

## **NEWS RELEASE**

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## BILLS ENACTING FY 2019 BUDGET, LEGALIZING MARIJUANA AND RAISING CORPORATE TAX DRAW MOST LOBBYISTS

Legislation enacting the \$36.5 billion state budget for fiscal year 2019, legalizing recreational marijuana in New Jersey and boosting the corporate business surtax rank among the most lobbied bills during the current legislative session, according to a new analysis by the New Jersey Election Law Enforcement Commission (ELEC).

Other issues sparking interest have included earned sick leave, out-of-network medical bills, a \$15 minimum wage, offshore windmills and special ratepayer subsidies to keep the state's three active nuclear plants in operation.

"The bigger the stakes, the more vigorous the lobbying," said Jeff Brindle, ELEC's Executive director. "Lobbying is an essential part of government. Special interest groups have a legitimate and integral role in helping to shape policies that affect the people of New Jersey."

The analysis was based on quarterly lobbying reports filed since the beginning of the 218<sup>th</sup> Legislature in January 2018. It excluded lobbying on the pending budget for fiscal year 2020.

Based on Number of Represented Entities*								
RANK	BILL NUMBERS	ISSUE	OFFICIAL CONTACTS	NUMBER OF ENTITIES	STATUS**			
1	S2019/A4200	FY2019 Budget	296	112	E			
2	S2703/A4497	Legalized Recreational Marijuana	201	68	Р			
3	A4202/S2746	Corporate Business Surtax	211	65	E			
4	A1827/S2171	Earned Sick Leave	185	65	E			
5	A2039/S485	Out-of-Network Medical Bills	197	57	E			
6	S2313/A3724	Nuclear Plant Subsidies	186	54	E			
7	A15/S15	\$15 Minimum Wage	214	48	E			
8	A3723/S2314	Offshore Wind Energy	185	48	E			
9	S10/A10	Medical Marijuana	129	44	Р			
10	A4495/S2989	Corporate Surtax Changes	89	40	E			

 Table 1

 Bills with Most Reported Lobbying Activity

 Based on Number of Represented Entities\*

\*Totals may also reflect lobbying done prior to introduction and on related bills

\*\* E=Enacted; P=Pending

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Given the billions of dollars it expends and thousands of groups it affects, the budget signed by Governor Phil Murphy on July 1, 2018 drew the most zealous attention both in number of lobbying entities (112) and contacts with high-ranking state officials (296).

Groups ranging from funeral directors to libraries to Uber drivers were among those weighing in on the state's annual spending plan. "The state budget touches every citizen's life in one way or another," said Brindle.

Recent analysis in other states also show budget bills are a magnet for special interest activity. A \$91 billion budget adopted in Florida drew more than 500 lobbyists and also ranked as the most lobbied bill, according to a recent Tampa Bay Times story.<sup>1</sup>

When the list is re-ranked according to official contacts made by the lobbying groups, the budget remains number one but the remaining top 10 was reshuffled. A bill amending the corporate surtax slipped off the list and was replaced by bills legalizing sports betting, which was enacted June 11, 2018.

Reported Lobbying Activity Based on Number of Official Contacts*							
RANK	BILL NUMBERS	ISSUE	OFFICIAL CONTACTS	NUMBER OF ENTITIES			
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2	A15/S15	\$15 Minimum Wage	215	48			
3	A4202/S2746	Corporate Business Surtax	211	65			
4	S2703	Legalized Recreational Marijuana	201	68			
5	A2039/S485	Out-of-Network Medical Bills	198	57			
6	S2144/A3724	Nuclear Plant Subsidies	186	54			
7	A1827/S2171	Sick Leave	185	65			
8	A3723/S2314	Offshore Wind Energy	185	48			
9	S10/A10	Medical Marijuana	129	44			
10	A4111/S2602	Sports Betting	91	23			

 Table 2

 Reported Lobbying Activity Based on Number of Official Contacts\*

\*Totals may also reflect lobbying done prior to introduction and on related bills

While state law requires lobbyists to disclose their official contacts involving legislation and other regulated activities, the reader should be aware that such a contact can be limited or broad.

For example, a lobbyist might report that a client hospital's chief operating officer met with a bill's legislative sponsor and an aide in an office. That would count as one contact.

On the other hand, another lobbyist might report sending emails to all 120 members of the legislature urging them to support, oppose or modify the same bill. ELEC staff also counts such an outreach effort as one official contact even though it may target more than one lawmaker.

<sup>&</sup>lt;sup>1</sup> Langston Taylor, "Florida House: These Were the 9 Most-lobbied Bills of the Session," Tampa Bay Times, May 5, 2019.

Another caveat- while quarterly lobbying reports disclose direct attempts to influence legislation, they don't disclose more indirect efforts.

Lobbyists sometimes organize "grassroots" campaigns to mobilize the public for or against legislation using advertisements aired on television or other media. Efforts to harness legislative constituents in this way are disclosed in annual lobbying reports.

The heaviest lobbying based on official outreach was done by a broad array of interests representing unionized teachers, businesses, municipalities, hospitals, bankers and others.

ENTITY	OFFICIAL CONTACTS
New Jersey Education Association	764
New Jersey Business and Industry Association	487
New Jersey State League of Municipalities	412
NJ Principals and Supervisors Association	378
New Jersey Hospital Association	199
New Jersey State Bar Association	175
Affiliated Physicians and Employers Master Trust AMT	151
National Federation of Independent Business	150
Wellcare Health Plans Inc	131
New Jersey Bankers Association	128

Table 3Top Ten Represented Entities by Number of OfficialContacts To Date in 2018-2019 Legislative Session

Lobbyists are required by law to file both annual and quarterly reports with ELEC. Annual reports list fees, salaries, major expenditures, grassroots lobbying and other information. Quarterly reports are filed every three months by each registered lobbyist. These reports detail efforts to influence legislation or executive branch actions, such as permits, regulations or fines. Lobbyist reports and information collected from them can be searched via ELEC's website (<u>www.elec.state.nj.us</u>).

An earlier analysis of annual reports touched on some of the bills mentioned in this release. Entitled "Wind, Weed and Atoms Powered Lobbying Spending in 2018," it can be read at https://www.elec.state.nj.us/pdffiles/press\_releases/pr\_2019/pr\_03042019.pdf.

"ELEC collects thousands of reports every year from lobbyists that disclose their spending and activities. Disclosure doesn't end just because reports are on file," Brindle said. "One of ELEC's jobs is to study these reports and identify trends and other meaningful information that can be useful and interesting to policy-makers, media members, academics and the general public," he said. This press release is a compilation of figures reported to the Commission and is not intended to express any opinion concerning the accuracy or completeness of any filed report. Although the commission has taken all reasonable precautions to prevent mathematical or typographical errors, they may occur.

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