

MINUTES OF THE MEETING

April 10, 1975

PRESENT

Frank P. Reiche, Chairman
Sidney Goldmann, Vice-Chairman
Josephine S. Margetts, Member
David F. Norcross, Executive Director

ABSENT

Edward J. Farrell, Counsel
Herbert Alexander, Consultant

- 1) The Commission dispensed with the reading of the Minutes of previous Meetings and directed that it be held over until the next regular meeting.
- 2) The Executive Director discussed recent public statements by John Nero and the possibility that such statements could indicate a violation or violations of the Act. After a brief discussion, on motion of Chairman Reiche, seconded by Commissioner Margetts, it was resolved that the Commission undertake an investigation to determine whether, in light of those statements, any violations of the Campaign Contributions and Expenditures Reporting Act had in fact occurred. (Vote 3-0)

The Executive Director was authorized to issue a subpoena requiring the production of certain books, records and other documents from John Nero, Woodbine Inn, Inc., Woodside Inn, Inc., and Progress of America, Inc. The Executive Director then indicated that Matthew Boylan, Director of the Division of Criminal Justice, whose division was then investigating Mr. Nero, had expressed a preference that the Commission not serve the subpoena. Mr. Boylan agreed to make the subpoenaed records available to Commission investigators by Monday, April 14 if the Commission agreed not to serve its subpoena prior to that time.

- 3) A Special Meeting date of Monday, May 19 was selected. It was determined that the regular June meeting would be held on Monday, June 2 rather than Thursday, June 12.
- 4) The Chairman announced that the Commission would release its opinion in the matter of the Commission vs. Kramer (C-13-74) at twelve o'clock on Tuesday, April 15, 1975. The Executive Director was directed to make arrangements to have the attorneys of record served on the morning of April 15, 1975 prior to the release of the opinion in the Commission office in Trenton.
- 5) The Commission, by a vote of 3-0 upon motion of Commissioner Goldmann, seconded by Commissioner Margetts, determined to proceed in Executive Session to consider the matter of Commission vs. Kramer (C-13-74). The Executive Director was excused.
- 6) Commission vs. Union County Democratic Committee (C-16-75).
The Commission considered the complaint filed against the Union County Democratic Committee for failure to timely file the annual report as required by the Act on or before March 1, 1975. The Respondent submitted the annual report at the time of the Hearing. Evidence adduced indicated that Mrs. Grayson had appeared in the Commission offices to discuss the annual report and other reporting requirements but that this appearance had taken

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place after the due date. Chairman Dietz indicated that he had telephoned the Executive Director to discuss the possibility that the annual report would be late but acknowledged that this had not been confirmed in writing. The Executive Director indicated that he did not recollect a telephone call and that he had been most surprised to learn, on reviewing the files of the Commission, that the Union County Democratic Committee had not timely filed its annual report. The Commission considered the letter of the accountants (Touche, Ross) for the Union County Democratic Committee which letter was attached to the filing of the Union County Democratic Committee when filed with the Commission. (This letter is in Complaint File C-16-75). The County Chairman indicated that fund raising efforts for an April event had taken an inordinate amount of time during the months of February and March thereby making filing more difficult; he added that Touche, Ross had agreed to provide services to the Committee without recompense and that this had led to some delay in the preparation of the report by the accountants. The difficulties of a reporting date which does not coincide with the political year were pointed out by respondent as was the fact that the time delay had resulted in a new and improved format for filing by county committees.

Having considered the evidence submitted to it, including the records of the Commission, it was determined that the respondent was guilty of a negligent, though non-willful, violation of Section 8 of the Campaign Contributions and Expenditures Reporting Act and it was, by a vote of 3-0 on the motion of Chairman Reiche, seconded by Commissioner Margetts, resolved that the Union County Democratic Committee and its treasurer be fined \$100. Mitigating circumstances were considered in the fixing of the amount of the fine. The Executive Director was directed to convey this information to the Committee together with a letter of reprimand.

7) Commission vs. James A. Taliaferro, Jr. (C-17-75).

The Commission considered the evidence presented by the respondent as follows: Respondent requested that his campaign treasurer consult with the Commission prior to the first filing date in the May, 1974 Trenton Municipal Election. The respondent testified that his treasurer was told that if no contributions were to be made it was not necessary to open a campaign account. Since there were no "contributions" received but only money supplied by the respondent-candidate himself he felt that this ruling would apply and therefore did not open a campaign account but used a personal checking account. The Commission noted from its records that all returns had been timely filed and correctly prepared.

In view of the evidence above the Commission found the existence of a technical oversight in failure to establish a campaign account which failure was directly attributable to a misunderstanding of instructions from the Commission. Since the respondent filed timely and accurately and the charges of the Notice of Hearing and Complaint obviously resulted from a misunderstanding it was, by a vote of 3-0, on motion of Chairman Reiche, seconded by Commissioner Margetts, determined to dismiss the Complaint.

8) The meeting was adjourned at 4:00 p.m.

Respectfully submitted,


David F. Norcross
Executive Director