

**Final Report of
The Transition Subcommittee on
The Governor's Office**

Prepared for

The Honorable Christopher J. Christie
Governor-elect

The Honorable Kim Guadagno
Lt. Governor-elect

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I. Introduction

Given the Governor's vast constitutional and statutory authority as head of the executive branch, the Governor's Office is the focal point of any administration. With the announced appointment of Richard Bagger and Jeffrey Chiesa as Chief of Staff and Chief Counsel, respectively, we are confident that the Governor's Office will be well managed and the public well served by persons of high caliber and integrity in these two most senior positions.

The purpose of this report is threefold. First, we will summarize the outgoing Governor's Office based on our interviews with current personnel and other research. Second, drawing on the current structure as a point of reference, we will propose a structure for the incoming administration, including recommended responsibilities for key staff members and office units, as well as a recommendation on how the Lt. Governor should interface with the front office on a daily basis. Third, we will highlight for the Governor-elect and Lt. Governor-elect matters or questions that might require their early attention upon assuming office (so-called "Day One" issues).

In addition to our interviews of current Governor's Office personnel, we interviewed each former Governor of New Jersey to gain his or her insight and views on the structure and functioning of the Governor's Office from the chief executive's perspective. Also, we met with the Lt. Governor and the incoming two chiefs who shared their visions for certain aspects of their respective offices and raised questions for our consideration. Lastly, we drew on our own state government experiences in proposing what we believe are a structure and set of staff responsibilities that will assist the new administration in advancing its agenda in a challenging economic and political environment.

II. The Corzine Administration:

Current Structure and Staff Responsibilities of the Governor's Office

The existing Governor's Office includes a Chief of Staff, Chief Counsel, and Chief of the Office of Economic Growth, each of whom reports directly to the Governor, as do the Homeland Security Director and Inspector General (the Inspector General's direct line report to the Governor is mandated by statute). In addition, there is a Communications Director, four Deputy Chiefs of Staff and a Policy Counsel, each of whom, according to our understanding of the information supplied to us, reports to the Chief of Staff and to the Governor (dual reports). In

addition, there is a Director of Operations, Scheduling, Briefings and Advance, who reports to the Chief of Staff. The positions are summarized briefly below.

A. Chief of Staff's Office

1. The Policy Office

The Governor's Policy Office is headed by the Policy Counsel, who reports to the Governor but who also appears to have a dual report to the Chief of Staff. The Policy Director reports to the Policy Counsel. Five Policy Advisors and one Analyst report to the Policy Director on various issues. The Policy Office also includes the two-person Governor's Washington, D.C. Office headed by the Director of the Washington Office. We were informed that a travel ban virtually eliminated all personal interaction between the Washington and Trenton offices.

2. Office for Department Coordination, Cabinet Liaison and Administration

This Office is charged with coordinating contact with departments, cabinet liaisons and general administration within the Governor's Office. The Office is also currently staffed with four Cabinet Liaisons who report to a Deputy Chief of Staff.

3. Communications Office

The Director of Communications position, which is at the same level as the four Deputy Chiefs of Staff and Policy Counsel, reports to the Chief of Staff but is currently vacant.

4. Office of Constituent Outreach, Grassroots and Non-Profit Liaison

The Office of Constituent Outreach, Grassroots and Non-Profit Liaison is headed by a Deputy Chief who reports to the Chief of Staff. Currently, the staff consists of one Administrative Assistant in addition to the Deputy Chief.

5. The Office of Operations, Scheduling, Briefing and Advance

The Operations Office is currently headed by the Director of Operations, who reports to the Chief of Staff. The Office has nine to ten staff members who manage scheduling, briefings and advance.

6. Deputy Chief of Staff for Intergovernmental Relations

There is presently a Deputy Chief of Staff who focuses on outreach to elected officials, constituent relations, intergovernmental relations, federal delegation relations and appointments, except for judicial and prosecutorial appointments. This Deputy Chief reports to the Chief of Staff but also appears to have a dual report to the Governor.

7. Office of Emergency Management

Emergency response is the Governor's responsibility under the State's Disaster Control Act, so we note the function here even though the Office of Emergency Management (OEM) is located within the Division of the State Police, Department of Law and Public Safety. The State Police Superintendent is designated as the State Director of OEM.

B. Chief Counsel to the Governor

The Chief Counsel is the only member of the Governor's staff whose office is grounded in statute. See *N.J.S.A. 52:15-8*. The statute broadly authorizes the Chief Counsel to act as legal advisor to the Governor. The current staff structure of the Chief Counsel's Office includes two Deputy Chief Counsels, a First Assistant Chief Counsel and a Director of the Authorities Unit – each of whom reports directly to the Chief Counsel; a Senior Associate Counsel; Assistant Counsels who report to one of the two Deputy Chief Counsels; and Assistant Counsels who report to the Director of the Authorities Unit. In total, the present office is comprised of approximately a fifteen-member legal staff, in addition to support staff.

C. Office of Economic Growth

The Chief of the Office of Economic Growth (OEG) holds cabinet-level status and reports directly to the Governor. Codified by gubernatorial executive order, the Office is currently staffed with six individuals, consisting of the Chief, one Correspondence Assistant, one Legislative Assistant, two Constituent Services staff members and an Administrative Assistant. OEG is responsible for the overall strategy and direction of State government activities that affect New Jersey businesses.

D. Office of Homeland Security and Preparedness

The Office of Homeland Security and Preparedness (OHSP) was created pursuant to gubernatorial executive order to deal with terrorism and counter-terrorism efforts. OHSP is a cabinet-level office located in, but not of, the Department of Law and Public Safety. The Homeland Security Director reports directly to the Governor on terrorism issues and provides intelligence and analysis relevant to potential terrorist threats. It also coordinates New Jersey's counter-terrorism and general preparedness efforts and emergency response efforts across all levels of government.

E. Office of the State Inspector General

The Office of the State Inspector General (OIG) is an agency created by statute and located in, but not of, the Department of Treasury. As required by statute, the Inspector General reports directly to the Governor, who appoints the Inspector General for a five-year term with the advice and consent of the Senate. OIG has seventeen full-time employees with one position currently vacant. OIG is charged with investigating fraud, waste and abuse of State funds and public contracting. The Inspector General's current term expires on June 30, 2010.

F. Executive Protection Bureau

The Executive Protection Bureau (EPB) is located in the Division of the State Police, within the Department of Law and Public Safety but essentially is under the direction of the Governor's Chief of Staff. Its primary mission is to provide protective services to a certain number of officials, including the Governor and Governor's family, as well as the Attorney General and other officials as the Governor may direct. The newly created position of Lt. Governor has been added to the list of those protected by the EPB.

III. The Christie-Guadagno Administration:

Proposed Structure and Staff Responsibilities for the Governor's Office

Our understanding, as validated by the appointments of the incoming Chief of Staff and Chief Counsel, is that the Governor-elect has embraced a "two chiefs" model, with each major function of the Governor's Office falling under one of the two chiefs. With that assumption, we propose a structure to build around the two chiefs model. Our guiding principles were efficiency

and effectiveness. We also were mindful of budget constraints. Our goal is to present a structure that will reflect the best practices of prior administrations and be in line with the thinking of the incoming administration. A key element of the model is a close, daily coordination between the Chief of Staff and Chief Counsel (and their respective staffs) on all major aspects of the Governor's Office. We already have observed such coordination between the incoming chiefs during this transition period.

Without intending any criticism of current Governor's Office personnel, our proposed structure differs from the present structure in several respects. In response to our sense that the present Governor's Office is top-heavy on managers, we recommend reducing the number of Deputy Chiefs of Staff from four to two; eliminating one Deputy Chief Counsel position and the First Assistant Chief Counsel position, and transferring the function of the Office of Economic Growth to the State Department or combining it with other existing or proposed economic development programs.

Consistent with the two chiefs model, our proposal also eliminates the Policy Counsel position, merging it into a Deputy Chief of Staff for Policy and Planning. We have also merged certain other functions into a second deputy – the Deputy Chief of Staff for Intergovernmental Affairs and Administration. In so doing, we recommend reducing the number of dual-line reports to achieve a more structured environment. We intend that the savings achieved by this restructuring will fund a new staff position dedicated to the Lt. Governor and finance other aspects of our recommended structure without exceeding current appropriations for the Governor's Office.

A. Governor's Chief of Staff

The Chief of Staff should be primarily responsible for managing the operations and administration of the front office and implementing the Governor's policy agenda. It should be known that when he speaks, he speaks for the Governor himself. Should that assumption ever be broken, the Chief of Staff will quickly diminish in effectiveness, which ultimately would inure to the Governor's detriment.

With regular input from the Chief Counsel, the Chief of Staff should be primarily responsible for establishing the Governor's daily schedule; serving as the principal supervisor of the Washington, D.C. Office; serving as the chief liaison on policy matters, in close coordination

with the Chief Counsel; serving as the principal liaison with the cabinet on all matters and personnel issues, except for legal and legislative matters being handled by the Chief Counsel; serving as the principal liaison to federal, county, and municipal officials as well as to constituency groups; managing the Office of Constituent Relations (OCR); serving as, in coordination with the First Lady, the principal supervisor of an Office of Protocol; serving as the chief formulator and implementer of the Governor's message; serving as the principal point of contact with the Executive Protection Bureau and emergency management personnel, including the Homeland Security Director; overseeing gubernatorial appointments, except for judicial and prosecutorial appointments to be managed by the Chief Counsel; and managing all other personnel and administrative issues.

As already suggested, our model includes four principal line reports to the Chief of Staff: the Deputy Chief of Staff for Policy and Planning; the Deputy Chief of Staff for Intergovernmental Affairs and Administration; the Director of Communications; and the Office of Protocol.

1. The Deputy Chief of Staff for Policy and Planning

The Governor's Policy Office

Choosing the correct structure and personnel for guiding policy is an important decision for a Governor. A clear policy agenda sets the tone for the Governor and implementation of that agenda is what creates a legacy for his administration. It is imperative that the policy function is close to the Governor's inner circle of decision makers. Former Governors have followed different structures in their Policy Offices; however, all existed to help ensure that the departments and agencies implemented the Governor's agenda. The administrations where Governors' staff and cabinet all understood the policy agenda and worked in unison to implement it were the most successful at addressing the public's needs and creating a lasting legacy.

a. Deputy Chief of Staff for Policy and Planning. We understand that a Deputy Chief of Staff for Policy and Planning essentially will serve as Policy Director. That person should have a small team of advisors, perhaps six in total, that will monitor the implementation of policy and keep the cabinet on track to meet the Governor's objectives. There should be one Policy Advisor assigned for each of the most important issues identified by the Governor, such as

economic development, education, healthcare, and so forth. One model is for every Policy Advisor to have one major department or area, and then two smaller or less demanding departments. Issue assignments to Policy Advisors should closely mirror issues assigned to Assistant Counsels (see below) to promote efficiency, coordination and communication among staff on important issues.

The Deputy Chief of Staff for Policy and Planning should be a trusted member of the senior staff and close to decision-making; keep the cabinet's implementation of initiatives on track, especially when two or more departments or agencies are responsible for a particular issue; be the point person on that issue to ensure its successful implementation, or raise concerns if it goes off track; work closely with the Office of Communications on key gubernatorial speeches; provide information for and advice to the Office of Constituent Relations to ensure a unified message is given to constituents; and work with the Operations Unit to reinforce policy initiatives through the Governor's scheduling activities.

b. Policy Advisors. A Policy Advisor also may serve other roles, such as a speechwriter or as a special liaison to the new position of Lt. Governor. Policy Advisors should be strong writers with solid experience in the fields to which they are assigned. They must be able to convey ideas precisely and give the Governor, Chief of Staff and Chief Counsel the ability to have the information needed to make informed decisions on a timely basis. Policy Advisors should coordinate their efforts closely with the appropriate Assistant Counsels in the Counsel's Office and vice versa. The Policy Office should be a unit located near the Governor's suite of offices. This not only shows the outside world the importance to the Governor of policy and that he is personally committed to implementing his promises and agenda, but also provides easy communications among members of the senior staff. The Deputy Chief of Staff for Policy and Planning should help the Chief of Staff perform his functions by keeping him advised on how the Governor's agenda is being managed. The Deputy Chief of Staff should be part of the budget planning process to integrate budget and policy consistent with the Governor's agenda.

c. Washington, D.C. Office. We recommend that the Washington Office be expanded to create a greater presence for New Jersey and to coordinate issues more closely with the State's federal representatives. We recommend that the Washington Office report through the Deputy Chief of Staff for Policy and Planning to the Chief of Staff and that the Deputy Chief be the day-to-day contact for that Office.

d. Cabinet Liaison. We recommend that the Policy Office also oversee the cabinet liaison function to coordinate initiatives among various cabinet posts and monitor progress on the Governor's policy initiatives.

2. The Deputy Chief of Staff For Intergovernmental Affairs and Administration

This Deputy Chief would supervise the units responsible for scheduling, briefings and advance; non-legal appointments; intergovernmental affairs; constituent relations; and administration, personnel and information technology.

a. Operations Unit: Responsible for Scheduling, Briefings and Advance. We would retain this unit of the current Governor's office in essentially the same form. Combining scheduling, briefings and advance into a single unit is efficient. We would retain the current number of positions, including one Director; two to three Schedulers; two Briefing Representatives, two Advance persons, and one Administrative Assistant. We would envision that the Director would interface with the Lt. Governor's Chief of Staff and that the unit would be responsible for the Lt. Governor's schedule as well. (That might require the hiring of additional personnel depending on the volume of work generated by handling both the Governor's and Lt. Governor's schedule, but we would begin with the existing number of positions.)

b. Appointments. As noted, this Deputy Chief of Staff would also oversee non-legal and non-prosecutorial appointments, in close coordination with the Chief Counsel's Office.

c. Intergovernmental Affairs, Elected Officials, Office of Constituent Relations. This aspect of the Deputy Chief's job would include the following tasks: he should liaison directly with local and county officials on matters of importance to the Governor; interact with local and county officials prior to a local visit by the Governor; monitor the sentiments of local and county officials on issues important to them; and also supervise an Office of Constituent Relations responsible for responding to letters and electronic communications from members of the public. His role fits well with the roles of others we envision. With the Counsel's Office interfacing with state legislators and the Washington Office interfacing with federal officials, this Deputy Chief of Staff would interface with local and county officials so that all major categories of officials would have a senior point of contact within the Governor's Office.

We further recommend that the Deputy Chief have at least eight staffers under him, with responsibilities broken down along geographic lines to allow the staffers the ability to develop relationships with important local constituencies. Regional assignments should keep the sheer number of contacts at a more manageable level. If possible, staffers also should be assigned to serve as points of contact with statewide constituencies. One important such constituency and responsibility would be minority community outreach on behalf of the Governor. Finally, we recommend that the Office of Constituent Relations receive adequate staff support. The OCR should have at least ten employees to develop and maintain the communication infrastructure necessary for the Governor to communicate effectively with his constituents.

d. Administration and Personnel, Office of Information Technology and Chief Technology Officer. These functions concern the day-to-day operations of the Governor's Office. We envision the Director of this unit would report to the Deputy Chief of Staff.

3. Communications

We recommend a Director of Communications would head the Office of Communications and report to the Chief of Staff. The Office would include a Press Secretary to the Governor who, along with the Director, should enjoy direct access, when needed, to the Governor in order to communicate accurately administration positions and respond to press inquiries on a timely basis. We also recommend that a position be created within this Office dedicated specifically to electronic communications, including e-mail, Twitter, and other web-based forms of communication. The current Communications Office is comprised of a total of approximately fourteen positions. We envision the Office under the incoming Governor would be about the same size. The Director and Press Secretary should interface regularly with the public information officers at the executive departments and establish a system of coordination among them.

4. Office of Protocol

We recommend the creation of an Office of Protocol, housed in the Statehouse with a satellite office at Drumthwacket, the executive residence. We suggest up to three positions, e.g., a Director, Deputy Director, and Administrative Assistant. The Director would report to the First Lady and the Governor's Chief of Staff. The Office's responsibilities would include

overseeing the First Lady's calendar and reviewing requests for the First Lady to attend events; managing official events hosted by the Governor and First Lady; overseeing and coordinating the use of Drumthwacket and interacting with the Drumthwacket Foundation; administering the Governor's discretionary fund; maintaining and cataloging official gifts given and received by the Governor and First Lady; and attending and confirming meetings with foreign dignitaries.

5. Aide to the Governor

This person is sometimes called the "body man" or "traveling aide" because of his or her role in traveling with the Governor, serving as the Governor's point of contact when on the road, interacting with members of the public while at gubernatorial events, and tending to other issues of the chief executive. Whatever the position ultimately is called, we recommend that it exist, consistent with the bipartisan practice of numerous prior administrations. (This Aide is separate from the Executive Assistant in Trenton who would be responsible for the Governor's personal correspondence, etc.)

B. Chief Counsel to the Governor

As noted above, the Legislature created the statutory office of Governor's Counsel in recognition of the fact that the Governor needed a legal advisor (apart from the Attorney General) who could assist the chief executive in a wide range of matters on a close-knit, day-to-day basis. As the Governor's chief legal advisor, the Chief Counsel is broadly empowered to give legal advice to the Governor, to advise the Governor regarding the constitutionality of legislation, to "examine and decide all legal matters" for the Governor, to carry out investigations for the Governor, to oversee litigation and to attend to all legal matters in which the Governor is interested or involved. In addition, the Chief Counsel is authorized, at the Governor's direction, "[to] act for [the Governor] in any matter in which he may be interested." See N.J.S.A. 52:15-8.

Primary Responsibilities. Consistent with his statutory duties, we propose that the Chief Counsel's duties include the following: managing proposed administration bills through the legislature and all corresponding tasks associated with the legislative function; translating administration policy into legislative proposals and administrative regulations; acting as a liaison between the Governor and cabinet officers and with the Governor's Washington Office on

legislative matters; advising the Governor on legal matters relating to proposed legislation, administrative regulations, the legal aspects of public policy and other legal matters; supporting the Office of Constituent Relations in answering constituent mail regarding legislation or legal matters; meeting with the general public, citizen groups, special interest organizations, and municipal and county officials regarding legislation; and solving legislative or legally related problems with State agencies and other parties on behalf of the Governor. Included in the legislative function would be the drafting of all veto and conditional veto messages. Consistent with what we already have observed, in carrying out his responsibilities, the Chief Counsel should work closely with the Chief of Staff to ensure a unity of purpose and maximize the efficiency and effectiveness of the front office.

In furtherance of the Governor's decision-making on proposed legislation, the Office of Chief Counsel (OCC) traditionally prepares a passed bill memorandum for each bill delivered to the Governor's desk. These memoranda address the legal and public policy implications that would redound from gubernatorial action on a passed bill. The passed bill memorandum contains a consideration and review of department comments, fiscal implications, statements by advocates and opponents, and an evaluation of general public policy and legal ramifications of the bill. (As a point of reference there are approximately 6,000 legislative bills introduced at each two-year session of the New Jersey Senate and General Assembly.) The OCC provides advice to the Governor on the constitutionality of bills, as well as any legal or policy problems presented by them. The Chief Counsel's attorneys attend legislative committee meetings and sessions to monitor the progress of bills, confer with bill sponsors, and coordinate the testimony of the representatives of the various State agencies at committee meetings.

Moreover, the OCC is traditionally responsible for drafting and reviewing proposed executive orders prior to their issuance by the Governor, executive reorganization plans, as well as emergency regulations, which, by law, require the Governor's approval. In addition, the Chief Counsel is historically responsible for interviewing, screening, and making recommendations to the Governor with respect to judicial and prosecutorial appointments. Depending on the particular administration, the OCC also can be involved in non-judicial and non-prosecutorial appointments particularly as they relate to senatorial courtesy issues and securing confirmations for such appointments. The Chief Counsel is charged with reviewing all applications for pardons, reprieves, and other forms of executive clemency, and for providing advice to the Governor on

those applications. Under various administrations, the Chief Counsel also has served as the Chief Ethics Officer for the Governor's Office.

We endorse the foregoing traditional functions and recommend that the incoming Chief Counsel be authorized to undertake them. The physical office of the Chief Counsel is presently located across the hall from the Governor's suite of offices. We endorse a return to the Kean, Whitman and DiFrancesco models in which the Chief Counsel resided in one of the two offices adjoining the Governor's personal office in the Governor's suite of offices. That would reinforce the Chief Counsel's high standing, which ultimately benefits the Governor – especially when interacting with legislators. Similar to the Chief of Staff, when the Chief Counsel speaks he must be viewed as speaking for the Governor himself.

Staff and Structure. Our proposed structure of the OCC is comprised of the Chief Counsel, one Deputy Chief Counsel, a Special Legislative Counsel, a Director of an Authorities Unit, two Associate Counsels, ten Assistant Counsels, and a Director of the Office of Employee Relations. As noted earlier, the OCC also has a support staff comprised of non-lawyer professionals, secretaries, a receptionist and clerks. The Chief Counsel's Office should work closely with the Policy Office to help promote efficient coordination and ensure uniformity in the Governor's policies. We recommend the following specific roles for the subordinates of the Chief Counsel:

1. Deputy Chief Counsel. The Deputy Chief Counsel would, as the name suggests, be the number two person in the OCC, fill in for the Chief Counsel as needed, oversee two Associate Counsels, manage the administrative and support staff of the OCC, and undertake any other assignment given to him by either the Governor or Chief Counsel. He would report directly to the Chief Counsel.

2. Special Legislative Counsel. This person would coordinate all legislative affairs on behalf of the Chief Counsel; be a point of contact for the legislature and legislative staff on legislation; interface with appropriate staff in the Chief of Staff's Office on matters involving legislative issues including scheduling, press, appointments, policy and cabinet related issues. He or she would report directly to the Deputy Chief Counsel.

3. Director, Authorities Unit. A Director of the Authorities Unit would oversee the work of that unit, as more fully described below. He or she would report directly to the Chief Counsel.

A significant part of State government operations is carried out by approximately fifty independent authorities, boards and commissions. Under the supervision of the Chief Counsel and a Director of the Authorities Unit, a staff of four lawyers and non-lawyer professionals should be responsible for overseeing the work of these entities, which employ thousands of individuals and have large operating budgets. The Governor has statutory authority to veto actions approved by the governing body of approximately thirty of these agencies, although they are independent of the State departments in which they are allocated. The power is exercised through a gubernatorial review and possible veto of the minutes of meetings at which actions have been taken contrary to administration policy.

The Authorities Unit should monitor the authorities' day-to-day activities, policies and financial decision-making. The Assistant Counsels in this unit should be responsible for reporting on all decisions made by the authorities at their meetings and for providing policy guidelines to the authorities as necessary to the Governor through the Chief Counsel. The Assistant Counsels in the Authorities Unit may also provide advice to the Governor on legal and policy matters handled by the authorities.

4. Associate Counsels. We recommend that two Associate Counsels oversee, manage and coordinate all assignments for designated Assistant Counsels. The Associate Counsels would report to the Deputy Chief Counsel. If the front office has enhanced budget responsibilities (see section below), at least one Associate Counsel would serve as a liaison to the State Treasurer with the support of an Assistant Counsel assigned to the Department of Treasury. The other Associate Counsel would oversee all appointments involving the OCC, including judicial and prosecutorial appointments and securing confirmations for all appointments (working with the appropriate Assistant Counsel or Special Legislative Counsel). With the approval of the Chief Counsel, the Deputy Chief Counsel would divide responsibilities between the two Associate Counsels for the remaining OCC duties, including the review of applications for pardons and executive clemency, the drafting of executive orders and reorganization plans, and administration of the Governor's Office ethics code.

5. Assistant Counsels. The responsibilities of the Assistant Counsels (not including those in the Authorities Unit) may be structured in a number of ways. Each Assistant Counsel could be assigned two or three executive departments and be responsible for all legislative matters involving those departments. This would include coordinating department legislative

liaisons and interaction with cabinet officers, etc. The Assistant Counsels would be assigned bills to review based on whether their assigned departments would have the primary interest in the bill. Typically, the Assistant Counsels would then tend to have most of their bills assigned to legislative committees that, generally speaking, impact the departments to which they are assigned. This would enable the Assistant Counsel to develop key relationships with committee staff, including the partisan staff. We recommend a minimum of ten Assistant Counsels (including the Authorities Unit). If the budget permits, we would endorse the hiring of an additional two Assistant Counsels.

6. Director, Office of Employee Relations. This unit, principally involved in public employee union contract issues, should be staffed by someone well versed in those issues and report to the Chief Counsel. Preferably, the Director should be an attorney with experience in labor law. This recommendation, if implemented, would represent a transfer of this unit from the Chief of Staff's Office to the OCC.

C. The Lt. Governor

As Secretary of State, the Lt. Governor will have the staff support of the State Department as well as a physical location in the Statehouse. In addition to that infrastructure, we recommend that there be at least one staff position created – the Chief of Staff to the Lt. Governor – whose responsibilities would focus exclusively on gubernatorial issues. The Lt. Governor's Chief of Staff should be considered an integral part of the Governor's senior staff and enjoy direct access to the Governor's Chief of Staff and Chief Counsel; have access and be able to draw on resources in the Governor's Scheduling, Communications, Advance and other offices; and be considered the eyes and ears of the Lt. Governor during her absence from meetings and deliberations within the Governor's Office. During the course of our work, we were impressed by the level of coordination between the Governor-elect and Lt. Governor-elect and the Governor-elect's obvious commitment to making the Lt. Governor a full partner in the administration. We believe a Chief of Staff to the Lt. Governor as described above will effectuate that partnership within existing budget constraints.

D. Governor's Office Budget

Mindful of fiscal constraints, we have tried to remain within existing budget boundaries in proposing the structure and staffing for the incoming administration. As noted earlier, the current budget funds four Deputy Chief of Staff positions, two of which we recommend eliminating or consolidating into other units. Similarly, we recommend the elimination of one of the existing Deputy Chief Counsel positions and the First Assistant Chief Counsel position. The elimination of those positions, in addition to the merging of the existing Policy Counsel and the transferring or consolidating of the Office of Economic Growth, should permit the new administration to create an Office of Protocol without increasing the current bottom line of the budget as well as to create our proposed Chief of Staff to the Lt. Governor and fund the other recommended positions, including the Special Legislative Counsel position.

E. Homeland Security and OIG

We recommend retaining the Office of Homeland Security and Preparedness essentially as presently constituted. The Office's Director should provide reports and assessments to not only the Governor but the Lt. Governor as well. Regarding the Office of Inspector General, our understanding is that the Governor-elect's proposed elected State Auditor can be combined with the OIG in a new surviving entity. The Inspector General will remain as a direct line report to the Governor unless or until the OIG's enabling statute is repealed or modified.

F. Advisory Panels

Like many of his predecessors, the outgoing Governor created a number of commissions and advisory panels to advise him in certain areas. A partial list of these panels is attached as an Appendix to this report. Space does not permit us to critique each panel in this report. Suffice it to say that the incoming administration must decide which of these committees should continue and which might be retired. We do, however, wish to endorse at least one panel for continuation, i.e., the judicial advisory panel. This panel has existed in one form or another over the past number of administrations on a bipartisan basis. It provides an excellent sounding board by which to evaluate potential judicial appointments, among the most important of any gubernatorial appointments.

G. “Day One” Issues

1. Ethics Policy. We understand that an ethics and gift policy for the Governor’s Office is being drafted at the Transition Office and will be signed by the Governor on Inauguration Day in the form of an executive order.

2. Emergency Management. We recommend, if a briefing has not already occurred, that the State Police Superintendent brief the Governor-elect, Lt. Governor-elect, and the incoming senior staff on emergency management procedures.

3. The State Budget. Given the difficult fiscal climate we face, the Governor’s Office should play a dominant role in all matters relating to the formation of the State budget. More specifically, the front office should be principally involved in planning, developing and presenting the budget, in concert with the State Treasurer. This task includes briefing legislators, the cabinet, media and constituency groups as to the contents of the proposed budget; managing budget proposals internally; and recommending any line item vetoes of the budget bill. Under varying models of prior administrations, either the Chief of Staff or Chief Counsel took the lead on the budget. It is possible, of course, that they could have shared responsibility. Irrespective of how the incoming Governor allocates this function, the key point is that we recommend a return to the model in which the front office played a central and definitive role in respect of the State budget.

4. OPRA. Attention should be given to the extent to which the Open Public Records Act applies to the Governor’s Office in light of the exceptions found in the statute as well as judicially-recognized privileges, including executive privilege, the deliberative-process privilege and the attorney-client privilege.

5. ARRA. The Governor’s Chief of Staff is currently designated as the “implementation czar” under the American Recovery and Reinvestment Act. We have not reviewed whether that designation should remain in the Governor’s Office or be transferred elsewhere, assuming that this question will be addressed by the budget task force or Treasury Department subcommittee.

6. The Legislature. Interaction with the Legislature is a vital task that will remain throughout the new Governor’s tenure. We note it here only to emphasize the importance of speaking with one voice when interfacing with lawmakers and of focusing on legislative needs and concerns as they affect pending bills, appointments, constituency relations, and a host of other matters. Regarding the legislative function, we recommend that the Governor’s Office

interact with lawmakers via the Chief Counsel's Office. Regarding other functions of the Governor's Office, the Chief of Staff might be the point of contact with lawmakers. Whoever ultimately interacts with a legislator on a given issue, it is incumbent on the Chief of Staff and Chief Counsel to keep the other constantly updated on his respective contacts and conversations to ensure that the Governor's agenda is advanced in unison by the front office.

IV.

Conclusion

At this point in its history, New Jersey needs a strong Governor with a strong Governor's Office to support him. We have offered a blueprint to provide the incoming Governor with the staff infrastructure and resources to enable him to maximize the statutory and constitutional tools at his disposal to best serve the public. No one model, however, is definitive. Consistent with the Governor-elect's managerial prerogatives, we would expect departure from our proposed model depending on circumstances as they unfold in the course of the next four years or in line with the reasoned judgment that any Governor is entitled to make regarding his or her front office. Even among ourselves, we might individually choose a different model. That said, there is no question in our minds that whatever model is utilized, the critical goals are to create a division of labor between the Chief of Staff and Chief Counsel that efficiently and effectively advances the Governor's agenda on behalf of the public and to integrate the Office of Lt. Governor in a way that makes sense for taxpayers and fulfills the incoming Governor's stated vision of making the Lt. Governor a full partner in his administration. This report reflects our collective best judgment on how to achieve those goals.

Thank you for the opportunity to present this final report. We are available to discuss it in further detail at your convenience.