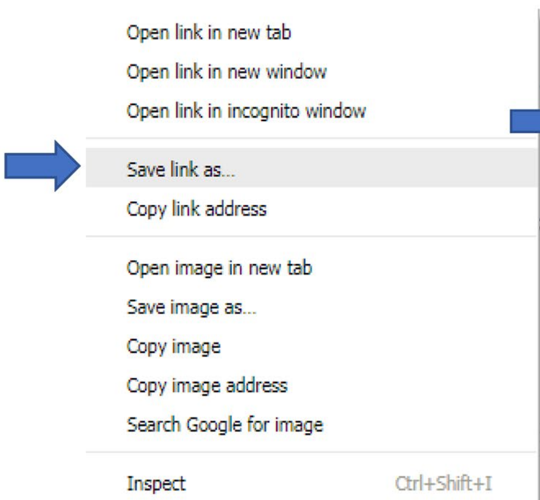
# INSTRUCTIONS FORM L1-L

## ANNUAL REPORT OF REPRESENTED ENTITY

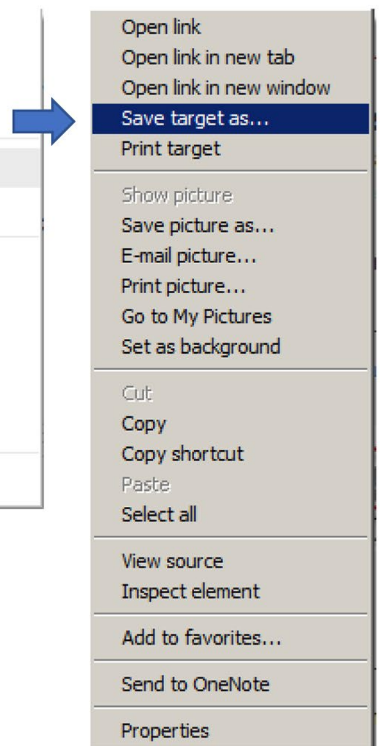
***It is strongly recommended that you review "The Filing Process" and the information presented under "Forms and Instructions." There is a short video and Step-by-step instructions to enable the "Trust This Document" security feature for accepting the Registration Number and PIN to display your name on the signature line.***

- To download, enter information, save and ELECTRONICALLY file the Form L1-L, you must have the latest version of Adobe Reader. The latest version is FREE at www.adobe.com.
- Once at the Adobe site, close all other Internet connections. Click on "Get Adobe Reader," and follow the instructions. After installing or upgrading to Adobe's latest version, return to the Commission's website at elec.nj.gov to download, complete, save and electronically file the Form L1-L.

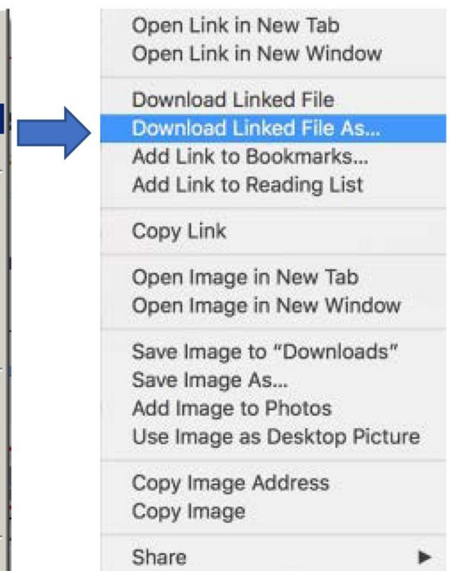
**Chrome, Edge and Firefox Select:**




**I.E. Select:**




**Safari Select:**




- A registration number and personal identification number (PIN) is also required to file electronically.
- Use of the TAB key to move between fields is recommended but the mouse can also be used to navigate the fields.
- The Form is **expandable** and will **automatically** calculate any amount(s) put on a schedule. Therefore, do not add dollar signs ($) or commas (,) to the amount(s).

GENERAL INFORMATION

Enter the calendar year of the activity covered in the report. This will be the year **prior** to the filing year of this Annual Report. The field for the year can be edited. The year entered will automatically be entered on the certification page.

Check the amendment box if this is an amended report.

Enter the name, full business address, and telephone number of the Represented Entity on whose behalf this report is filed. Do not report the telephone number if it is unlisted.

If the business address of the Represented Entity is not in New Jersey, file Form L-3, "Consent to Service of Process." The Form L-3 must be filed electronically when submitted as an annual report.

**Question 1**

Enter the name, registration number (badge number), and job title of all Governmental Affairs Agents who are employed by the Represented Entity. Enter the address and telephone number only if it is different than the address and telephone number of the Represented Entity. Do not report the telephone number if it is unlisted.

Click on 'Delete Item' to delete entries and click on 'Add Item' to add entries.

**Question 2**

Enter the name(s) of the Governmental Affairs Agent(s) or the Governmental Affairs Agent Firm(s) retained or otherwise engaged by the Represented Entity. Include the full business address, telephone number, and either the occupation of the Agent or the business of the firm. Do not report the telephone number if it is unlisted. Enter the lobbying purpose and the amount of compensation paid (fees, allowances, retainers, etc.). Note that all reimbursements of expenses incurred in rendering services must be included in the amount of compensation.

When entering the amount of compensation, do not use dollar signs ($) or commas (,). Example: enter $5,000.50 as 5000.50. The total amount of compensation will automatically be calculated. Click on 'Delete Item' to delete entries and click on 'Add Item' to add entries.

**SCHEDULE A Question 1**

Identify any Governmental Affairs Agent named on page 1, question 1 who is employed by the Represented Entity filing this Annual Report who, during the calendar year covered by the Annual Report, served as a member of:

- any independent State authority;
- any county improvement authority;
- any municipal utilities authority;
- any inter-State or bi-State authority (as a member from New Jersey); or,
- any board or commission established by statute or resolution, or executive order of the Governor, or by the Legislature, or by any Agency, Department, or other instrumentality of the State.

Click on 'Delete Item' to delete entries and click on 'Add Item' to add entries.

## SCHEDULE A Question 2

If all required Notices of Representation and Quarterly Reports of Lobbying Activity for the four quarters covered by this report were filed by the Governmental Affairs Agents named on page 1, question 1, check the “Yes” box. Any Agents who were new during the calendar year covered by this report need only file the required Notices of Representation and the Quarterly Reports due as of the quarter that Agent status commenced. Check “No” if any required Notices of Representation and Quarterly Reports of Lobbying Activity for the four quarters covered by this report were not filed. File all necessary reports immediately.

## REPORTING OF EXPENDITURES

**SCHEDULES B** through **G** are designed to assist with the reporting of expenditures. Expenditures which relate to communication with, or providing a benefit to, a State official covered by the Act, as well as expenditures made for the purpose of communication with the general public must be reported.

## SCHEDULE B - SALARY AND COMPENSATION PAID BY THE REPRESENTED ENTITY TO ITS GOVERNMENTAL AFFAIRS AGENTS

### SCHEDULE B

Enter the salary, other compensation and any amount(s) of reimbursed expenses paid to the Governmental Affairs Agents employed by the Represented Entity named on page 1, question 1 of the Annual Report in the **SCHEDULE B TOTAL box**. Do not enter dollar signs ($) or commas (,). Example: enter $5,000.50 as 5000.50. "Salary and other compensation paid" includes the amount reported by the employer as wages for the purposes of the Internal Revenue Service on the Form W-2. Note that the employer's share of Social Security, Medicare, or health insurance does not have to be included. "Salary and other compensation paid" also includes all amounts of voluntarily deferred compensation, and dedicated special pre-tax funds for child care, medical expenses, etc. Costs of employer payments for life or disability insurance premiums or pension benefits are also includable as "salary and other compensation paid" if any such insurance cost exceeds $1,000 in a calendar year for an employee Governmental Affairs Agent.

When computing the amount of salary and compensation paid to a Governmental Affairs Agent, include the reimbursement of an Agent's expenses. “Expenses” also include the cost of food, beverages, and entertainment for the Governmental Affairs Agent when in the company of a State official covered by the Act. “Expenses” do ***not*** include, however, the cost of providing a benefit (i.e., food, beverages, and entertainment) to a State official covered by the Act. The cost of providing a benefit to a State official covered by the Act is reportable on either Schedule G-1 or G-2. Only the pro rata share of the employee's salary, and other compensation, need be reported if the employee performs duties other than lobbying.

## SCHEDULE C - SUPPORT PERSONNEL

Review the activities of those persons who supported the activities of the Represented Entity or Governmental Affairs Agent in influencing legislation, regulations, governmental processes, or communicating with the general public. Determine which persons **individually** spent 450 or more hours in support activities. Such persons qualify as "support personnel" and may be either clerical (secretaries, clerks, etc.) or professional (attorneys, engineers, chemists, etc.). The term “support personnel” also includes costs related to the communication by an expert or employee, when the communication is made in the company of a Governmental Affairs Agent for the sole purpose of providing technical or expert advice.

Report the pro rata share of the costs of support personnel attributable to supporting the activities of the Represented Entity or the Governmental Affairs Agent(s) in influencing legislation, regulations, governmental processes, or communicating with the general public.

**SCHEDULE C TOTAL:** Enter the total of all the pro rated support personnel costs.

Do not enter dollar signs ($) or commas (,). Example: enter $5,000.50 as 5000.50.

## SCHEDULES D-1 AND D-2 - ASSESSMENTS, MEMBERSHIP FEES, OR DUES

### SCHEDULE D-1 - SPECIFIC INTENT

Assessments, membership fees, or dues are reportable in full on Schedule D-1 when they are **paid by the Represented Entity** with the specific intent to influence legislation, regulations, governmental processes, or for the purpose of communicating with the general public.

**Part I**

When the assessment, membership fee, or dues payment exceeds $100 for the calendar year, report the date (use the calendar provided in the date field to select the date), the payee, the description (A= assessment, M= membership fee, D=dues payment, use the drop down menu to select the description), and the full amount. Do not add dollar signs ($) or commas (,). Example: enter $5,000.50 as 5000.50.

Click on the X to delete entries and click on ‘Add Item’ to add entries.

**Part II**

When the assessment, membership fee, or dues payment is $100 or less there is no need to provide detailed information; simply report the total amount. Do not add dollar signs ($) or commas (,). Example: enter $5,000.50 as 5000.50.

The Total Amount of Part I and Part II will be automatically calculated to arrive at the **Schedule D-1 TOTAL**.

### SCHEDULE D-2 - MAJOR PURPOSE

Assessments, membership fees, or dues (not reported on Schedule D-1, "Specific Intent") are reportable on Schedule D-2 when they are made to an organization whose "major purpose" is to engage in lobbying (influencing legislation, regulations, governmental processes, or communicating with the general public). An organization engages in lobbying as its major purpose when more than 50 percent of its total expenditures in a calendar year are for lobbying purposes. Only when the **receiving organization** meets the "major purpose" test are amounts reportable. Furthermore, the assessments, membership fees, or dues payments are reportable in the same proportion as the activities of the receiving organization.

***Example:***

Widget Corporation (Represented Entity filing the report) pays $1,000 in a calendar year in dues **to ABC Trade Association**. ABC Trade Association is the **receiving organization**. ABC Trade Association expends 75 percent of its total expenditures on lobbying. Widget Corporation reports $750 (75 percent of $1,000) on Schedule D-2.

| Date | Payee | Description | Amount |
|---|---|---|---|
| 1/1/XX | ABC Trade Association | D | $750 |

**Part I**
For transactions exceeding $100, report the date (use the calendar provided in the date field to select the date), the payee, the description (A= assessment, M= membership fee, D= dues payment, use the drop down menu to select the description), and the amount. Do not add dollar signs ($) or commas (,). Example: enter $5,000.50 as 5000.50.

Click on the X to delete entries and click on 'Add Item' to add entries.

**Part II**
For transactions of $100 or less, enter the amount. Do not add dollar signs ($) or commas (,). Example: enter $5,000.50 as 5000.50.

The Total Amount of Part I and Part II will automatically be calculated to arrive at the **Schedule D-2 TOTAL**.
The Total Amount of Schedules D-1 and D-2 will automatically be calculated to arrive at the grand **TOTAL.**

## SCHEDULE E - COMMUNICATION EXPENSES

Costs of preparation and distribution of materials related to influencing legislation, regulations, governmental processes, or conducting communications with the general public are to be reported on Schedule E. Included in this category are the costs of printed materials, (i.e., correspondence, flyers, and publications), postage, films, slides, video, audio, and distribution via TV (network or cable), radio, other broadcast medium, the Internet, telephone, and facsimile. When entering an amount, do not add dollar signs ($) or commas (,). Example: enter $5,000.50 as 5000.50. The total amount will automatically calculated.

### Pro Rata Overhead Costs of Specific Events

Report the pro rata portion of overhead costs of events such as a conference, reception, or industry seminar where a State official covered by the Act is in attendance. Overhead costs include speakers' fees, room rental, flowers, entertainment, and any other ancillary costs of the event that are not reportable as providing benefits to State officials covered by the Act on Schedules G-1 and G-2.

Click on the X to delete entries and click on 'Add Item' to add entries.

***Example:***

Widget Corporation sponsors a conference at a large hotel. There are ten State officials covered by the Act and 100 persons, total, in attendance. The cost of the conference overhead (hotel ballroom, speakers' fees, flowers, and invitations) is $10,000, not including the cost of any direct benefit to a State official covered by the Act.

The reportable amount would be calculated by dividing the cost by the number of persons in attendance and then multiplying by the number of covered officials. ($10,000 divided by 100 persons x 10 officials = $1,000). Any direct benefit (entertainment, food, beverages, etc.) in excess of $5 to a State official covered by the Act shall be reported separately and shall be included in the $25 per day, $200 per calendar year thresholds. See Schedules G-1 and G-2; also note exception for "invited speaker" in the instructions for Schedules G-1 and G-2.

**Other**

If there is a communication expense which does not fit any of the categories listed, report the expense in the "Other" category, with a brief description.

Click on the X to delete entries and click on 'Add Item' to add entries.

All communication expenses entered will automatically be calculated to arrive at the **Schedule E TOTAL**.

**SCHEDULE F - TRAVEL AND LODGING**

Report the costs of travel and lodging for the Governmental Affairs Agents named on page 1, question 1, who are employees of the Represented Entity, related to influencing legislation, regulations, governmental processes, or communicating with the general public.

- Enter the name of the Agent;
- Enter the amount of travel and lodging costs. Do not use dollar signs ($) or commas (,). Example: enter $5,000.50 as 5000.50.
- Click the X to delete entries and click on 'Add Item' to add entries.
- The travel amounts listed will be automatically calculated and shown in the **Schedule F TOTAL**.

**SCHEDULE G-1 - ITEMIZATION OF BENEFITS WHICH EXCEEDED $25 PER DAY OR $200 PER CALENDAR YEAR**

**Expenditures Providing a Benefit to a State Official Covered by the Act**

If an expenditure providing a benefit to a State official covered by the Act or the State official's immediate family member exceeded $25 per day or $200 per calendar year, Schedule G-1 must be completed. Note that when calculating the $25 per day or $200 per calendar year thresholds, the cost of the entertainment or food and beverages for the Governmental Affairs Agent when in the company of the State official should not be included in the calculation for determining whether the threshold was reached.

Any expenditure in excess of $5 made to provide a benefit to a State official covered by the Act, attending or participating in a specific event, shall be included in the calculation of the $25 per day or $200 per calendar year thresholds. Note, however, that if a State official covered by the Act participates in part of an event at which no food, beverages, or other benefits are being passed, no reportable benefit is considered to have resulted from the official's attendance.

When a State official covered by the Act is an **invited speaker** to an event and the official receives the same food and beverages provided to the attendees, no food and beverages benefit has been passed. "Invited speaker" means a person who is announced as a speaker in advance of the event and does not include a person who is merely identified and introduced to persons attending the event.

**Benefit Recipient**
When reporting information concerning the benefit recipient, provide a full description of each recipient.

If the recipient is a member of the Senate or Assembly, report the full name and office. *Example: Ryan Jones, Senator*. If the recipient is a legislative staff person, report the full name of the recipient and the name of the State official or staff organization which employs the recipient. *Example: Tom Adams, aide to Senator Jones or Jane Smith, Senate/Assembly Republican/Democratic staff.* If the recipient is an immediate family member of a State official covered by the Act, report the name of the immediate family member recipient and the relationship to the State official covered by the Act, along with all the information required above. *Example: (Where the spouse of a State official receives a benefit) Susan Jones, spouse of Senator Ryan Jones.* An immediate family member includes a spouse, child, parent, or sibling residing in the same household. Group recipient names alphabetically and chronologically. For example, if *Senator Jones* received benefits six times during the year, his name would appear at "J" and the six times benefits were received would be listed chronologically.

**Date -** Use the calendar provided in the date field to select the date the benefit was received by the benefit recipient.

**Description -** Each benefit must be categorized by type by reporting **"E"** Entertainment, **"F"** Food and Beverages, **"T"** Travel, **"L"** Lodging, **"H"** Honoraria, **"Loan"** Loans, **"G"** Gifts, and **"O"** Other. A description of each of these categories of benefits follows.

**Select one benefit passing item for each entry from the drop down box. When selecting "O" for Other, enter a description in the space provided next to the "O".**

**Entertainment "E" -** Includes, but is not limited to, sporting, theatrical, and musical events paid for or provided to State officials covered by the Act and their immediate family members. The cost of the entertainment for a Governmental Affairs Agent when in the company of a State official covered by the Act is reportable on Schedule B as salary or the reimbursement of expenses.

**Food and Beverages "F" -** Includes food and beverages paid for or provided to State officials covered by the Act and their immediate family members. The cost of the food and beverages for a Governmental Affairs Agent when in the company of a State official covered by the Act is reportable on Schedule B as salary or the reimbursement of expenses. Also included is food and beverages for State officials covered by the Act and their immediate family members at conferences, conventions, banquets or other similar functions. Note: This section does not apply to the food and beverages provided to a State official covered by the Act who is an invited speaker when the food and beverages are provided to all persons who attend the event. "Invited speaker" is a person who is announced as a speaker in advance of the event and is not a person who is merely identified and introduced to persons attending the event.

**Travel "T" -** Includes travel paid for or provided by a Represented Entity or Governmental Affairs Agent on behalf of State officials covered by the Act and their immediate family members.

**Lodging "L" -** Includes lodging paid for or provided by a Governmental Affairs Agent on behalf of State officials covered by the Act and their immediate family members.

**Honoraria "H" -** Honoraria paid or provided to State officials covered by the Act and their immediate family members.

**Loans "Loan" -** Loans to State officials covered by the Act and their immediate family members from a Represented Entity or Governmental Affairs Agent except for loans from financial institutions made in the ordinary course of business on substantially the same terms as those prevailing for comparable transactions with other persons.

**Gifts "G" -** Gifts paid for or provided to State officials covered by the Act and their immediate family members, including, but not limited to, material goods or other things of value.

**Other "O" -** If there are benefits passed to State officials covered by the Act and their immediate family members which do not fit any of the description categories listed, report as "Other" and describe.

**Amount** - Enter the full amount of the benefit. Do not add dollar signs ($) or commas (,). Example: enter $5,000.50 as 5000.50. The amount(s) entered on Schedule G-1 will automatically appear on the Summary of Benefit Passing according to the category entered on Schedule G-1.

**Name/Address of Payee/Vendor**
Report the full name and address of any person or entity to whom or which the Represented Entity or Governmental Affairs Agent incurred any cost or obligation for providing a benefit. *For Example:*

| | | |
|---|---|---|
| ABC RESTAURANT | or | ABC ORCHESTRA |
| 123 Main Street | | 2 Doe Lane |
| Trenton, NJ | | Newark, NJ |

Click on 'Delete Item' to delete entries and click on 'Add Item' to add entries.

**Reporting of Reimbursements of Benefits**
If a benefit is fully or partially reimbursed, report the reimbursement <u>directly below</u> the original itemization. When reporting a reimbursement, report the date of the reimbursement, the amount reimbursed, and the description. Do not use dollar signs ($) or commas (,). Example: enter $5,000.50 as 5000.50. A reimbursed benefit, however, does not become reduced or eliminated for computational purposes when adding together the amount of benefits passed. Once a benefit has passed, it is includable in the total amount of benefits. The total amount of reimbursements will automatically be entered on the Total Amount Reimbursed Benefit Line on the Summary of Benefit Passing on the L1-L. This amount must <u>not</u> be <u>deducted</u> from the Summary of Benefit Passing.

Click on 'Delete Item' to delete entries and click on 'Add Item' to add entries.

## NOTICE OF LOBBYING BENEFIT

A certified benefit notice shall be transmitted to all benefit recipients itemized on Schedule G-1 no later than **FEBRUARY 1ST** OF THE YEAR IN WHICH THE REPORT IS DUE TO BE FILED (the year following the year in which the benefit was received). Proof of service of the benefit notice shall be obtained and maintained for a period of at least three years.

A suggested manner of satisfying the requirement of providing certified notice of a benefit is to transmit the first and last page of the Annual Report (making sure that the last page is properly certified), along with the Schedule G-1, to the benefit recipients named on the Schedule G-1, no later than February 1st. A Represented Entity or Governmental Affairs Agent may choose another manner of satisfying the certified notice requirement, provided that the notice is in writing, certified as correct, contains all the information required on the Schedule G-1, and is transmitted to the benefit recipient no later than **FEBRUARY 1ST.**

## SUMMARY OF BENEFIT PASSING

The Summary of Benefit Passing must reflect a complete picture of benefit passing. After itemizing on Schedule G-1 those benefits which exceeded $25/day or $200/calendar year, the total amount by each category (entertainment, food and beverages, etc.) will appear on the summary table.

Schedule G-2 requires reporting of the amount of benefits which **did not** exceed the $25/day or $200/calendar year thresholds. Enter the amount of benefit passed by category in the Schedule G-2 column. Do not add dollar signs ($) or commas (,). Example: enter $5,000.50 as 5000.50. Note that there is no benefit notice required for a benefit which did not exceed the $25/day or $200/calendar year thresholds.

The sum of the Schedules G-1 and G-2 will automatically be entered in the "Schedule G-1 and G-2 Total."

## SUMMARY OF LOBBYING EXPENDITURES

There are seven categories of lobbying expenditures. The **TOTAL** amount from each of the seven categories will automatically be transferred to the **SUMMARY**. The amounts from the seven categories will automatically be calculated to provide the **TOTAL LOBBYING EXPENDITURES**.

## REPORTING OF RECEIPTS

Receipts Tables 1 and 2 are designed to assist a Represented Entity which is a trade association, or other reporting entity formed to represent a special interest, report its receipts. "Receipts" include:

- contributions,
- loans (except loans made in the ordinary course of business on substantially the same terms as those prevailing for comparable transactions with other persons),
- membership fees,
- dues payments, or
- assessments.

Receipts of a Represented Entity which relate to communication with, or providing a benefit to, a State official covered by the Act, for the purpose of influencing legislation, regulations, governmental processes, or for the purpose of communication with the general public are reportable if:

1. The receipts are provided to the Represented Entity with the specific intent to lobby (influence legislation, regulations, governmental processes, or communicating with the general public) or,

2. The Represented Entity influences legislation, regulations, governmental processes, or communicates with the general public as its major purpose.

## RECEIPTS TABLE 1 - SPECIFIC INTENT

### Part I

If contributions, loans, membership fees, dues or assessments are provided to the Represented Entity with the specific intent that they be used to lobby, they are reportable.

Part I requires that you provide the date (use the calendar provided in the date field to select the date), name and address of the source, and the amount of those receipts which are in excess of $100. Do not add dollar signs ($) or commas (,). Example: enter $5,000.50 as 5000.50.

Click on the X to delete entries and click on ‘Add Item’ to add entries.

### Part II

Part II requires that you provide one lump sum figure for those receipts of $100 or less. Do not add dollar signs ($) or commas (,). Example: enter $5,000.50 as 5000.50.

The amount(s) entered for Part I and Part II will automatically be entered to arrive at the **Receipts Table 1 TOTAL**.

## RECEIPTS TABLE 2 - MAJOR PURPOSE

A Represented Entity is deemed to be engaged in lobbying as its "major purpose" for any calendar year in which expenditures related to such activity constitute more than 50 percent of its total expenditures for all purposes.

To determine whether the Represented Entity meets the "major purpose" test, determine what percentage of its total expenditures for all purposes constitutes lobbying activity. If the percentage is 0 to 50 percent, no reporting of receipts is required. If the percentage equals more than 50 percent:

- Report the percentage of activities which constitute lobbying (this figure should be more than 50%).

- For each receipt, multiply the percentage indicated times the amount of the receipt to arrive at a **net receipt amount**. Add together all net receipt amounts to arrive at the aggregate figure. This aggregate figure will be the **Receipts Table 2 TOTAL**.

Review each individual net receipt amount. Any net receipt amount in excess of $100 must be reported in detail. Provide the date of receipt (use the calendar provided in the date field to select the date), name and address of the source, and amount. Do not add dollar signs ($) or commas (,). Example: enter $5,000.50 as 5000.50. The amount of receipts entered for each Table (1 and 2) will automatically be entered to arrive at the **RECEIPTS TOTAL**. **Note:** If a receipt was already reported on Receipts Table 1, it is not reported again on Receipts Table 2.

**CERTIFICATION**

The CERTIFICATION must be signed electronically by a Governmental Affairs Agent employed by the Represented Entity or a responsible Financial or Governmental Affairs Officer of the Represented Entity. The individual signing the report must have sufficient knowledge of, and access to, all information which formed the basis of the reported items and which concerns the Represented Entity's lobbying activity. To sign electronically, you must be connected to the Internet. Enter the registration number and PIN of the person signing the form. The registration number and PIN will take the place of the signer's signature. If the registration number and PIN are entered correctly, the signer's name will be retrieved from the Internet and appear on the signature line. ***It is strongly recommended that you review "The Filing Process" and the information presented under "Forms and Instructions." There is a short video and Step-by-step instructions to enable the "Trust This Document" security feature for accepting the Registration Number and PIN to display your name on the signature line.***

If you need further assistance to electronically file this report, please contact the Commission at (609) 292-8700 or toll free within NJ at 1-888-313-3532 and ask for the electronic filing help desk.