



NEWS RELEASE

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Increased spending on issues such as education, public worker pensions, transportation, and hospitals drove lobbying expenditures in New Jersey in 2015 to \$70 million, the second highest total ever, according to an analysis of annual lobbying reports released today by the New Jersey Election Law Enforcement Commission (ELEC).

Table 1
Total Spending by Lobbyists in New Jersey 2010-2015

YEAR	EXPENDITURES	CHANGE-\$	CHANGE-%
2015*	\$ 70,039,926	\$ 11,165,981	19.0%
2014	\$ 58,873,945	\$ (4,504,869)	-7.1%
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

“Spending by lobbyists in 2015 reached its highest level in five years,” said Jeff Brindle, ELEC’s Executive Director. “Some years are more active than others in the Statehouse. 2015 was one of them.”

Brindle said three main factors seemed to drive the increase. They were a large increase in spending by the union that represents New Jersey teachers, heavy communications spending related to proposed funding of the state’s Transportation Trust Fund, and an upsurge in spending by hospitals.

Table 2
Top 10 Special Interest Organizations
Total Spending 2015 vs 2014

ORGANIZATION	2015	2014	CHANGE-\$	CHANGE-%
New Jersey Education Association	\$ 10,348,911	\$ 351,600	\$ 9,997,311	2843%
AARP NJ	\$ 1,723,847	\$ 1,645,217	\$ 78,630	5%
Forward NJ	\$ 934,798	\$ 61,000	\$ 873,798	1432%
Prudential Financial Inc.	\$ 807,855	\$ 716,340	\$ 91,515	13%
Engineers Labor Employer Cooperative	\$ 748,611	\$ 219,795	\$ 528,816	241%
Verizon NJ	\$ 710,490	\$ 719,986	\$ (9,496)	-1%
Virtua Health Inc.	\$ 624,670	\$ 247,306	\$ 377,364	153%
Horizon Blue Cross Blue Shield of NJ	\$ 621,029	\$ 483,494	\$ 137,535	28%
Honeywell International Inc.	\$ 554,419	\$ 780,000	\$ (225,581)	-29%
First Energy/Jersey Central Power and Light	\$ 545,008	\$ 525,051	\$ 19,957	4%

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New Jersey Education Association (NJEA), which represents 195,501 teachers and other members statewide, led the top ten spenders for the fourth time in six years by spending \$10.3 million. The only year it spent more was in 2011, when it set an all-time record for lobbying groups with an \$11.3 million outlay in a single year.

NJEA spending appeared to be driven up by two major ad campaigns last year. In February, it began a six-week television and online advertising campaign that raised concerns about Partnership for Assessment of Readiness for College and Careers (PARCC) testing. In May, it launched a \$750,000 per week advertising drive lasting “several weeks” that urged the state to fully fund the state’s pension plan.

Forward NJ and Engineers Labor Employer Cooperative, two coalitions of labor and business that support a new plan to finance the state’s transportation infrastructure, increased their spending by a combined \$1.4 million in 2015. They, too, ran an advertising campaign.

Hospitals, who traditionally are one of the most active lobbying groups, were faced with several issues last year. One was the OMNIA plan proposed by Horizon Blue Cross Blue Shield of New Jersey to create tiered networks, leaving both potential winners and losers among hospitals.

A tax court ruling prompted the Legislature to examine the local tax obligations of non-profit hospitals. Another law allowed Cooper University Hospital to take over paramedic services in Camden from Virtua Health Systems. Yet another issue generating widespread debate was a bill to resolve how providers and insurers resolve out-of-network billing disputes.

Four groups- NJEA, Forward NJ, Engineers Labor Employer Cooperative, and Virtua Health Inc.- joined the top ten list in 2015. Four others - Alliance of Automobile Manufacturers, Public Service Enterprise Group, NJ State League of Municipalities, and New Jersey Hospital Association- slipped off the list.

Unions, led by NJEA, topped all lobbying expenditures at \$11.5 million in 2015- a 731 percent increase from the previous year. Hospitals, who also were the second biggest spenders in 2014, shelled out \$4.8 million- a jump of 42 percent. While transportation interests ranked eighth, they increased their expenditures by 134 percent to \$2.1 million.

Table 3
Top 10 Special Interest Groups
by Total Spending in 2015

SPECIAL INTEREST GROUP	2015	2014	CHANGE-\$	CHANGE-%
Unions	\$11,474,662	\$1,380,491	\$10,094,171	731%
Hospitals	\$ 4,813,455	\$3,388,992	\$ 1,424,463	42%
Insurance	\$ 4,153,603	\$4,219,923	\$ (66,320)	-2%
Energy	\$ 3,263,351	\$3,174,026	\$ 89,325	3%
Business-Misc.	\$ 2,935,107	\$2,942,231	\$ (7,124)	0%
Drugs	\$ 2,706,956	\$2,218,673	\$ 488,283	22%
Ideological	\$ 2,209,506	\$2,249,625	\$ (40,119)	-2%
Transportation	\$ 2,112,197	\$ 904,577	\$ 1,207,620	134%
Telecommunications	\$ 1,693,928	\$1,745,051	\$ (51,123)	-3%
Health Care	\$ 1,667,052	\$1,301,797	\$ 365,255	28%

Spending on communications, a major lobbying activity in recent years otherwise known as issue advocacy, jumped 296 percent to \$14.8 million in 2015. It was the second highest total since 2011, another year when a massive advertising campaign by NJEA stood out.

Table 4
Spending on Lobbying Communications - 2010-2015

YEAR	AMOUNT	CHANGE-\$	CHANGE-%
2015	\$14,779,709	\$ 11,044,746	296%
2014	\$ 3,734,963	\$ (3,081,016)	-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%

NJEA led the top five communications spenders.

Table 5
Spending on Lobbying Communications in 2015

GROUP	AMOUNT
New Jersey Education Association	\$10,028,034
AARP NJ	\$ 1,245,434
Forward NJ	\$ 917,626
Engineers Labor Employer Cooperative	\$ 564,536
Virtua Health Inc.	\$ 303,485

Most of the surge in lobbying expenditures in 2015 came from the big increase in communications outlays.

Table 6
Lobbying Expenses by Category

EXPENSE CATEGORY	2015	2014	CHANGE-\$	CHANGE-%
In-House Salaries	\$33,872,055	\$35,020,970	\$(1,148,915)	-3%
Compensation to Outside Agents	\$15,961,558	\$15,224,476	\$ 737,082	5%
Communications	\$14,779,709	\$ 3,734,963	\$11,044,746	296%
Support Personnel	\$ 2,604,048	\$ 2,336,249	\$ 267,799	11%
Travel and Lodging	\$ 522,622	\$ 544,154	\$ (21,532)	-4%

For the ninth 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 \$2,439. The figure has fallen sharply since topping out at \$163,375 in 1992.

Table 7
Total Spending on Benefit Passing
Unadjusted for Reimbursements

YEAR	TOTAL SPENT ON BENEFIT PASSING	CHANGE IN %
2015	\$ 2,439	-26%
2014	\$ 3,283	-18%
2013	\$ 4,022	-29%
2012	\$ 5,652	-1%
2011	\$ 5,687	-24%
2010	\$ 7,476	-22%

Lobbyists in 2015 reported holding 160 appointed seats on public authorities, boards and commissions-14 less than in 2014. Some lobbyists sit on multiple boards.

The average number of lobbyists rose by 2 percent from 917 to 937 in 2015. It was the second annual increase though it remains well below the peak of 1,043 in 2008. With several issues boiling in the statehouse, the number of clients rose 4 percent from 1,942 to 2,010.

For the thirteenth straight year, Princeton Public Affairs Group Inc. reported the highest receipts among multi-client firms. While some rankings changed, the same ten firms on the list for 2014 also comprised the list for 2015.

Table 8
Top Ten Multi-Client Firms Ranked by 2015 Fees

FIRM	2015 RECEIPTS
Princeton Public Affairs Group Inc.	\$9,400,869
Public Strategies Impact LLC	\$6,399,513
MBI Gluckshaw	\$3,764,159
Gibbons PC	\$2,639,903
Cammarano Layton & Bombardieri Partners LLC	\$2,611,500
Kaufman Zita Group LLC	\$2,509,427
Optimus Partners LLC	\$1,780,700
MWW Group	\$1,477,083
Capital Impact Group	\$1,344,791
Riker Danzig Scherer Hyland & Perretti LLP	\$1,243,069

At the federal level, spending by lobbyists fell for the fifth straight year after peaking at \$3.52 billion in 2010, according to the Center for Responsive Politics. Federal lobbying expenditures in 2015 totaled \$3.20 billion, the group says. The number of federal lobbyists also has declined steadily in recent years. The center says it has fallen from a peak of 14,829 in 2007 to 11,465 in 2015- the lowest total since 1998.

Lobbyists have been active in other states as well as New Jersey. Just across the Hudson River, lobbying in New York City reached a new high of \$86 million in 2015, according to the Wall Street Journal.

Lobbyists invested \$313 million in California in 2015, according to the Sacramento Bee. Spending reached \$19.2 million, in Kentucky, setting a new high, according to kyforward.com. Closer to New Jersey, lobbyists spent \$37.2 million in 2014 in Connecticut, according to HartfordBusiness.com. The Providence Journal reported that Rhode Island lobbying reached \$9.1 million, also in 2014.

Summary data provided above should be considered preliminary and incomplete.

This analysis reflects reports received as of 5 p.m. on March 1, 2016. In New Jersey, lobbyists who raise or spend more than \$2,500 were required to file a report on February 16th that reflects activity from the prior calendar year.

Summary information about lobbyist activities in 2015 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.