



NEWS RELEASE

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Total lobbying expenditures in New Jersey fell by \$5.1 million in 2014, an 8.1 percent decrease compared to the previous year, according to an analysis of annual lobbying reports released today by the New Jersey Election Law Enforcement Commission.

Preliminary numbers indicate \$58.3 million was expended on lobbying in 2014.

Table 1
Total Spending by Lobbyists in New Jersey 2010-2014

YEAR	EXPENDITURES	CHANGE-\$	CHANGE-%
2014*	\$ 58,262,608	\$ (5,116,206)	-8.1%
2013	\$ 63,378,814	\$ 5,341,014	9.2%
2012	\$ 58,037,800	\$(16,111,882)	-21.7%
2011	\$ 74,149,682	\$ 8,253,560	12.5%
2010	\$ 65,896,122	\$ 8,331,079	14.5%

*Preliminary

Jeff Brindle, ELEC's Executive Director, said lobbying expenditures tend to ebb and flow depending on the issues dominating the statehouse.

"Looking back at the past five years, you can see lobbying expenditures vary annually. Some years are calmer than others because there are fewer controversial issues," he said. "2014 appears to be similar to 2012 in terms of the intensity of issues and level of spending."

Brindle said spending also can be driven up if big interest groups engage over an issue. "When wealthier, more powerful interest groups perceive an issue as a major threat or benefit, spending can soar. That did not occur in 2014," he said.

An example was the 2006 clash between Verizon NJ and cable companies over local television franchising rights. That showdown alone cost an estimated \$10 million.

Some key issues in 2014 included a move to improve the financial health of the state's Transportation Trust Fund; legislation (A-2035/S-927) that would revamp the law governing auto dealerships; a November 2014 ballot question approved by voters that created new funding for open space acquisitions; a bill (A-3628/S-2412) enacted by Governor Christie that allows towns to privatize their aging water systems without a public vote; and a bill (A-3840/S-2485) that would prevent operators of religious cemeteries from owning funeral homes.

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“Missing, however, was any riveting educational issue that involved the New Jersey Education Association (NJEA), a big spender on issue advocacy in past years,” Brindle said.

AARP NJ, a New Jersey chapter of an association that represents 37 million members nationally, topped all special interest organizations in 2014 by spending \$1.6 million. That figure was more than double the \$717,148 spent by the group in 2013.

The overall total was the second highest spending ever reported by the AARP NJ. Its \$1.4 million total in 2006 was slightly higher when adjusted for inflation. The AARP’s outlay for communications in 2014- \$1.2 million- was its largest ever in that category.

AARP supported legislation (A-2354/S-785) that would require employers to provide earned paid sick leave to their workers in New Jersey. It also advocated a bill (S-841/A-1855) that would provide a tax credit of up to \$675 to families who care for chronically ill or elderly relatives, and backed a bill (A-2955/S-2127) enacted by Governor Christie that allows hospital patients to designate a caregiver for post-hospital care.

**Table 2
Top 10 Special Interest Organizations
by Total Spending in 2014**

ORGANIZATION	SPENDING
AARP NJ	\$ 1,645,217
Honeywell International Inc.	\$ 780,000
Verizon NJ	\$ 719,986
Prudential Financial Inc.	\$ 716,340
Alliance of Automobile Manufacturers	\$ 557,842
Public Service Enterprise Group	\$ 530,177
First Energy/Jersey Central Power and Light	\$ 525,051
NJ State League of Municipalities	\$ 513,407
New Jersey Hospital Association	\$ 489,804
Horizon Blue Cross Blue Shield of NJ	\$ 483,494

The top two spenders, respectively, in 2013- NJEA and Americans for Prosperity- dropped off the top 10 list in 2014, as did Hackensack University Medical Center.

New to the list in 2014 were the Alliance of Automobile Manufacturers, First Energy/Jersey Central Power and Light, and Horizon Blue Cross Blue Shield of NJ.

Overall, insurance companies reported lobbying expenditures of \$4.2 million in 2014- the most of any special interest segment.

Hospitals, the biggest spenders in 2013 at \$4.6 million, slipped to second last year, spending \$3.4 million.

**Table 3
Top 5 Special Interest Groups
by Total Spending in 2014**

SPECIAL INTEREST GROUP	SPENDING
Insurance	\$ 4,219,923
Hospitals	\$ 3,388,992
Energy	\$ 3,174,026
Business- Miscellaneous	\$ 2,942,231
Ideological	\$ 2,249,625

Spending on communications, a major lobbying activity in recent years, fell 45 percent in 2014 to \$3.7 million.

Table 4
Spending on Lobbying Communications - 2010-2014

YEAR	AMOUNT	CHANGE-\$	CHANGE-%
2014	\$ 3,719,936	\$ (3,096,043)	-45%
2013	\$ 6,815,979	\$ 4,608,363	209%
2012	\$ 2,207,616	\$ (12,979,720)	-85%
2011	\$15,187,336	\$ 4,844,019	47%
2010	\$10,343,317	\$ 4,215,953	69%

AARP NJ led the top five communications spenders.

Table 5
Spending on Lobbying Communications in 2014

GROUP	AMOUNT
AARP NJ	\$ 1,198,627
Alliance of Automobile Manufacturers	\$ 401,222
Americans for Prosperity	\$ 227,538
Altria Client Services Inc and Affiliates	\$ 222,102
NJ Association of Realtors Issues Mobilization PAC	\$ 153,676

Most of the reduction in lobbying expenditures in 2014 came from a decrease in communications outlays along with reductions in in-house salaries and compensation paid to outside agents.

Table 6
Lobbying Expenses by Category

EXPENSE CATEGORY	2014	2013	CHANGE-\$	CHANGE-%
In-House Salaries	\$ 34,646,562	\$ 35,912,147	\$ (1,265,858)	-4%
Compensation to Outside Agents	\$ 15,009,476	\$ 15,808,219	\$ (798,743)	-5%
Communications	\$ 3,719,936	\$ 6,815,979	\$ (3,096,043)	-45%
Support Personnel	\$ 2,330,556	\$ 2,363,020	\$ (32,464)	-1%
Travel and Lodging	\$ 543,065	\$ 529,637	\$ 13,428	3%

For the eighth consecutive year, the amount spent by lobbyists on “benefit passing”- gifts like meals, trips or other things of value- continued to drop, falling to a new record low of \$3,162. The figure has steadily dwindled since peaking at \$163,375 in 1992.

Table 7
Total Spending on Benefit Passing
Unadjusted for Reimbursements

YEAR	TOTAL SPENT ON BENEFIT PASSING	CHANGE IN %
2014	\$ 3,162	-21%
2013	\$ 4,022	-29%
2012	\$ 5,652	-1%
2011	\$ 5,687	-24%
2010	\$ 7,476	-22%

Lobbyists reported serving on 174 appointed seats with public authorities, boards and commission- the same number as in 2013. Some lobbyists sit on multiple boards.

The average number of lobbyists rose by 1 percent from 910 to 917 in 2014. The number peaked at 1,043 in 2008. The number of clients fell 6 percent from 2,065 to 1,942.

For the twelfth straight year, Princeton Public Affairs Group Inc. reported the highest receipts among multi-client firms. While some rankings changed, the same top ten firms on the list for 2014 were also on the list in 2013.

**Table 8
 Top Ten Multi-Client Firms Ranked by 2014 Fees**

FIRM	2014 RECEIPTS
Princeton Public Affairs Group Inc	\$ 9,374,310
Public Strategies Impact LLC	\$ 6,288,639
MBI Gluckshaw	\$ 4,203,621
Kaufman Zita Group LLC	\$ 2,238,582
Gibbons PC	\$ 2,143,778
Cammarano Layton and Bombardieri Partners LLC	\$ 2,109,500
Optimus Partners LLC	\$ 1,434,150
MWW Group	\$ 1,354,531
Capital Impact Group	\$ 1,255,608
Riker Danzig Scherer Hyland & Perretti LLP	\$ 1,086,976

At the federal level, spending by lobbyists fell for the fourth straight year, according to the Center for Responsive Politics. Federal lobbying expenditures fell 1 percent to \$3.21 billion.

Lobbyists have been active in other states as well as New Jersey. For instance, they spent \$37 million in Michigan and \$18.4 million in Kentucky in 2014.

While 2014 numbers aren't yet available for Pennsylvania, New Jersey's neighbor saw a record \$518 million spent there in 2013.

Summary data provided above should be considered preliminary and incomplete.

This analysis reflects reports received as of 5 p.m. on March 3, 2015. In New Jersey, lobbyists who raise or spend more than \$2,500 were required to file a report on February 17th that reflects activity from the prior calendar year.

Summary information about lobbyist activities in 2014 can be obtained at the following website: http://www.elec.state.nj.us/publicinformation/gaa_annual.htm. Copies of annual reports also are available on ELEC's website.

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