



NEWS RELEASE

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A bill requiring New Jersey employers to provide paid sick leave appeared to be the most heavily lobbied legislative initiative in 2014, according to a new analysis by the Election Law Enforcement Commission (ELEC).

ELEC's first-ever analysis of quarterly lobbying reports found that 69 different organizations made contact with legislators about either A-2354 or S-785. These are the Assembly and Senate bills, respectively, that would mandate the benefit.

The \$32 billion 2014-2015 state budget bill drew less attention.

Among all bills listed by lobbyists, an average of three organizations made contact on each one.

Table 1
2014 Bills with Most Reported Lobbying
Activity Based on Number of Represented Entities

| RANK | ISSUE | BILL NUMBERS | OFFICIAL CONTACTS | NUMBER OF ENTITIES |
|-------------|--|---------------------|--------------------------|---------------------------|
| 1 | Paid sick leave | A2354/S785 | 294 | 69 |
| 2 | State budget 2014-2015 | S2015/A3482 | 240 | 58 |
| 3 | Employment rights for ex-convicts | A1999/S2124 | 266 | 48 |
| 3 | Requires state contractors to use American made products | S1811/A3059 | 292 | 48 |
| 4 | Prescription drug monitoring | S1998/A3062 | 130 | 33 |
| 5 | Prescription drug disposal | A709/S2370 | 102 | 31 |
| 6 | Power restoration for nursing homes | A1071/S2128 | 190 | 30 |
| 6 | Patient designated caregivers in hospitals | A2955/S2127 | 251 | 30 |
| 7 | Right to die | A2270/S382 | 155 | 29 |
| 7 | Health insurance data encryption | S562/A3322 | 176 | 29 |
| 8 | Addiction warnings | S2366/A3712 | 71 | 27 |
| 8 | Healthcare disclosure | A1069/S869 | 201 | 27 |
| 9 | Open space ballot question | SCR84/ACR130 | 142 | 26 |
| 10 | Biosimilar drugs | A2477/S1705 | 158 | 24 |
| 10 | Bidding law revisions | A2388/S2253 | 148 | 24 |

The sick leave bill would have a financial impact on employers across New Jersey. As a result, it faced intense opposition along with strong support from a wide array of groups both big and small.

These included 21 businesses, 21 business associations, 9 ideological groups, 6 unions, 7 associations representing various interests, 4 hospitals and one public agency.

Twenty-seven groups indicated they opposed the legislative proposal, 19 expressed support and 23 others monitoring it listed no position.

Opponents include the New Jersey Business and Industry Association, New Jersey Chamber of Commerce, New Jersey Builders Association, and New Jersey State League of Municipalities.

Supporters include AARP, New Jersey Education Association, New Jersey Hospital Association, and New Jersey Citizens Action.

The paid sick leave bill, which has been reported out of two committees and is pending in the Assembly, topped all other proposals both in number of groups lobbying on the issue and the number of official contacts it prompted.

Other top issues in 2014 included the fiscal year 2015 state budget, bills requiring state contractors to buy American made goods, a bill giving terminally ill patients the right to die and a ballot question authorizing more funds for open space preservation. Ten of the top 15 bills by number of groups involved health care issues.

When legislative initiatives were ranked based on the number official contacts instead of represented entities, most of the same bills remained though some changed ranks.

Bills involving out of network health insurance and auto dealership franchises joined the list.

Table 2
2014 Bills with Most Reported Lobbying
Activity Based on Number of Official Contacts

| RANK | ISSUE | BILL NUMBERS | OFFICIAL CONTACTS | NUMBER OF ENTITIES |
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| 3 | Employment rights for ex-convicts | A1999/S2124 | 266 | 48 |
| 4 | Patient designated caregivers in hospitals | A2955/S2127 | 251 | 30 |
| 5 | Out of network care | A952/S1216 | 244 | 21 |
| 6 | State budget 2014-2015 | S2015/A3482 | 240 | 58 |
| 7 | Healthcare disclosure | A1069/S869 | 201 | 27 |
| 8 | Auto dealership franchises | A2035/S927 | 193 | 12 |
| 9 | Power restoration for nursing homes | A1071/S2128 | 190 | 30 |
| 10 | Health Insurance data encryption | S562/A3322 | 176 | 29 |

Under New Jersey law, all lobbyists must file reports with ELEC every three months that detail their efforts to influence legislators and administration officials. Activities that must be disclosed include lobbying efforts involving legislation, nominations, public contracts, regulations, fines, rate setting and permits or licenses.

The analysis of 2014 quarterly lobbying reports resulted from research by Kyle Morgan, a Ph.D. candidate in political science at Rutgers University. Morgan, an Eagleton Institute fellow, worked as an intern at ELEC between January and April, 2015. He compiled data from paper reports into an electronic catalog of nearly 59,000 records.

Jeff Brindle, ELEC's Executive Director, praised the work done by Morgan. He said it helps fulfill the Commission's mission of disclosure.

"This is the first time the agency has attempted to analyze quarterly lobbying reports. Commission staff have historically analyzed many other issues related to lobbying and campaign finance. These include gubernatorial and legislative elections, independent spending, state contractor contributions, special interest spending and annual lobbying reports," he said.

"ELEC collects thousands of reports every year from lobbyists and candidates that disclose their funding and activities. But disclosure doesn't stop simply because reports are on file," Brindle said. "One of our jobs is to plow through piles of reports and uncover trends and other meaningful information that can be useful to policy-makers, media members, academics and the general public," he said.

Looking at just broad categories, health care jumped out as the top agenda item in 2014.

Table 3
Top Ten Categories That Attracted
Lobbying Activity in 2014

| CATEGORY | NUMBER OF OFFICIAL CONTACTS |
|------------------|--|
| Health | 8,112 |
| Education | 4,031 |
| Insurance | 3,650 |
| Environment | 3,355 |
| Labor | 2,768 |
| Human Services | 2,069 |
| Banking | 1,939 |
| Energy | 1,863 |
| Housing | 1,751 |
| Local Government | 1,742 |

Health care issues also ranked as the top focus of federal lobbying in 2014, according to Political Money Line.

The New Jersey State League of Municipalities reported making the most official contacts in 2014. According to its website, the group represents all 565 municipalities, 560 mayors and 13,000 elected and appointed local officials.

Table 4
Top Ten Represented Entities by
Number of Official Contacts in 2014

| ENTITY | NUMBER OF OFFICIAL CONTACTS |
|---|------------------------------------|
| New Jersey State League Of Municipalities | 6,774 |
| JNESO (Jersey Nurses Economic Security Organization) District Council 1 | 2,937 |
| New Jersey Builders Association | 2,274 |
| New Jersey Chamber of Commerce | 2,077 |
| New Jersey Association of Realtors | 1,790 |
| New Jersey Food Council | 1,623 |
| New Jersey Bar Association | 965 |
| New Jersey Bankers Association | 927 |
| Virtua Health | 844 |
| National Association of Insurance And Financial Advisors | 784 |

While quarterly lobbying reports disclose most activity involving legislation, they don't necessarily show the full picture.

For instance, they do not include grassroots lobbying campaigns aimed at swaying public sentiment for or against legislation.

For instance, a bill (A2035/S927) that would revise rules affecting auto dealerships has been the focus of such advertisements last year and this year.

Quarterly lobbying reports also list activities involving the Executive Branch of government. These include regulations, fines, contracts, financial grants and permits.

The Department of Human Services drew the most official contacts by special interest groups. With about 16,000 employees and \$18.7 billion in proposed state and federal funding in the 2016 fiscal year budget, it is the state's largest agency. It oversees everything from Medicaid to state psychiatric hospitals to centers for the developmentally disabled, serving more than 1.5 million people.

Table 5
Ten Executive Agencies with
Most Official Contacts in 2014

| AGENCY | OFFICIAL CONTACTS |
|--|--------------------------|
| Department of Human Services | 591 |
| Department of Environmental Protection | 576 |
| Governor's Office | 496 |
| Department of Health | 448 |
| Department of Banking And Insurance | 393 |
| Board of Public Utilities | 388 |
| Department of Law And Public Safety | 313 |
| Department of Treasury | 298 |
| Department of Transportation | 263 |
| NJ Economic Development Authority | 254 |

In addition to the above administration agencies, lobbyists described 92 contacts simply as “Executive Branch” or “administration” without specifying the agency.

Special interest groups also reported reaching out to 694 times to members of the Legislature about Executive Branch matters.

Among independent state agencies, the New Jersey Economic Development Authority, which provides grants and loans to increase economic activity in the state, attracted the most activity.

Table 6
Ten Independent State Agencies with
Most Official Contacts in 2014

| AGENCY | OFFICIAL CONTACTS |
|---|--------------------------|
| NJ Economic Development Authority | 254 |
| NJ Transit | 119 |
| NJ Turnpike Authority | 61 |
| NJ Motor Vehicle Commission | 60 |
| NJ Environmental Infrastructure Trust | 31 |
| Casino Reinvestment Development Authority | 23 |
| Port Authority of New York and New Jersey | 21 |
| NJ Housing and Mortgage Finance Agency | 17 |
| NJ Schools Development Authority | 15 |
| NJ Meadowlands Commission | 14 |

As part of his further studies at Rutgers, Morgan will be pursuing additional research based on the 2014 quarterly lobbying data he compiled for ELEC.

He said the information bore out “two key points from the academic literature- first, that a handful of issues, groups and interests will consume most of the lobbying attention. And second, there may be a divide between what is lobbied on and the public opinion.”

On the first point, he said the ten most active lobbying groups represented 36 percent of all lobbying activity in 2014. They represented just one percent of the 785 groups that reported lobbying activity for the year.

“The take away from the project would have to be that lobbying activity in New Jersey appears to be top heavy,” Morgan said. “A handful of issues, bills or interests comprise the bulk of the lobbying activity.”

As an example of how many bills face opposition despite public support, he noted that the paid sick leave bill faced stiff opposition despite the fact that a Rutgers Eagleton Poll found in 2013 that 63 percent of New Jersey residents favor the concept.

Lobbyists are required by law to file both annual and quarterly reports with ELEC. Annual reports list fees, salaries, major expenditures and other information. Quarterly reports are filed every three months by each registered lobbyist. The reports detail efforts to influence legislation or executive branch actions, such as permits, regulations or fines.

Since 1998, ELEC has provided a summary of information contained in lobbyist annual reports. In more recent years, the agency has prepared analytical press releases that outline trends and other meaningful information. Annual reports dating back to 2011 are available for review on ELEC’s website.

Paper copies of quarterly lobbying reports are available in ELEC’s public review room. Electronic copies dating back to the fourth quarter of 2011 are available on the agency’s website

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.

Copies of quarterly lobbying reports are available on ELEC’s website at http://www.elec.state.nj.us/publicinformation/gaa_quarterly.htm.

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