

**LEGISLATIVE HISTORY CHECKLIST**  
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NJSA: 52:13C-20

(Lobbyists--State agencies)

LAWS OF: 1991

CHAPTER: 243

Bill No: A4617

Sponsor(s): Spadaro and Kronick

Date Introduced: March 7, 1991

Committee: Assembly: State Government

Senate: State Government

A mended during passage: Yes      A mendments during passage  
 denoted by asterisks.

Date of Passage: Assembly: June 27, 1991

Senate: June 17, 1991

Date of Approval: August 5, 1991

**Following statements are attached if available:**

Sponsor statement: Yes

Committee Statement: Assembly: Yes

Senate: Yes

Fiscal Note: No

Veto Message: No

Message on signing: Yes

**Following were printed:**

Reports: Yes

Hearings: Yes

(over)

Report:

974.90 New Jersey. Legislature. Ad Hoc Commission on Legislative Ethics  
L514 and Campaign Finance.  
1990 Commission meetings, held 5-2-90, 5-16-90, 6-6-90, 6-20-90,  
7-11-90, 7-25-90, 8-8-90, 8-24-90, 9-5-90, 9-12-90, 9-26-90,  
10-3-90.

974.90 New Jersey. Legislature. Ad Hoc Commission on Legislative Ethics  
L514 and Campaign Finance  
1990a Findings and recommendations: a report...  
October 22, 1990.

See newspaper clippings--attached:

KBG/SLJ

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[FIRST REPRINT]  
ASSEMBLY, No. 4617  
STATE OF NEW JERSEY

INTRODUCED MARCH 7, 1991

By Assemblymen SPADORO and KRONICK

1 AN ACT concerning lobbyists and legislative agents, amending  
2 P.L.1981, c.150, and amending <sup>1</sup>the title and amending<sup>1</sup> and  
3 supplementing <sup>1</sup>the body of<sup>1</sup> P.L.1971, c.183.  
4

5 BE IT ENACTED *by the Senate and General Assembly of the*  
6 *State of New Jersey:*

7 <sup>1</sup>1. The title of P.L.1971, c.183 is amended to read as follows:  
8 AN ACT to require the public disclosure of certain information  
9 by certain persons seeking to influence legislation and the  
10 promulgation of administrative rules and regulations in this  
11 State, providing penalties for noncompliance, and repealing the  
12 "Legislative Activities Disclosure Act," approved October 16,  
13 1964 (P.L.1964, c.207).<sup>1</sup>

14 (cf: P.L.1971, c.183, title)

15 <sup>1</sup>2. Section 1 of P.L.1971, c.183 (C.52:13C-18) is amended to  
16 read as follows:

17 1. The Legislature affirms that the preservation of responsible  
18 government requires that the fullest opportunity be afforded to  
19 the people of the State to petition their government for the  
20 redress of grievances and to express freely to individual  
21 legislators [and to], committees of the Legislature and the  
22 Governor their opinion on legislation and current issues, and to  
23 Executive Branch officers and agencies their opinion on rules and  
24 regulations developed and promulgated by those officers and  
25 agencies in the exercise of powers delegated to them by law. The  
26 Legislature finds, however, that the preservation and  
27 maintenance of the integrity of the legislative process, including  
28 the development and promulgation of rules and regulations to  
29 effectuate the implementation of statutory law, requires the  
30 identification in certain instances of persons and groups who seek  
31 to influence the content, introduction, passage or defeat of  
32 legislation or the proposal, adoption, amendment, or repeal of  
33 rules and regulations, and, where it is not otherwise apparent or  
34 readily ascertainable, the nature of the interest which those  
35 persons and groups seek to advance or protect through such  
36 activity. It is the purpose of this act to require adequate  
37 disclosure in certain instances in order to make available to the  
38 Legislature and the public information relative to the activities  
39 of persons who seek to influence the content, introduction,  
40 passage or defeat of legislation or the proposal, adoption,

EXPLANATION--Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:  
<sup>1</sup> Assembly ASG committee amendments adopted June 10, 1991.

1 amendment, or repeal of rules and regulations by such means.<sup>1</sup>  
2 (cf: P.L.1971, c.183, s.1)  
3 <sup>1</sup>[1.] 3.<sup>1</sup> Section 3 of P.L.1971, c.183 (C.52:13C-20) is  
4 amended to read as follows:  
5 3. For the purposes of this act, unless the context clearly  
6 requires a different meaning:  
7 a. The term "person" includes an individual, partnership,  
8 committee, association, corporation, and any other organization  
9 or group of persons.  
10 b. The term "legislation" includes all bills, resolutions,  
11 amendments, nominations and appointments pending or proposed  
12 in either House of the Legislature, and all bills and resolutions  
13 which, having passed both Houses, are pending approval by the  
14 Governor.  
15 c. The term "Legislature" includes the Senate and General  
16 Assembly of the State of New Jersey <sup>1</sup>[, the members and  
17 members-elect thereof and each of them,] and<sup>1</sup> all committees  
18 and commissions established by the Legislature or by either  
19 House <sup>1</sup>[and all members of any such committee or commission,  
20 and all staff, assistants and employees of the Legislature whether  
21 or not they receive compensation from the State of New Jersey]  
22 thereof<sup>1</sup>.  
23 d. The term "lobbyist" means any person, partnership,  
24 committee, association, corporation, labor union, or any other  
25 organization that employs, engages or otherwise uses the services  
26 of any legislative agent to influence legislation <sup>1</sup>or regulation<sup>1</sup>.  
27 e. The term <sup>1</sup>["Governor or his staff"] "Governor"<sup>1</sup> includes  
28 the Governor or the Acting Governor <sup>1</sup>[, the members of the  
29 Governor's Cabinet, the Secretary to the Governor, the Counsel  
30 to the Governor, and all other employees of the Chief  
31 Executive's Office]<sup>1</sup>.  
32 f. The term "communication <sup>1</sup>[to] with a member of<sup>1</sup> the  
33 Legislature" <sup>1</sup>[or "to the Governor or his staff"], "with  
34 legislative staff", "with the Governor", "with the Governor's  
35 staff", or "with an officer or staff member of the Executive  
36 Branch"<sup>1</sup> means any communication, oral or in writing or any  
37 other medium, addressed, delivered, distributed or disseminated<sup>1</sup>,  
38 respectively,<sup>1</sup> to <sup>1</sup>a member of<sup>1</sup> the Legislature <sup>1</sup>[or], to  
39 legislative staff, to<sup>1</sup> the Governor <sup>1</sup>[or his], to the Governor's<sup>1</sup>  
40 staff <sup>1</sup>[or to any part thereof or member thereof], or to an  
41 officer or staff member of the Executive Branch,<sup>1</sup> as  
42 distinguished from <sup>1</sup>communication to<sup>1</sup> the general public  
43 including but not limited to <sup>1</sup>a member of<sup>1</sup> the Legislature <sup>1</sup>[or],  
44 legislative staff,<sup>1</sup> the Governor <sup>1</sup>[or his], the Governor's<sup>1</sup> staff<sup>1</sup>,  
45 or an officer or staff member of the Executive Branch<sup>1</sup>. If any  
46 person shall obtain, reproduce or excerpt any communication or  
47 part thereof which in its original form was not a communication  
48 <sup>1</sup>[to the Legislature or the Governor or his staff] under this  
49 subsection<sup>1</sup> and shall cause such excerpt or reproduction to be

1 addressed, delivered, distributed or disseminated to 1a member  
2 of<sup>1</sup> the Legislature <sup>1</sup>[or], to legislative staff, to<sup>1</sup> the Governor  
3 <sup>1</sup>[or his], to the Governor's<sup>1</sup> staff <sup>1</sup>[or any part thereof or  
4 member thereof], or to an officer or staff member of the  
5 Executive Branch<sup>1</sup>, such communication, reproduction or excerpt  
6 shall be deemed a communication <sup>1</sup>[to] with the member of<sup>1</sup> the  
7 Legislature <sup>1</sup>[or], with legislative staff, with<sup>1</sup> the Governor <sup>1</sup>[or  
8 his], with the Governor's<sup>1</sup> staff <sup>1</sup>, or with an officer or staff  
9 member of the Executive Branch<sup>1</sup> by such person.

10 g. The term "legislative agent" means any person who receives  
11 or agrees to receive, directly or indirectly, compensation, in  
12 money or anything of value including reimbursement of his  
13 expenses where such reimbursement exceeds \$100.00 in any  
14 3-month period, to influence legislation <sup>1</sup>or to influence  
15 regulation, or both,<sup>1</sup> by 1direct or indirect<sup>1</sup> communication<sup>1</sup>],  
16 personally or through any intermediary] with<sup>1</sup>, <sup>1</sup>or by making or  
17 authorizing, or causing to be made or authorized, any  
18 expenditures providing a benefit<sup>1</sup> to<sup>1</sup>, a member of<sup>1</sup> the  
19 Legislature <sup>1</sup>[or], legislative staff,<sup>1</sup> the Governor <sup>1</sup>[or his], the  
20 Governor's<sup>1</sup> staff, <sup>1</sup>or any officer or staff member of the  
21 Executive Branch,<sup>1</sup> or who holds himself out as engaging in the  
22 business of influencing legislation <sup>1</sup>or regulation<sup>1</sup> by such means,  
23 or who incident to his regular employment engages in influencing  
24 legislation <sup>1</sup>or regulation<sup>1</sup> by such means; provided, however,  
25 that a person shall not be deemed a legislative agent who, in  
26 relation to the duties or interests of his employment or at the  
27 request or suggestion of his employer, communicates <sup>1</sup>[to] with a  
28 member of<sup>1</sup> the Legislature <sup>1</sup>[or], with legislative staff, with<sup>1</sup>  
29 the Governor <sup>1</sup>[or his], with the Governor's<sup>1</sup> staff<sup>1</sup>, or with an  
30 officer or staff member of the Executive Branch<sup>1</sup> concerning any  
31 legislation <sup>1</sup>or regulation<sup>1</sup>, if such communication is an isolated,  
32 exceptional or infrequent activity in relation to the usual duties  
33 of his employment.

34 h. The term "influence legislation" 1[or the term "affecting  
35 particular items of legislation"]<sup>1</sup> means to make any attempt,  
36 whether successful or not, to secure or prevent the initiation of  
37 any legislation, or to secure or prevent the passage, defeat,  
38 amendment or modification thereof by the Legislature, or the  
39 approval, amendment or disapproval thereof by the Governor in  
40 accordance with his constitutional authority.

41 i. The term "statement" includes a notice of representation or  
42 a report required by this act.

43 j. 1[The phrase "[direct, express and intentional]  
44 communication [with legislators] undertaken for the [specific]  
45 purpose of affecting particular items of legislation" means any  
46 communication initiated by a legislative agent [to the Legislature  
47 or the Governor or his staff] having the effect of transmitting  
48 information which reasonably can be said to be intended to  
49 influence particular items of legislation.] (Deleted by

1 amendment, P.L. \_\_\_\_\_, c. \_\_\_\_\_.)

2 k. The term "member of the Legislature" includes any member  
3 or member-elect of, or any person who shall have been selected  
4 to fill a vacancy in, the Senate or General Assembly, and any  
5 other person who is a member or member-designate of any  
6 committee or commission established by the Legislature or by  
7 either House thereof.

8 l. The term "legislative staff" includes all staff, assistants and  
9 employees of the Legislature or any of its members in the  
10 member's official capacity, whether or not they receive  
11 compensation from the State of New Jersey.

12 m. The term "Governor's staff" includes the members of the  
13 Governor's Cabinet, the Secretary to the Governor, the Counsel  
14 to the Governor and all professional employees in the office of  
15 the Counsel to the Governor, and all other employees of the  
16 Office of the Governor.

17 n. The term "officer or staff member of the Executive  
18 Branch" means any assistant or deputy head of a principal  
19 department in the Executive Branch of State Government,  
20 including all assistant and deputy commissioners; the members  
21 and chief executive officer of any authority, board, commission  
22 or other agency or instrumentality in or of such a principal  
23 department; and any officer of the Executive Branch of State  
24 Government other than the Governor who is not included among  
25 the foregoing or among the Governor's staff, but who is  
26 empowered by law to issue, promulgate or adopt administrative  
27 rules and regulations, and any person employed in the office of  
28 such an officer who is involved with the development, issuance,  
29 promulgation or adoption of such rules and regulations in the  
30 regular course of employment.

31 o. The term "regulation" includes any administrative rule or  
32 regulation affecting the the rights, privileges, benefits, duties,  
33 obligations, or liabilities of any one or more persons subject by  
34 law to regulation as a class, but does not include an  
35 administrative action (1) to issue, renew or deny, or, in an  
36 adjudicative action, to suspend or revoke, a license, order, permit  
37 or waiver under any law or administrative rule or regulation, (2)  
38 to impose a penalty, or (3) to effectuate an administrative  
39 reorganization within a single principal department of the  
40 Executive Branch of State Government.

41 p. The term "influence regulation" means to make any  
42 attempt, whether successful or not, to secure or prevent the  
43 proposal of any regulation or to secure or prevent the  
44 consideration, amendment, issuance, promulgation, adoption or  
45 rejection thereof by an officer or any authority, board,  
46 commission or other agency or instrumentality in or of a principal  
47 department of the Executive Branch of State Government  
48 empowered by law to issue, promulgate or adopt administrative  
49 rules and regulations.

1     q. The term "expenditures providing a benefit" or  
2 "expenditures providing benefits" means any expenditures for  
3 entertainment, food and beverage, travel and lodging, honoraria,  
4 loans, gifts or any other thing of value, except for (1) any money  
5 or thing of value paid for past, present, or future services in  
6 regular employment, whether in the form of a fee, expense,  
7 allowance, forbearance, forgiveness, interest, dividend, royalty,  
8 rent, capital gain, or any other form of recompense, or any  
9 combination thereof, or (2) any dividends or other income paid on  
10 investments, trusts, and estates.<sup>1</sup>

11 (cf: P.L.1981, c.150, s.1)

12     <sup>1</sup>4. Section 4 of P.L.1971, c.183 (C.52:13C-21) is amended to  
13 read as follows:

14     4. a. Any person who, on or after the effective date of [this  
15 act] P.L.     , c.     (now pending before the Legislature as this  
16 bill), is employed, retained or engages himself as a legislative  
17 agent shall, prior to any communication with, or the making of  
18 any expenditures providing a benefit to, a member of the  
19 Legislature [or to], legislative staff, the Governor, [or his] the  
20 Governor's staff, or an officer or staff member of the Executive  
21 Branch, and in any event within 30 days of [the] that effective  
22 date [of this act] or of such employment, retainer or engagement,  
23 whichever occurs later, file a signed notice of representation  
24 with the Attorney General in such detail as the Attorney General  
25 may prescribe, identifying himself and persons by whom he is  
26 employed or retained, and the persons in whose interests he is  
27 working, and the general nature of his proposed services as a  
28 legislative agent for such persons, which notice shall contain the  
29 following information:

30     (1) his name, business address and regular occupation;

31     (2) the name, business address and occupation or principal  
32 business of the person from whom he receives compensation for  
33 acting as a legislative agent;

34     (3) (a) the name, business address and occupation or principal  
35 business of any person in whose interest he acts as a legislative  
36 agent in consideration of the aforesaid compensation, if such  
37 person is another than the person from whom said compensation  
38 is received; and

39     (b) if a person, identified under paragraph (2) of this subsection  
40 as one from whom the legislative agent receives compensation, is  
41 a membership organization or corporation whose name or  
42 occupation so identified does not, either explicitly or by virtue of  
43 the nature of the principal business in which the organization or  
44 its members, or the corporation or its shareholders, is commonly  
45 known to be engaged, clearly reveal the primary specific  
46 economic, social, political, or other interest which the  
47 organization or corporation may reasonably be understood to seek  
48 to advance or protect through its employment, retainer, or  
49 engagement of the legislative agent, a description of that

1 primary economic, social, political, or other interest and a list of  
2 the persons having organizational or financial control of the  
3 organization or corporation, including the names, mailing  
4 addresses and occupations, respectively, of those persons. The  
5 Attorney General shall promulgate rules and regulations to  
6 govern the content of any information required to be disclosed  
7 under this subparagraph and shall take such steps as are  
8 reasonably necessary to ensure that all such information is, in  
9 accordance with those rules and regulations, both accurate and  
10 complete.

11 Any list of legislative agents and their principals required to be  
12 published quarterly under subsection g. of section 6 of P.L.1971,  
13 c.183 (C.52:13C-23) shall include, for each such principal for  
14 whom it is not otherwise apparent, the primary specific interest  
15 which the principal may reasonably be understood to seek to  
16 advance or protect through its engagement of the legislative  
17 agent and the category of persons required to file additional  
18 information, as that interest and such category shall have been  
19 determined under subparagraph (b) of this paragraph;

20 (4) whether the person from whom he receives said  
21 compensation employs him solely as a legislative agent, or  
22 whether he is a regular employee performing services for his  
23 employer which include but are not limited to the influencing of  
24 legislation or regulation;

25 (5) the length of time for which he will be receiving  
26 compensation from the person aforesaid for acting as a  
27 legislative agent, if said length of time can be ascertained at the  
28 time of filing;

29 (6) the type of legislation or regulation or the particular  
30 legislation or regulation in relation to which he is to act as  
31 legislative agent in consideration of the aforesaid compensation,  
32 and any particular legislation or regulation or type of legislation  
33 or regulation which he is to promote or oppose;

34 (7) a full and particular description of any agreement,  
35 arrangement or understanding according to which his  
36 compensation, or any portion thereof, is or will be contingent  
37 upon the success of any attempt to influence legislation or  
38 regulation.

39 b. Any legislative agent who receives compensation from more  
40 than one person for his services as a legislative agent shall file a  
41 separate notice of representation with respect to each such  
42 person; except that a legislative agent whose fee for acting as  
43 such in respect to the same legislation or regulation or type of  
44 legislation or regulation is paid or contributed to by more than  
45 one person may file a single statement, in which he shall detail  
46 the name, business address and occupation or principal business of  
47 each person so paying or contributing.<sup>1</sup>

48 (cf: P.L.1971, c.183, s.4)

49 <sup>1</sup>[2.] 5.1 Section 2 of P.L.1981, c.150 (C.52:13C-22.1) is



1 amended to read as follows:

2 2. Each legislative agent or lobbyist shall make and certify the  
3 correctness of a full annual report to the Election Law  
4 Enforcement Commission, of those moneys, loans, paid personal  
5 services or other things of value contributed to it and those  
6 expenditures made, incurred or authorized by it for the purpose  
7 of [direct, express and intentional] communication with  
8 <sup>1</sup>[legislators or their staffs]<sup>1</sup> or <sup>1</sup>providing benefits to any  
9 member of the Legislature, legislative staff,<sup>1</sup> the Governor <sup>1</sup>[or  
10 his], the Governor's<sup>1</sup> staff <sup>1</sup>[undertaken for the [specific] purpose  
11 of affecting particular items of legislation], or an officer or staff  
12 member of the Executive Branch<sup>1</sup> during the previous year. The  
13 report shall include<sup>1</sup>, but not be limited to,<sup>1</sup> the following  
14 expenditures which [expressly] relate to [direct, express and  
15 intentional] communication with <sup>1</sup>[legislators or their staffs or],  
16 or providing benefits to, any member of the Legislature,  
17 legislative staff,<sup>1</sup> the Governor <sup>1</sup>[or his], the Governor's<sup>1</sup> staff  
18 <sup>1</sup>[for the [specific] purpose of affecting particular items of  
19 legislation], or an officer or staff member of the Executive  
20 Branch<sup>1</sup>: media, including advertising; entertainment; food and  
21 beverage; travel and lodging; honoraria; loans; gifts; and salary,  
22 fees, allowances or other compensation paid to a legislative  
23 agent. The expenditures shall be reported whether made to <sup>1</sup>[a  
24 legislator or his staff,] the intended recipient of the  
25 communication or benefit or to<sup>1</sup> a legislative agent or a lobbyist.  
26 The expenditures shall be reported in the aggregate by category,  
27 except that if the aggregate expenditures on behalf of a  
28 <sup>1</sup>[legislator or his] member of the Legislature, legislative<sup>1</sup> staff  
29 <sup>1</sup>[or],<sup>1</sup> the Governor <sup>1</sup>[or his], the Governor's<sup>1</sup> staff<sup>1</sup>, or an  
30 officer or staff member of the Executive Branch<sup>1</sup> exceed \$25.00  
31 per day, they shall be detailed separately as to the name of the  
32 <sup>1</sup>[legislator or his] member of the Legislature, member of the  
33 legislative<sup>1</sup> staff <sup>1</sup>[or],<sup>1</sup> the Governor <sup>1</sup>[or his], member of the  
34 Governor's<sup>1</sup> staff, <sup>1</sup>or officer or staff member of the Executive  
35 Branch,<sup>1</sup> date and type of expenditure, amount of expenditure  
36 and to whom paid. Where the <sup>1</sup>aggregate<sup>1</sup> expenditures <sup>1</sup>[in the  
37 aggregate on behalf of] for the purpose of communication with or  
38 providing benefits to<sup>1</sup> any one <sup>1</sup>[legislator or his] member of the  
39 Legislature, member of legislative<sup>1</sup> staff <sup>1</sup>[or],<sup>1</sup> the Governor  
40 <sup>1</sup>[or his], the Governor's<sup>1</sup> staff<sup>1</sup>, or officer or staff member of  
41 the Executive Branch<sup>1</sup> exceed \$200.00 per year, the expenditures,  
42 together with the name of the <sup>1</sup>[legislator or his staff or the  
43 Governor or his staff] intended recipient of the communication or  
44 benefits<sup>1</sup>, shall be stated in detail including the type of each  
45 expenditure, amount of expenditure and to whom paid. Where the  
46 expenditures in the aggregate with respect to any specific  
47 occasion are in excess of \$100.00, the report shall include the  
48 date and type of expenditure, amount of expenditure and to whom  
49 paid. The Election Law Enforcement Commission may, in its

1 discretion, permit joint reports by legislative agents. No  
2 legislative agent shall be required to file a report unless all  
3 moneys, loans, paid personal services or other things of value  
4 contributed to it for the purpose of [direct, express and  
5 intentional] communication with <sup>1</sup>[legislators or their staffs]<sup>1</sup> or  
6 <sup>1</sup>making expenditures providing a benefit to a member of the  
7 Legislature, legislative staff,<sup>1</sup> the Governor <sup>1</sup>[or his], the  
8 Governor's<sup>1</sup> staff <sup>1</sup>[undertaken for the [specific] purpose of  
9 affecting particular items of legislation], or officer or staff  
10 member of the Executive Branch<sup>1</sup> exceed \$2,500.00 in any year  
11 or unless all expenditures made, incurred or authorized by it for  
12 the purpose of [direct, express or intentional] communication  
13 with <sup>1</sup>[legislators or their staffs]<sup>1</sup> or <sup>1</sup>providing benefits to a  
14 member of the Legislature, legislative staff,<sup>1</sup> the Governor <sup>1</sup>[or  
15 his], the Governor's<sup>1</sup> staff <sup>1</sup>[undertaken for the [specific] purpose  
16 of affecting particular items of legislation], or officer or staff  
17 member of the Executive Branch<sup>1</sup> exceed \$2,500.00 in any year.

18 Any lobbyist who receives contributions or makes expenditures  
19 to influence legislation <sup>1</sup>or regulation<sup>1</sup> shall be required to file  
20 and certify the correctness of a report of such contributions or  
21 expenditures if the contributions or expenditures made, incurred  
22 or authorized by it for the purpose of [direct, express or  
23 intentional] communication with <sup>1</sup>[legislators or their staffs]<sup>1</sup> or  
24 <sup>1</sup>providing benefits to a member of the Legislature, legislative  
25 staff,<sup>1</sup> the Governor <sup>1</sup>[or his], the Governor's<sup>1</sup> staff <sup>1</sup>[undertaken  
26 for the [specific] purpose of affecting particular items of  
27 legislation], or an officer or staff member of the Executive  
28 Branch<sup>1</sup> exceed, in the aggregate, \$2,500.00 in any year. Any  
29 lobbyist required to file a report pursuant to this section may  
30 designate a legislative agent in its employ or otherwise engaged  
31 or used by it to file a report on its behalf; provided such  
32 designation is made in writing by the lobbyist, is acknowledged in  
33 writing by the designated legislative agent and is filed with the  
34 Election Law Enforcement Commission on or before the date on  
35 which the report of the lobbyist is due for filing, and further  
36 provided that any violation of this act shall subject both the  
37 lobbyist and the designated legislative agent to the penalties  
38 provided in this act.

39 <sup>1</sup>This section shall not be construed to authorize any person to  
40 make or authorize, or to cause to be made or authorized, any  
41 expenditure providing a benefit, or to provide a benefit, the  
42 provision or receipt of which is prohibited under the "New Jersey  
43 Conflicts of Interest Law", P.L.1971, c.182 (C.52:13D-12 et seq.)  
44 or any code of ethics promulgated thereunder, or under any other  
45 law or any executive order, rule or regulation.<sup>1</sup>

46 (cf: P.L.1981, c.513, s.1)

47 <sup>1</sup>6. Section 10 of P.L.1971, c.183 (C.52:13C-27) is amended to  
48 read as follows:

49 10. This act shall not apply to the following activities:

1 a. the publication or dissemination, in the ordinary course of  
2 business, of news items, advertising, editorials or other comments  
3 by a newspaper, book publisher, regularly published periodical, or  
4 radio or television station, including an owner, editor or employee  
5 thereof;

6 b. acts of an officer or employee of the Government of this  
7 State or any of its political subdivisions, or of the Government of  
8 the United States or of any State or territory thereof or any of  
9 their political subdivisions, in carrying out the duties of their  
10 public office or employment;

11 c. acts of bona fide religious groups acting solely for the  
12 purpose of protecting the public right to practice the doctrines of  
13 such religious groups;

14 d. acts of a duly organized national, State or local committee  
15 of a political party;

16 e. acts of a person in testifying before a legislative committee  
17 or commission, [or], at a public hearing duly called by the  
18 Governor on legislative proposals or on legislation passed and  
19 pending his approval, or before any officer or body empowered by  
20 law to issue, promulgate or adopt administrative rules and  
21 regulations in behalf of a nonprofit organization incorporated as  
22 such in this State who receives no compensation therefor beyond  
23 the reimbursement of necessary and actual expenses, and who  
24 makes no other communication [to] with a member of the  
25 Legislature [or], legislative staff, the Governor, [or his] the  
26 Governor's staff, or an officer or staff member of the Executive  
27 Branch in connection with the subject of his testimony; and

28 f. acts of a person in communicating with or providing benefits  
29 to a member of the Legislature [or], legislative staff, the  
30 Governor, [or his] the Governor's staff, or an officer or staff  
31 member of the Executive Branch if such communication or  
32 provision of benefits is undertaken by him as a personal  
33 expression and not incident to his employment, even if it is upon  
34 a matter relevant to the interests of a person by whom or which  
35 he is employed, and if he receives no additional compensation or  
36 reward, in money or otherwise, for or as a result of such  
37 communication or provision of benefits.<sup>1</sup>

38 (cf: P.L.1971, c.183, s.10)

39 <sup>1</sup>[3.] 7.<sup>1</sup> (New section) <sup>1</sup>[a.]<sup>1</sup> A person who is registered as a  
40 legislative agent <sup>1</sup>[with the Attorney General] and who, on or  
41 after the effective date of P.L. \_\_\_\_\_, c. \_\_\_\_\_ (C. \_\_\_\_\_) (now  
42 pending before the Legislature as this bill), serves or<sup>1</sup> shall <sup>1</sup>[not  
43 be appointed to be] serve as<sup>1</sup> a member of any independent State  
44 authority, county improvement authority or municipal utilities  
45 authority, or <sup>1</sup>[to be] as<sup>1</sup> a member from New Jersey on an  
46 inter-state or bi-state authority, or <sup>1</sup>[to be] as<sup>1</sup> a member of any  
47 board or commission established by statute or resolution or by  
48 executive order of the Governor or by the Legislature or by any  
49 agency, department or other instrumentality of the State

1 <sup>1</sup>[while registered as a legislative agent or for two years after  
2 filing a notice of termination report with the Attorney General]  
3 shall disclose such service, including the name of the authority,  
4 board or commission and the date upon which his term as a  
5 member thereof expires, in the annual report required to be made  
6 under section 2 of P.L.1981, c.150 (C.52:13C-22.1)<sup>1</sup>.

7 <sup>1</sup>[b. Upon the enactment of this act, the membership of any  
8 person who is registered on the effective date of this amendatory  
9 and supplementary act as a legislative agent and who has been  
10 appointed to be a member of any independent State authority,  
11 county improvement authority or municipal utilities authority, or  
12 to be a member from New Jersey on a inter-state or bi-state  
13 authority, or to be a member of any board or commission  
14 established by statute or resolution or by executive order of the  
15 Governor or by the Legislature or by any agency, department or  
16 other instrumentality of the State shall terminate as of that  
17 effective date.]<sup>1</sup>

18 <sup>1</sup>[4. (New section) a. No member of an independent State  
19 authority, county improvement authority or municipal utilities  
20 authority shall be hired or otherwise employed by that authority  
21 as a legislative agent for the purpose of communication with  
22 legislators or their staffs or the Governor or his staff undertaken  
23 for the purpose of affecting particular items of legislation until  
24 at least two years after the member's termination of service on  
25 that authority.

26 b. No member of an inter-state or bi-state authority shall  
27 engage in activity as a legislative agent for that authority for the  
28 purpose of communication with legislators or their staffs or the  
29 Governor or his staff undertaken for the purpose of affecting  
30 particular items of legislation until at least two years after the  
31 member's termination of service on that authority.]<sup>1</sup>

32 <sup>1</sup>[5. (New section) Every legislative agent who files an annual  
33 report with the commission shall, at the same time that that  
34 report is filed, file with the commission a financial disclosure  
35 statement which states the sources of that person's income  
36 during the previous calendar year and the sources of income of  
37 members of that person's household.

38 Without disclosing the amounts of income, gifts,  
39 reimbursements and holdings, the statement shall include such  
40 categories and levels of income as shall be designated by the  
41 commission.]<sup>1</sup>

42 <sup>1</sup>8. (New section) a. A legislative agent who, prior to the  
43 effective date of this act, P.L. , c. (now pending before the  
44 Legislature as this bill), shall have filed under section 4 of  
45 P.L.1971, c.183 (C.52:13C-21) a notice of representation with  
46 respect to his employment, retention or engagement as such an  
47 agent, which notice includes all of the information which, under  
48 the amendatory provisions of this act other than those of  
49 subparagraph (b) of paragraph (3) of subsection a. of that section,

1 is required as of and after that date to be contained in such a  
2 notice, shall not be required to file further notice hereunder with  
3 respect to that employment, retention or engagement until the  
4 30th day after such time as the notice so filed shall cease to  
5 include all such information or until one year after that effective  
6 date, whichever occurs first.

7 b. The filing of any statement of the information required  
8 under the amendatory provisions of subparagraph (b) of paragraph  
9 (3) of subsection a. of section 4 of P.L.1971, c.183 (C.52:13C-21)  
10 shall not be required to be made until the second Tuesday in  
11 January next following enactment.<sup>1</sup>

12 <sup>1</sup>[6.] 9.<sup>1</sup> This act shall take effect <sup>1</sup>[immediately] January 1  
13 following enactment<sup>1</sup>.

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16

#### STATE GOVERNMENT

17

18 Provides for reporting of certain communications and other  
19 transactions by lobbyists and legislative agents; requires  
20 legislative agents to report service on certain authorities, boards  
21 and commissions.

1 reimbursements and holdings, the statement shall include such  
2 categories and levels of income as shall be designated by the  
3 commission.

4 6. This act shall take effect immediately.

5  
6  
7 STATEMENT

8  
9 The purpose of this bill is to amend and supplement the current  
10 law governing the activities of lobbyists and legislative agents  
11 contained in the "Legislative Activities Disclosure Act of 1971."

12 Specifically, the bill deletes the provision in current law which  
13 provides for the disclosure to the Election Law Enforcement  
14 Commission of any "direct, express and intentional"  
15 communication with legislators or their staffs or the Governor  
16 and his staff undertaken by lobbyists or legislative agents for the  
17 specific purpose of affecting legislation, and provides instead  
18 that any communication with legislators or their staffs or the  
19 Governor or his staff undertaken by lobbyists or legislative agents  
20 for the purpose of influencing a particular item of legislation  
21 shall be reported to ELEC.

22 The bill also prohibits any legislative agent from being  
23 appointed to be a member of any independent State authority,  
24 county improvement authority or municipal utilities authority, or  
25 to be a member from New Jersey on an inter-state or bi-state  
26 authority, or to be a member of any board or commission  
27 established by statute or resolution or by executive order of the  
28 Governor or by the Legislature or by any agency, department or  
29 other instrumentality of the State while registered as a  
30 legislative agent and for two years after filing a notice of  
31 termination report with the Attorney General.

32 The bill also provides that the membership of any person who is  
33 registered as a legislative agent and has been appointed to the  
34 membership of an authority, a board or commission shall  
35 terminate when this bill becomes law.

36 Another provision of the bill mandates that no member of an  
37 authority shall be hired or otherwise employed by that authority  
38 as a legislative agent for the purpose of communication with  
39 legislators or their staffs or the Governor or his staff undertaken  
40 for the purpose of affecting particular items of legislation until  
41 at least two years after the member's termination of service on  
42 that authority.

43 A final provision of the bill requires every legislative agent  
44 who files an annual report with the commission shall, at the same  
45 time that that report is filed, file with the commission a financial  
46 disclosure statement which states the sources of that person's  
47 income during the previous calendar year and the sources of  
48 income of members of that person's household.

STATE GOVERNMENT

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5

Provides for reporting to ELEC of certain communications by lobbyists or legislative agents; limits legislative agents' ability to serve on authorities, State boards or commissions.

ASSEMBLY STATE GOVERNMENT COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4617

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: MAY 30, 1991

The Assembly State Government Committee reports favorably and with committee amendments Assembly Bill No. 4617.

This bill amends and supplements the provisions of the "Legislative Activities Disclosure Act of 1971" governing disclosure by legislative agents of their lobbying activities, clients and finances.

The legislation broadens in several respects the scope of the lobbying law with respect to financial reporting and professional registration by legislative agents:

1. Expenditures upon communications to public officials are to be subject to financial disclosure irrespective of whether the communication is "express or intentional" and without regard to the purpose of the legislative agent in undertaking the communication;

2. Expenditures incurred by a legislative agent to provide a benefit to a public official (so-called "good-will" lobbying) are to be subject to disclosure, just as is presently the case with expenditures on communication with such officials;

3. Individuals employed to influence administrative rule-making, which is defined to exclude administrative action on individual matters such as the granting of a permit or the imposition of a penalty, are to register as legislative agents and file financial disclosure reports in the same manner as presently required of persons employed to influence the legislative process;

4. Lobbying activities directed at legislative staff or at Executive Branch staff responsible for or involved with administrative rule-making are to be subject to financial disclosure; and

5. Where the client of a legislative agent is a membership organization or corporation and the primary economic, social, political, or other interest which the client seeks to advance or protect through its employment of the agent is not otherwise apparent from the notice of representation of the client which the agent must file, then the notice is to include a description of that interest and a list of the persons having organizational or financial control of the organization or corporation.

In addition, the bill requires a legislative agent who serves as a member of an independent State authority, county improvement authority or municipal utilities authority, as a member from New Jersey on an inter-state or bi-state authority, or as a member of any State board or commission to disclose such service in the agent's annual financial report.



COMMITTEE AMENDMENTS

Amendments to the bill were adopted by the committee incorporating all of the provisions numerically itemized above, except for the extension of the financial disclosure requirement to activities directed at legislative staff, which was included in the legislation as originally introduced. The amendments also eliminated a prohibition against service by a legislative agent on the several authorities, boards and commissions and instead imposed the requirement that such service be reported in the agent's annual financial report. Finally, the amendments eliminated one provision prohibiting certain authorities from employing an authority member to be a legislative agent for the authority until two years after termination of the person's service on the authority and another provision requiring legislative agents to make annual disclosure of income and sources of income.

SENATE STATE GOVERNMENT AND FEDERAL  
AND INTERSTATE RELATIONS COMMITTEE

STATEMENT TO

[FIRST REPRINT]

ASSEMBLY, No. 4617

STATE OF NEW JERSEY

DATED: JUNE 20, 1991

The Senate State Government and Federal and Interstate Relations Committee reports favorably Assembly, No. 4617 (1R).

This bill amends and supplements the provisions of the "Legislative Activities Disclosure Act of 1971" governing disclosure by legislative agents of their lobbying activities, clients and finances.

The legislation broadens in several respects the scope of the lobbying law with respect to financial reporting and professional registration by legislative agents:

1. Expenditures upon communications to public officials are to be subject to financial disclosure irrespective of whether the communication is "express or intentional" and without regard to the purpose of the legislative agent in undertaking the communication;

2. Expenditures incurred by a legislative agent to provide a benefit to a public official (so-called "good-will" lobbying) are to be subject to disclosure, just as is presently the case with expenditures on communication with such officials;

3. Individuals employed to influence administrative rule-making, which is defined to exclude administrative action on individual matters such as the granting of a permit or the imposition of a penalty, are to register as legislative agents and file financial disclosure reports in the same manner as presently required of persons employed to influence the legislative process;

4. Lobbying activities directed at legislative staff or at Executive Branch staff responsible for or involved with administrative rule-making are to be subject to financial disclosure; and

5. Where the client of a legislative agent is a membership organization or corporation and the primary economic, social, political, or other interest which the client seeks to advance or protect through its employment of the agent is not otherwise apparent from the notice of representation of the client which the agent must file, then the notice is to include a description of that interest and a list of the persons having organizational or financial control of the organization or corporation.

In addition, the bill requires a legislative agent who serves as a member of an independent State authority, county improvement authority or municipal utilities authority, as a member from New Jersey on an inter-state or bi-state authority, or as a member of any State board or commission to disclose such service in the agent's annual financial report.

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# OFFICE OF THE GOVERNOR NEWS RELEASE

CN-001  
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Release: MONDAY  
AUGUST 5, 1991

## GOVERNOR FLORIO SIGNS LEGISLATIVE ETHICS LAWS Rules Impose Tough, New Standards on Lobbying Activity and Increase Penalties for Violations

As part of his commitment to a government that earns public trust, Governor Jim Florio today signed three law requiring disclosure and oversight of lobbying activities and increased penalties for violations by legislators and their staff. This is the first major change in legislative ethics in 20 years and the first major change in lobbying regulation in 10 years.

"We are reaffirming something that should never have been allowed to be put into question in the first place -- and that is that everyone who is in government must play by the same rules that apply to all our citizens," Governor Florio said.

"There's nothing partisan about ethics. No one party has ever been able to claim a monopoly on public trust or honesty. That's why, these laws have support from both sides of the aisle."

"No law, can ever guarantee ethical behavior, but laws can set standards and we are going to set some honorable ones today."

The bills the Governor signed were the result of recommendations of the Ad Hoc Commission on Legislative Ethics and Campaign Finance. A-4617, sponsored by Assemblymen George Spadaro (D-Middlesex) and David Kronick (D-Hudson) and Senator Gerald Stockman (D-Mercer), extensively broadens the scope of the current lobbying law with respect to financial reporting and professional registration by legislative agents.

The law calls for lobbyists to disclose the following:

- . expenditures on communications to public officials regardless of the purpose
- . expenditures incurred by lobbyists which provide a benefit to a public official
- . expenditures resulting from lobbying activities directed at legislative staff or Executive Branch staff who are responsible for or involved with administrative rule-making

-more-

The law also requires lobbyists hired to influence administrative rule-making to register and be subject to financial disclosure rules in the same manner as those employed to influence the legislative process. Previously, lobbying the executive branch was not subject to rules as stringent as legislative lobbying. The law also requires a legislative agent who serves as a member of an independent state authority, county improvement authority, a municipal utilities authority, or on an interstate board or commission to disclose that membership in an annual financial report. Finally, it requires that lobbyists whose clients include organizations or corporations must include a description of that organization and a list of the persons having organizational or financial control of the group in their annual disclosure statements.

A-4618, sponsored by Assemblymen John Villapiano (D-Monmouth) and Byron Baer(D-Bergen) and Senator Dan Dalton(D-Camden) amends the Legislative Disclosure Act to allow the Election Law Enforcement Commission (ELEC) sole responsibility for enforcement and review of disclosure filings. Currently, that responsibility is shared by ELEC and the office of the Attorney General. The Ad Hoc Commission concluded that unifying enforcement of the Act would improve oversight.

A-4230, sponsored by Assembly Speaker Joseph Doria (D-Hudson) and Assemblyman Thomas Deverin (D-Union), Garabed Haytaian (R-Warren) and Neil Cohen (D-Union) and Senators Donald DiFrancesco (R-Union) and John Dorsey(R-Morris) adds four public members to the Joint Legislative Committee on Ethical Standards and increases the penalties for ethics violations. Currently, the Committee consists of four members from the Senate and four from the State Assembly. Under the new law, The President of the Senate, the Senate Minority Leader, Assembly Speaker and Assembly Minority Leader would each appoint one of the public members whose terms would run for two years. The new law also increases penalties for ethics violations by legislators and their employees from a \$100-\$500 range to a \$500-\$1,500 range. Financial penalties were first included in the 1971 Conflicts of Interest Law and have not been changed since.

The Governor's action today represents another step toward fulfilling a promise made during his campaign to raise public trust by setting the highest standards for integrity in both the executive and legislative branches of government. As one of the first acts of his administration, the Governor signed broad financial disclosure laws for members of the executive branch as well as expanding the numbers of individuals who must file disclosure forms. He also signed a law prohibiting "revolving door" activities of those leaving state government as well as a law revising the state's no-bid contracts policy.

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