREENSTEIN: I think my goal was to make sure that a candidate, against whom independent expenditures are being made at certain points in the process, always has an ability, if they've chosen to be a Clean Election candidate, to defend -- that there's some way

to deal with that. So at any place in that process they can deal with it. That's what I was looking for.

SENATOR SCHLUTER: Mr. Herrmann, could you come forward here and answer any questions that we might have on this issue? Have you been following this?

DR. HERRMANN: Yes.

MR. DeLUCA: Mr. Chair, just to maybe refresh Mr. Herrmann, I think he made a recommendation last time -- as maybe the triggers could be on the raising of the money, versus the spending of the money. That's what my notes say. Because I think that the way the law is written now, it's based on the spending. When a candidate spends a certain amount, that's what triggers.

DR. HERRMANN: Currently, it's-- Actually, it's complicated. I think some of the other states -- they were talking about this. And other people were talking about spending as a trigger. Under our law, it's-- One of the ways you get more money is if the candidates who are not participating raise over \$50,000. So it is a raising threshold for them.

The other confusion, I think, that is with the term 527-- Actually, I think the distinction you want to make is that an independent expenditure has to be made by an entity that has to report to ELEC its independent expenditure. If it's an entity -- some charitable group or some of these other special groups that form -- they put out advertisements that are not -- don't use the express language of the *Buckley* decision. So they're not actually making a campaign communication. It's a non-event, and they can spend millions of dollars. It's not an independent expenditure. It's not even reportable. It's the issue advocacy concern. So that's something that

A-1 -- the Clean Elections bill didn't get at. Because, currently, we can't get at that.

There are models. I think Senator Inverso has a bill in New Jersey, for example, that does require reporting if it's close to an election and you name the candidate in the advertisement. That then becomes express advocacy. But, currently under New Jersey law, we don't have anything like that.

ASSEMBLYWOMAN GREENSTEIN: You're all helping me kind of get closer to what I was thinking. And that's really the point. It's those issue advocacy groups.

Is there a way-- You said that Senator Inverso, for example, has a bill. Is there some language that we can work in here, that can be done through what we're doing, to take that into account, as well?

DR. HERRMANN: Of course, that would be a decision by your Commission. And I mentioned the Senator Inverso bill because I think that one at least got out of the Senate State Government Committee. So there was some movement on that. There may be other bills in the Legislature that I'm not aware of. Of course, we have a new Legislature now. And I believe that bill was modeled on the McCain-Feingold language for issue advocacy. But I would think, directly as a question-- I think if you want to cover this area, that might be something you'd want to-- That's a big loophole if you don't do anything about it.

ASSEMBLYWOMAN GREENSTEIN: Could we do this without legislation? I mean, is this something we can do, as a Commission, without new legislation?

DR. HERRMANN: I think it would have to be statutory. I mean, we've explored that at ELEC, outside of the Clean Elections concept, whether we could do it by regulation. And I think we were much more comfortable by having a statute.

SENATOR SCHLUTER: Can I suggest, Assemblywoman Greenstein, that this is somewhat like the legal opinion, which you got, about having a longer distance between the final receipt and expenditure, and the actual date of the election -- which would have to be general law. But it could not be specifically applied to candidates who are running in Clean districts, because they could overturn that.

And I think this other concept of how you regulate 527 is almost beyond-- It's sort of like another issue beyond our reporting capabilities under the Clean Elections. I mean, we-- To say that-- To incorporate the Inverso language into a statute, which we recommend, would be a major issue. And I just don't know if it isn't beyond--

ASSEMBLYWOMAN GREENSTEIN: I know I'm going to try to pursue that issue, as well. But from what I'm hearing, unless there's legislation, there would almost be no point in our incorporating it as a recommendation. I'm just wondering if we can -- if we should-- I mean, if that statute's good, for example, is that something we should generally recommend to help strengthen this -- what we're trying to do here?

DR. HERRMANN: I can say, again, it would be up to your Commission what you want to do. ELEC has made that part of its annual report for the past few years -- that we do something about issue advocacy along the lines of the Inverso bill. And I understand there are other bills, as well, that have been-- And I only mentioned that one because I believe I

testified on it. It did get out of Committee. It was fresh in my mind. But that concept has been out there, federally, and also various New Jersey legislators have introduced bills along those lines.

MR. TAO: I would agree that it would be very difficult for this Commission, independently, to deal with it.

Where this will come up isn't in positive advocacy, but most likely negative advocacy. "Call Assembly person blank and ask her to stop being a baby killer." I mean, that's what is going to happen. And it's very difficult, then, to say, "Is it really issue? Is it negative advocacy?" And then, how do we assess a type of monetary value for the fund, if that's what we wanted to do, to increase the funds available? So it's probably something which is beyond what we can accomplish, in my view.

ASSEMBLYWOMAN GREENSTEIN: Thank you.

SENATOR SCHLUTER: Then I guess we're--

I have another question now, though, because E talks about the bonus money -- if you want to call it that -- penalty money, bonus money -- that goes to the qualifying candidates when a nonparticipating candidate raises up to the threshold.

But you've got another situation, where there are organizations which report to you, are there not, Mr. Herrmann -- they report to you. And that's the second tier of penalty money of \$50,000. Is that not correct? That's in the Clean Elections statute now.

DR. HERRMANN: My recollection is that there are, I think, three ways that you can get this additional money. Way one was, your opponents didn't qualify. Way two was that the opponents who didn't qualify raised, collectively, more than \$50,000, and you would be matched

up to the \$50,000. And way three would be if there were an independent expenditure of over \$1,000 -- we said in our regulations that up to \$50,000, you could get \$50,000.

SENATOR SCHLUTER: Yes, and that independent expenditure, though, has to be reported to you, because there has to be some way of knowing if there is an independent expenditure.

DR. HERRMANN: Oh, yes. That would come under the campaign act.

SENATOR SCHLUTER: Now, should that last -- that third way be included in E? Does that talk to your--

MR. DeLUCA: Mr. Chairman, that was my suggestion. Just put that on the agenda so we talk it through a little bit -- that penalty or bonus, whatever we call it -- that third way.

SENATOR SCHLUTER: The third way.

So I think the feeling is that that-- We're not talking about 527s now, we're talking about -- that can't be controlled -- we're talking about independent expenditures which are reported.

MR. DeLUCA: Well--

ASSEMBLYWOMAN GREENSTEIN: In other words, Mr. DeLuca's suggestion-- Because I thought that was a good one.

SENATOR SCHLUTER: Yes.

MR. DeLUCA: Mr. Chairman, I would say that we leave it open-ended, because maybe it doesn't have to be expenditures that get reported. Maybe a candidate who is suffering from this outside expenditure brings the information to ELEC, ELEC can make a decision. You're going to know if somebody's out there, doing what Commissioner Tao said --

doing these advertisements. You take the advertisement, or take the radio spot, and you take it to ELEC and say, "Somebody's doing this." And that's an independent expenditure, and that kicks it off.

DR. HERRMANN: Actually, our regulations provide for that. The candidate informs us that it's out there, shows us some documentation, we give them the money.

MR. DeLUCA: Maybe we should just talk about that as a -- that process. Just a question, without saying that it has to be an expenditure-related -- that gets reported to ELEC.

What you're saying, the information has to get to you that there's an expenditure -- an independent expenditure.

DR. HERRMANN: Right. In the regulations, the candidate-- And as you said, I think very eloquently, the candidate's going to know when that happens. And they're going to immediately get in touch with us and document that it happened. And then we will review the documentation and issue the check pretty quickly.

SENATOR SCHLUTER: Well, we are very specific in E about saying what E covers. And that is the first penalty wave or the second wave of public funds.

And the question is now, do you expand E, or do you add another issue of concern, with respect to independent expenditures? I mean, would this be something to put in the issues of concern? How will independent expenditures and extra campaign funds, to compensate for independent expenditures -- how will they be handled? Am I making any sense?

MR. DeLUCA: Mr. Chairman, you always make sense.

ASSEMBLYWOMAN GREENSTEIN: You always make sense, but I'm a little confused on this one.

MR. DeLUCA: Is it possible that we could just expand E to say that we're going to look at the three ways that additional payments are triggered? Because there are three ways, correct? There is: If you don't participate, then you're entitled to someone's contribution; and if they expend more than you are, you're entitled to someone's contribution -- to an additional payment -- triggers an additional payment; and then if there's an independent expenditure, there's another payment. So maybe if we just make E that we want to look at the three payments to make sure that a participating candidate is protected so that we're clear about the reporting mechanisms and the ways in which we identify those occurrences--

SENATOR SCHLUTER: Mr. Parisi, do you think you have captured that?

MR. PARISI: Certainly. (laughter)

MR. TAO: I have a language suggestion, I think, that captures that.

For E: "Whether the payment of additional public money to a certified Clean Elections candidate should be triggered: 1i, when a nonparticipating candidate expends more money than a certified candidate; 2i, when another candidate in the same district does not qualify or attempt to qualify as a certified Clean Elections candidate; and 3i, or independent expenditures are undertaken on behalf of a Clean Elections candidate."

SENATOR SCHLUTER: Can we--

MR. TAO: Certainly you can use your discretion to clean it up.

SENATOR SCHLUTER: Can we go with that language, Mr. DeLuca, and let Cutis and Frank consult and talk back and forth on that?

MR. DeLUCA: Oh, absolutely.

SENATOR SCHLUTER: Good.

MR. DeLUCA: I'm sorry, Mr. Chairman. I just want to make sure that by changing this, we don't change the other question that we have to answer, in that, what happens if a candidate does want to participate but fails to participate?

SENATOR SCHLUTER: I think that's number--

MR. DeLUCA: Do we have that somewhere else?

MR. PARISI: That's No. 8 in the assumptions.

MR. DeLUCA: So we've got that. Okay.

I'll shut my microphone off. (laughter)

SENATOR SCHLUTER: All right.

I asked-- On my own, I asked the staff to put in some language on Page 3 -- I don't know if you did that or not, if you had an opportunity -- Page 3, about this free speech issue.

Did you do that?

MR. PARISI: Yes, Mr. Chairman, I did.

SENATOR SCHLUTER: I just want everybody to know what has been added, if we can read that.

MR. PARISI: The paragraph begins, "Despite the simplicity of this form of campaign financing, it is controversial." The next to the last sentence starts, "Supporters of public financing believe that privately financed campaigns allow special interest groups and wealthy individuals to exert too much influence over candidates, and that campaigns funded by

traditional methods stop many potential candidates from seeking office, especially men and women who are members of minority groups.” And this is the part that’s being added, “Supporters further believe that the ‘free speech’ argument is countered by court decisions, such as *Nixon v. Shrink*, that acknowledge that reasonable contribution limits are permissible in order to prevent the corrupting influence, real or perceived, of too much money in political campaigns.”

SENATOR SCHLUTER: Okay?

MR. DeLUCA: Yes.

SENATOR SCHLUTER: All right.

Now we move on. I added something. I don’t think we have to go through it. I suggested to staff that we put something in about the super-human efforts expended by ELEC and OLS in getting that check card -- and Treasury and everything else -- because I think it was worthy of attention being drawn to that effort.

MR. PARISI: I did add that, if you’d like.

This is following the June 8 -- following the August 18 meeting. And then there was discussion, at that time, of some of the difficulties. And the paragraph I added said, “A few days following these meetings, several members of the NJCCEC met with representatives of the Assembly Democratic staff office, the Assembly Republican staff office, the State Democratic Party, the State Republican Party, and the Governor’s Office in an attempt to address the concerns” -- “actually to address the concerns of candidates regarding the limited number of financial instruments by which contributions could be made to the candidates. The suggestion was made that candidates should ask ELEC if check cards and electronic checks could

be considered a form of check, and therefore an acceptable means by which to make qualifying contributions.” And then it begins, “On August 26, ELEC issued advisory opinion 03-205, which permitted the use of check cards for qualifying contributions.”

SENATOR SCHLUTER: Okay, thank you.

Those are all the extraneous items that I had.

Can we move on to Page 22?

And I think we were -- we really went through this -- or I think we can go through this fast, because this is -- a lot of this is -- starting on Page 29 is this business about fleshing out the findings.

Where were we on Page 22?

MS. WINTERS: After the chart.

SENATOR SCHLUTER: After the chart.

Page 22, after the chart-- And they were going to add another chart on there about the 2003 election in Camden County only.

Results of New Jersey Clean Election’s academic study group survey. I think that refers to Ingrid Reed and all of her good work.

Comments as we proceed? (no response)

Twenty-three. (no response)

Moving right along, 24.

MR. DeLUCA: Mr. Chairman, I think it would be useful, as a-- This begins where it says we held our first post-election meetings, and it talks about--

SENATOR SCHLUTER: What page?

MR. DeLUCA: I’m sorry, on 23.

SENATOR SCHLUTER: Twenty-three.

MR. DeLUCA: It talks about the three post-election meetings. I think it would be useful, in the appendix, to have a page that lists all of our meetings, the dates -- just the dates. I think-- I don't know how many hours. It seems like an awful lot. But, I mean, the Commission has met a lot. And we went, certainly, beyond the law. And I think it would be useful to list all the meetings we had, the hours that we were there, and the places, so it shows that we were in the different districts and across the state.

SENATOR SCHLUTER: That's a good suggestion. That shouldn't be too hard to -- just a summary. You're going to have a sheet of who the Commissioners are.

MS. WINTERS: We're also going to do, as an appendix, if it's agreeable to the Commissioners, a list of everybody who testified before the Commission.

SENATOR SCHLUTER: Good.

MR. DeLUCA: What about people who testified twice?
(laughter)

MS. WINTERS: They get listed three times.

MR. DeLUCA: They're in bold.

SENATOR SCHLUTER: He's getting a little frisky, going away on vacation. (laughter)

All right, 24. (no response)

Twenty-five. I added a comment at the top there to reward-- At the bottom of 24, it says, "Candidate JoAnn Gurenlian testified," and what she said. But I added at the end, "and subsequently provided a written list of recommendations," because she really did a good job there.

Twenty-six. (no response)

Twenty-seven. This is not trying to enhance my own image, but I think it's important to the work of the Commission. I put some comments in there about my attendance at COGEL.

Did you put that in there? (affirmative response)

I just said there was testimony -- or there was presentations from Arizona, Maine, Los Angeles, and Connecticut, which shows that we--

All right. Now we're dealing with the preliminary findings, I guess -- preliminary assumptions -- Page 28. And these are very well done. They are fleshed out. They're supported.

Twenty-nine. (no response)

Thirty. I've suggested a couple of minor things, but I won't even get into them.

Thirty-one. (no response)

Thirty-two. (no response)

Thirty-three. (no response)

I will ask, on 34, if you made that change up there.

MR. PARISI: Yes.

SENATOR SCHLUTER: Okay.

Thirty-five. (no response)

Thirty-six. (no response)

Come on.

Thirty-seven. (no response)

Thirty-eight.

Didn't you, Victor, have something on 38?

MR. DeLUCA: I don't think so.

SENATOR SCHLUTER: I think, just so everybody understands -- and I'm not trying to--

MR. DeLUCA: This was the-- We did have something here about the statement.

SENATOR SCHLUTER: Which item?

MR. DeLUCA: On 14, or no?

SENATOR SCHLUTER: We had something about--

MR. DeLUCA: I guess not. Maybe not.

SENATOR SCHLUTER: Well, I suggested adding something here.

Frank, I don't know if you put that in after--

MR. PARISI: Yes, that's in the subsequent draft.

SENATOR SCHLUTER: And I just want to tell you why.

I think the testimony was something that -- it came up -- it reads, in the first paragraph after 14 -- not bold, but the first paragraph after that -- second sentence, "It is likely that the reasons for allowing contributions in only this limited form were --" we're talking about contributions with -- why they couldn't have cash contributions -- "in this limited form were, that these instruments provide full identification of the individual making the contribution." I added, "Provide greater assurance that the money is available." I think that was important in the basic legislation, was it not, that only money orders and--

DR. HERRMANN: Checks.

SENATOR SCHLUTER: --checks were allowed, because you wanted to be sure that the money was available, and give maximum protection against fraud.

So I added that.

Moving right along, 39. (no response)

Well, I thought the commentary in the text for each of those--

And then you're going to have -- you're going to put some more commentary for 17 and 18.

MR. PARISI: Correct.

SENATOR SCHLUTER: I thought they were excellent.

MR. PARISI: Thank you, Mr. Chairman, on behalf of myself and Ms. Winters.

SENATOR SCHLUTER: All right. Do we have additional concerns or additional stuff to go in there?

Mr. Tao.

MR. TAO: No, but I guess this would be a good opportunity to talk about logistics, in terms of the subsequent draft and what we should do with respect to any final comments before the release on February 7.

SENATOR SCHLUTER: Yes.

MR. TAO: I would suggest that if -- and, of course, accolades to both Frank and Gina for all the work they put in.

If the Commission feels comfortable to the extent that there is nothing substantive, in terms of comments, we can certainly circulate things via e-mail.

But were we planning, Chairman, to meet or confer again by conference call before the 7th?

SENATOR SCHLUTER: Well, we had not planned another meeting before we're called. I think the staff will be sending out the final draft by e-mail.

Would it be a week before the-- Do you think it would be a week before the 7th?

MR. PARISI: We can certainly try for a week.

SENATOR SCHLUTER: Which would give everybody a chance to go over it. And then if there are concerns, whether they be minor edits, or typos, or major things, bring them up, because we all want to-- We're all, I assume, signing off on the report as a consensus -- unanimous report. And even those that -- people that haven't been able to make the meetings-- And they understand that. But we want to be sure that everybody has that last chance.

Now, staff is used to making up press releases. And we'll have as many people on the Commission here to make the announcement as possible.

Somebody -- I don't know who it was -- I guess it was Assemblyman Baroni -- said that after the 7th, we should consider going on a road show with editorial boards, which I don't know how many members might be available. But we should certainly make that effort in February. And maybe we can get some of the people that -- like the Eagleton people, and Ms. Reed, and others to participate.

And then we're going to have to have more meetings. It would seem to me that we would start late in February with -- go on over some of these things that we want to be specific on.

Now, what's the feeling of the Commission? Should we just come in here and say, "Okay. Now, the first thing we're going to talk about is how many qualifying contributions should it be? Should it be 800,

should it be a thousand, should it be 200?" Or should we ask staff to draw up a couple of options?

ASSEMBLYWOMAN GREENSTEIN: You mean after?

SENATOR SCHLUTER: This is for the final report.

ASSEMBLYWOMAN GREENSTEIN: Yes.

MR. DeLUCA: Mr. Chairman, I would go back to the linear way of doing this, and just start whacking down these things -- A through whatever it is -- S.

SENATOR SCHLUTER: Yes.

MR. DeLUCA: And just come to some agreement.

SENATOR SCHLUTER: Yes.

MR. DeLUCA: And those that we're stuck on, move to the next one.

SENATOR SCHLUTER: Sure.

I think we've gotten to know each other well enough that we can do that.

MR. PARISI: So just for point of clarification, Mr. Chairman, do you want staff -- Gina and I -- to prepare a list of recommendations based upon testimony before the Commission, the testimony of the candidates, and of the findings that are included in the preliminary report?

SENATOR SCHLUTER: I think that would be a monumental job. And I don't know that-- I think that the people are--

Wouldn't it be?

MR. PARISI: Well, we can do a very slim outline of each of the recommendations and not get into the pros and cons of each individual recommendation. But we can say, for instance, seed money amount should

be increased from \$3,000 to \$6,000. And then-- Or we could leave it blank. The amount of seed money should be increased from \$3,000 to X. And that way, at least it gets it down on paper what the recommendation may be and gives you a sense of focus and direction.

SENATOR SCHLUTER: Well, I would-- I think, without prejudging -- and I can't -- don't want to speak for other members of the Commission -- but I think there's some things that can be wrapped up very, very quickly. I don't want to do it now.

For example, should there be two levels of qualifying contributions? I think I've heard everybody say no. Should you have to report employer identification?

ASSEMBLYWOMAN GREENSTEIN: I don't think I was here during some of those discussions. And I'm not sure how I feel about that one.

SENATOR SCHLUTER: All right.

ASSEMBLYWOMAN GREENSTEIN: In fact, one of the things that I was going to ask, Mr. Chairman -- and I know I missed a few parts of the discussions -- beginnings, or ends, or whatever. But I was wondering if-- I don't know whether we need another meeting for this. It might be a matter of what we can do by e-mail or phone conversation. But I'd like an opportunity to do one really good read of this prior to February 7, and--

SENATOR SCHLUTER: Oh, absolutely.

ASSEMBLYWOMAN GREENSTEIN: --some opportunity for interaction so that if we want to suggest any changes--

SENATOR SCHLUTER: This is what I said before.

ASSEMBLYWOMAN GREENSTEIN: Yes.

SENATOR SCHLUTER: You're going to get your e-mail. And then if there are some things that have to be brought before the Commission, we can do it by e-mail and conference call.

ASSEMBLYWOMAN GREENSTEIN: That would be useful.

SENATOR SCHLUTER: And if we want to get together--

Is the press conference between 11:00 and 12:30, or--

MR. PARISI: Eleven and 12:30. That's correct.

SENATOR SCHLUTER: You have the room. So we might want to meet at 10:00 and just--

ASSEMBLYWOMAN GREENSTEIN: Most of the Commissioners will be present for that?

SENATOR SCHLUTER: I don't know. That's up to--

ASSEMBLYWOMAN GREENSTEIN: I mean, I was planning to come. I wondered if most people here were?

MR. DeLUCA: I won't be there.

SENATOR SCHLUTER: You won't.

MR. DeLUCA: I can't be there.

ASSEMBLYWOMAN GREENSTEIN: You won't.

MR. TAO: I doubt that I would be able to be there, as well.

SENATOR SCHLUTER: But you're right across--

MR. LENOX: I hope to be there, yes.

SENATOR SCHLUTER: And--

ASSEMBLYWOMAN GREENSTEIN: Would you want most of us who are there -- or all of us there to speak -- each to have a speaking part?

SENATOR SCHLUTER: I would hope that they are. And if we meet an hour before, we can each take -- decide what we're going to -- one person is going to take this.

To me, the strength of this report -- if it does have strength -- is the tremendous testimony that we got from all of these -- PIRG, and Citizen Action, and League of Women Voters, and AARP.

ASSEMBLYWOMAN GREENSTEIN: Are all of these groups going to testify -- going to speak at this press conference -- some of these groups?

SENATOR SCHLUTER: I'm not sure how we can structure that, because we have so many. But I think we would like them there, and like them there to be able to be asked -- if they're going to panel, let the press ask them--

MR. DeLUCA: Mr. Chair, I would suggest that they not be part of the Commission's press conference. If they want to be there, they certainly -- and you can recognize them and urge the press to talk with them. But I think for the public, they're going to want to hear what the Commission has to say.

SENATOR SCHLUTER: You're right. That's a refinement that is very logical.

Any other Commissioners have anything else to add at this point in time?

MR. DeLUCA: Just going back, I think some of these questions that we have open here -- these A to whatever it is, R -- S--

SENATOR SCHLUTER: The letters.

MR. DeLUCA: The letters, yes. Thank you.

I guess I'm saying to the staff, I don't think we need a lot of work on some of these. And I just think we ought to come here, and if we have agreement, move forward. And if we get stuck, and we need more information, that's when we can go back to you.

MR. PARISI: Are you speaking in terms of this preliminary report for the 7th, or for--

MR. DeLUCA: No, I'm talking about our next meeting and when we start whacking out these longer-term conversations. I'm just expressing my point of view that I think I'm ready to start making some decisions. And I don't need the kind of information you're talking about. I think it's okay if others do, but I don't.

MR. PARISI: Mr. DeLuca, we're certainly not looking for any additional work. (laughter) So anything you would like to do ahead of time is more than welcome.

SENATOR SCHLUTER: We can-- I think we can start off just fresh, like Mr. DeLuca suggests. And then if we do run into some thorny issues, we can ask for more information and just do that. We can make incremental progress.

What's the feeling of Commission members about the location of where we should meet, and the time?

ASSEMBLYWOMAN GREENSTEIN: When is this meeting?

SENATOR SCHLUTER: Well, this is after February 7.

ASSEMBLYWOMAN GREENSTEIN: After February 7.

SENATOR SCHLUTER: Is this a good venue, time-wise and location?

ASSEMBLYWOMAN GREENSTEIN: I like it. (laughter)

MR. LENOX: With the ability to call in on the speakerphone, I think this is perfect.

MR. TAO: Yes, I actually adore the speakerphone feature.
(laughter)

But just one point. I suspect that there will be many groups who will want to, once they see the articulation of our issues of concern -- will want to provide additional testimony. I'm not saying that we need to do another roaming circuit, but there will probably be the need for us to leave at least the beginning part of each hearing available for public testimony.

SENATOR SCHLUTER: Good point. They can submit written testimony. And I'm sure that -- they have been so helpful in the past -- that we would entertain discussion.

Anything else to come before us? (no response)

Now, I'll ask the -- anybody, for the good of the order out there, that has anything to add to what we've -- without revisiting or arguing any of these particular points--

We all want to give Mr. DeLuca a very happy send off and hope that he-- (laughter)

MR. DeLUCA: Aloha.

SENATOR SCHLUTER: Aloha. He's going to Hawaii tomorrow.

MR. DeLUCA: I'm taking my laptop so I can do nothing else but Clean Commission work. (laughter)

SENATOR SCHLUTER: Thank you very much.

Is there a motion to adjourn?

MR. TAO: So moved.

ASSEMBLYWOMAN GREENSTEIN: Second.

SENATOR SCHLUTER: All in favor. (affirmative responses)

So ordered.

(MEETING CONCLUDED)