



*State of New Jersey*

## **ELECTION LAW ENFORCEMENT COMMISSION**

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## **2021 ANNUAL REPORT - QUICK FACTS**

### **ANNUAL REPORTS MUST BE FILED ELECTRONICALLY**

Notice of Lobbying Benefit: Must be submitted to benefit recipient by February 1, 2022

Due Date of Report: February 15, 2022  
(Period Covered by Report: January 1, 2021 to December 31, 2021)

#### Who Is Required To Report?

A Governmental Affairs Agent or Represented Entity who or which receives receipts in excess of \$2,500 or makes expenditures of more than \$2,500 in any calendar year for the purpose of communication with, or providing a benefit to, a State official covered by the "Legislative and Governmental Process Activities Disclosure Act" for the purpose of influencing legislation, regulations, or governmental processes, or for the purpose of communication with the general public ("grassroots lobbying") must file an Annual Report with the New Jersey Election Law Enforcement Commission (the Commission). Also, a person other than a Governmental Affairs Agent or Represented Entity who makes expenditures or receives contributions in excess of \$2,500 for the purpose of communication with the general public ("grassroots lobbying") must file an Annual Report.

## **Form L1-L**

Annual Report for use by a Represented Entity. A Represented Entity is any person, partnership, committee, association, trade association, corporation, labor union, or any other organization that employs, retains, designates, engages, or otherwise uses the services of a Governmental Affairs Agent to influence legislation, regulations, governmental processes, or to communicate with the general public.

## **Form L1-A**

Annual Report for use by a lobbying firm, a law firm, a public relations firm, or other business that employs or engages a Governmental Affairs Agent(s). A Governmental Affairs Agent is the individual(s) who communicates with, or provides a benefit to, the State officials covered by the Act.

## **Form L1-G**

Annual Report for use by a person whose **only** lobbying activity is communication with the general public, referred to as “grassroots lobbying.” Note that “person” includes an individual, partnership, committee, association, corporation, and any other organization or group of persons.

## **Form L-2**

For use by a Represented Entity designating a Governmental Affairs Agent to file an Annual Report on its behalf. Also for use by a person who engages in communication with the general public who designates a Governmental Affairs Agent to file an Annual Report on its behalf. Note that “person” includes an individual, partnership, committee, association, corporation, and any other organization or group of persons. The compensation paid to the Governmental Affairs Agent or Governmental Affairs Agent Firm must be reported.

## **Form L-3**

For use by an out-of-state person or entity for the purpose of consenting to service of process.

Each form will have instructions; **please read the instructions carefully before completing each section of the form.** It is important to review the instructions each reporting year to avoid error.

### Information Concerning Consolidated Reporting

In some instances, a single Annual Report can be filed to satisfy the filing requirement for more than one Represented Entity or Governmental Affairs Agent.

Examples are as follows:

1. A Represented Entity (for example, a corporation) employs (in-house) three Governmental Affairs Agents who lobby only for the corporation. The corporation can file one report (L1-L) containing the three Agents' activities. A separate report by each Agent does not have to be filed.
2. A Represented Entity or a person or entity that engages in communication with the general public (grassroots lobbying) may designate its Governmental Affairs Agent or Governmental Affairs Agent firm to file a report (L1-A) on its behalf provided that:
  - a) all lobbying activity was performed by the Governmental Affairs Agent or Governmental Affairs Agent firm; and,
  - b) all lobbying expenditures consisted of the payment of a fee, retainer or other compensation to the Governmental Affairs Agent or Governmental Affairs Agent firm; and,
  - c) Form L-2 is filed.
3. A Governmental Affairs Agent firm (for example, a law firm or contract lobbyist firm) may file one report (L1-A) representing the activity of all of its Agents.

### Information Concerning Recordkeeping

All Governmental Affairs Agents, Represented Entities, and persons or entities communicating with the general public subject to annual reporting requirements shall make or obtain, and thereafter maintain for three years, all records and documents supporting the information contained in the Annual Report.

All items that will support the information contained in the Annual Report and will provide an adequate basis for auditing by the Commission must be maintained. Items that must be maintained include but are not limited to checks, bank statements, contracts and receipts. A record or document of any single expenditure in an amount of \$5.00 or less may be excluded from this requirement.

### Information Concerning Benefit Passing

Represented Entities and Governmental Affairs Agents must report benefit passing. If the benefit exceeds \$25 per day or \$200 in a calendar year, the benefit must be reported in detail. **ALSO, A NOTICE OF LOBBYING BENEFIT SHALL BE TRANSMITTED TO ALL BENEFIT RECIPIENTS NO LATER THAN FEBRUARY 1, 2022.** See the instructions to Schedule G-1 for additional information.

Governmental Affairs Agents and Represented Entities can not offer or give more than \$250 per year in compensation, rewards, gifts, employment, honoraria, or other things of value, to any legislator or legislative staff member. The \$250 per year limit includes each member of the immediate family of the Legislator (spouse, child, parent, or sibling of the member residing in the same household as the Legislator). For example, if a benefit is given to a Legislator that equals \$250 in value, that Legislator's spouse cannot accept a gift in any amount because the \$250 threshold has been reached.

There is also a provision in the law that allows for a full reimbursement of a benefit. A benefit recipient can make a full reimbursement of the benefit to the Represented Entity or the Governmental Affairs Agent within 90 days of acceptance. **Reimbursements are reportable transactions.**

The gift ban law also includes restrictions on payment for travel, subsistence, and entertainment expenses and on the acceptance of gifts by Legislators, Executive Branch officers, or their staffs. **However, these provisions are not under the jurisdiction of ELEC and, therefore, ELEC cannot provide guidance or advice on these statutory sections (see N.J.S.A. 52:13D-24 and 24.1).** Note, however, that benefits passed pursuant to these sections are subject to reporting on the Annual Report.

For Assistance with Filing:

IF YOU HAVE ANY QUESTIONS CONCERNING THE ANNUAL REPORT, CONTACT THE COMMISSION STAFF FROM 9AM TO 5PM, MONDAY THROUGH FRIDAY, AT: (609) 292-8700 OR TOLL FREE WITHIN NJ AT 1 (888) 313-3532.