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SENATOR GERALD R. STOCKMAN (Chairman): I think we're ready to begin our hearing. I'd like to introduce, to my left, the distinguished Senator from Hudson County, Senator Jackman. And I see Senator Laskin has just arrived, and Senator Gagliano. So, I think we have most of the panel here. (pause while Committee members enter and sit down)

All right, we're set, I think, to get going. I've introduced the panel; my name is Gerald Stockman, and this is the third hearing in the Senate Legislative Oversight Committee review of the mission and organization of New Jersey Public Broadcasting Authority.

When I opened the first hearing on January 29, I pointed out that the real subject of these hearings is the tension between the State's need for credible coverage of news, public affairs, and information, and the ultimate control and funding of that coverage by those who are covered.

I listed four questions which formed the basis of this inquiry:

- 1) Is public television coverage of the news needed?
- 2) Can public television -- as it is structured in New Jersey -- be independent and, almost as important, appear to be independent?
- 3) Are there ways to insulate public television more completely from the public officials whom it covers?
- 4) How can the need to provide accountability over the expenditure of public funds be reconciled with the need to shelter public television from interference by elected officials?

We have come a long way in answering these questions at our two previous hearings, as we have heard from a number of distinguished witnesses.

At our first hearing, Dr. Edward Meade, who led the study commission which recommended the establishment of the

Network and who then became its first chairman, reminded us of the noble goals envisioned for a State television network.

Dr. Roger Johnson of Ramapo College and Marsha Stern of the Coalition for Fair Broadcasting dramatically illustrated the lack of coverage of New Jersey affairs offered by the New York and Philadelphia commercial stations -- and even a questionable amount of coverage from WOR, now licensed to Secaucus and about to be sold, and, apparently, since sold.

At the second hearing, representatives of the public networks in Wisconsin and South Carolina demonstrated that a public network can be viable and can enjoy artistic freedom and journalistic integrity, with public accountability, if it is endowed with a strong set of guidelines, a properly selected and motivated board, and a dedicated and knowledgeable staff.

Also, a former New Jersey Network Executive Director, Gordon MacInnes, offered a number of suggestions to promote an independent, but accountable, public television operation.

This Committee, therefore, comes to today's hearing with a solid understanding of the development and purposes of the New Jersey Public Broadcasting Authority. Today, our purpose is to gain a clearer picture of the present-day operations of the Authority, and the relationships between and the duties of the Board and the Executive Director.

We are certainly not unaware of the numerous press accounts generated as a result of the recent resignation of Hendrix Niemann as Executive Director of the Network. That just might have something to do with the very impressive coverage of this hearing. Mr. Niemann is free to reveal any information which he feels is relevant to our effort. Any information that suggests wrongdoing by any public official will be turned over to the appropriate authorities. However, we are not conducting a review of management/employee relations at the Network, nor are we engaged in a form of dispute settlement. I wish to make it clear that Mr. Niemann and Mr. Aduato were invited here today to discuss their views

with regard to the questions I raised at the outset of these hearings: Do we need a public television network; how should that network be structured; how can we maintain its journalistic autonomy and still be accountable for the use of public funds?

Perhaps some other members of the Committee would like to add some expression or statement at this time? (negative response) If not, I'd be happy to ask Mr. Niemann to join us, and tell us what he wishes.

H E N D R I X F. C. N I E M A N N: Good morning.

Mr. Chairman, members of the Committee, I am both happy and unhappy to be here before you today. On the one hand, I am happy that the New Jersey Senate is taking a good, hard look at New Jersey Network and the Public Broadcasting Authority -- a look that, I think, is long overdue. On the other hand, the circumstances which precipitated this look -- specifically, my recent departure from the New Jersey Network -- do not make me happy. I can safely say that the past three months have been the most emotionally distressing, painful, frustrating, aggravating period of time I have ever experienced. And even though I left New Jersey Network six weeks ago, I have not been able to put it behind me, because I knew these hearings were going on. I have attended the previous hearings, and I knew I'd be called upon to testify before you today. These hearings are very important to me. First, I believe they represent the last chance for New Jersey Network to gain some measure of freedom and relief from the politicization that has plagued it throughout its history; and secondly, they represent, truly, the last chapter in my tenure as Executive Director and General Manager of the Network.

I know you have a lot of questions, but I do want to put a few remarks on the record before you ask them of me. I'll confine these opening remarks -- and I believe they coincide with the information that the Senator said he wished

to have in these hearings -- to the following: Some brief history; some comments on the need for the Network; problems with the current structure; specific examples of the way the current structure leads, inevitably, to political harassment and improper interference; and specific alternative structures and funding mechanisms for you to consider.

First some history. You would think that New Jersey, lacking its own television station for over 20 years, would have rushed to embrace public TV when it was created and would have been one of the first states to have it. Instead, as you learned at the hearings in January, we were one of the last. You would think that once public TV was established here, that the State would have lavished attention, dollars, and support upon the Network as New Jersey's only home-grown television. But nothing could be further from the truth. From the day it opened its doors, New Jersey Public Television has been alternately starved, ignored, harassed, politicized, and threatened with extinction. In what can now be seen as a precursor of things to come, the Public Broadcasting Authority's very first capital and operating budgets suffered a massive cut at the hands of the Governor and Legislature. The Commission originally established by Governor Hughes to plan the State's public television system, told then-Governor Cahill and the Legislature what was needed. The Governor and the Legislature proceeded to reduce the capital budget by 50% and the operating budget was cut 63%, and the Network has been struggling to obtain proper funding ever since. It might interest you to note that the Commission told the Governor and the Legislature that a minimum of \$6 million was needed to run the operation properly, yet this level of State support was not reached until 13 years later.

Money troubles aside, there have been regular attempts to put the Network out of business, either overtly or by starving it to death. Alone among the 50 states, New Jersey

has spent most of the last 15 years trying to kill public broadcasting. For example:

Governor Byrne cut the Network's Fiscal Year 1975 budget by 74%, an act tantamount to eliminating it entirely. The Legislature eventually restored most of the money, and the Governor went along.

Several years later, Governor Byrne, with the cooperation of then-Senate President Joe Merlino, wrote the Network out of the State budget entirely, although it was put back in at the last minute.

In January 1982, Governor Byrne told incoming Governor Tom Kean to get rid of the Network, because, as it was relayed to me by Governor Kean, quote, "The Network is more trouble than it's worth," unquote.

That same month, Governor Byrne vetoed legislation that would have freed the Network from the State bureaucracy and would have allowed it to function more like the independent television operation it is supposed to be. The legislation had been initiated by the Byrne Administration, and it passed both houses of the Legislature unanimously. You might recall, Senator, that Gordon MacInnes referred to this legislation in the hearings last month. Nevertheless, it was vetoed because, as Gordon told you, Governor Byrne was irked by the Network's coverage of the controversy surrounding naming the Meadowlands Arena after him.

Governor Kean has hardly been more friendly. He has forced out two Executive Directors within his first term; he froze the Network's budget twice; he whacked \$1 million out of the capital budget for fiscal year 1984, apparently because of its news coverage, particularly over a special report in January 1983 that Kean felt was an overly negative assessment of his first term in office -- first year in office, excuse me.

A year later, the Legislature removed \$1 million in capital. At that time the Democratic leadership was irate over

what it considered to be overly favorable coverage of the Kean Administration and because of the documentary New Jersey: The Way We Are, that was referred to during the hearings last month.

In January 1985, Governor Kean told the Bergen Record that it was time to look at the possibility of phasing out public TV, and he repeated that to The New York Times several weeks later. I have attached copies of both of those articles to my testimony. According to both papers, Governor Kean was upset with the Network's decision to provide the Democrats with response time to one of his Town Meetings; hence, the Network might no longer be needed.

Nevertheless, New Jersey Network has survived. Indeed, over the past several years it has grown in terms of audience and private financial support. The need for the Network's programming -- yes, its news and public affairs, in particular, but also its minority, educational, cultural, and sports programming -- has not diminished, and if anything, it has increased. As it is, New Jersey Network is now watched by over 1 million households per week, making us the 7th most watched of the entire PBS affiliate list of 172 stations. And I have attached a ranking of the top ten PBS affiliates to my testimony, as well. New Jersey Network News is watched by almost 200,000 households per night. According to Nielson, 193,000 households watched the Democratic gubernatorial debate last April, 420,000 households watched our Primary Election coverage, 283,000 households watched our special Hurricane Gloria coverage, 337,000 households watched the first Kean-Shapiro debate, and 672,000 households watched our Election Night coverage this past November. Where would these people have turned for this programming if the Network had not provided it? Certainly not to WOR, the purported New Jersey station Governor Kean so frequently cites when questioning the need for the Network. During 1985, this is WOR's campaign-related programming:

Debates: zero.

Candidate call-ins: zero.

Pre-election specials: zero.

Election Night coverage, both in June and November:
45 minutes.

Last June, instead of covering the primary results live, WOR aired a New York Mets game. The General Manager explained this decision by saying he thought the Mets would get better ratings. This past November -- I'm told now it's not a basketball game that they aired -- it was the movie, "Westworld.". So much for New Jersey's commercial TV station.

One final point. Back in January, Marsha Stern told this Committee that it was not possible for the Network to compete in this crowded, very competitive market. The whole point of public TV is not to compete with commercial TV; that is why public TV exists. I ask you to remember, instead, what Henry Cauthen from South Carolina told you last month, quote, "Television is the most powerful communications device yet developed by man. Can New Jersey afford to do less than make full use of such a powerful tool? Allowing such a resource ... to be lost to your state forever is unthinkable." Unquote.

Now, as to the Network's structure and the problems inherent to that structure. I want to be blunt about it. The current setup is lousy. Problem number one is that having the State bureaucracy run a television network is like having the Division of Motor Vehicles run General Motors -- inefficient, counterproductive, ineffective, and silly. Try explaining the specifications for a live news microwave van to a bureaucrat in Purchase and Property. Try making someone from Civil Service understand why you can't hire qualified, experienced TV reporters in a major market for \$23,000 per year. Try explaining to a Deputy Attorney General why so much of our equipment is sole-sourced so he can get a waiver in less than three months. It is extraordinarily difficult and frustrating to run a TV operation properly under the current structure.

Problem number two is the difference between the mindset of New Jersey Network employees and the rest of the State government. People who work for the State understand just that: they work for the State. Network employees, on the other hand, don't think of themselves as State employees. They see themselves -- and thank God for it -- as television people who work for a television operation. You can imagine the conflicts this causes. Other State workers accept the system, more or less, the way it is; they might even like it. New Jersey Network employees, by both training and inclination, hate it.

Problem number three has been referred to previously by every single witness. Five members of the fifteen member board are members of the Governor's Cabinet. They work for him, they answer to him, they are loyal to him. Yet these same people are supposed to be independent when they sit at the Public Broadcasting Authority table. This is a matter of Federal law, as well as a moral responsibility. It is patently absurd to expect them to operate independently; and, in fact, they don't. Other states foresaw the conflicts that would and could arise if people directly responsible to the governor had their hands in the public television system, so they kept cabinet members off the public broadcasting boards and commissions -- or limited their number. New Jersey, on the other hand, has more cabinet members involved in public television than any other state in the country, and it's high time we reduced or eliminated this pressure point.

Problem number four is the other ten members of the Public Broadcasting Authority -- the way they are appointed, and who they have traditionally been. Now, many other state public broadcasting boards and commissions -- as you heard last month -- are made up of gubernatorially-appointed members, yet they have been able to avoid the politicization of public TV. That's because other governors have been scrupulous about

appointing distinguished, essentially non-political people to these boards and commissions. As Joan Holden told you, quote, "...no matter the structure, the board will only be as good as the people themselves who serve on it." Unquote. Typically, other public television board members are chairmen or presidents of major corporations; heads of foundations; former or current broadcasters of stature; journalists; university presidents or professors; etc. They are people who understand that the primary function of such a board, other than to set policy, is to insulate and protect public broadcasting from the harsh realities of politics. Again, as Joan Holden said, quote, "...it is the responsibility of the board to protect public broadcasting from undue influence from anyone, whether the person be a governor, a legislator, another board member, an underwriter, or any member of the state... The integrity buck stops with the board."

Sadly, this is decidedly not the kind of person who has recently been appointed to the Public Broadcasting Authority here in New Jersey. A 1979 study of the Network by the Harvard University Graduate School of Education noted that, beginning with the election of Governor Byrne, a much different type of person began to be appointed to the Public Broadcasting Authority than had been the case under Governors Hughes and Cahill. And I am sorry to report that the situation has not improved since that study was published. Over the past dozen years, most, though not all, appointees to the Authority have not been people whose areas of expertise or achievement have been broadcasting, or journalism, or education, or the arts, or business. Rather, they have been campaign managers, or political confidants, or political fundraisers, or ward politicians, whose qualifications stem primarily from their political activity. Individually, they're fine. Collectively, this is not a public television board, this is a political convention. Instead of insulating public television from

political pressure, as public broadcasting boards are supposed to, they become the very mechanism for transmitting the political pressure they are supposed to prevent. Since this is the kind of personnel our most recent governors seem determined to put on the Public Broadcasting Authority, and since these appointments are routinely approved without much scrutiny from the State Senate, there is only one solution: The majority of the Public Broadcasting Authority must be composed of people selected outside the political process, who owe no one and who are beholden to no one.

Problem number five is the process of appointing or removing an Executive Director. As the statute is currently written, the Governor can remove the Director; and the Governor must also approve his or her appointment. This allows the Governor and his staff a much greater say in the selection of an Executive Director and, obviously, the length of his tenure than is appropriate.

I fully acknowledge that my own appointment in 1983 was the result of involvement from the Governor's office; but that does not make it right. I naively believed that no quid pro quo was expected; I was wrong. I ask this Committee -- and the entire Legislature -- to do what you can to make sure that the selection of the next Executive Director -- which is being conducted right now -- is done without pressure from or involvement on behalf of the Governor; and to change the statute regarding the appointment and removal of the Executive Director to remove the pernicious influence from the Governor's office that currently exists.

This leads, inevitably, to the real reason I am here today, and why these hearings were originally called: political interference in the Network, and my recent departure. In these remarks I will not recount in agonizing detail the circumstances and events which led to my forced resignation. The whole matter was covered quite thoroughly and

I would prefer to let you ask questions about anything concerning that resignation that is not clear to you. But I do want to address the issue of improper political interference in the Network, to put to rest any question in your minds that it is regular, it is endemic, it is appalling, and it must stop.

I feel about improper meddling or undue political interference a lot like the late Supreme Court Justice Potter Stewart who, when asked to define pornography, said he wasn't sure he could define it in legal terms, but he sure as hell knew it when he saw it.

Let me first tell you what is not improper political pressure:

It is not improper to call or write to complain about a program or to make programing suggestions.

It is not improper to send resumes of interested job-seekers and ask that they be considered for employment if there is an opening.

And it is not improper for State government to demand that the Network be held accountable for the proper use of public funds and that appropriate safeguards and reporting mechanisms be built into the system.

However:

It is improper to make thinly veiled or overt threats of budget retaliation if suggestions or complaints are not redressed.

It is improper to attempt to persuade the Executive Director to fire a particular reporter because he's too hard on you, as governor Kean's Chief of Staff, Mr. Stevens, did shortly after my arrival.

It is improper for the Chairman of the Authority to have make-work jobs created for two of his buddies; and for him to order the Executive Director to hire someone for a make-work job.

It is improper for the Chairman of the Authority to

order the Executive Director to, quote, "bury," unquote, a memo from a Deputy Attorney General notifying the Executive Director that one of the employees referred to above is involved in a potential conflict of interest situation.

It is improper for the Governor's office -- specifically Mr. Stevens -- to veto a raise for the Executive Director after it has been unanimously voted by the Board. As Mr. Adubato later told me, Mr. Stevens said to him there wasn't a, quote, "snowball's chance in hell," unquote, that I would ever receive a raise while he was Chief of Staff.

It is improper for the Governor's office to hold up the appointment of a new Director of Marketing and Public Relations for the Network after the appointment has been approved by both the Authority Personnel Committee and the Authority Chairman, because the candidate used to be a Democrat.

It is improper for the Governor to engineer the ouster of the last two Executive Directors because he and his staff don't like the coverage they're getting. Mr. Stevens and Mr. Adubato both told me that Gordon MacInnes was removed because the Governor's office didn't like his choice of News Director and didn't like the negative coverage of the Administration. Concerning my own removal, Mr. Adubato told me on December 3, that, quote, "promises have been made," unquote, and quote, "I have a deadline to meet," unquote, to get me out of the Network.

The designee on the Board for Attorney General Irwin Kimmelman specifically told me that Kimmelman did not want to see me leave the Network because he thought I'd done a good job. But, quote, "The Governor and Greg want you out and Irwin works for the Governor, so he really has no choice." Unquote. On December 9, Chancellor of Higher Education Hollander called me to ask what the heck was going on; to say he thought I'd done an outstanding job; and to say he would oppose any move whatsoever to remove me. Several hours later, after talking to Mr. Adubato and Mr. Kimmelman, he called back and asked if he

could help serve as a go-between in arranging my resignation. Finally, it is a widely reported fact that Mr. Stevens told Network Correspondent Michael Aron that I was going to be removed because of our, quote, "unfair, biased," unquote, coverage, specifically during the recent gubernatorial campaign.

The pervasive influence of politics is everywhere you look. The only responsible course of action is to eliminate, to the extent possible, the opportunities for this kind of political harassment.

I would like to place before you three choices for changing the structure of the Network: amputation, major surgery, or a few stitches. I recommend amputation, i.e. a complete and total separation from the State. As Senator Laskin said at the hearings in January, the State has no business in the news business. What this means is that the State would give up the licenses to all four New Jersey Network stations, and transfer the licenses to an independent, non-profit corporation, such as the Friends of New Jersey Network. I recommend such a radical move partially for the reasons I've cited, and partially because Governor Kean has said publicly, on a number of occasions, as recently as two weeks ago, that as long as New Jersey Network is part of State government, he will continue to treat it and its employees just like any other State agency. That is, of course, his right. But since that is his attitude, the Network must be removed from the control of this and future administrations, totally, completely, and irrevocably. Does this mean no State funding? That's up to you. But if you can justify grants to WNET, or Newark Public Radio, or to the North Ward Center -- none of them organizations controlled by the government -- I would think you could justify grants to New Jersey Network.

SENATOR LASKIN: And none of which deserve any grants.

MR. NIEMANN: Additionally, the State could contract with the Network for those services it desired to continue,

such as broadcasting Lottery drawings, and educational programming. The advantages of such a separation are obvious: no gubernatorial appointees, no State bureaucracy, no politics, a truly free and independent public television operation.

If this approach is not appealing to you for some reason, then I recommend radical surgery. Keep the Network part of State government, but make massive changes in its structure and the Board selection process. There are copies before you of a bill which would do just that, which passed the Assembly in the closing days of last session. The bill sets up an autonomous Public Broadcasting Corporation; it frees New Jersey Network from most Civil Service and Treasury regulations; it removes three of the five cabinet members from the Board; it reduces the number of gubernatorial appointees from ten to three, while providing for the independent election of six Board members. The resultant eleven-member Board would therefore have five political and six non-political members -- not a perfect solution, but a lot better than the current setup.

Now, the bill does not address the issue of funding, but I do have two recommendations. The first was briefly discussed in an earlier hearing: a one-time-only bond issue which would create a permanent endowment for the Network. That is the best idea. The second best would be to follow New York State's example and provide funds to public television on a per-capita basis. This way, funding would be assured and could not be assailed, unless the per-capita formula were specifically changed by legislation -- not an easy thing to do.

Finally, in the "it's better than nothing" category, you might consider minor changes in the current statute. In particular, most of the cabinet members should be removed from the Public Broadcasting Authority; the Executive Director should be protected from gubernatorial removal and selected independently; and the Network should be freed from the nonsensical and counterproductive Civil Service and Purchasing regulations that currently inhibit it.

It has been said, both in New Jersey and elsewhere, that public television lacks political clout because, while a great many people watch it, they are not well organized, the way environmentalists, or teachers, or truck drivers are. By extrapolation, this would seem to indicate that public television's future is not a fundamental issue, that there is little to be gained politically by tackling this sensitive and difficult subject. I disagree. Take a look at this room. Take a look at the editorials and articles I have attached to my testimony. And remember what Henry Cauthen of South Carolina Public TV said last month, quote, "I can assure you that the rest of the country is watching closely...You can set an example for the rest of the country...You...are guardians of a public trust." Unquote. The public here in New Jersey is well aware of these hearings and will most assuredly know whether you choose to act or choose to ignore this problem.

It is possible for freedom of expression, public funds, and accountability to co-exist. Rutgers, our State University, is dependent on State appropriations for its existence. Yet it is also the home of academic freedom, where professors, and students, and researchers are free to express their opinions and beliefs without fear of retribution. No elected official in New Jersey, or elsewhere, would dream of trying to stifle, or muzzle, or censor academic freedom. The higher education system, although not without flaws, works. Is it not then possible to design a system which would similarly protect New Jersey Network while still funding it?

Mr. Chairman, members of the Committee, I believe your choices are clear: either set New Jersey Network free to do the job it was set up to do and give it your support, or give it up entirely and walk away.

That concludes my opening remarks, Mr. Chairman. I'd be happy to answer your questions.

SENATOR STOCKMAN: Thank you very much, Hendrix, for,

obviously, a statement that you have worked on, and I'm sure you believe in. You've raised, obviously, some very interesting questions, and made some very serious charges, and I think that as long as you've made those, and we have the opportunity, I think we ought to explore them a little bit further. I'm unclear, in my own mind, as to the best way to proceed, but before we get into any specific questions, are there any other Committee members who would like to make a statement, or--

SENATOR JACKMAN: I have the privilege, of course -- and I don't say this with any malice or anything -- I was here when public broadcasting started back in 1971, and I'd like to make a statement for the record, with your permission, Mr. Chairman, that I think that public television has done a remarkably good job. I'm just sorry -- and I make this statement very candidly -- I'm just sorry that you resigned. I find out sometimes it's better to stay, and then see how much heat you got to take, and then rely upon the legislative system. There's no question in my mind that there's a lot of improvement can take place. I think we're very lucky. I say this, Mr. Chairman, we're very lucky to have the kind of coverage that we've got up to now. I think I sent a letter out to your office, back during the primary and the general election, and I thought the coverage was fair -- just like the reporters in this room have been fair to both sides of the aisle.

I'd like to believe that, from this -- and the Chairman is going to be the one that is going to ask the pertinent questions -- from this can come some improvement that I think is going to be very necessary. That's all, Mr. Chairman.

SENATOR STOCKMAN: Drix, why did you resign? You don't mind my calling you Drix? I've talked to you as Drix -- I don't know you real well, but in the exchanges we've had

that's what I've used, so if you have no problem with that--

MR. NIEMANN: No problem.

SENATOR STOCKMAN: All right.

MR. NIEMANN: Didn't have the votes to stay.

SENATOR JACKMAN: Wait, I don't get this. You mean to tell me every day they have a vote whether you stay or go?

MR. NIEMANN: I can count, Senator--

SENATOR JACKMAN: No, what I mean is, are you on for a specific period?

MR. NIEMANN: No. Let me--

SENATOR JACKMAN: No time element--

MR. NIEMANN: Let me amplify my answer--

SENATOR JACKMAN: Okay, that's fair.

MR. NIEMANN: --if I may, I think it will make it clearer. Last Summer, and it occurred again around the time the campaign heated up shortly after Labor Day -- I had a number of conversations with Chairman Aduato. He told me that the Administration would be coming for me as soon as the election were over. I asked what his--

SENATOR STOCKMAN: Did he sound sympathetic when he said that?

MR. NIEMANN: At that time, yes. I asked what his position was on that. He said he would oppose any move to oust me from whatever quarter. On October 10th, we have our season premiere party, up at Scanticon at Princeton, and we--

SENATOR STOCKMAN: Let me stop you, for just a minute. How would you categorize your relationship with Steve Aduato up to that time?

MR. NIEMANN: We had had our differences -- I would characterize it as an up and down relationship. Sometimes very friendly and supportive, and sometimes heated. At that point in time, I would characterize it as sympathetic, and on October 10th, at our season premiere party, he told me he had never been prouder of being Chairman of the Network; that he was amazed at

what I had accomplished, and said, "I don't think at this point in time you have a problem with a single member of the Board".

SENATOR STOCKMAN: Had all the votes at that time.

MR. NIEMANN: Every one.

SENATOR STOCKMAN: Okay.

SENATOR JACKMAN: What date was that?

MR. NIEMANN: October 10th.

SENATOR GAGLIANO: Nineteen-eighty-five.

MR. NIEMANN: Five--

SENATOR JACKMAN: Boy, what a couple of months mean.

MR. NIEMANN: Really. Shortly after the election, rumors began circulating here in the State House -- and my reporters who were down here every day began picking them up -- that the election having been won, the Kean Administration -- as predicted by the Chairman -- was turning up the heat, and was putting on the full-court press, and the word around the halls was that Greg wanted me out before his last day as the Governor's Chief of Staff.

SENATOR STOCKMAN: Now let me stop you, if I can, Drix. Are you telling me that-- Well, let me ask you. Did you get evidence of that or suggestion of that prior to the election?

MR. NIEMANN: Only the Chairman's comments that it would be coming.

SENATOR STOCKMAN: But you had no exchanges with Greg Stevens?

MR. NIEMANN: No. I had not spoken to Greg Stevens in 18 months.

SENATOR JACKMAN: Mr. Chairman?

SENATOR STOCKMAN: Yes.

SENATOR JACKMAN: When did your increase -- when was your increase supposed to take effect that was asked?

MR. NIEMANN: November -- December of 1984.

SENATOR JACKMAN: December of '84.

MR. NIEMANN: It was voted in October or September of '84, and was supposed to take effect either in November or December of '84. A year after I had gotten there.

SENATOR STOCKMAN: So, you had a clear message of something awry a year before this election, right?

MR. NIEMANN: Yes.

SENATOR STOCKMAN: Did you try to find out, through-- And I gather Greg Stevens was a friend of yours -- or is.

MR. NIEMANN: Yes he was. Was.

SENATOR STOCKMAN: All right, was. And I gather he played a part, maybe, even in your selection, did he?

MR. NIEMANN: That is correct. He was the one who originally submitted my resume to the search committee that had been set up by Chairman Adubato in, I guess, the Spring of 1983 to look for Gordon MacInnes' successor.

SENATOR STOCKMAN: When?

MR. NIEMANN: In August of 1983 -- August 15, 1983 -- I started.

SENATOR STOCKMAN: Drix, did you feel then that, frankly, Greg Stevens was a key player in your having the opportunity to assume this job?

MR. NIEMANN: Yes.

SENATOR STOCKMAN: And I assume you thanked him for it?

MR. NIEMANN: Yes.

SENATOR STOCKMAN: And your friendship was real and genuine, and it had spanned some period of time?

MR. NIEMANN: Yes, several years.

SENATOR STOCKMAN: Now, end of '84, you are voted a raise by the people who you work for directly, and the next thing you know, I gather, the Governor's office blocks it.

MR. NIEMANN: Correct.

SENATOR STOCKMAN: And you're telling me you didn't reach out to a friend and at least say, "Hey, maybe I missed something. What's up? What's the problem?"

MR. NIEMANN: That was not the first indication to me that there was a problem. That really began--

SENATOR STOCKMAN: Well, that's what I was trying to get at.

MR. NIEMANN: Oh. When was the very, very first?

SENATOR STOCKMAN: Yeah.

MR. NIEMANN: I guess in the Spring or Summer of '84, much before the raise was blocked -- you know, four, five, six months before it was blocked. I did have, at that point, a conversation with Greg, face-to-face, and I had a conversation with Governor Kean on a Sunday morning -- my home to his home -- at which time he cancelled a fund-raising lunch that had been on their calendar for about three months, where he and I had been scheduled to make a joint presentation to a number of corporate leaders in New Jersey, and ask them to either increase or begin support for the network, where, previously, it had either been non-existent, or very small, or token.

So, after that phone conversation, and after the breakfast meeting, actually, with Greg, which took place around the same time as that phone conversation, I knew there was a problem.

SENATOR STOCKMAN: Well, what was the reason? Why were you told that this fund-raising effort, that was jointly arranged, had suddenly been canceled?

MR. NIEMANN: The Governor and Greg felt that both in my comments to the press and my comments to the Joint Appropriations Committee that particular spring, had been overly candid, that I had admitted -- which I did -- that we had not done as good a job as we should have, of presenting both political parties viewpoints, and that I planned to rectify that, and they were -- furious would be a mild word.

SENATOR JACKMAN: This is all '85 now?

MR. NIEMANN: This is '84; we're back to '84.

SENATOR JACKMAN: Oh, wait a minute. We're talking '84?

MR. NIEMANN: He asked me to go back to the beginning, so I did.

SENATOR STOCKMAN: This is early '84.

MR. NIEMANN: I said furious is a mild word.

SENATOR STOCKMAN: And, I gather this expression came to you, both directly from the Governor and from Greg Stevens?

MR. NIEMANN: That is correct.

SENATOR STOCKMAN: Did you attempt to persuade that your approach was the only sensible one and the right one?

MR. NIEMANN: Obviously.

SENATOR GAGLIANO: Did they think you were playing politics with the Democrat-controlled committee, is that it?

MR. NIEMANN: Yes, they did.

SENATOR GAGLIANO: Is that what they thought?

MR. NIEMANN: That's what they thought.

SENATOR GAGLIANO: Okay, so that they felt that whatever you were doing--

MR. NIEMANN: They felt the same thing the Democrats felt.

SENATOR GAGLIANO: --whatever you were doing in your appearance before the Joint Appropriations Committee, that you choose there to make comments about our not doing such a good job, and you were basically agreeing with, I guess, the Democrats who were, at that time, complaining about your efforts.

MR. NIEMANN: That is correct.

SENATOR STOCKMAN: Drix, all of these questions are asked to you through the Chair. I want you to understand that.

MR. NIEMANN: I gathered that. (laughter)

SENATOR GAGLIANO: Well, I've been quiet for a long time.

SENATOR STOCKMAN: You don't quarrel, Senator Gagliano, with the fact that they were asked through the Chair?

SENATOR GAGLIANO: No.

SENATOR STOCKMAN: Good. All right, fine. Incidentally, I am happy to have you ask them. I just think we'd better keep some control on this because it may-- I'm not sure where it's going to head.

But, Drix, as I understand it then, you had some clear evidence in early '84.

MR. NIEMANN: Mid '84.

SENATOR STOCKMAN: Mid '84. And are you telling us, in effect, that it was so clear, and non-mild -- or whatever -- that you sensed that to approach the Governor or Greg Stevens in late '84, when this raise was blocked, would probably have been counterproductive, or it would have done no good? I mean, is that, essentially, what you're saying?

MR. NIEMANN: Well, the Chairman-- First of all, it would not have been appropriate for me or anybody to ask somebody else about their raise. I just-- I did not feel comfortable having that kind of a conversation with either of them. Besides, the Chairman said it was his responsibility as Chairman, since it had been voted unanimously by the Board to get it through. He said that's my job, and I will do it, and that's when the comment came back from Greg that I related to you in my testimony.

SENATOR GAGLIANO: In 1984 was Governor Kean the Governor?

MR. NIEMANN: Yes.

SENATOR JACKMAN: And, you're telling me that the majority of that Board was all Democrats?

MR. NIEMANN: Yes, at that time. Yes.

SENATOR JACKMAN: He didn't make no replacements? Well, what happened to the Cabinet members that all came aboard? Were they still Democrats?

MR. NIEMANN: No. The Board-- I'd have to count. When I came on in August '83, there were nine Democratic members, one Republican, and five Cabinet members. I'm not

sure, Senator, at what point in time-- There were four or five new Board members put on in my first year in the job.

SENATOR JACKMAN: Well, when it came down to, "get the raise," was it Democratic or Republican controlled?

MR. NIEMANN: It was unanimous. It was unanimous.

SENATOR JACKMAN: It was unanimous, but who was in the majority?

MR. NIEMANN: I don't really-- Well, I guess I can go back and try to figure out, but I don't-- I think it was pretty even.

SENATOR JACKMAN: It would seem to me that when the Governor came aboard, that automatically he is bringing on how many members of the Cabinet?

MR. NIEMANN: Five.

SENATOR JACKMAN: Five, and there's how many members on the Board? Eleven.

MR. NIEMANN: Fifteen.

SENATOR JACKMAN: Fifteen. The other nine were all Democrats? Didn't he make any replacements?

MR. NIEMANN: He did, over time.

SENATOR JACKMAN: Well, they're on for a time element.

MR. NIEMANN: Yes.

SENATOR JACKMAN: The point I'm trying to make here is, they're on for a time element; you're not.

MR. NIEMANN: Correct.

SENATOR JACKMAN: You're vulnerable. You can be discharged at will.

MR. NIEMANN: That's correct.

SENATOR JACKMAN: Is that right? Okay, that's all I wanted to find out.

SENATOR STOCKMAN: Did-- In '84, did you -- or early '85 -- did you make any other efforts to reconcile apparently the great displeasure and the hostility that the Governor and Greg Stevens expressed to you then? Is there any other people that you worked through to--

MR. NIEMANN: I talked to some people in the Governor's office that I regarded as friends, or, I mean, not close friends, but sympathetic, if you will -- acquaintances. They said that they would do what they could, but that, again, this was the kind of thing-- Raises for department heads or agency heads were decided at the top, and it wasn't something they could do anything about. In any case, quite frankly, I was concerned about a lot more than a few thousand dollar raise. It's the principle of the thing.

SENATOR STOCKMAN: Did you turn to any of the Board members to try and give you help with this apparent distress on the part of the Governor and Greg Stevens?

MR. NIEMANN: In the fall?

SENATOR STOCKMAN: I'm talking '84 now.

MR. NIEMANN: Yes, I understand. Yes, and it was primarily the Chairman and the Attorney General that were carrying the ball in that regard. Clearly, they were not able to make much headway, and in the fall of '84 -- the late fall, December of '84 -- a number of things occurred which eliminated whatever progress they had been able to make up to that point in time in repairing the rift, if you want to call it that, between myself and the Governor's office.

SENATOR STOCKMAN: What were those things?

MR. NIEMANN: Well, there were three things that happened in relatively rapid succession -- totally coincidentally.

In early December of 1984, we were broadcasting a town meeting that the Governor was holding. I believe this one was in Hamilton Square, here in Mercer County -- Hamilton Township -- and we had decided, along with the Board Programing Committee and the Chairman, back in the late summer or early fall, at a time when there was a lull -- there weren't any town meetings for, like, three or four months -- that any future town meetings that we did would be accompanied by response time

from the other party, because we were getting very close to the gubernatorial election -- yes, the gubernatorial campaign.

Therefore, when the Governor's office notified us of a town meeting in December, or late November -- the meeting was in December of 1984 in Hamilton Township -- we accorded the Democrats 15 minutes of response time to that town meeting.

I got four calls at home that night, three of them from Board members, and they were just furious.

SENATOR JACKMAN: Not Democratic Board members.

MR. NIEMANN: No.

Later that month, if you'll recall, we had a--

SENATOR GAGLIANO: I wish you would speak through the Chair as I have been directed to do. If he doesn't, I won't. Okay? That's where we go.

SENATOR JACKMAN: I'm Vice.

SENATOR GAGLIANO: Chris, I don't care who you are.

MR. NIEMANN: Later that month--

SENATOR LASKIN: I think Senator Gagliano's right.

SENATOR JACKMAN: You're right. He's right.

MR. NIEMANN: Later that month was the telethon that several of you participated in to raise money for the Ethiopia famine victims. My Board had made clear that the only circumstances under which we would do such a telethon was if it were completely and totally bipartisan; that is, if every U.S. Senator, Congressman, member of the Legislature, and member of the Cabinet, and anybody else that wanted to volunteer to answer the phones, were invited.

The Governor's office said yes; we said yes. I then found out that only Senate President Orechio and Speaker Alan Karcher had been invited from the Legislature. My staff then called all of your offices, and reminded you of the telethon, invited you to attend; many of you did. But, the fact that we called the Legislature, and, by the way, everybody -- all the Republicans, all the Democrats-- Nobody had been formally

invited to be on that, except the Senate President and the Assembly Speaker.

SENATOR LASKIN: That's because the Board was a Democrat Board, is that the reason?

MR. NIEMANN: At that time it was not.

SENATOR JACKMAN: Don't forget, do it through him.

SENATOR STOCKMAN: We're going to allow a little, you know, indiscretions, but when it gets out of hand--

MR. NIEMANN: And, again, I was told afterwards that the Governor's office was not pleased by the fact that so many legislators showed up.

Finally, three weeks later, there was a call-in program being broadcast by WNET, Channel 13 in New York. Now, traditionally, we pick up some of their programing; they pick up some of our programing. As you know, they run New Jersey Network News, the State-of-the-State, the budget message, and things like that.

In this case, we opted not to carry the call-in. We had a 90-minute feed from PBS that was coming in, live, and it didn't make any sense to us to join a live call-in program, half an hour into it. The whole purpose of a call-in program is it's live. If it had been a debate, if it had been a talk show, we would have simply DB'd it -- excuse me, delayed broadcast. But, since it was a live show, and since we then had a pending request in front of the Governor for a call-in on our air a month later, we felt there was no real harm done in not carrying that particular call-in from WNET. As I said, we don't carry all of their New Jersey programing. They don't carry all of our New Jersey programing.

Those three decisions, which occurred within 30 days, were seen as evidence that I was no longer in the club. I had never been in the club. Nobody had ever invited me to be in the club, but now I was definitely no longer in the club.

SENATOR JACKMAN: What club is that?

MR. NIEMANN: The Republican club.

SENATOR JACKMAN: Oh. I was just wondering.

MR. NIEMANN: And that was, Senator, pretty much the end. It was shortly after that that I wrote a letter to -- a very long letter -- to Greg and to the Governor, having failed to secure meetings with them, and several of my Board members having failed to secure meetings with them. And, I received a reply from Greg that--

SENATOR STOCKMAN: When was that letter written?

MR. NIEMANN: I just wrote a letter saying, "I would like a meeting with you. I think there are some misunderstandings going on here, and I'd like the opportunity to explain my side of the story."

SENATOR STOCKMAN: Did you spell out what you thought were the misunderstandings?

MR. NIEMANN: In these three instances, yes, I did.

SENATOR STOCKMAN: Do you have a copy of that letter?

MR. NIEMANN: Not with me, but I have a copy of it.

SENATOR STOCKMAN: Can you supply the Committee with a copy of it?

MR. NIEMANN: I'm not sure. I would like to think about that, if I may, and perhaps discuss it with you.

SENATOR JACKMAN: Was there--

MR. NIEMANN: It was a personal letter, and--

SENATOR JACKMAN: That's what I was going to ask. Okay. That's all.

MR. NIEMANN: I mean, it was not even written on Public Broadcasting Authority or New Jersey Network stationary. It was written on my personal stationary. It was a personal letter.

SENATOR STOCKMAN: A personal plea to the Governor?

MR. NIEMANN: It was not a plea. I do not plead.

SENATOR STOCKMAN: Well, it was a personal, written communication to him--

MR. NIEMANN: Request.

SENATOR STOCKMAN: Which you are not necessarily comfortable sharing with the public?

SENATOR GAGLIANO: He shared everything else.

MR. NIEMANN: I have not shared it with anybody, Senator, nobody.

SENATOR GAGLIANO: I'm just saying you've shared everything else.

SENATOR STOCKMAN: Well, we haven't gotten to that yet.

MR. NIEMANN: We haven't gotten to the everything else yet. I-- Let me-- I just say let me think about that. I did not anticipate being asked about that particular letter. I'm not rejecting your request. I would just like to reread it and speak to my counsel about that.

SENATOR STOCKMAN: Okay. Let's get-- Incidentally--

MR. NIEMANN: Anyway, may I finish?

SENATOR STOCKMAN: Yeah, sure.

MR. NIEMANN: I received a three-sentence response to that letter saying there was basically nothing to discuss; "if you would like to have a meeting so that I can again tell you there's nothing to discuss, I would be more than happy to tell you that in person. Sincerely--" And, that was the last time I have spoken to either Governor Kean or Mr. Stevens.

SENATOR STOCKMAN: Senator Gagliano?

SENATOR GAGLIANO: Yes. Mr. Niemann, what is your background? Because I really -- I didn't know you before, even though we apparently both were Republicans. What is your background? What was your background before you came to public broadcasting?

MR. NIEMANN: Very briefly, I started my own publishing company, The New Jersey Monthly, when I was out of college about five months. I had taken two years off from college, so I was about 25 at the time. I did that for five years. I briefly worked in an advertising agency, with

responsibility for all their communications, technology, and publishing accounts. I consulted, both prior to that and while I was there, with a large multinational publishing company, and wrote the business plan for setting up a new division in this country -- it was a British outfit -- for that company. I was then hired by that company to launch a publication called, Broadcast Week, which is a trade magazine that goes to all radio and TV stations, public and commercial, in the country. And, from that job I came to the New Jersey Network.

SENATOR GAGLIANO: You submitted your resume to whom when you decided that you'd like to work for the network?

MR. NIEMANN: I submitted it to the Search Committee. There was an ad in the papers, and I sent it to the post office box, that I gather, later-- It was the Attorney General who was the Chairman of the Search Committee at that time. He was the person who was receiving the resumes.

I had also given a copy to Greg some weeks previously, and I gather that he submitted it directly to Chairman Aduvato. So, I guess mine went to the Attorney General; his went to Steve Aduvato.

SENATOR GAGLIANO: And, when you were first interviewed for the position by anybody, who was at the interview, other than yourself?

MR. NIEMANN: There were four people: the Attorney General; Len Lieberman, who, at that time, was the Vice Chairman; Bernard Morris, who was on the Board then. He's now head of the Office of Cable Television. There was a fourth -- the Attorney General, Len Lieberman, Bernard Morris, Robert Comstock.

SENATOR GAGLIANO: Four members of the Authority Board?

MR. NIEMANN: Correct, two Democrats, two Republicans. I had previously spent a couple of hours with Mr. Aduvato at his office, in the North Ward Center, as sort of a pre-screening interview.

SENATOR GAGLIANO: So that the first person you met with was not the Search Committee. The first person you met with was the Authority Chairman.

MR. NIEMANN: That's correct.

SENATOR GAGLIANO: In that process, did you meet with Greg Stevens?

MR. NIEMANN: No. The only time I met with Greg Stevens was in March of 1983 when I expressed-- He had just come back to the State within the previous two or three months. We were friends, as Senator Stockman indicated earlier -- as I have indicated. I hadn't seen him. I talked to him on the phone. He said, "Let's have breakfast." We did. I got to talk about how we liked our respective jobs. I said I really hated commuting to New York, and he had said, "Are you interested at all in getting into television?" I said, "Yeah, very," and he said, "We may be making some changes at public TV; would you be interested?" I said, "Well, it depends on the money, and it depends on how--" "I'd like to talk about it, but, yeah, I'd be interested." He said, "Shoot me a copy of your resume." That was the last I talked to him about it.

SENATOR GAGLIANO: So, actually, the first person you talked to about that job that you eventually got was Greg Stevens. Then you met with Mr. Adubato at a pre-screening, and then you met with the members of the Authority.

MR. NIEMANN: That's correct, sir.

SENATOR GAGLIANO: So, I guess that's why you referred to the fact that your appointment itself may have been flawed in this political process, because basically--

MR. NIEMANN: No. I acknowledged that I think it probably was.

SENATOR STOCKMAN: If I may, did you explore the history of the station and the history of the departure of your predecessor, and the question of--

SENATOR GAGLIANO: That's what I was going to ask.

SENATOR STOCKMAN: --of what you were getting into?

MR. NIEMANN: In which conversation?

SENATOR STOCKMAN: Well, in those beginning conversations when you were exploring this job.

SENATOR GAGLIANO: In other words, my question was, why did you take the job?

SENATOR STOCKMAN: Excuse me. Just a minute. Senator Jackman?

SENATOR JACKMAN: Well, in essence, I think we're all going to ask the same questions, because I was. And I think Tom is right. Tom was in the process of asking, because I look in here and he's caught in 1982. He's telling you what Byrne said. Now, somebody had to tell him that. He wasn't--

SENATOR LASKIN: Chris, I'm not going to ask the same questions.

SENATOR STOCKMAN: Drix, I guess what we're trying to get at is, did you assess whether or not, in fact, politics was so pervasive an influence, and the history of starvation, harassment, politicization, threats of extinction, etc., prior to giving up -- how much were you making in New York in your job?

MR. NIEMANN: Sixty, plus bonus.

SENATOR STOCKMAN: Prior to giving up a 60,000, plus, dollar-a-year job you weren't threatened by, did you explore the question of, "Hey, can I handle this? Do I want to handle it?"

MR. NIEMANN: The issues that were raised in all three meetings, to which Senator Gagliano referred -- the informal breakfast with Greg, which was not a job search interview, it was a catch-up breakfast, the--

SENATOR STOCKMAN: Well I mean, at any time were you--

MR. NIEMANN: --the interview with Mr. Aduato, and the subsequent meeting with the Search Committee-- At no time in any of those meetings -- any of them -- was politics raised, not once.

SENATOR STOCKMAN: You took this job thinking that--

MR. NIEMANN: Wait, let me finish.

SENATOR STOCKMAN: All right.

MR. NIEMANN: The only things that they talked about was the news. They thought it was boring and needed to be made more sexy, more attractive, attract more viewership--

SENATOR STOCKMAN: You misunderstand my question, Drix. I'm sorry.

MR. NIEMANN: -fund raising, and--

SENATOR STOCKMAN: You misunderstand my question. I'm not interested in what Steve Aduvato told you. I'm not even interested in what Greg Stevens-- I'm talking about you, a mature, bright, experienced, educated person who was about to, possibly, take a new job.

Today you tell us-- And it's for us and for the public to judge the accuracy of the charges that this system you went into, this network and its operation, was just permeated with the wrong things.

I'm asking you, did you attempt in any way, before you accepted the job offer, to explore just what kind of a job it was, who you were going to be working with, what the ground rules were -- that kind of thing -- talk to the Executive Director, Gordon MacInnes, talk to some Board members, talk to anybody else? Did you do any of that or not?

MR. NIEMANN: I did talk to Gordon after I applied. He thought I should take it and, in fact, was rooting for me, and told the Search Committee that he hoped they would hire me.

SENATOR STOCKMAN: Did you hear his testimony before us?

MR. NIEMANN: Yes, I did.

SENATOR STOCKMAN: Would you agree that apparently you and he really differ and disagree on this question of how much politics there is, or how to handle it?

MR. NIEMANN: Yes, I think we would. He was a member of the Legislature.

SENATOR STOCKMAN: And you think the experience and training he had in politics may have helped him in terms of understanding and appreciating that side of the public--

MR. NIEMANN: There's no question about it. What he would regard as inconsequential, I may regard as serious. What didn't bother--

SENATOR STOCKMAN: Or even a threat?

MR. NIEMANN: Or even a threat.

SENATOR STOCKMAN: You got me into the threat business. We're going to get to that before you leave. (laughter)

So, what he might regard as inconsequential, you might regard as a threat?

MR. NIEMANN: Right.

SENATOR STOCKMAN: And I gather you had no, I guess interest, or no involvement, or no experience with politics before you took this job. Is that a fair statement?

MR. NIEMANN: Other than working for Tom Kean in 1975 for three months, and also organizing a fund-raising breakfast in Princeton for him in 1981, that is correct.

SENATOR STOCKMAN: Drix, let's get to everything else that there was a little banter about that here today, I think, is on a lot of people's minds. I see a particular newspaper man who, if he has asked me once he has asked me 10 times, have I asked you who this legislator was who apparently, allegedly, is guilty of improper conduct.

But, I notice in your prepared statement, you enumerate a number of what you describe as improper kinds of activity, anything from a thinly veiled threat -- and that may even be made; we'll get to that -- to the improper attempt to persuade the Executive Director to fire, and so on. I'd like to go through those with you, but I'm puzzled. I see no reference in there to the mistress and the alleged cutting of funds. Why is that?

SENATOR GAGLIANO: I don't think it's necessary.

MR. NIEMANN: That's why I didn't put it in; it's been covered thoroughly. I did not want that to be the focus of this hearing.

SENATOR STOCKMAN: Who is it? I mean, is it Gagliano?

MR. NIEMANN: No.

SENATOR STOCKMAN: Is it Jackman?

MR. NIEMANN: No.

SENATOR STOCKMAN: Is it Stockman?

MR. NIEMANN: No.

SENATOR STOCKMAN: Is it Laskin?

MR. NIEMANN: No.

SENATOR STOCKMAN: Would somebody get me a--

SENATOR LASKIN: I would love that kind of coverage.

(laughter)

SENATOR JACKMAN: He would love the coverage and the fact.

SENATOR STOCKMAN: We're making light of it, and I'm not comfortable and happy to have to explore further, but I think it is a very serious charge.

MR. NIEMANN: Yes, it is.

SENATOR STOCKMAN: I think you owe it--

MR. NIEMANN: It was also a very serious incident.

SENATOR STOCKMAN: I think you owe it to us to indicate who it was so that the matter can be more fully explored.

SENATOR GAGLIANO: Mr. Chairman, through you?

SENATOR STOCKMAN: Yes.

SENATOR GAGLIANO: It may be of great interest, and it may be something that should be, at some point, revealed.

SENATOR STOCKMAN: Yes.

SENATOR GAGLIANO: However, Mr. Niemann has chosen not to reveal it so far, and if Mr. Niemann feels strongly enough about it, I think there are other more proper authorities where

this statement could be made. I know nothing of what he is alleging or referring. I feel that it isn't only the legislator who would be put to the stake, but his family, friends, and associates, and the person involved. And if Mr. Niemann is wrong in any part of that because he has given us a lot of hearsay today, we would -- would or could -- be destroying a life, or lives, and the reputation of good people, and I'm not for that. I do not think we should pursue this.

If Mr. Niemann feels that he was improperly coerced in any way, I say that he can go to the proper authorities and that should be thoroughly investigated. And, if someone should be brought to justice on some basis, I have no problem with that whatsoever. If an indictment came about, I would have no problem with that. But, there would be a process during which a person's rights would be protected, and I don't see those rights being protected here. And I don't know what he's going to testify to.

If he makes a hearsay statement that will make headlines in the local -- not only in the newspapers here, but in The National Inquirer and other places, I just don't feel that-- I just don't feel it's right.

SENATOR STOCKMAN: Is that the consensus of the Committee?

SENATOR GAGLIANO: That's the way I--

SENATOR JACKMAN: That makes a tremendous amount of sense, yes. I agree.

SENATOR STOCKMAN: I have no quarrel with that.

SENATOR GAGLIANO: If he chose to make that statement, that's his business, but I don't think we should pursue it. And, if he has other avenues of pursuit -- and there are other avenues open to him, as he knows--

SENATOR STOCKMAN: I would think so, based on what I've read of the allegations. All right.

SENATOR JACKMAN: Let me just pursue the fact that you

resigned, you know, in the whole heat that was put on you politically, or what have you. So far, we haven't got an Executive Director, have we? And, again, I am not saying this in a facetious manner, is it because of the salary? Can we get anybody to do the kind of job with the kind of pressure, supposedly, that's out there to perform this job?

We went through three Executive Directors. You're the fourth one?

MR. NIEMANN: Third.

SENATOR JACKMAN: You're the third one since 1971.

MR. NIEMANN: Correct.

SENATOR JACKMAN: And--

MR. NIEMANN: I don't think it's because of the salary. I think, because of the extensive coverage and the problems I encountered, there are people who might otherwise have applied, certainly from other state public television -- or, not state, other public television operations around the country -- that may not have done so because they don't want to walk into a hornet's nest.

SENATOR JACKMAN: Well, Mr. Chairman, through you again, you know you asked for amputation instead of major surgery, and etc. -- and stitches. You know and I know -- and I am not saying this in a derogatory sense -- it's going to be tough, legislatively, to put together-- And I agree with my friend on the other side, Mr. Laskin, who, in essence, agrees that there should be-- If there is going to be public television, let it have the name public television, with no political interference whatsoever -- none whatsoever.

If we're giving grants out -- and he's mentioned this on a number of occasions -- to other causes, just maybe we ought to take a legislative look. Now, legislatively, the chances of getting it passed -- unless there's an agreement on both sides, and it's got to be a firm agreement, and it's got to be put together with cooperation on both sides -- you are

not going to get it. Because, legislatively again, the Governor has a right to veto. You're going to take away appointments. We are going to take away appointments, legislatively; that has been the Governor's prerogative. And, just maybe, if we do what Mr. Laskin said, make this public -- really public -- put the money up where your mouth is, and then let the public be the ones that say you're doing the job or you're not doing the job, that's the difference.

MR. NIEMANN: Senator--

SENATOR JACKMAN: I watched a program the other day -- with your permission, Mr. Chairman. The name of it was "Outrage." I don't know if anybody watched it the other day. It seems to me that the courts were taken to task, and just maybe, legislatively, we've got to be taken to task. Maybe we haven't been watching this as close as we should watch. And just maybe Mr. Laskin is right on a number of occasions. Because he votes no, a lot of people laugh and they think it's a joke. Just maybe his no votes are the votes that are necessary sometimes.

Go ahead.

SENATOR STOCKMAN: Drix, you've made a number of charges with regard to Greg Stevens and the Governor. They're in your statement, and I think we've heard those.

You've also made some charges against Mr. Adubato, apparently, and I want to ask you about those.

MR. NIEMANN: All right.

SENATOR STOCKMAN: You've indicated that it was improper for the Chairman -- I'm going through your statement now -- for the Chairman of the Authority to order the Executive Director to bury a memo from a Deputy Attorney General, notifying the Executive Director that one of the employees referred to above is involved in a potential conflict of interest situation. When did that occur, and what was the date of the memo?

MR. NIEMANN: The date of the memo from the Deputy Attorney General?

SENATOR STOCKMAN: Yes.

MR. NIEMANN: That was in either February or March of this year -- excuse me, '85, sorry.

SENATOR STOCKMAN: And that memo was given to you?

MR. NIEMANN: By the Deputy Attorney General assigned to the network.

SENATOR STOCKMAN: And the Chairman suggested you not what? -- reveal it to the full Board?

MR. NIEMANN: The memorandum from the Deputy Attorney General informed me that there was a potential conflict of interest situation by a fairly high-ranking employee, and recommended that this matter be turned over to the Commission on Ethical Standards and Conduct.

I spoke to the Attorney General's Deputy Attorney General, the person that was the Attorney General's designee on the Board. She agreed.

I spoke to Mr. Robert Comstock, Executive Editor of The Bergen Record and a member of the Board, because he is head of the Personnel Committee and this was clearly a personnel matter, and he agreed.

And, I spoke to the Chairman about the matter, and he told me to bury it. He was very upset that I had talked to other Board members about it. He said he never wanted to hear about it again.

SENATOR STOCKMAN: What did you do?

MR. NIEMANN: I went back in reverse order. I went back to Mr. Comstock. I went back to the Attorney General's--

SENATOR STOCKMAN: Well, what did you-- You went back. What did you tell Mr. Comstock?

MR. NIEMANN: Exactly what the Chairman said.

SENATOR STOCKMAN: And what did Mr. Comstock say?

MR. NIEMANN: He was upset and he sort of sighed and said, "Okay. I don't agree but--"

SENATOR STOCKMAN: All right. Who else did you go back to?

MR. NIEMANN: I then went back to the Attorney General's designee.

SENATOR STOCKMAN: Who was that?

MR. NIEMANN: Rena Rothfeld.

SENATOR STOCKMAN: All right, and what did she say?

MR. NIEMANN: She said that if the other Deputy Attorney General who was actually assigned to the network felt very, very strongly about it, that she would have to tell the Attorney General and say that regardless of what the Chairman and the other Board members said, we would have to pursue it. But, otherwise, okay, she'd go along with forgetting it.

SENATOR STOCKMAN: Did she every come back to you with directions?

MR. NIEMANN: No, I then went back to the other Deputy Attorney General and said that this is--

SENATOR STOCKMAN: Who was that?

MR. NIEMANN: Maureen Adams.

SENATOR STOCKMAN: All right.

MR. NIEMANN: --and said, "This is what the Chairman said; this is what the head of the Personnel Committee said; and this is what the other Deputy Attorney General said. It's basically up to you. If you feel very, very strongly about it, we have to proceed. If you don't, we're going to have a big fight, obviously. But, it's really your call."

SENATOR STOCKMAN: What do you mean you're going to have a big, big fight? What big, big fight were you going to--

MR. NIEMANN: Because I was ordered by the Chairman to bury it, and both Mr. Comstock and Ms. Rothfeld told me that if I went ahead and pursued it with the Joint Commission on Ethical Standards and Conduct after the Chairman had ordered me not to do that, there was going to be a real fight.

SENATOR STOCKMAN: With you and the Chairman?

MR. NIEMANN: And with them in the middle.

SENATOR STOCKMAN: Excuse me. Senator Jackman?

SENATOR JACKMAN: Yeah, what happened to the Attorney General who sits on that Board?

MR. NIEMANN: I just said, he was not, to my knowledge, informed of this. There was two Deputy Attorney Generals. There was one that sits for the Attorney General, and there's another Deputy Attorney General that is assigned to the network as our lawyer. So, they had-- Okay.

SENATOR STOCKMAN: Who else did you talk to about it?

MR. NIEMANN: Other than--

SENATOR STOCKMAN: On the Board.

MR. NIEMANN: On the Board? I don't believe anybody else.

SENATOR STOCKMAN: So, there were a number of Board members who never became aware of the fact that a high-ranking member of New Jersey Network was suspected to be in a serious conflict of interest situation?

MR. NIEMANN: I don't know. They did not find it out from me. That does not mean they did not discuss it with one of the other Board members.

SENATOR STOCKMAN: All right. Why not? Drix, why not? Don't you think you had an obligation to the Board, regardless of any single Board member -- including the Chairman -- on a matter of that delicacy, to at least reveal it to the full Board and abide by the judgment of the full Board? Don't you think you had that obligation?

MR. NIEMANN: I felt that I did until it -- until I talked at some length, and thought about the situation. I figured if two Deputy Attorney Generals, not one but two, go along with not bringing it up again, then it can't be that serious.

SENATOR STOCKMAN: And their both lawyers?

MR. NIEMANN: And their both lawyers.

SENATOR STOCKMAN: Trained in conflict and the sensitivity of issues of that sort?

MR. NIEMANN: Trained in this, and one of them sits for the Attorney General. And, certainly, anything that might embarrass the Attorney General would instantly be jumped on.

I figured if two lawyers, the head of the Personnel Committee, who's been on the Board for over a decade, and the Chairman of the Board, who's been on the Board for well over a decade-- All four of these people-- Some thought it was serious; some didn't. But, nobody said, "We have to go forward with it." No, I did not feel that at that point I was under any obligation to push it further.

SENATOR STOCKMAN: Senator Gagliano?

SENATOR GAGLIANO: Through you, Mr. Chairman. Mr. Niemann -- Drix, I sense, at this point, that you should have gone to the full Board, just as Senator Stockman has indicated.

MR. NIEMANN: In hindsight, you're probably right.

SENATOR GAGLIANO: It's not a matter just of hindsight, but your obligation was so basic, that you absolutely, in my opinion, had no choice but to go to the full Board, and even say, "This is not on the agenda, ladies and gentlemen; however, I must bring this to your attention as a full Board, and I ask you to take action."

Absent that, you weren't doing your job. You were coerced by-- For one reason or another, you were coerced into not doing your job. That, I think, is--

MR. NIEMANN: That's one of the reasons I'm not there any more, Senator.

SENATOR GAGLIANO: I guess it is, but what I'm saying is, I think you tended to be batted back and forth on that issue, and if you were batted back and forth on that issue, there were probably other issues where you were equally batted.

MR. NIEMANN: Believe it.

SENATOR GAGLIANO: But that's where-- You know,

talking about where the buck stops, the buck did stop at the Board in all of these things, in my opinion. That's why that Board is there. It is an independent Board. It should have had the benefit of your comments -- the full Board, all 15 members. "Sit down, ladies and gentlemen, I've got something to say." Apparently you didn't do that. Once an executive director, or a principal, or a superintendent of schools, or whoever it is who is answerable to a board allows that to happen, it's deterioration from then on in. That is just the way I see it.

SENATOR JACKMAN: Through you, Mr. Chairman. Tom is right. It's unfortunate. You would have been gone sooner.

MR. NIEMANN: That's true.

SENATOR JACKMAN: That would have been the answer, I guess. That is the sum total. The more we--

SENATOR STOCKMAN: Well, Chris, maybe not. I mean, maybe that full Board would have risen to the occasion. We'll never know.

SENATOR JACKMAN: Yeah, but if you go back to--

SENATOR STOCKMAN: We'll never know. Incidentally, is that person still employed by the New Jersey Network?

MR. NIEMANN: Yes.

SENATOR JACKMAN: Sure he is.

SENATOR STOCKMAN: Still in the situation that engendered that memorandum?

MR. NIEMANN: To my knowledge, yes, but I can't absolutely vouch for that.

SENATOR JACKMAN: Can we have a copy of the memorandum?

SENATOR STOCKMAN: Yeah, we can look into that. I think there will be a lot of--

MR. NIEMANN: I do not have a personal copy, but I would think that the Attorney General's office would have a copy of that.

SENATOR STOCKMAN: All right. Let me turn to another

charge. You suggested in your statement: "It is improper for the Chairman of the Authority to have make-work jobs created for two of his buddies, and for him to order the Executive Director to hire someone for a make-work job."

Now, who were the buddies, and what are the make-work jobs?

MR. NIEMANN: Before answering that, Senator-- You know, I'm here today because -- and I believe the Committee is here today -- because you are considering basic fundamental structural changes in the network. And, I feel about--

SENATOR STOCKMAN: Among other things, I assume we would want no-show people out of the network. You're right.

MR. NIEMANN: I would sure hope so. I would just like to know how my disclosure of the names of these three individuals will aid that.

SENATOR STOCKMAN: Well, if there is any basis for the charge, I, for one, and I would hope my colleagues, will be actively looking for ways to see that they are no longer being paid by taxpayers' money.

MR. NIEMANN: So, all of you want to know that?

SENATOR STOCKMAN: Well, if there is any--

SENATOR GAGLIANO: I do not need names and addresses. I need issues. If the Chairman of this Committee feels that names and addresses are required, that is his prerogative as Chairman. I think the issues are what are important here. The names and addresses we could even get--

SENATOR STOCKMAN: Separately?

SENATOR GAGLIANO: Yes, separately, if you wish.

SENATOR STOCKMAN: All right. Will you give those to us separately, privately? We'll have to decide what to do about it.

MR. NIEMANN: Yes, I will.

SENATOR STOCKMAN: All right. Yes, Senator Jackman?

SENATOR JACKMAN: You know, I'm here-- I think, Tom,

with your permission, and Mr. Chairman-- I'm here not so much on some of the issues that have taken place to some degree; I'm here because I really want to know why you were fired, in a sense. That is what I am interested in. I want to know about some of the subject matters that you mentioned. I think maybe privately it might be okay. And then I am going to tell you something. I don't go for too much privacy. I like to let it get out and everybody air it so everybody knows. I don't want no guessing. Somebody will come to me, one of the reporters, and say, "Chris, who is it?"

No way. If it is going to be private, it is going to be private, but somewhere along the line I would like to see it all the hell out. I'm getting sick and tired. Somewhere along the line, the accusations-- So far, we haven't got an Executive Director. So far, we haven't got an Executive Director. If you were asked to resign basically just because of politics, whether it be Brendan Byrne, or Cahill, or whoever it is, I want to know about that. I want to know about that. That is what I am interested in. No more quiet stuff, sedate. None of that stuff. Let it out. Let everybody know what is going on.

What did we spend \$6 million for? What are you holding telethons for? How is the money being spent? If somebody is on the payroll and not doing a day's work, I want to know about it. So just maybe you won't get \$6 million; you'll get \$5,990,000. Maybe that might just be the answer.

SENATOR STOCKMAN: I-- It's a heated--

SENATOR GAGLIANO: Exchange.

SENATOR STOCKMAN: It's been pretty well said. You've put me in a dilemma, but maybe we should take a vote of the Committee. I don't see how-- I mean, I want to protect individuals. We don't know who those individuals are now. I would assume if you name Mr. X, that Mr. X is not going to agree that he is a no-show, and it is going to hurt him initially.

MR. NIEMANN: I never said no-show; I said make-work.

SENATOR GAGLIANO: See, that's again-- You have to have a political background to differentiate between no-show and make-work. (laughter)

SENATOR STOCKMAN: All right. Maybe you could identify the positions for us. Maybe that would help us.

MR. NIEMANN: Excuse me. May I consult with learned counsel here? (pause while Mr. Neimann consults with counsel)

SENATOR STOCKMAN: I think we ought to take a five-minute recess.

(RECESS)

AFTER RECESS

SENATOR STOCKMAN: All right, we're ready to get going. Drix, can we get started? I think there is a consensus that it is up to you, but unless you feel that revealing the names of these people would add something to the Committee hearing, we will move on. I say that in good part because apparently you're talking not about no-show jobs, which I think clearly would be illegal, but this gray area of make-work.

MR. NIEMANN: That is correct.

SENATOR STOCKMAN: Now, if you think it would help us or the public to have the names, that is up to you. But if not, we'll move on.

SENATOR GAGLIANO: I think we have made it clear that it is strictly your testimony. We're not ordering it; we're not asking you not to. It's your decision.

MR. NIEMANN: I appreciate that, Senator.

SENATOR GAGLIANO: It's your decision.

MR. NIEMANN: I hate to throw it back to you, but I thought about it during the break, and it really is up to you. If you feel that you need the information and want the

information, I will give you the information. If it is not necessary, then-- You know, I can give it to you in private, as I have indicated that I would, or not at all, which certainly makes me comfortable, but I am not opposed to either of the other approaches. So, whatever the majority of the sentiment of the Committee is, is fine with me.

SENATOR STOCKMAN: We may communicate with you and ask you to give us at least the positions, the type work that you claim involved this make-work.

SENATOR GAGLIANO: He could give us that now. Could you give us that information, the type of work that was--

SENATOR STOCKMAN: Well, I thought, Senator, that we had reached an agreement on that. I don't like to look like I don't run a tight ship. I thought we had, you know--

All right. Now--

SENATOR GAGLIANO: It's a tight ship, but it's just like the Titanic. (laughter)

SENATOR STOCKMAN: Are you referring to this Committee, or to Niemann?

Drix, it's improper to attempt to persuade the Executive Director to fire a particular reporter because he is too arty. That was your charge with regard to Governor Kean and Mr. Stevens. I think you have enumerated all of the facts on that publicly at one time or another, haven't you?

MR. NIEMANN: That one, no.

SENATOR STOCKMAN: Well, tell us about it.

MR. NIEMANN: My first meeting with Mr. Stevens after I assumed -- not after I got, after I assumed -- the job, was sometime in August -- mid to late-August of 1983. At that point in time, he just wanted to know what my impressions were from being on the job a week or two, you know, what was the feeling, did I like it, was I glad I had it -- that kind of thing, because I hadn't talked to him for quite some time. It was at that meeting, rather brief, maybe half an hour in his

office at the State House, that he made it very clear to me that there was one particular reporter on the news program -- then called New Jersey Nightly News, now New Jersey Network News -- that he was not the least bit fond of, that the--

SENATOR STOCKMAN: Who was that?

MR. NIEMANN: Michael Aron, our senior correspondent. Also, that the Governor was not very fond of, who had done, as he characterized it, a hatchet job on us several months earlier, in January, 1983. That is, by the way, the January 1983 report -- special report -- I've referred to in this testimony a couple of times.

SENATOR GAGLIANO: Through you, Mr. Chairman. I don't think that Mr. Aron could do a hatchet job on anybody.

SENATOR STOCKMAN: I don't know Mr. Aron that well.

SENATOR JACKMAN: I think he is a competent individual, in my book.

MR. NIEMANN: In mine too. That is why he's still there.

SENATOR JACKMAN: Very competent.

MR. NIEMANN: And that Greg would be extremely pleased, as would the Governor, if he departed the premises.

SENATOR STOCKMAN: How did you handle it? What was your reply to Stevens?

MR. NIEMANN: That I thought Michael Aron was the best writer on the staff; that I felt he had an insight into State government and politics; that from my initial -- remember I had only been there a couple of weeks -- review of the resumes of the new people in the News Department, he was unmatched by anybody that I could see; that certainly Mike and I had talked about the difficulty of making the transition from a print journalist, which Michael had been for a number of years, to broadcast, which was not easy; that Michael had said he still had work to do, but that he was by and large an excellent reporter, who was getting better with every report that he did on the air, and I intended that he would continue to do that.

SENATOR STOCKMAN: Anything else?

MR. NIEMANN: About Mike Aron?

SENATOR STOCKMAN: About the exchange.

MR. NIEMANN: We went on to other matters.

SENATOR STOCKMAN: Drix, what I'm suggesting-- It may have been tough, maybe not, but did you, in any way, try to suggest to Greg Stevens that it was, you know, a delicate and maybe thin-ice area for him to make judgments about a reporter, and in turn try to translate them -- if this happened -- into action? In other words, did you say anything to him about, "Look, we've got to understand ourselves--"

MR. NIEMANN: "We shouldn't talk about that kind of stuff," or something?

SENATOR STOCKMAN: Yeah, yeah. I mean, you defended Aron, apparently, on the merits.

MR. NIEMANN: Yeah.

SENATOR STOCKMAN: My instincts tell me that you probably didn't make much progress on that, but what about the question of the relationship? Did you give Stevens the benefit of your feelings about what his role should be, or not be, vis-a-vis you and the network?

MR. NIEMANN: No, I did not, not at that meeting.

SENATOR STOCKMAN: Why not?

MR. NIEMANN: It didn't occur to me, frankly. I just moved on. I thought the best thing to do was just to move on, frankly.

SENATOR STOCKMAN: Might not that have been a little of the seeds of mischief in what later happened to--

MR. NIEMANN: Oh, yeah. I don't deny that at all. I just did not pay much attention to it at the time, other than-- As I said, I thought it was improper. I perhaps should have said so. Rather, I just said that-- I defended Mr. Aron on the merits, as you indicated, and we went on.

SENATOR STOCKMAN: Senator Laskin has a question, but I would like to explore this a little bit further. You thought it was improper. On how many occasions, Drix, over the several years that you held this job, have you felt that someone political -- a legislator, and we'll get to those a little more; we'll get to an exchange I had with you, in fact -- either a legislator or someone from the Administration, approached you and did something that you thought was improper? On how many occasions did you take that incident back to your Board and say, "I may be right, I may be wrong, but this happened and I think it is improper. I would like your guidance as to how to deal with it."? How many times did you do that?

MR. NIEMANN: A lot in the beginning, and then I gave up.

SENATOR STOCKMAN: All right. Can you tell us of a few of those "lots" when you went back to your Board -- and I'm not--

MR. NIEMANN: Not as the whole Board, individual Board members. The Board only meets six times a year.

SENATOR STOCKMAN: Well, did you ever go to the full Board at any time and say, "Look, this happened," or "These things happened, and in my opinion they are improper," putting aside whether Stockman's quarrel about the thrust of a particular TV show hit the mark or missed it, but a different question, namely what they're doing is improper, what Greg Stevens in his role is doing is improper or threatening, or Stockman, or anybody else? Did you ever go to the Board and tell them that and ask their guidance and direction?

MR. NIEMANN: Not the full Board, no.

SENATOR STOCKMAN: Why not?

MR. NIEMANN: The Chairman likes nice, calm Board meetings. These are not the kinds of discussions--

SENATOR STOCKMAN: He's had a few other than that in the history of this Board, I guess.

MR. NIEMANN: No doubt about it, but the fact is, this is the kind of thing he wanted me to communicate with him directly on or, in his absence, the Vice Chairman, and he or they would decide whether it was appropriate to bring it before the full Board and make it part of the agenda, and it was not.

SENATOR STOCKMAN: Are you telling us that-- Let me ask you, are you suggesting that you abdicated too much of your responsibility to one member, in this instance, the Chairman of the Board?

MR. NIEMANN: I don't know how you can abdicate responsibility to the Chairman. I mean, the Chairman is the Chairman. The broadcasting--

SENATOR STOCKMAN: Well, let me explore that.

MR. NIEMANN: Wait a minute. The Public Broadcasting Authority, by Federal law, holds the licenses for the stations, as Mr. Aduato has indicated in his testimony. He is the Chairman of that body, of that Authority. I work for them. It is up to the Chairman, whoever it happens to be, to decide what items get placed on the agenda at the Authority's meetings, and up to the Committee Chairmen-- Obviously, they decide what gets discussed in their committees. It is up to the Chairman to decide what gets placed on the agenda to be brought before the full Board, and if this kind of thing did not, to him, justify being brought before the full Board, it isn't.

SENATOR STOCKMAN: Well, Drix, I don't have your Board minutes--

MR. NIEMANN: What do you suggest I do, take the gavel out of his hand at the meeting, or what?

SENATOR STOCKMAN: There are other more gentle ways, for instance -- I don't know, I don't see your minutes; I don't know how you function -- that often embody, analogous to this, the Executive Director being asked to report on things, and

then other matters of interest, or have some discretion to share with the Board. I mean, are you telling me that practically every word you said to that Board you cleared with the Chairman?

MR. NIEMANN: In my report in the formal Board meetings, the subjects that I would discuss and what I would be discussing in those different areas -- usually it was a list of eight to ten, and it was listed Executive Director's Report -- and the specific areas that I would be touching on during the Board meeting-- Yes, I did discuss those with him, and what would be on that list to be reported on, and what would not be on that list.

SENATOR STOCKMAN: But, didn't you feel enough of a trust or a relationship with this Board, that if someone in a public position was behaving in a way that you felt was wrong, didn't you have enough rapport to feel comfortable in sort of an ad hoc way, or, you know, on your own at the end of reporting on something else, to say, "Incidentally, I'm uncomfortable about this, but I think the Board should be aware, and I would appreciate some guidance because on such and such a date, so and so called me or did this, and I don't want to disrupt the harmony of the relationship with the Administration or with the Legislature, but I think this is wrong."? Didn't you have that--

MR. NIEMANN: These are public meetings with the press present, Mr. Chairman, and had I done that, particularly if it was not on the agenda, and with five members of the Governor's--

SENATOR STOCKMAN: Well, don't you have executive sessions?

MR. NIEMANN: You're not allowed to talk about that kind of thing in executive session. The Attorney General's representative made it absolutely clear several times. When we were supposed to discuss personnel or contractual matters in executive session, and we got into some of these areas, she cut

it off, and said, "No, we cannot discuss this kind of thing in executive session. That is not what the statute says."

SENATOR STOCKMAN: Are there minutes of those meetings?

MR. NIEMANN: Yes, they are on file at the Secretary of State's office, to my knowledge.

SENATOR STOCKMAN: Senator Laskin has been very patiently waiting an opportunity.

SENATOR LASKIN: I want to go back to where we started with this reporter issue because I think this highlights everything. Somebody called you -- Greg Stevens, you say -- and told you that there was a reporter, Mike Aron, who he didn't think was so good.

MR. NIEMANN: No, this was at a meeting in his office -- in Greg's office.

SENATOR LASKIN: He told you that he thought the reporter was not so good, or he told you that he didn't like the reporter?

MR. NIEMANN: Both.

SENATOR LASKIN: What did he say first?

MR. NIEMANN: Which of those two things did he say first?

SENATOR LASKIN: Yeah. Did he say he didn't like him?

MR. NIEMANN: I don't remember whether he said he didn't like him first, or that he wasn't good first. He also said he had done a hatchet job on the Administration.

SENATOR LASKIN: All right. But he said in his discussion with you that he wasn't a good reporter?

MR. NIEMANN: Yes.

SENATOR LASKIN: Something like I would say when I turn off the television station when I am watching a program that I don't like. I used to watch Channel 10; I don't know what they call it up in North Jersey, but in my area it's Channel 10. Maybe it's nine up there, but you've got two incompetents, in my opinion, who are now doing the news.

You've got some lamebrain young girl who acts like a goof, and you've got a guy who plays second fiddle to her, in my opinion. Before that, I thought it was a professional station.

SENATOR JACKMAN: I think that's unfair.

SENATOR LASKIN: That's right, it is unfair.

SENATOR JACKMAN: I think that's unfair. If you're going to-- Excuse me--

SENATOR LASKIN: No, no, there was a reason for that, Chris. It is unfair that we say publicly how we feel about certain people because it doesn't do them any good. Now, in this instance, we're saying it because we are a legislative Committee and legally we should pursue these things, and so a lot of comments are made that maybe are not fair, but they are still correct to be made.

Now, he didn't like the reporter, so if I told you that as a member of the viewing public, that I don't like this guy, Aron; I think he's ugly, I don't like the tie he wears, I think his voice is bad, you would say to me, "Well, I don't agree with you. We think he's pretty good," etc., and that would be the end of it. You would probably say, "If you really don't like this gentleman, don't watch it when he's on." And, I have a right to do that. But if I own the station and I say that to you, it takes on added significance because I may be able to do something about it, other than just turning the station off.

So, in private industry if the Chairman of the Board said, "I don't like your reporter," you would worry a little more about it because he could get rid of him. In the public broadcasting system that we have in New Jersey, which as you know I don't like, the boss could be the political person at the top, either a governor or some influential politician. He would be the boss, so you would be concerned about that. But you see, this little incident that we are talking about now, for other reasons, to me has a different significance, because

that highlights the whole evil of the political system owning a television station, or a news station, or a broadcasting station. These things shouldn't go on.

I'm not saying that it's any worse or any better when politicians own than when private people own. The same little innuendos can occur. So we should try to insulate it from the political system as much as we can. That is why I think that all the stuff we have been talking about today doesn't really bother me that much. It really doesn't. We don't belong in this business. If we're in the business, then what we do in politics is really no different than if we were in private business. There would be the same little influences, the same innuendos, the same likes and dislikes. "I don't like this reporter, I don't like his mother," whatever the reason.

All I'm saying -- and I think you agree -- is, political systems shouldn't own or control a communications network. All these things are what's wrong with it.

MR. NIEMANN: I do agree.

SENATOR LASKIN: So I'm not surprised with any of this testimony. It happens in the real life of the private world, and it is happening in the real life of the political world. You talk about make-up jobs and no-show jobs. That's contagious in the industry of politics. It doesn't make it right, but that's the way it is. That's why I don't even think twice about it, because you are not going to change it. So, get out of the political influence. You don't belong here.

MR. NIEMANN: That is what I'm asking.

SENATOR LASKIN: None of us really want to have influence over a communications system.

MR. NIEMANN: Senator, I simply gave the examples to convince those who are not already convinced --- which I knew you already were when you walked in the door -- of independence. But not everybody -- and I don't just mean this Committee -- out there is as convinced as you are that that is

the only logical, practical, intelligent way to go. I am, you are, but not everybody is. So I felt it was necessary to cite examples of what goes on regularly -- not occasionally, regularly -- so that those who are not sure in their own minds could make up their minds. That is the only reason I put it in there.

SENATOR LASKIN: I think the benefit of this Committee is that we, collectively, are going to convince the Chairman of this Committee that that is the right position to take.

MR. NIEMANN: I sure hope so. I'm not sure he doesn't agree already, but if not, I hope you will.

SENATOR STOCKMAN: Senator Jackman?

SENATOR JACKMAN: You know, in essence, Senator, we are in agreement. Do we have a Port Authority which is political? Do we have a New Jersey Turnpike Authority which is political? Do we have a Parkway Authority which is political? Why not have a Public Broadcasting Authority with hands off, like we have hands off on the Parkway Authority, like we have hands off on the Turnpike Authority, like we have hands off on the Port Authority? You know and I know that you are not going to go over and tell the Executive Director over there how to run the Port Authority. Nobody is going to tell Mr. Flanagan, who is on the New Jersey Turnpike Authority.

Now, there is an importance here with public television. I think there is an importance to have it. Operational-wise, I think we are in agreement. Operational-wise, I think we are in agreement, but I think moneys can be well spent in letting the public know what is taking place in this State of ours, because we don't have the kind of coverage that I think is important in this State, not by a long shot. Not by a long shot.

SENATOR STOCKMAN: Drix, let me get to one more area of improper conduct that I think you articulated, and that we should explore. You suggest it is improper to make thinly

veiled or overt threats of budget retaliation if suggestions or complaints are not redressed.

Now, at the last hearing, at the suggestion of Senator Gagliano that perhaps we need some new strengthening of the ethics laws with regard to exchanges with the Authority, I suggested that I, in fact, had called you and talked to you about a particular show. The name of the show escapes me at the moment. It was what?

MR. NIEMANN: "New Jersey: The Way We Are."

SENATOR JACKMAN: Yeah.

SENATOR STOCKMAN: "New Jersey: The Way We Are." I recall making that call. I recall seeing the show and feeling very clearly that it skewed minorities in terms of their contributions and their part of the fabric of New Jersey society. As someone representing them, and as someone who feels that perhaps part of that problem comes from media attention, I felt very strongly about it.

I was a little bit surprised, but I would like to explore it with you because I read in the paper afterward that you viewed that exchange we had as a threat. Is that correct?

MR. NIEMANN: Yes. I also said I was not sure you intended it that way, but that is how I took it.

SENATOR STOCKMAN: All right. Can you explain to me why?

MR. NIEMANN: You were very angry, as you will recall.

SENATOR STOCKMAN: No, I don't recall. I was very intense, but I don't-- I don't think I was-- But then, that is a question of degree, and this will get very interesting because there is going to be your recollection of events and mine. Angry? How did I display that anger? Was I shouting at you?

SENATOR GAGLIANO: Shall I moderate this? (laughter)

SENATOR STOCKMAN: Maybe I should defer to Senator Gagliano. Senator, why don't you explore why he thought that?

SENATOR GAGLIANO: No, ask the Vice Chairman.

SENATOR JACKMAN: I didn't give this up.

SENATOR STOCKMAN: That's right. Senator Jackman, maybe I assured you.

SENATOR GAGLIANO: I was only kidding.

SENATOR STOCKMAN: Why did you think-- I mean, in other words--

MR. NIEMANN: Yeah, your voice was raised. You weren't screaming, no. You were obviously very upset, very concerned, and you said, "I have introduced a measure in the Senate to censure" -- or criticize, deplore, whatever word you used -- "the program."

SENATOR STOCKMAN: Yeah.

MR. NIEMANN: "It was unfair. It was inadvertently racist." You said, "I don't think it was on purpose, but that's, as a viewer, the way I took it."

SENATOR LASKIN: Even though his objectives were meritorious, isn't that--

SENATOR STOCKMAN: All of the Senate voted for the resolution. It was unanimously passed.

SENATOR LASKIN: Isn't that the same kind of political influence that we're talking about? It doesn't have to be bad influence or good influence. It shouldn't be there at all. Here is a man who votes on budgets for the system. Even though his object was meritorious, it's the same kind of influence.

SENATOR STOCKMAN: Let us explore that. What came out of that, if anything?

MR. NIEMANN: Yeah. I did want to disagree with the statement you made -- I don't know if it was at the last hearing or the one before that when you discussed this issue -- that nothing had come out of it.

SENATOR STOCKMAN: Oh, I didn't say that.

MR. NIEMANN: In fact--

SENATOR STOCKMAN: No, I was looking forward anxiously to asking you the question I just asked. I want to repeat it.

MR. NIEMANN: Okay.

SENATOR STOCKMAN: What came out of that alleged arguable threat by me to you?

MR. NIEMANN: Two things came out of that. Number one, we formed our first statewide Black Programing Advisory Committee. In conversations with members of the Black Caucus, both in the Legislature and the Black Issues Convention, chaired by Donald Tucker up in Newark, I became convinced that we did not have sufficient avenues for minorities -- excuse me, for blacks, not for minorities because we have a longstanding Hispanic program -- for blacks to express their views on a semi-regular basis on programing, both prospective and retrospective. We put together a Black Programing Advisory Committee, which has been functioning for, I guess, close to two years now. Out of that Committee came a new black-oriented magazine type show called "In Black and White."

So I think out of bad often does come good, and out of this situation with this program came some good programing, some new avenues for upward mobility for black staff members, and a new advisory committee.

SENATOR STOCKMAN: Of course, my perspective is, out of good came good. I think when I called you I had every right to call you on behalf of the people I represent -- black and white.

MR. NIEMANN: Yes, you did.

SENATOR STOCKMAN: And I think what I expressed was sensible. I'm proud to say that my colleagues in the Senate unanimously supported me, and I am delighted to hear you say what I thought was the case, which is that there have been significant steps taken by public television to try to deal more accurately and fairly with minorities.

MR. NIEMANN: May I add one thing, Senator?

SENATOR STOCKMAN: Surely.

MR. NIEMANN: I did feel that it was, I won't say improper, but I did feel that it was unnecessary for you to draft and submit that resolution to the Senate, without our having a chance to talk. I thought that was, frankly, shooting from the hip, at the time. I thought you could have given me, and/or the producer, and/or the editor, and/or the director, and/or the department head an opportunity to sit down with you before we got blasted in the State Senate.

Secondly, you did remind me that you were on the Joint Appropriations Committee, and you suspected -- you didn't know, but you suspected -- that we would be hearing about this again in a couple of months.

SENATOR STOCKMAN: If you didn't take any action.

MR. NIEMANN: Yes.

SENATOR STOCKMAN: If you didn't do something to deal with an issue that I felt very clearly--

MR. NIEMANN: Yes, yes.

SENATOR STOCKMAN: Incidentally, as far as the timing goes, Drix--

MR. NIEMANN: It was in January of '84.

SENATOR STOCKMAN: No, I meant the timing of the resolution into the Legislature. From hindsight, maybe it would have been better to have meetings with you first. I mean, a matter like that comes, and it goes. But, at any rate, I'm happy that what came out of it, came out of it.

I have covered the major areas. We have a copy of your statement. I think, unless other Committee members have any further questions of you, or unless there is anything that you want to express sort of as a wrap-up, I think this might be a good time to finish up your testimony, take a break for awhile, and then hear from Mr. Adubato. Do you have anything else that you want to add, or do any Committee members have any questions?

MR. NIEMANN: There is one thing I would like to add, but I'll wait and see if there are other questions first.

SENATOR STOCKMAN: All right. Any other questions from the Committee?

SENATOR GAGLIANO: I would only appreciate it if we do have questions later, if Mr. Niemann would make himself available if we want to recall him.

SENATOR STOCKMAN: All right.

SENATOR GAGLIANO: Because I would like to hear from Mr. Adubato and, based upon what he says, we may have some more questions.

SENATOR STOCKMAN: All right, sure.

MR. NIEMANN: There is one thing I would like to add, if I may, and that is to reiterate what I said about journalistic freedom and accountability and public funds being able to coexist. Every time I have talked to somebody in the Counsel's office, in the Attorney General's office, and some members of the Legislature about the concept of independence of the network -- not a particular bill, but just the concept of it -- the issue that always gets raised is, "Yeah, but how do you make sure that you're accountable for the public moneys that you get?" however much, Senator Laskin, that is, or however little. The concept is a valid one. How do you do that? How do you turn the place free--

SENATOR LASKIN: The Fourth Ward Boys' Club in Newark never accounts for the money they get from us, so why should you be any different?

MR. NIEMANN: Well, I agree, but, you know, there are so many organizations that are nonprofit organizations that receive funds, I find it strange that that is the argument that is always raised. That is the argument that always stops any progress. But, it is possible to build into the bylaws of this new corporation, inspection of the books by the State Auditor, for example, quarterly, if you want it. It doesn't have to be

just once a year. You can do that. You can do what Connecticut -- which is a totally independent nonprofit corporation -- has done. Voluntarily, they put the Superintendent of Education and the Superintendent of Higher Education on their corporation. They didn't have to do that. They did it because they wanted to. They want that tie with the educational community. You could do things like that.

There are safeguards that can be built in that can satisfy you, the Office of Management and Budget, the State Treasurer, the Governor, whomever is concerned about it, that the money is being properly spent. So I don't feel that that should be the issue that decides whether you all vote -- vote, agree -- to proceed in some measure to free the network. I think the issue of the cabinet members is clear. As I said, every single witness who has been here in front of you has said the same thing, having some members politically appointed and some non. I prefer none political, but if you have to compromise there, that's fine. Just make sure that a majority is apolitical or nonpolitical.

And then, I think, address Senator Jackman's point, or Senator Laskin's. In other words, set up the structure first, decide what you want to do with it, and then decide how much money, if any, you want to give it. I can promise you that whether you give money or not, the Lottery is going to be the first organization to sign a contract with this new entity, because for \$250 grand a year now, if they go out and see what it would cost them to do what we do for them, if they had to go buy that time on commercial television, and at current rates it is over \$2 million, if they could even find somebody -- one Philly station, one New York station -- to sell them the time, which I'm not sure they could-- But even if they could, that is what it would cost them. So, they would sign up. The Department of Education would sign up. The Department of Higher Education would sign up. The Department of Community Affairs would sign up.

So, there are ways to funnel money, and perfectly legitimately, to the entity, without direct appropriations. Obviously, the less direct appropriations we get from you, the better and more independent the place will be. If the money is coming through the Lottery, or, in Maryland, through the Department of Higher Education, as it is in Wisconsin, as well, you know--

SENATOR LASKIN: How about the Channel 12 station in Delaware? That's a public TV that has nothing to do with politics.

MR. NIEMANN: That is correct.

SENATOR LASKIN: Good example.

MR. NIEMANN: That is correct, and Channel 13 gets a lot of money from New York, some from New Jersey, and you don't control that. So, I mean, there are a number of examples, and I would just ask you not to get stuck on the accountability one because I think safeguards can be built in. Instead, look at the system, design the best one, and then decide how much and how you want to get money to it.

SENATOR STOCKMAN: All right.

SENATOR GAGLIANO: One last question.

SENATOR STOCKMAN: I'm a little slow late this morning. Senator Laskin referred to the North Ward Cultural Center. I'm sure he didn't mean to be disparaging about it. The question of accountability-- I'm sure he was trying to make a point. I think the North Ward Cultural Center has to account to the public in a variety of ways, and if it didn't, it would be out of existence. So, I probably should have said that earlier.

SENATOR GAGLIANO: I have one last question.

SENATOR STOCKMAN: Senator Jackman had a question.

SENATOR JACKMAN: I'll defer to Tom for a minute, and I'll go next.

SENATOR GAGLIANO: I have one last question. This deals with dollars and cents in a sense. Mr. Niemann, considering that we have the four stations and we have the facilities that we do have, what, in your opinion -- just off the top of your head -- is the dollar value, if we decide to put this on the market, of the Public Broadcasting System in New Jersey? I just want to -- if you have any idea, and I think you might-- What do you think it's worth in what our investment now has gotten for us in terms of dollars and cents?

MR. NIEMANN: Usually television stations are sold on a multiple of earnings. The broadcast norm is 10 to 15 times earnings, depending on the market. WOR, in fact, sold for 20 times earnings, but they were buying the potential. It has been the worst-performing station in terms of earnings in that market. So, people are buying basically on the come. They're buying the potential; they're buying the market.

For somebody to buy one or more of the New Jersey Network channels, they would have--

SENATOR GAGLIANO: The whole thing -- to buy the whole thing -- what is it worth? I'm just interested in knowing because Turner is just in the process of closing a deal where he is buying MGM, UA, or somebody. What do you think it's worth?

MR. NIEMANN: I don't think they would pay much for 50 because it is a crowded market up there. Each one--

SENATOR GAGLIANO: No, all of it.

MR. NIEMANN: I know, but if I am a possible purchaser, I have to look at this from a commercial viewpoint. I am going to say, "Senator, thanks for offering me all four, but I don't want this one and this one. I only want this one," and we have to go back and forth.

SENATOR JACKMAN: How much would you give for North Jersey?

MR. NIEMANN: Fifty alone?

SENATOR JACKMAN: Alone.

MR. NIEMANN: A couple of million maybe.

SENATOR JACKMAN: A couple of million.

MR. NIEMANN: Maybe.

SENATOR JACKMAN: And all the rest another couple of million, or less?

MR. NIEMANN: Well, 52 or 23 are probably the most valuable. They might be worth more, you know, five. The fact is though, these are licenses -- and I need to point this out to you -- these are licenses that are reserved for noncommercial use. For you to do that, you first would have to go back to the FCC and get them unreserved -- to be able to do that.

SENATOR JACKMAN: Okay, that's it.

SENATOR STOCKMAN: Thank you very much for your testimony. Thank you for agreeing to stay.

SENATOR JACKMAN: I have one more question.

SENATOR STOCKMAN: Oh, I'm sorry.

SENATOR JACKMAN: That's okay. That's okay, because I want to go back in retrospect. We're talking in terms of money being--

MR. NIEMANN: I never did tell you why I left, did I?

SENATOR JACKMAN: We're talking about money being spent. We have a half hour of news in a 24-- How many hours are you on, 16, 18 hours?

MR. NIEMANN: A day?

SENATOR JACKMAN: A day.

MR. NIEMANN: Sixteen.

SENATOR JACKMAN: Sixteen hours. We have a half hour's worth of news. Is that right? It comes on at six o'clock, seven-thirty, and ten o'clock, right?

MR. NIEMANN: Yeah, so that's an hour and a half a day.

SENATOR JACKMAN: It's the same news.

MR. NIEMANN: Sometimes it is, sometimes it isn't.

SENATOR JACKMAN: Yeah, but you only get little excerpts that come in. Normally it's the same program, in essence?

MR. NIEMANN: Yes.

SENATOR JACKMAN: Here's the thing that I worry about. I am a great believer in coverage, okay? I am going to repeat myself, but I think this bears repeating. For moneys that are being spent -- \$6 million -- I would like to see more time. Now again, I am not trying to tell you how to run your program -- how to run the station. I would like to see more of Mike Aron telling the public what is going on in this State from down here and from around the State, about toxic waste -- you name it and it's there. I would prefer more of that than having just some of these other repeat programs. That is the thing I want. I want to see more news for that kind of money, and then the money is going to be well spent, in my book.

That's the end of my comment.

MR. NIEMANN: We're about at the end, Drix, for you, but you have agreed to stay. I thought you did tell me, at least, why you left. I thought you told me it was too much improper political influence and probably not well-suited for the job. Now, maybe I misheard what you said.

SENATOR GAGLIANO: He said he didn't have the votes.

MR. NIEMANN: I said I didn't have the votes.

SENATOR JACKMAN: Same difference. (laughter)

SENATOR STOCKMAN: Is that why you left?

SENATOR GAGLIANO: He said he didn't have the votes. I heard him say it.

SENATOR STOCKMAN: We're going to take a half hour break. We'll try to start at a quarter to one. We may be a little bit late, but then we'll have Mr. Adubato.

(RECESS)

AFTER RECESS

SENATOR STOCKMAN: I would like to make an announcement before we hear from Mr. Aduato, who is the Chairman of the Public Broadcasting Authority.

The Committee members have had an opportunity to review Mr. Niemann's testimony from this morning, and in light of that testimony and his admitted failure to refer some of the matters alleged to the appropriate authorities, it is the consensus of this Committee that I, as Chairman, refer those allegations made during this testimony, and at various times over the last few months in the press, to the Joint Legislative Committee on Ethical Standards, for their consideration, and if appropriate, investigation; and if necessary, to subpoena whoever they may have to, to conduct that. And that letter will go out shortly, and be available to the press.

Next, we have the pleasure of having the Chairman of the Board of New Jersey Network, Mr. Aduato, and I want to thank him personally for adjusting his schedule. We made a couple of changes in his appearance, I think, and he's been ready, willing, and, in fact, eager -- I think he even may have chided the Committee a little bit about whether we oughtn't get him -- and had described himself as the "smoking gun." So, with that brief introduction, Steve -- if you don't mind my calling you Steve, as I called Drix, Drix -- we invite you to express yourself.

S T E V E A D U B A T O: Thank you.

Mr. Chairman, and members of the Oversight Committee, it's no longer good morning, but I'm still pleased to be here. I want to say that I am the old-timer -- I'm the senior citizen on the Board. I've served longer as a Commissioner than anyone since there's been a Commission concerning public broadcasting. And I've served as a Chairman in both

administrations. The Chairman is elected each year, by the way, by the members -- the Commissioners of the Authority.

The statement that I've made is very simple, but the only thing that is really worth stating here concerns the integrity of our news and our public affairs programing. Now, I don't have to read anything to tell you that I know that if we look at live news in a relative situation, and we want to compare our news entity with any news entity in the private or public sector, I know that we would rank in the highest percentile, if not first, in that our news, our public affairs broadcasting, has not been influenced by political leaders of either party in any branch of government; by the Commissioners; by the Chairman of the Commission, or anyone else.

The fact that we've heard allegations today -- certainly, I agree with the Chairman that they have to be pursued. But I'm more proud today than I was a few weeks ago, when I was concerned about what was happening here. And I'm proud because everyone had a chance to give, in a public forum, their opinions; to state, hopefully, facts; to make allegations, and do whatever. It's my understanding that you have spoken to a former Chairman of the Board, who is the original Chairman. You have spoken to the former Executive Director, you have spoken with others, in other states; and perhaps I'm the last witness here. But I don't think this is the end. All of us know this is the beginning, and hopefully, it's a beginning where we will learn from the things that we have heard here, and dealt with. And we bring to the citizens of New Jersey what they deserve -- not the stepchild of Philadelphia or New York, but what we deserve: our own story, our own news, interpreted -- perhaps, because we're human beings -- always subjectively. Objectivity in news is a hope; it's probably a poetic hope. But being interpreted by people who are New Jerseyans is a lot better than the snide kinds of ways that we're referred to in the Philadelphia and New York

market. And probably-- We shouldn't say anything else to say to you, that I'm very excited about being here, and I hope the people of the State -- not just the people in this room -- follow very closely what happens after we leave today.

SENATOR STOCKMAN: Steve, I appreciate that. I think, let's get into some of the questions that have been raised by the hearing, generally, and of course, certainly by the Executive Director, too, because while we don't want to get bogged down in petty personality conflicts and things of that sort -- I think some of the things can't be taken lightly, and I'd like your perspective on them. Drix Niemann certainly was provocative, and his presentation and the positions that he's taken in the media, up to today's session-- What can you tell us about your relationship with the Executive Director, and your awareness of any problems that he had with Governor Kean or Mr. Stevens, or any members of the Legislature? What light can you shed on all of that?

MR. ADUBATO: First, I recommended very enthusiastically his hiring, because he is a very talented person who has enormous ability, and imagination, and initiative. And he's clearly demonstrated that, not only here, but in other positions that he's been in. And obviously -- or maybe not obviously -- clearly, I recommended that he leave, because it was my opinion that he had reached the point where it was not to our interest that he be in the position of leadership there. And I believe, on both points, to the best that I can make a decision, they were good decisions.

The things that we heard today -- and I don't want to sound cute, because I am a politician -- I mean, if you talk about political families--

SENATOR STOCKMAN: I've heard that.

MR. ADUBATO: --and political people, I hope that I fit the notes of a politician. And without being philosophical and historic, in the tradition of maybe the most civilized

people in the world -- unfortunately, I'm not speaking about the Romans, I'm speaking about the Greeks -- politics is probably the most important pursuit for humankind. And I think what we heard all through today is a confusion about that. And I'll tell you what I feel it is: the confusion of what politics is in the American system. One, we have a two-party system. The members of this Committee, by Constitution, and by legislative mandate, sit here that way. And there's no one in this system that's going to tell a story that will not give a person, according to his political agenda, some concern or some joy. Very seldom can we say anything clearly, and truth has nothing to do with it, or objectivity. It has to do with point of view, where there won't be conflict.

The fact that Democrats might see things in a particular way, at a particular time -- because even the parties change and the Republican party may have a different view, and they express this view to the Executive Director in various ways, according to their own personality -- does not give me a great deal of concern. My concern is, what happens when someone tries to -- in a way that's immoral, illegal, unethical or whatever -- do this and it goes unreported; because that's when the thing begins. That's when the-- We talked -- used the word cancer, and I think -- kind of like, the rottenness begins. And I'm not talking about Drix, I'm not talking about a particular person; I'm talking about a problem. And I hear that here today.

I want to apologize to you, Senator, not because you're the Chairman of this Committee, but because you deserve this from me, as Chairman of Public Television in New Jersey. What you expressed was what many, many thousands of people of this State expressed, and many would have, if they were listened to. They were shocked by that program. When I saw that program, I was humiliated, because a whole group of people in our society were put in a position that was undignified and

unfair. And if you were angry about that, I applaud you, even though you said you were not. And I do think the Executive Director took the right steps. I feel that he understood what you said and acted correctly. But yet -- and the way the thing was reported in the press, and even some of the things that were said here, could be misinterpreted. I think that's the problem inherent in everything that's happened here.

The name Gordon MacInnes was brought up here. And Drix said he was an Assemblyman. Well, he was also an aide to Governor Hughes. He was also a scholar at the Woodrow Wilson -- I guess that's in Princeton. That's a graduate school of government, isn't it? And he understood government very well. As a matter of fact, if we had a combination of Gordon MacInnes and his understanding of government, and if we had the enthusiasm and imagination of a Drix Niemann in one Executive Director, we'd have the best damned show in the whole country. And that's bothered me today, because I asked for both to resign. Drix was someone who I respect; Gordon was someone who was a personal friend. In both cases, as I said, I am the smoking gun. I said it, obviously, to make it clear -- I'm responsible. And if that's irresponsible, you, the Commissioners -- whoever -- I'm sure will react to that.

SENATOR JACKMAN: I have a question.

SENATOR STOCKMAN: I was going to say, Steve -- if I may just, Chrissy-- I wonder if -- and I think we'll get into this dialogue, Steve, because I think you're sincere in what you say-- I just wonder whether, even in that statement, you assume, or arguably, in the past, assumed too much responsibility or authority and maybe unwittingly weakened the board. I don't know. For instance, when you say you are responsible, in a strict sense, I really can't accept that. It's my understanding -- I would assume that you were one vote among-- And in fact, Niemann started his testimony, very interestingly, with a statement as to "Why did you resign?",

and he said, "I didn't have the votes." I think for you to suggest to the Committee that you are responsible, that you are responsible for the prior Executive Director's departure, maybe -- and I'm being-- It's a very sensitive statement to you, but I think, for the discussion, that we've both -- at heart -- think, have to healthily try to deal with this issue and perhaps strengthen public television -- maybe that was part of the problem in this journey. Certainly, I pressed Niemann with this question about why didn't you take this matter to the full Board. And he seemed to suggest, "Well, my boss was Adubato, and Adubato had these feelings, and Adubato did this, that, and the other thing." Well, maybe -- I don't know, maybe part of the problem was your longevity and your strength, and your feeling of closeness and responsibility for this operation. I don't know. We have not heard from any other Board member on that, so I don't know their attitude on that.

SENATOR JACKMAN: Well, I-- Along the same lines, with your permission--

SENATOR STOCKMAN: Sure.

SENATOR JACKMAN: I read your testimony where you're responsible. Yet that same program was broadcast, so in my book, you're the one who's responsible and not Niemann. Would you say that, or wouldn't you?

MR. ADUBATO: Ultimately, I'm responsible for anything that happens there; that's correct.

SENATOR JACKMAN: Well, were you consulted prior to that program going on the air?

MR. ADUBATO: I am-- Not only not consulted, I would not allow anything like that. I saw it in a preview. As a matter of fact, this was an unusual program. It was shown in Trenton, and immediately-- Well, I better-- I was going to be a little-- It hit the fan, and you know what hit the fan.

SENATOR JACKMAN: I understand.

MR. ADUBATO: Immediately, starting with everybody -- with me and everyone else who I thought had some sensitivity concerning -- as I said, a whole ethnic group in the State.

SENATOR JACKMAN: Who--

MR. ADUBATO: Now, listen to me. Let me finish.

And, you've got to understand that ultimately, we -- at least, where I will continue to act -- will put total trust, journalistic judgment in the people who make that judgment, and when we feel they're in error, in a way that, I'd say, is unconscionable, they'll be removed. But while they're there, they'll make the decisions, not me. My decisions is whether they're going to stay there. And the only person that I would look at is the Executive Director, because that's the only person that I've hired.

And I want to say one other thing. Mr. Niemann hired his staff. Mr. Niemann set the agenda. Now, let me say that clear. And one other thing: when I say I'm responsible, I'm saying that -- and I that represent the Committee -- obviously, I'm only one of 14 now, with a full complement of 15. They have elected me to represent, and I don't think it's in anyone's interest for me to disperse that responsibility semantically, here. But I'm saying to you, when we talk about a resignation, 14 members without an abstention or a nay, said yes.

SENATOR JACKMAN: Excuse me. I thought the--

MR. ADUBATO: Now, what--

SENATOR JACKMAN: Well, wait. I've got to inject, too. You make a statement, I want to make one, too.

MR. ADUBATO: I'm sorry. Yes.

SENATOR JACKMAN: How come the vote was 9-6 at one time?

MR. ADUBATO: What vote, sir?

SENATOR JACKMAN: He said he had six votes.

MR. ADUBATO: I don't know what he's talking about.

SENATOR STOCKMAN: Incidentally, Drix came in-- It's unfortunate--

MR. ADUBATO: Only vote I know was unanimous.

SENATOR STOCKMAN: Drix, it's unfortunate you didn't hear all the testimony. I don't say that critically, but you came in-- Mr. Adubato had some very complimentary things to say about you early on, and it's suggested that if we could get a combination of Gordon MacInnes and Drix Niemann, we could probably have the world's greatest.

SENATOR JACKMAN: That's right.

SENATOR STOCKMAN: But I just share that because there may be some other things that are less complimentary.

Now, let me come back to this. In terms of this journey through resignation, as well as the facts surrounding it, Steve, one thing that's been pointed out to me was that on December 4th, the Authority established, apparently, a five-member committee to review allegations that the Governor's office wanted Niemann removed, and to examine the Authority's, quote, "relationship with State government." The committee was supposed to report back within a week or so. Did that committee ever meet? Did it call any witnesses such as Helms, or Aron, or anyone else?

MR. ADUBATO: If I hear what you're saying, you say the Governor called a committee meeting? Is that what you said?

SENATOR STOCKMAN: I'm-- Now, I must tell you, this information came out of the Star-Ledger and some other newspaper accounts, and one of them indicated that--

MR. ADUBATO: Well, the Governor never called any meeting.

SENATOR STOCKMAN: Well, did the Authority, on December 4th, establish a five-member committee to review?

MR. ADUBATO: Yes, yes. I did.

SENATOR STOCKMAN: Who was on that committee?

MR. ADUBATO: The five members on the committee were the elected representatives. That means myself, the Vice Chair, the Second Vice-Chair--

SENATOR STOCKMAN: Who was that?

MR. ADUBATO: It's myself, (speaks to other person) Let me have their names.

SENATOR STOCKMAN: Or those you can remember.

MR. ADUBATO: I want to make sure, because that's a new group. Okay, right. Here they are: George Muller, Dr. Vera King Farris, Robert Comstock, myself -- is that four?

SENATOR STOCKMAN: Yes, that's four..

MR. ADUBATO: And one more. Michael Horn.

SENATOR STOCKMAN: Did that group meet?

MR. ADUBATO: Yes.

SENATOR STOCKMAN: And did they hear from any of the people -- Helms, or Aron, or Niemann?

MR. ADUBATO: They-- We met and it was during these meetings that the resignation -- it was made known that the resignation was going to come forward. We had met several times. We met with Mr. Niemann, we met with Mr. Helms -- although we didn't take any testimony from Mr. Helms--

SENATOR JACKMAN: Were these private meetings?

MR. ADUBATO: What?

SENATOR JACKMAN: Were there private meetings?

MR. ADUBATO: Yes.

SENATOR JACKMAN: No public meetings?

MR. ADUBATO: No.

SENATOR JACKMAN: Oh.

SENATOR STOCKMAN: And what-- How would you describe-- Can you share with us what went on in those meetings? What-- Let's take the meeting you had with Helms.

MR. ADUBATO: No, Helms came to one of the meetings with Drix. And at that meeting, which was held in the Bergen Record -- in the office of the--

SENATOR JACKMAN: Comstock.

MR. ADUBATO: Comstock, right. We interviewed Mr. Niemann.

SENATOR STOCKMAN: What was the gist? I mean, what went on? Did he share, for instance, some of the things that he spread in the minutes of these hearings, about what was happening?

MR. ADUBATO: The things that you heard today concerning what-- mistresses?

SENATOR STOCKMAN: Concerning-- Yes.

MR. ADUBATO: Concerning no-show jobs?

SENATOR STOCKMAN: Right. All right.

MR. ADUBATO: No.

SENATOR JACKMAN: No, no, no. He didn't say no-show, now.

MR. ADUBATO: Oh, seldom-show?

SENATOR JACKMAN: Make-- No, no. Make-work.

SENATOR STOCKMAN: Make-work.

MR. ADUBATO: Oh, make-work. It keeps changing, according to what paper you read.

SENATOR STOCKMAN: All right. Make-work -- did he discuss make-work jobs?

MR. ADUBATO: No, sir.

SENATOR STOCKMAN: Did he discuss your allegedly enforcing him to bury an ethics question?

MR. ADUBATO: No.

SENATOR STOCKMAN: Did he discuss Greg Stevens' threats or efforts to interfere with the news -- those things? Was it--

MR. ADUBATO: I'm not sure about that. I'm going to hedge on that because in my own mind, there was a lot of confusion about that particular issue, at that time.

SENATOR STOCKMAN: And did Helms -- I mean, did Helms get into--

MR. ADUBATO: As a matter of fact, let me refresh my-- I do remember, yes -- in fact, that's why Mark Helms was there, because it -- that was something that we did discuss, but that Drix wanted to discuss, I think, yes.

SENATOR STOCKMAN: And, in the second meeting-- Was that the first meeting that you had with this group?

MR. ADUBATO: I think it was the second. That was the important meeting. We had other--

SENATOR STOCKMAN: Did the group ever make any recommendations, or findings, about the question of relationship with State government, or Drix's position?

MR. ADUBATO: Before that happened, Mr. Niemann resigned.

SENATOR STOCKMAN: I gather, then-- Strike that. Were you responsible for his resignation? Can you straight--

MR. ADUBATO: In which way, Senator? I don't want to, you know-- I certainly asked for it, yes.

SENATOR STOCKMAN: All right. And why did you ask for it?

MR. ADUBATO: Because I felt that his purpose there had been served, and I felt that his concerns -- and I don't want to keep referring to, you know, people in front of me, because I think you, at least, to my opinion, may understand what I'm trying to tell you-- I think that he had a confusion about what was a political threat, what was a political suggestion. I'll give you a classic example that occurred at the Appropriations Committee, where I sat with Mr. Niemann, and Senator Weiss and he were engaging in a -- what I felt was a bartering of programs, and I had to stop the proceeding and inform everyone that it ended right there; that the Committee can make any recommendation about dollars, that there'll be no bartering. And I know Mr. Niemann was trying to help the station; he wasn't trying to do anything political. He was trying to get dollars for the station, but it was totally improper.

That was the reason I felt, often, that Mr. Niemann did not understand that in the legislative branch of government, in the executive branch of government, in the bureaucracies of government, we have a system that is -- I don't want to say clumsy, but it's cumbersome and difficult, and sophisticated. And we have to be sure that we handle these things that are in the best interest of everyone, and I thought he was not capable of doing that.

SENATOR STOCKMAN: Did he ever, incidentally, come to you with a complaint about alleged -- a legislator allegedly threatening the network, if that legislator's girlfriend or mistress weren't put on the payroll?

MR. ADUBATO: No. I read about that in the Bergen Record, after he resigned, and called him about it after and said, "Why didn't you come to me when it happened?"

SENATOR STOCKMAN: And what was his reply?

MR. ADUBATO: He didn't reply. But I immediately called him when I read that.

SENATOR STOCKMAN: To your knowledge, did he make a complaint about such a legislator to any other member of the Authority?

MR. ADUBATO: I don't know.

SENATOR STOCKMAN: You certainly didn't hear about it?

MR. ADUBATO: No. But my sister-in-law, Mike's wife, wants to know.

SENATOR STOCKMAN: We are--

MR. ADUBATO: If I can go away being cleared with that, I'd like to tell Peggy it was not Mike--

SENATOR STOCKMAN: Well, we are turning up--

MR. ADUBATO: Because there are a lot of Democratic legislators, and I really feel concerned about that.

SENATOR STOCKMAN: Okay. And that's why the Committee's turning it over--

MR. ADUBATO: Mike has not been able to come down here alone since.

SENATOR GAGLIANO: Mr. Aduato, with the Chairman's permission, I have a few questions. I don't know how much longer I can stay here today, so I have a few questions.

You have an idea of what it means to have a no-show job, correct?

MR. ADUBATO: I certainly do.

SENATOR GAGLIANO: Are there any no-show jobs at the Public Broadcasting Authority here in New Jersey?

MR. ADUBATO: There are not now, and never have been -- not anything even remotely close to that. Everyone there works very, very hard, including the former Executive Director, and the -- for the few dollars they get-- Let me tell you, their absentee record is the best in the State -- or, their lack of absence. They don't get overtime, and it's an ugly, stinking thing to even remotely suggest--

SENATOR GAGLIANO: Let me--

MR. ADUBATO: --that the people there-- Let me finish, because about this, I will finish. To say that there are people there -- and Mr. Niemann didn't say it; I'm glad he didn't -- but the press has said, and it's been in headlines, and people read those headlines and it's just ugly and wrong and terrible.

SENATOR STOCKMAN: Did he ever suggest to you who the jobs were, who the people were?

MR. ADUBATO: There have been discussions with Mr. Niemann and I concerning some employees, where we had different opinions about their effectiveness.

SENATOR STOCKMAN: And did he, in effect, describe them as make-work or near no-show, that kind of thing?

MR. ADUBATO: I think that the confusion is here is that there is an employee who works very closely with the Commission, who has worked for, by the way, all four, because

as an Acting Director -- who we had concerns with, who I felt that -- well, I disagreed with him, and I expressed that disagreement to him.

SENATOR STOCKMAN: Did you believe that that was one of the make-work people that were referring to?

MR. ADUBATO: My guess is, you know-- I'm glad Mr. Niemann had the good sense, because even private employees have families, not just legislators -- I believe it was the same one, yes.

SENATOR STOCKMAN: Well, the problem we have, Steve, is this question of the public's right to know, and concern.

MR. ADUBATO: Sure.

SENATOR STOCKMAN: And, you know, I think Mr. Niemann ought to tell us who those individuals are. That's my instinct, I think -- or you-- And I think, if you had discussions with him, who did he discuss with you, in a way that suggested he thought that person was inappropriate?

MR. ADUBATO: I don't know-- Senator, let me make myself clear. I am not going to discuss with you personnel matters concerning a particular employee. I have the same-- Senator, I have the same sense of decency that you all have about this legislator, who you felt -- and you voted here, I think unanimously, that he had concerns. If there's a charge concerning a particular person, it should be brought the same way. Again, I hope you tell me that a private citizen has the same right as a publicly-elected official.

SENATOR GAGLIANO: Mr. Adubato, would you accept, then, a statement or an indication similar to what the Chairman has already suggested, that the Committee is writing to the Joint Legislative Committee on Ethical Standards, to report this issue as raised by Mr. Niemann? It would seem to me that probably, the full authority should get the same kind of correspondence from the Chairman with respect to this allegation, and the make-work jobs or no-show jobs, whichever it might be.

MR. ADUBATO: Absolutely. Yes, sir. Yes sir.

SENATOR GAGLIANO: Accepting that, then, Mr. Chairman, I would suggest that the same letter essentially go forward to the Chairman and members of the Authority, for a response.

Now, I have a problem with Mr. Niemann's testimony in that he indicated that you didn't go any further than the Authority Chairman.

MR. ADUBATO: Yes.

SENATOR GAGLIANO: You set the agenda, and that once the agenda was set, he could not change that. Did he ever ask you to take certain issues to the Board, where he was unhappy? Did he say, "I don't agree with you, Mr. Chairman. I'd like the full Board to decide this"? Did he ever do that?

MR. ADUBATO: Senator, I do not set the agenda. The Executive Director sets the agenda. The agenda comes to me, and if I feel there's something improper, I would change it. He has never set an agenda with that item in it. As a matter of fact, I can't recall acceptance-- There were very minor things that I ever changed on the agenda.

SENATOR GAGLIANO: Did he ever ask you if he could take an issue to the full Board, not agreeing with something you had indicated?

MR. ADUBATO: Never.

SENATOR GAGLIANO: Mr. Chairman, in your opinion, do you--

MR. ADUBATO: And by the way, I want to say that the kind of meetings that were -- that I conduct, they're very candid and very open, and they're not the tame meetings that were characterized here.

SENATOR GAGLIANO: That's what my next question is. It was sort of indicated -- and I have never met you before that I know of, and they have -- that you pretty much ruled the Board with an iron fist, and that you made the decisions that the Board would decide on. That's what I gathered, because I

have represented boards in the past, I have been a member of various boards, and I got the distinct impression that you ruled that group with pretty much an iron hand, and you made all the decisions with respect to what was on the agenda, and who would be heard, and what would be heard.

MR. ADUBATO: The iron fist is in executing what we decide. I do not take any prerogative as chairman, to have any influence than any other Commissioner. As a matter of fact, I want to say to you that the agenda-- I repeat, I allow the Executive Director to make the agenda and very seldom -- I can't even recall when -- did I make any changes. Our meetings are very open--

SENATOR GAGLIANO: You mean, you're not agreeing with his testimony?

MR. ADUBATO: I'm making myself clear.

SENATOR GAGLIANO: Well, what-- I'm asking you--

MR. ADUBATO: I'm telling you, I do not make the agenda -- I could, if I wanted to--

SENATOR GAGLIANO: Okay. My recollection of the testimony was that Mr. Niemann said that you set the agenda. You do not? You have not?

MR. ADUBATO: My statement stands for itself. It's very clear.

SENATOR JACKMAN: Well, you know, in all fairness, I think his statement here, and I read it -- on the bottom, it says, "Despite the visible role played by the Chief Operating Officers, it must be noted that the direct responsibility for any and all programs broadcast on New Jersey Network rests with the Commissioners of the New Jersey Broadcasting Authority." So that, to me, means that before you broadcast anything, you're the one, and you and your Commissioners decide whether it's going to be broadcast.

MR. ADUBATO: Oh, no. We just take the-- We take the responsibility. No, no. Let me--

SENATOR JACKMAN: If you take the responsibility, that means, if a guy makes a mistake, he's fired.

MR. ADUBATO: Well, if he makes too many mistakes, yes.

SENATOR JACKMAN: No, no, no.

MR. ADUBATO: That's what happened here.

SENATOR JACKMAN: You know, that's an easy way out in my book.

MR. ADUBATO: Why?

SENATOR JACKMAN: I don't think-- To me, you're delegating not only responsibilities, you're delegating authority. You're giving him the right to put that program on the air. That to me is an authority, not a responsibility, because if anything goes wrong with that, then you come back and you say, "You made a boo-boo. You're fired."

MR. ADUBATO: I believe-- Again, I'm not going to give a civics lesson here, but the Zenger case was the first kind of indication of how journalism can go in this country. What I'm trying to say to you-- And it's not peculiar to us. Any entity that disseminates news, that does not act in the way that I said, probably should not be read or listened to or looked at. The journalist, the news director, the reporters -- they make those decisions.

SENATOR JACKMAN: But as a managing editor--

MR. ADUBATO: We are responsible, certainly, but we make no decisions. As a matter of fact, we don't even try to influence. We are totally aware that we're responsible in the sense that if things go wrong, we have to make changes. But we don't tell the reporters what news to report and what news not to report, or what stories to tell.

SENATOR JACKMAN: Are you-- This is a hell of a question, Steve, because I know the answer.

MR. ADUBATO: Sure.

SENATOR JACKMAN: You're not a full-time employee, are you?

MR. ADUBATO: No, as a matter of fact, I'm full-time responsible, but I'm not an employee of any kind--

SENATOR JACKMAN: Did you work full-time for the Broadcasting--

MR. ADUBATO: No, I'm responsible, I said. But I was not an employee of any kind.

SENATOR JACKMAN: All right, then. If you're not an employee, he's operating -- he evidently is operating the station itself, is that right?

MR. ADUBATO: Absolutely.

SENATOR JACKMAN: Now, you meet six times a year?

MR. ADUBATO: That's our official meeting. We meet many other times, on committees and so forth. That's right.

SENATOR STOCKMAN: Steve, let me ask you about this Board. It was reported that it's anything but a quiet body, at least on one occasion. In fact, it was reported that you were assaulted in one of these Board meetings. What-- Tell us about--

MR. ADUBATO: I hope that's not going to happen here.
(laughter)

SENATOR STOCKMAN: Tell us about that.

MR. ADUBATO: Well, I'm not going to tell you--

SENATOR STOCKMAN: I assume it revolved--

MR. ADUBATO: Well, we did have a salty meeting like that, but I'm not going to discuss it here.

SENATOR STOCKMAN: Why?

MR. ADUBATO: Because I don't want to. I don't wish to.

SENATOR STOCKMAN: I think you should.

MR. ADUBATO: I think that I'm not going to. I think it was a personal matter between some Commissioners--

SENATOR STOCKMAN: Nothing to do with--

MR. ADUBATO: And it was not a public meeting--

SENATOR STOCKMAN: Nothing to do with Drix Niemann?

MR. ADUBATO: I'm not going to discuss that.

SENATOR STOCKMAN: Why?

MR. ADUBATO: Because I feel it's a private matter, that the two people involved apologized to each other as gentlemen. Some things may have happened in the Legislature like that-- I mean, you know--

SENATOR STOCKMAN: You may misunderstand me. I'm not--

MR. ADUBATO: This is not a public meeting.

SENATOR STOCKMAN: Steve, you may misunderstand me. I'm not anxious about the artfulness of the blow that was thrown, the magnitude of the fist that was carrying it, the flexibility of the person who was-- I'm not looking for that.

MR. ADUBATO: Yes.

SENATOR STOCKMAN: But as a member of this Committee, I am concerned if that action was sort of the final straw of at least one member in terms of his, shall we say, communication on the subject of Drix Niemann, or this whole controversy. Now, if it wasn't-- I mean--

MR. ADUBATO: I see your point.

SENATOR STOCKMAN: --If he made a slur remark, ethnically or something of that sort to you or vice versa, and that was it, tell us that and fine, we'll move on. But if this furor, this final assault, was preceded by, shall we say, a beginning dialogue, a difference, a heightened difference, a charge-countercharge, I think this Committee has a right to know that, because, frankly, if it reflects the -- shall we say the spirit of the Board, the unity of the Board, whatever-- I think it raises questions about, maybe, our appointments to the board.

SENATOR GAGLIANO: Or intimidation of the Board.

MR. ADUBATO: First of all, I told you that there was a boyish incident between two Commissioners, where they were not-- How can I put it? It was the kind of thing of two middle-aged men, you know, wanted to wrestle with each other--

It was more funny than serious, and I do understand what you're saying. Yes, I think-- If we began to realize -- all of us -- the kind of intensity and seriousness with the problems that have come up, and these problems, I think, maybe were dramatized by that. If you want to know that, I will tell you that. But I'm not going to, as I said, embarrass anyone.

SENATOR STOCKMAN: Is it fair to say that there was a deep division on that Board, a sort of a minority and majority over Niemann and his departure?

MR. ADUBATO: I don't know. I don't know. I do know that that was the first meeting where things have been said about why Mr. Niemann should leave, and there was a particular member who had a very close relationship with Mr. Niemann who objected; and I think the person involved -- myself and this other person -- I think as I said, that was a -- let me finish -- it was a kind of a thing that was helpful, because both have come to terms and come to understand, and I think, enlightened by the silly--

SENATOR GAGLIANO: I started to get to the so-called make-work jobs.

MR. ADUBATO: Yes.

SENATOR GAGLIANO: I want this as (due to equipment malfunction, a few words lost) -- if you or anyone else was hiring somebody, and that that hiring would end up being a make-work job.

MR. ADUBATO: No, and can I read you something here?

SENATOR GAGLIANO: Yes.

MR. ADUBATO: All right. "During Mr. Niemann's tenure, these are the people on the Cabinet level that he's appointed: the Director of Finance and Administration; the Director of Creative Service; the Director of Development; the Director of Marketing and Public Relations, I guess; and, also the person who serves as the acting Director now was hired by Mr. Niemann." In none of these cases did I make any

recommendations. or even knew -- wait, let me finish -- who these people were. I want to say, there's not a single person that Mr. Niemann hired, including people who are janitors, that I made a recommendation to hire or fire.

SENATOR GAGLIANO: You never said, "Drix, I want this person on the payroll"?

MR. ADUBATO: There's not a single person that Drix neither hired or fired that I recommended either way. Yes, sir.

SENATOR GAGLIANO: Never?

MR. ADUBATO: Never.

SENATOR JACKMAN: Who sets the salaries?

SENATOR GAGLIANO: I presume the Board sets the salaries upon the recommendation of the Executive Director.

MR. ADUBATO: The Board follows the recommendation of the Executive Director. And, by the way, I'm not implying that these people are incompetent in any way, and that there are no-shows or seldom-shows, or make-shows. These are good people.

SENATOR GAGLIANO: All right. Now, may I just go on a bit more? All right. Now, I think we've heard that-- On the issue of the legislator who apparently was indiscreet or more, we will find that out through another process to protect, in a sense, that person's confidentiality during the process. We'll do the same, I guess, with the people that Drix is alleging were make-work job persons. So, those things being behind us for the moment, what I would like to know about is, whether or not you agree with Mr. Niemann in his statement that there are three things we can do. We can amputate, or we can take some other remedial--

SENATOR STOCKMAN: Excuse me, Tom. Before we get to that, there's one other thing I don't think we can overlook, and it was a serious charge, and I'd like to hear from-- That is, the allegation by Mr. Niemann that there was a memo that suggested a conflict of interests and a recommendation by a Deputy Attorney that the matter was serious enough so that it

should be presented to a review body to determine whether, in fact, there was such a conflict, and that when it reached you, you insisted that that memo be buried. What do you recall, if anything, about that?

MR. ADUBATO: Yes. As a matter of fact, what I find is that -- and, let me refresh me -- that there were two assistants -- I think that was the term -- of the Attorney General who were involved with this. This was a written document. Am I right?

SENATOR STOCKMAN: That was my recollection.

MR. ADUBATO: Now, I also am to understand that this was initiated by the Attorney General's office. Am I correct?

SENATOR STOCKMAN: I'm not clear on that.

MR. ADUBATO: 'Cause I'm not clear on any of it, because I don't understand--

SENATOR STOCKMAN: Staff seems to think so.

MR. ADUBATO: You see, here's my problem. Here's what my problem is. I recall clearly that Drix told me that there was such a concern.

SENATOR GAGLIANO: Of a conflict of interest?

MR. ADUBATO: That's right. He mentioned it to me very clearly, and he did mention that it came from the Attorney General's office. Okay? And, of course, what I told him to do is proceed in the way that he thought was diligent and what made sense. Now, I'm not clear about the fact that I think Mr. Niemann said that this conflict still exists. Well, I don't know if it does or it doesn't. I didn't hear until today who these two people from the Attorney General's office were, and I was kind of confused to find out that maybe the Attorney General didn't know about it. So, I'm am more confused and want to ask more questions than you do.

SENATOR GAGLIANO: Well, Steve, let me--

MR. ADUBATO: Now, wait a minute. The whole concern about me saying "bury it" is a charge that Drix said, you know,

that I said to him, and obviously, I've got to say to you clearly that I did not. What I said to him is that, "You follow through and do what you think you have to do." Again, I'm concerned about the Attorney General's office. If they made the charge, why didn't they follow through?

SENATOR STOCKMAN: We are too. But, let me get this clear. You indicated-- He indicated that you told him to bury it, and I agree with you that that, on its face, is a conclusion. It's not fact; it's his conclusion. And, we've recognized that there are occasions where he might even misinterpret the behavior of the distinguished Chairman and his Committee about conclusions. So, his conclusions might sometimes be a little bit off.

MR. ADUBATO: But--

SENATOR STOCKMAN: But-- Let me finish, Steve. Your answer was, you told me that you indicated to him, when he brought this ethics complaint -- this problem about a conflict of interests from the Attorney General -- that your instructions to him was, simply do what was diligent and made sense.

MR. ADUBATO: I don't know. You know, I want to be fair to Drix. I'll tell you what my intention was -- what I remember.

SENATOR STOCKMAN: You must remember who the individual was, don't you?

MR. ADUBATO: Because he clearly brought it up to me.

SENATOR STOCKMAN: And you remember who the individual was.

MR. ADUBATO: Yes, I do. I do know who the individual is.

SENATOR STOCKMAN: And it was a serious charge. I mean, in--

MR. ADUBATO: I don't-- Well, I'm going to disagree with you because it wasn't a charge. It was an interpretation.

SENATOR STOCKMAN: All right. It was an interpre--

MR. ADUBATO: In other words, there was an Attorney General's interpretation that there may be something wrong.

SENATOR STOCKMAN: And, it was an interpretation, if right, would involve conflict and would necessitate the removal of this person from his job.

MR. ADUBATO: Not necessarily. It might mean that he would not be able to continue with the other enterprise.

SENATOR STOCKMAN: But, at any rate, you recall that. You recall the incident.

MR. ADUBATO: He did bring it up.

SENATOR STOCKMAN: And tell me again how you dealt with it.

MR. ADUBATO: In fairness to Drix, I certainly didn't tell him to bury it, and I guess maybe with some anger, you know, I want to react to this, and I don't think it would be fair to anyone. I'll tell you clearly what I know about this.

When it was told to be, because the charge-- The letter was to Drix, and it was in writing. All right? I assume it was initiated by the Attorney General. I didn't see where it was any of my business any longer. It was the business of the authority of the Attorney General's office, which is the highest office in the State. It had made an inquiry in writing and, obviously, they had the responsibility to follow through.

SENATOR GAGLIANO: Have they?

MR. ADUBATO: I think-- I don't know what the Attorney General-- Now, I want to ask that question. Have they?

SENATOR GAGLIANO: As Chairman, you have not received any response on that issue?

MR. ADUBATO: No.

SENATOR GAGLIANO: Does the issue still exist?

MR. ADUBATO: To my knowledge, it does not, but I can

not say that with certitude. To my knowledge, the issue raised does no longer exist.

SENATOR STOCKMAN: Well, Steve, let me get this clear. This was something from the Attorney General in writing. It was-- I guess--

MR. ADUBATO: By the way, I never saw it.

SENATOR STOCKMAN: You never-- He didn't show you a copy of this?

MR. ADUBATO: I don't remember seeing it. I don't have it in my possession.

SENATOR STOCKMAN: But it raised the question of that -- an ethics question concerning conflict.

MR. ADUBATO: Yes.

SENATOR STOCKMAN: It involved somebody holding a significant position within the authority.

MR. ADUBATO: Yes.

SENATOR STOCKMAN: It was brought to you by the Executive Director. It was addressed to him from the Attorney General, or his office.

MR. ADUBATO: I assume, yes. Okay, yes.

SENATOR STOCKMAN: Are you telling us-- Your judgment at that point was that it was a matter for the Attorney General, and he should either act or not act, and that it did not really necessitate a judgment by the New Jersey Network as to what to do about it?

MR. ADUBATO: No. How could we? Don't you understand? Let's be lawyers now. What I understood is that the chief legal officer of the State of New Jersey said he thinks that there is something that he should look into to make a determination. Well, let him make the determination.

SENATOR STOCKMAN: Well, Steve-- I mean--

MR. ADUBATO: Well, what could I do about that? I mean, I didn't ask him to make such a determination.

SENATOR STOCKMAN: I would think, for instance-- Let

me-- Maybe I'm dead wrong. I would think, for one thing, you must go to that individual -- Mr. X or Mrs. X -- and say, "Look, I don't know much about this, but there is an allegation or suggestion from the Attorney General that you are in conflict. Now, tell me about it. Do you have this other job, or is there a conflict? What do you think?" Get an answer. That person might say, "Hey, you know, I've been worried about that. I'm going to resign. I'll see you later." Or, that person might say, "What? Conflict? I don't even hold that job. These facts are wrong." You know, a threshold start, it would seem to me-- I mean, you're dealing with something that, hey, doesn't happen every day.

MR. ADUBATO: That would have been the--

SENATOR STOCKMAN: Now, depending on that, you might be satisfied; you might not. You might want to get the guidance of the Board: "Hey, here's something the Attorney General raised." Maybe it's a red herring; maybe it's an intrusion by the Administration into-- Maybe this fellow or woman was part of the news, and it might have been a nefarious, subtle way of tampering with the news. But, bring it to the Board and get the strength of their determination as to whether any action--

I don't know. I'm just saying to you, certainly this Committee is faced with a very uncomfortable claim by a person of stature who held a major position in the Network, saying that this happened. And that's why I want to be clear. I guess your position is, you didn't feel that it was something that the Network had to deal with -- that if the Attorney General wanted to act on it, fine.

MR. ADUBATO: Senator, when the Attorney General initiates an investigation, I feel it's their responsibility to follow through.

SENATOR STOCKMAN: Was this an actual-- You described it as an investigation.

MR. ADUBATO: I described it as a potential, possibly, yes. As a matter of fact, I want to say this to you. In, you know, retrospect, a lot of things you said, I would have done, if I had, let's say, done it perfectly. But, in my own mind -- and I will hold to this -- this was initiated by the Attorney General's office. My understanding today, there were two members of that -- the Attorney General's office -- that were involved. It seems to me they had the responsibility.

SENATOR GAGLIANO: But you didn't say bury it.

MR. ADUBATO: No.

SENATOR GAGLIANO: You did not say bury it.

MR. ADUBATO: No, of course not.

SENATOR GAGLIANO: Yeah, all right. Or anything like that.

MR. ADUBATO: No.

SENATOR STOCKMAN: Steve, did you ever discuss this with the individual involved?

MR. ADUBATO: I am not sure. I may have. As a matter of fact, I can't say with certitude. I may have said to this individual because I know who the individual was-- It is an individual, as I said, that works very closely with the Commission, and I may have said that. I may have alerted him to that.

SENATOR GAGLIANO: There's a copy of your Code of Ethics here, which I had an opportunity to read very quickly, and it says that if there is a problem, then the Executive Director should refer it to the Executive Commission on Ethical Standards.

MR. ADUBATO: That answers it, doesn't it?

SENATOR GAGLIANO: Yeah, but apparently it wasn't. To the best of your knowledge, it was not referred.

MR. ADUBATO: I don't know what happened to it. I can't give you information on that. You've got to understand. If I were dealing with the day-to-day business of what was going on at the Authority--

SENATOR GAGLIANO: You couldn't do anything else.

MR. ADUBATO: I wouldn't do it well.

SENATOR STOCKMAN: I interrupted Senator Gagliano about going through recommendations.

SENATOR GAGLIANO: Yeah. I just wanted to get into-- Mr. Niemann-- By the way, with respect to many of these questions that Mr. Niemann has made known -- especially in his testimony today -- did he ever talk to the Board and say, "Look, we have to have a heart-to-heart hearing. Whether I leave or not, whether I stay or not, there are certain things about the Public Broadcasting Authority that I think should be changed."? Did he talk about that?

MR. ADUBATO: Yes, he did.

SENATOR GAGLIANO: And what was the response?

MR. ADUBATO: I think that we all know that there should be some changes. I think all of us understand that -- not because there's anything wrong. It's been 15 years since we've started, and we have to be looked at again, and the Legislature has to do that, obviously. And we've got to help each other. I think, to look for the cloak and dagger, and the villains, and the good guys and bad guys, they are only going to cloud the fact that we should streamline what is going on.

SENATOR GAGLIANO: Do you agree that we should find a way in the Legislature to remove the appointive process of a majority of the Board members from the Governor?

MR. ADUBATO: I think, despite the fact that they are inherent in that process' weaknesses, it is the strong system that we have. I totally believe in it, and I think that putting in the private sector is-- It is just a terrible failure that we -- you know in the American system -- really don't function.

Let me tell you what I mean. It's a nice word -- the private sector. But, the private sector has more chance to be more corrupt, less objective, and let's say, less effective.

Somehow, putting into the public sector, with all of the political influence -- all of the things we heard today -- this could happen, and that's what's important. Don't do that. Make changes. Maybe there should be less Cabinet members; maybe there has to be more oversight; maybe, Senator Stockman, you're the first one-- I'm sure you're the first one who has ever done this. Maybe it should have happened four or five times. And, if it happened four or five times, we would be at this point.

SENATOR GAGLIANO: Do you feel that, with respect to the calls that were made to the Executive Director, the so-called pressures or pressure points brought to bear upon the Executive Director, that his feelings were warranted in most of these situations?

MR. ADUBATO: No, I think he was terribly wrong. I think that's where his error is -- serious error.

SENATOR GAGLIANO: Do you mean-- Do you think it's-- Let me ask you to describe why he was wrong.

MR. ADUBATO: I think the assump-- Because our--

SENATOR GAGLIANO: What was wrong about what his feelings were?

MR. ADUBATO: Because Mr. Niemann assumes that when a politician or office holder calls him, it has to do with political pressure. It has to do with that dirty word "politics," and it has to do with something wrong. And I submit to you that that's rampant in our society. I feel the most vulnerable people are people like ourselves, because I describe myself as a politician. And, I think that is a most serious mistake.

SENATOR GAGLIANO: So, that he-- In other words, he overreacted?

MR. ADUBATO: Totally.

SENATOR JACKMAN: One question. Did your Committee vote him an increase?

MR. ADUBATO: Yes, including, may I say-- If you see the statement, it says-- I have to say, including the five Cabinet members who we say here don't have their own mind. They voted against the Governor. Each one of them voted for the increase, including myself.

SENATOR JACKMAN: Okay. That is just the point I'm trying to make. You voted him an increase, and yet one man came along and said, "You don't get the increase."

MR. ADUBATO: Who said it?

SENATOR JACKMAN: Well, according to the testimony here-- Did he ever get the increase?

MR. ADUBATO: No.

SENATOR JACKMAN: Then somebody must have stopped it after we--

MR. ADUBATO: That's right.

SENATOR JACKMAN: I thought that this was an independent Authority and that they operated when the increases were granted, and that it was automatic.

MR. ADUBATO: I guess there's the work that you have to do, gentlemen. It should be; it's not. We can be voted incre--

SENATOR JACKMAN: Now-- Wait. Let me finish. You know? It's not.

MR. ADUBATO: It's not.

SENATOR JACKMAN: So, that means that there was interference politically not to give him an increase.

MR. ADUBATO: No, Senator. I disagree with you. I am saying to you that what happened was, the process, as it is -- when it reached the level of that office -- it stopped. I won't call it political interference. I'll call it-- That's what happened, but I won't determine it as one thing or the other. I'm saying to you, it shouldn't be that way -- that when we made that increase, it should have went through.

SENATOR JACKMAN: All right. Now--

MR. ADUBATO: But that's up to the Legislature to do that. It's not up to us.

SENATOR JACKMAN: No, the Legislature wasn't brought in on the increase.

MR. ADUBATO: Yes, sir. It is the Legislature that allowed that system.

SENATOR STOCKMAN: Just a minute.--

MR. ADUBATO: Well, now you do.

SENATOR STOCKMAN: In deference to the Chairman, all of these questions are through me to you, Mr. Adubato, and I assume all of your answers are through me, back to the Committee member.

MR. ADUBATO: Sorry, sorry.

SENATOR STOCKMAN: Let's try and keep it down.

SENATOR JACKMAN: Yeah. Well, I've asked--

SENATOR STOCKMAN: I think Mr. Adubato, Senator, is trying to understandably avoid making a final determination as to whether the Administration's opposition to that raise was, quote, "political," or whether it was best judgment. Of course, it's up to the public, and I think they're pretty smart, to evaluate whether, in fact, a Board whose responsibility is to work with the Executive Director and have him accountable to them, and who were involved and charged with this responsibility, have exercised good judgment and prudence and wisdom in making that recommendation, and what basis it would be on that that would arbitrarily -- that that would be summarily rejected. That's-- I don't think we have to belabor that.

SENATOR JACKMAN: Well, no, I want -- for my own edification-- Mr. Adubato tells me that the responsibility is directly involved with the nine or fifteen Commissioners. They're the responsible parties. Now, in essence, after you have agreed -- and forget all the other stuff, and I'm in

complete accord with you -- if the individual is voted an increase-- Fifteen individual people voted to give this man an increase because he must have been doing something right. You don't give a man an increase unless he's performing a job and performing it well. You don't give it to him just because you like him. On that basis, he didn't get the increase because supposedly you said to him, "You're not going to get-- You've got as much chance as a snowball in hell of getting that increase," after you were notified that he don't get the increase.

MR. ADUBATO: The comments that Mr. Niemann has made, concerning what I state, are not necessarily facts.

SENATOR JACKMAN: Okay.

MR. ADUBATO: What I'm saying to you is that I voted for that increase. In fact, I voted to double the increase that was recommended, and was enthusiastically supported by all of the Cabinet members and all the Commissioners. Now, the fact is that we have a process that is set up by the Legislature -- that that increase has to go before the Executive Branch, and there it was stopped. I don't think, Senator, that we can make an inference that it was political.

SENATOR JACKMAN: Oh, okay.

MR. ADUBATO: Negative or--

SENATOR STOCKMAN: Let me explore that. Let me explore that. Did the Administration, vetoing or overruling the full Board, ever explain in any way, shape, or form the reason for that action?

MR. ADUBATO: My attempts to get information were that they didn't feel it was justified.

SENATOR STOCKMAN: Let me ask you again. I think you've answered, but I want to be sure. In other words, you can't share with the public the reasons that the Administration vetoed this raise because you never got any.

MR. ADUBATO: I think the statement speaks for itself. They did not feel that it was justified. We felt that Drix deserved the raise, and we said so.

SENATOR STOCKMAN: Well, Steve. Maybe I'm--

MR. ADUBATO: Well what?

SENATOR STOCKMAN: It's late in the afternoon. Let me put it this way to you. We're trying to-- On behalf of the public, we're trying to find out whether this operation is run in a professional -- let's say a businesslike way. You're very proud of it.

MR. ADUBATO: Yes.

SENATOR STOCKMAN: You put in volunteer time in it, right?

MR. ADUBATO: Yes.

SENATOR STOCKMAN: Now, we suddenly come upon the top administrative officer in that agency -- the Executive Director. He responds to a full Board -- volunteered, but committed people, interested, dedicated public servants, who you're proud to be co-members with. Right? And, that Board, after working with him and after deliberation, is so enthused about the quality of his performance -- his integrity -- that they want to give him a significant raise. Taxpayers' money, but it's justified. They want to do it. They do it. And then suddenly, they're told by someone else -- the Governor's office -- "no." And, the best you can share with the public today over the reason for that "no" -- for that "no" -- is-- And, incidentally, I was going to ask you later, but you volunteered it. Let me clear it up first before I make a point that's on my mind. Did you try to find out why the "no?"

MR. ADUBATO: Yes, and I'll tell you this, Senator.

SENATOR STOCKMAN: And you weren't able to.

MR. ADUBATO: Senator, when you say that somebody, that's the same somebody who, when you may believe you passed good legislation, says no, and it doesn't become law. Now,

what I'm trying to tell you is that under the way that the Legislature--

SENATOR JACKMAN: No, wait. Whoa, whoa, whoa. Excuse me. I asked a question before.

SENATOR STOCKMAN: Now, wait a minute. Wait a minute, Chris.

SENATOR JACKMAN: Can I follow through?

SENATOR STOCKMAN: No. Wait a minute. Excuse me. I'm the Chairman of the Committee. The witness is testifying.

SENATOR JACKMAN: I agree.

SENATOR STOCKMAN: If you think he's out of order, ask me to rule him out of order. I don't think he was out of order.

SENATOR JACKMAN: No, I'm not saying he's out of order. All I'm saying is, when I've asked a question, it's taken away from me. And -- no disrespect -- I asked your permission to follow through, and I wanted to follow through. Now, you took it away from me while I was asking him the question. He says legislatively--

SENATOR STOCKMAN: Two wrongs don't make a right. Let's get the witness--

SENATOR JACKMAN: So, legislatively, we're not involved in this. Let's get that clearly understood.

SENATOR STOCKMAN: Chris?

SENATOR JACKMAN: We don't set the salaries. The salaries are set by the Executive Branch.

SENATOR STOCKMAN: Chris, you know-- Excuse me. With all due respect, Chris, I think there are people in the audience that understand that, and that you don't have to interrupt the witness and bypass me to make your point. I understand your point; I sympathize with it, but there's ways of doing it. I think this is an important area of inquiry that I'd like to have cleared up. When I finish, I would be happy to have you explore it further.

SENATOR JACKMAN: Yeah, but I started it, and you took

it away from me. Maybe the question I asked him was your question. I thought I asked the question.

SENATOR STOCKMAN: Let me, out of an abundance of fairness, give it back to you to finish, and then, Mr. Adubato, I will explore further. I'm sorry. Senator Jackman, I didn't mean to quote "take it away from you." Go ahead.

SENATOR JACKMAN: The only question that I was interested in when we talked before about the salaries and the 15 and nothing vote -- or 14 to nothing vote -- and yet the individual makes an accusation that you made a statement after he came to you and that it was vetoed. It wasn't vetoed legislatively. It was vetoed executively. Is that true, or isn't it?

MR. ADUBATO: That's absolutely true.

SENATOR JACKMAN: Okay. So, legislatively we're not involved in the setting of salaries on that Board.

MR. ADUBATO: I disagree. I disagree.

SENATOR JACKMAN: The approval, to my knowledge -- and I'm here 20 years, and I was here when this organization was born, so to speak-- Okay? I don't ever remember that any salaries or any approvals were asked of this Legislature -- that it was given to me as a member of the Legislature that we're going to pay him \$53,000 or \$51,000. The approval never came legislatively. Is that true, or was that a--

MR. ADUBATO: What you say is true, but I disagree that you're not involved. I think--

SENATOR JACKMAN: Oh, I didn't say I wasn't involved. We give you \$6 million, if that's what you're talking about, and some of that money is spent, but legislatively we don't have nothing to do with the spending of that money. Is that true or isn't it?

MR. ADUBATO: Senator--

SENATOR JACKMAN: Because if it was, it was never

brought to the members sitting in this room that his salary was vetoed by the Executive Branch.

MR. ADUBATO: Senator, everything you say is true, and I agree with it. There's one--

SENATOR JACKMAN: Okay. I pass to you now.

MR. ADUBATO: Can I make--

SENATOR STOCKMAN: He passes to me, and you go ahead and finish. Then I want to ask you a couple of questions.

MR. ADUBATO: Can I finish? What I'm trying to explain is, this process is set up by the Legislature with the Executive Branch -- that's what I'm trying to explain -- which, I feel, is unfortunate. When we made that decision, that should have been it. And, we did have legislation. As a matter of fact, in the previous Administration, it had passed both houses and went to the Governor. It was a sitting Governor, not this Governor, who vetoed that, and this would have never happened.

SENATOR JACKMAN: Brendon Byrne.

MR. ADUBATO: I'm not making-- Well, it doesn't matter, but the point is--

SENATOR JACKMAN: It doesn't make any difference, I know.

MR. ADUBATO: The point I'm trying to make is that I think we did come up with something that I think we all agree on -- that when that Commission makes that recommendation, we know whether an Executive Director should be given a raise. The process should have ended there, and I'm suggesting that that's a very important point. And, I'm trying to suggest that all of us-- It's not just us in the Authority; it's you and us and the Governor that have to work together to change that.

SENATOR STOCKMAN: All right. Steve, I think maybe that's the point that has come through. I thought that there was this struggle over the question of whether that action was

political or not, and that that struggle might cloud the need for change.

Certainly, for instance, you didn't get the message back from the Administration, "Look, we agree with everything you say. This guy's a superman, but we're hurting financially. We have no money in the budget. We can't do it. We're turning down other people across the board in every other Department." You didn't get that information. You just got, "No." Right?

MR. ADUBATO: Did you ever get a veto message from a Governor?

SENATOR STOCKMAN: Sure.

MR. ADUBATO: Okay. It's no.

SENATOR STOCKMAN: Yes. Well, sometimes that's not true. Sometimes it's condition.

MR. ADUBATO: Sometimes.

SENATOR STOCKMAN: Sometimes he says, "Well, no, but." But, you were unable-- And, it wasn't suggested to you that it was a physical problem which, incidentally, sort of moves us into the area that I think, Senator Jackman, you were talking about. "Well, the Legislature has to appropriate the money. It's a budget problem." It was not that. It was no.

MR. ADUBATO: But, to me, I totally respect that. I think a Governor has a right to do that, and we have the right to interpret.

SENATOR STOCKMAN: Well, you--

SENATOR JACKMAN: And you have no more responsibility. Your responsibility in my book don't exist because one man then is the responsibility. That's, in essence, what you're saying, and I think it's unfair to you and the members that sit on that Board -- that one man comes along and say's, "There's no value put on your statement -- no value whatsoever, in my book." And, I think that's unfair.

SENATOR STOCKMAN: Senator Jackman, you've grabbed the ball again away from the Chairman.

SENATOR JACKMAN: Okay. I do it all the time.

SENATOR STOCKMAN: My only problem is this.

MR. ADUBATO: He used to be the Speaker, remember?

SENATOR STOCKMAN: Senator, you see, I want to make it clear, I love you, but my dilemma is, the people out there are also judging how this Committee runs, and I don't want them to think that--

SENATOR JACKMAN: It shows one thing -- that you're giving a lot of leeway, and I think that's helping. That's helping.

SENATOR STOCKMAN: Longitude and latitude, right?

SENATOR JACKMAN: Latitude and longitude.

MR. ADUBATO: Senator, I spent many hours enjoying the Assemblyman as the Speaker, and I think that's--

SENATOR STOCKMAN: All right. Steve, so your suggestion is that-- I am struggling to reconcile this question. Did you, incidentally, have exchanges with the Administration with Stevens, or anyone, over Niemann's departure?

MR. ADUBATO: I talked to all kinds of people concerning this, and I want to say to you that with Mr. Stevens or with the Governor, their attitude towards Drix, I felt, was very professional. As a matter of fact, as Drix told you, the first origination of Mr. Niemann came from the Governor and Mr. Stevens, which I was very pleased that such a recommendation came forth because he was highly qualified. But, at no time did the Governor or Mr. Stevens say anything to me, or indicate anything to me, that I felt was improper.

SENATOR STOCKMAN: Well, you--

SENATOR GAGLIANO: They did voice their concerns?

MR. ADUBATO: Sure, of course they did.

SENATOR GAGLIANO: And you didn't feel they were improper.

MR. ADUBATO: Absolutely not. They're not happy with-- But, I heard that from every Governor, every Chief of Staff. I've been there a long time.

SENATOR STOCKMAN: You apparently did not--

MR. ADUBATO: It didn't influence my decision or any other Commissioner's, and that's what's important.

SENATOR STOCKMAN: Incidentally, going back -- all the way back -- to the selection of Niemann, you apparently did not consider his political naivety -- his political innocence, shall we say? Do you consider him someone who is sort of politically innocent?

MR. ADUBATO: Yes.

SENATOR STOCKMAN: And you didn't consider that, despite the fact that, Steve, you had been through a lot of wars and through two Executive Directors who really wound up running afoul the political process to a certain extent. Right?

MR. ADUBATO: That's right. The talent that Mr. Niemann brought there immediately was very tempting. The political thing I felt that I could help him with. I also felt that he could learn. It didn't work out that way.

SENATOR GAGLIANO: Do you think that maybe Mr. Niemann could have been better suited to maybe not the top executive job, but maybe the top broadcasting job?

MR. ADUBATO: No. He's a top executive type. He's a boss type -- a good strong leader. In fact, I think he would be very poor as a subordinate, in my opinion.

SENATOR STOCKMAN: Did you-- Were you able to follow his recommendations to use as far as changes?

MR. ADUBATO: Excuse me?

SENATOR STOCKMAN: When we got beyond the more juicy stuff, so to speak, do you concur and share his views?

MR. ADUBATO: Yes, except for one point. When you talk about the private sector -- when you talk about the Friends or any other group -- it's a very exotic and tempting

thing to say, you know, there's a group of human beings that are not involved with politics. Well, to me, they are not accountable. I think there's even more danger in that.

There was a suggestion that maybe there should be less Cabinet members. I would agree with that. Who they should be, and how much less, I think, you could work out here. But, I would say that that's an area-- I don't think we need both Education Commissioners. I have some doubts whether perhaps -- I'm not going to member it because I'm going to look a little closer -- another, let's say, Cabinet post probably is superfluous. I'd like to see two or three there.

SENATOR STOCKMAN: What about the funding question -- funding per-capita as opposed to annual process?

MR. ADUBATO: Well, obviously, Senator Jackman and yourself pointed out that the funding should be, in a way, as we heard here-- I don't want to give all the credit to Senator Jackman, but I liked his idea about the Authority. Why not make another Authority, a real Authority, and I think that would serve everyone's interest. I don't think it will make the politicians happy, but I think in the end, it will do better.

SENATOR STOCKMAN: What about more emphasis on, or more of a role for, education? We heard the Executive Director of the South Carolina Public Network, and he indicated that they spend in the neighborhood of \$15 million in a state far smaller than New Jersey. What's your reaction to that?

MR. ADUBATO: My reaction to that is, New Jersey is peculiar in that we had a news, let's say, void here. And, our top dollar goes to news. I think it's about \$3 million. And, we voted more than once that our top priority will be the news.

So, when you look at South Carolina-- You see, South Carolina is a sovereign State, I'm sure, with many television stations. You know, up until a few years ago, the only television stations licensed in New Jersey was NET in Newark,

and you know what that license meant. Secaucus recently sold Channel 9. The day that we had our primary, they had Gooden on the mound with the METS. I mean, come on, we have one television station in the State, and we have a peculiar problem. When we start comparing it with South Carolina and other places, I think we might make an error. We have a different mission here.

The Philadelphia/New York, let's say, big brother threat is real, and the best buttress that we have, as far as the television picture, is us and what we're doing here.

SENATOR STOCKMAN: What are you looking for in your next Executive Director? A combination of MacInness and Niemann? Can you spell it out for us?

MR. ADUBATO: Yes. Yes, I did. I mean, someone who understands government and understands the process, and someone who is dynamic and imaginative of television -- both.

SENATOR JACKMAN: Would he have to come out of this State, or would he have to come out of--

MR. ADUBATO: He had better, if I'm going to have something to do with it. I'm very prejudiced about that.

SENATOR JACKMAN: Well, then, would you say, Steve -- with your permission, Mr. Chairman?--

SENATOR STOCKMAN: Yes, yes.

SENATOR JACKMAN: Would say of the 354 applications, did they all come--

MR. ADUBATO: Are you one of them?

SENATOR JACKMAN: Huh?

MR. ADUBATO: I'm only kidding. I asked if you were one of them.

SENATOR JACKMAN: No, no. (laughter) No, you don't pay enough money. I make more than that.

MR. ADUBATO: But you're not afraid of the political pressure?

SENATOR JACKMAN: No, I've been here 20 years to prove it. I got fired a couple of times, Steve, but I came back again. You know that; anybody does.

The thing I'm interested in-- And I agree with you, because I like to believe there's enough talent in--

MR. ADUBATO: In New Jersey. There better be.

SENATOR JACKMAN: -- in this State that we can hire somebody, because, as you mentioned, I think it is apropos. We've got a peculiar State. Okay? And I'd like to believe we should have somebody from this State. I know that's my feeling.

SENATOR STOCKMAN: Unique, not peculiar.

SENATOR JACKMAN: Oh, unique. I apologize.

MR. ADUBATO: Senator, in a way, it is more clean here that the press-- You know, I'm not being negative because I'm part of the press, in some sense, too, besides being a politician. It's like we're in our family kitchen. I want to say to you, I hope we don't forget what we've all done together. The people that went before us -- the Governors, the Legislatures, the people who work at New Jersey Network-- I hope we don't put aside what that has meant. Try to think what would have happened if we didn't tell the New Jersey story.

There are people who are, let's say young adults, in New Jersey who understand the State a lot better than the generation before. I want to say to you that New Jersey has more pride, more interest in itself, and, yes, a better future. Part of the reason is because of what we have done. Let's not lose that. I've heard remarks about: "Let's do away with this." I've heard, you know-- It's easy to make that kind of remark because we're vulnerable, and we've made mistakes.

The thing that you complained about, I think, was the worst mistake -- that particular program. Please let's not throw out--

SENATOR STOCKMAN: Throw the baby out with the bath water.

MR. ADUBATO: You said it, but I want to say "please." It is not in my interest or your interest. I want to tell you, I grew up in the State ignorant, and so did you. That's not as true today. We have a lot more opportunities to inform our people.

You know, I can't remember the name. There was a little roly-poly Italian politician in the Bronx who was better known in New Jersey than the Governor. They took a poll; this was about 20 years ago. Maybe you can remember his name. He was a colorful guy. But, all we got was New York television.

SENATOR STOCKMAN: Abe Beame.

MR. ADUBATO: No, no, no. He was an old Italian guy. I forget his name. Do you understand what I'm trying to say?

SENATOR STOCKMAN: Senator Jackman, do you have any further questions?

SENATOR JACKMAN: Not me.

SENATOR STOCKMAN: Senator Gagliano, do you have anything further that you want to contribute? (negative response) Okay. I'm going to ask Mr. Niemann if he feels that he wants to add anything. I don't want this back and forth, but you're here. If you feel that there's something you'd like to clarify or further express, Mr. Niemann, you're welcome to take the opportunity.

MR. NIEMANN: (from audience) Are you recalling me?

SENATOR STOCKMAN: Ah, let's be more friendly. I'm inviting you. I don't have subpoena power. I leave it to you. Seriously, if you think--

MR. NIEMANN: (from audience) No, the only thing is, since you are referring to both matters that I referred to in my testimony, and I'm glad to see that you are tuned in. I guess the Legislative Ethics Committee--

SENATOR STOCKMAN: And the Executive Committee on

Ethical Standards, because they would deal with a no-show aspect.

MR. NIEMANN: (from audience) I will be more than happy to discuss the people involved with that body at that time.

SENATOR STOCKMAN: Good. All right. Thank you. Thank you very much. This hearing is at an end.

(HEARING CONCLUDED)

APPENDIX

NEW JERSEY NETWORK HITS PBS 'TOP TEN'

According to a recently released Nielsen/PBS diary study, and a Nielsen/NJN metered audience survey, (February 1985), NEW JERSEY NETWORK ranks **seventh in the nation** among PBS stations in weekly "cume" (unduplicated) television household (TVHH) viewership.

RANK	STATION	DMA	TVHH
1	WNET	New York	2,917,000
2	WTTW	Chicago	1,951,000
3	KCET	Los Angeles/Palm Springs	1,606,000
4	WHYY	Philadelphia	1,282,000
5	WGBH	Boston/Manchester	1,268,000
6	KQED	San Francisco/Oakland Santa Rose	1,127,000
7	NJN	New York/Philadelphia	1,002,000
8	KERA	Dallas/Fort Worth	745,000
9	WPBT	Miami/Fort Lauderdale	727,000
10	WTVS	Detroit	650,000

Note: PBS figures are sign-on to sign-off; the NJN figure is Mon-Sat. 4-11 p.m. PBS figures are diary figures; NJN figures are metered figures. PBS figures are DMA figures; NJN figures are total survey area figures.

SOURCE: A. C. Nielsen Co.

NEW JERSEY NETWORK

Channels: WNJS/23 Camden • WNJM/50 Montclair • WNJT/52 Trenton • WNJB/58 New Brunswick
NEW JERSEY NETWORK is carried on all cable systems in New Jersey
and many in neighboring New York, Connecticut, Pennsylvania and Delaware.

STATEMENT OF STEPHEN N. ADUBATO
CHAIRMAN OF
THE NEW JERSEY PUBLIC BROADCASTING AUTHORITY
BEFORE
THE NEW JERSEY SENATE OVERSIGHT COMMITTEE
MARCH 4, 1986

MR. CHAIRMAN, MEMBERS OF THE SENATE OVERSIGHT COMMITTEE... GOOD MORNING. I'M STEVE ADUBATO, CHAIRMAN OF THE NEW JERSEY PUBLIC BROADCASTING AUTHORITY. (THIS AUTHORITY HOLDS THE FEDERAL LICENSES FOR FOUR UHF STATIONS IN NEW JERSEY: WNJS CHANNEL 23 CAMDEN, WNJT CHANNEL 52 TRENTON, WNJB CHANNEL 58 NEW BRUNSWICK AND WNJM CHANNEL 50 MONTCLAIR. TOGETHER THEY MAKE UP THE NEW JERSEY NETWORK, ONE OF THE FINEST PUBLIC TELEVISION OPERATIONS IN THE COUNTRY.)

I WANT TO THANK YOU FOR THE OPPORTUNITY TO APPEAR BEFORE YOU AND TO JOIN YOU IN A DIALOGUE ABOUT NEW JERSEY AND TELEVISION, OUR MOST POWERFUL COMMUNICATIONS MEDIUM.

I COMMEND YOU FOR THESE HEARINGS AND AS CHAIRMAN OF THE AUTHORITY, I SHARE WITH YOU A COMMON PURPOSE. THE GOOD HEALTH OF DEMOCRACY IS PROMOTED BY AN INFORMED CITIZENRY. WITHOUT RESPONSIBLE TELEVISION, CITIZENS FACE A SEVERE DISADVANTAGE.

I HAVE SERVED ON THE NEW JERSEY PUBLIC BROADCASTING AUTHORITY SINCE MAY 8, 1975 AND AS ITS CHAIRMAN SINCE JULY 28, 1980. DURING THAT TIME I HAVE SEEN A NUMBER OF CHANGES IN THE STATE AND I AM PROUD TO SAY THAT THE AUTHORITY COMMISSIONERS HAVE RESPONDED TO THOSE CHANGES WITH A RESPONSIBLE EXERCISE OF THEIR DUTIES.

THE NEW JERSEY NETWORK SERVES THE CITIZENS OF THE STATE IN MANY DIFFERENT WAYS. OUR PROGRAMS INCLUDE EDUCATIONAL SHOWS FOR THE CLASSROOM, THE ARTS, SPORTS, PROGRAMS ON BLACK AND HISPANIC AFFAIRS AND THE DAILY NEW JERSEY LOTTERY.

THROUGH OUR OVER-THE-AIR SIGNALS AND CARRIAGE BY ALL OF THE STATE'S CABLE SYSTEMS, THE NEW JERSEY NETWORK SUCCEEDS IN REFLECTING THE VERY IDENTITY OF NEW JERSEY.

FURTHER, THE NEW JERSEY NETWORK SPEAKS TO OTHER STATES. OUR CRITICALLY ACCLAIMED AND AWARD WINNING PROGRAMMING HAS TOLD THE NEW JERSEY STORY NATIONALLY.

MOST RECENTLY, THE NEW JERSEY NETWORK PRODUCTION OF KEYSTONE, A MUSICAL COMEDY STAGED BY PRINCETON'S MC CARTER THEATRE, HAS BEEN SOLD TO THE ARTS AND ENTERTAINMENT NETWORK, A NATIONAL CABLE PROGRAMMING SERVICE. THAT PRODUCTION JOINS LOVESONG FOR MISS LYDIA, A PLAY BY TRENTONIAN DON EVANS, WHICH WAS ALSO NATIONALLY DISTRIBUTED.

THE MOST UNIQUE FEATURE, HOWEVER, OF NEW JERSEY NETWORK, AND BY FAR ITS MOST IMPORTANT FUNCTION, IS ITS NEWS AND PUBLIC AFFAIRS PROGRAMMING. IT IS THAT SERVICE TO THE STATE THAT I WOULD LIKE TO DISCUSS TODAY.

THE ROLE OF THE AUTHORITY HAS BEEN CONSISTENT IN TERMS OF NEWS AND PUBLIC AFFAIRS. WE PROVIDE SIMPLE YET DIRECT GUIDELINES. THAT IS, THAT THE STAFF OF THE NEWS AND PUBLIC AFFAIRS DEPARTMENT WILL EXERCISE ITS PROFESSIONAL JUDGMENT BASED ON SOUND JOURNALISTIC STANDARDS AND REPORT THE NEWS AS FAIRLY AND OBJECTIVELY AS HUMANLY POSSIBLE.

WE HAVE NEVER FEARED MAKING A MISTAKE. TO MAKE MISTAKES ARE INHERENT IN A NEWS OPERATION. HOWEVER, I BELIEVE THAT THE NEW JERSEY NIGHTLY NEWS, BECAUSE OF THE INTEGRITY OF ITS STAFF, HAS NEVER YIELDED TO INFLUENCE FROM ANYONE.

I AM CONFIDENT THAT THE NEW JERSEY NETWORK'S NEWS AND PUBLIC AFFAIRS WILL CONTINUE TO BE A VITAL AND VALUED PART OF OUR STATE.

NOW THE AUTHORITY IS IN THE PROCESS OF HIRING A NEW EXECUTIVE DIRECTOR AND AS EVIDENCED BY THE MORE THAN 350 APPLICATIONS WE'VE RECEIVED SO FAR, THE NETWORK IS HIGHLY REGARDED IN THE INDUSTRY.

DESPITE THE VISIBLE ROLE PLAYED BY OUR CHIEF OPERATING OFFICERS, IT MUST BE NOTED THAT DIRECT RESPONSIBILITY FOR ANY AND ALL PROGRAMS BROADCAST ON THE NEW JERSEY NETWORK RESTS WITH THE COMMISSIONERS OF THE NEW JERSEY PUBLIC BROADCASTING AUTHORITY, THE HOLDERS OF THE FEDERAL LICENSES. THAT RESPONSIBILITY IS PART OF THE FEDERAL FRANCHISE AND THE AUTHORITY HAS ACCEPTED THOSE RESPONSIBILITIES. THE CONDITIONS OF LICENSE MAY NOT BE ABROGATED.

I APPRECIATE THE TIME YOU HAVE ALLOWED ME. THANK YOU.

