

52:13C-18

LEGISLATIVE HISTORY CHECKLIST
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(Lobbyists--
supervision to
Attorney General)

LAWS OF: 1991

CHAPTER: 244

Bill No: A4618

Sponsor(s): Villapiano

Date Introduced: March 7, 1991

Committee: Assembly: State Government

Senate: State Government

Amended during passage: Yes Amendments during passage
denoted by asterisks.

Date of Passage: Assembly: June 17, 1991

Senate: June 27, 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: No

Following were printed:

Reports: Yes

Hearings: Yes

(over)

974.90
L514
1990

New Jersey. Legislature. Ad Hoc Commission on Legislative Ethics and Campaign Finance.

Commission meetings, held 5-2-90-, 5-16-90, 6-6-99, 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. Trenton, 1990.

974.90
L514
1990a

New Jersey. Legislature. Ad Hoc Commission on Legislative Ethics and Campaign Finance.

Findings and recommendations: a report...October 22, 1990.

See newspaper clippings--attached:

KBG/SLJ

[FIRST REPRINT]
ASSEMBLY, No. 4618

STATE OF NEW JERSEY

INTRODUCED MARCH 7, 1991

By Assemblymen VILLAPIANO, BAER and Assemblywoman FORD

1 AN ACT concerning the administration and supervision of
2 lobbying, amending ¹[P.L.1981, c.150] and supplementing
3 P.L.1971, c.183,¹ and repealing sections 3 and 5 ¹[thereof, and
4 supplementing P.L.1971, c.183 (C.52:13C-18 et seq.)] of
5 P.L.1981, c.150¹.

6

7 BE IT ENACTED by the Senate and General Assembly of the
8 State of New Jersey:

9 ¹[1. Section 4 of P.L.1981, c.150 (C.52:13C-21a) is amended to
10 read as follows:

11 4. Any legislative agent or lobbyist not a resident of this
12 State, or not a corporation of this State or authorized to do
13 business in this State, shall file with the [Election Law
14 Enforcement Commission] Attorney General, before attempting
15 to influence legislation, its consent to service of process at an
16 address within this State, or by regular mail at an address outside
17 this State.

18 (cf: P.L.1981, c.150, s.4)]¹

19 ¹[2. Section 2 of P.L.1981, c.150 (C.52:13C-22.1) is amended
20 to read as follows:

21 2. Each legislative agent or lobbyist shall make and certify the
22 correctness of a full annual report to the [Election Law
23 Enforcement Commission] Attorney General, of those moneys,
24 loans, paid personal services or other things of value contributed
25 to it and those expenditures made, incurred or authorized by it
26 for the purpose of direct, express and intentional communication
27 with legislators or the Governor or his staff undertaken for the
28 specific purpose of affecting legislation during the previous year.
29 The report shall include the following expenditures which
30 expressly relate to direct, express and intentional communication
31 with legislators for the specific purpose of affecting legislation:
32 media, including advertising; entertainment; food and beverage;
33 travel and lodging; honoraria; loans; gifts; and salary, fees,
34 allowances or other compensation paid to a legislative agent.
35 The expenditures shall be reported whether made to a legislator,
36 legislative agent or lobbyist. The expenditures shall be reported
37 in the aggregate by category, except that if the aggregate
38 expenditures on behalf of a legislator or the Governor or his staff
39 exceed \$25.00 per day, they shall be detailed separately as to the
40 name of the legislator or the Governor or his staff, date

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:
Assembly ASG committee amendments adopted June 10, 1991.

1 and type of expenditure, amount of expenditure and to whom
2 paid. Where the expenditures in the aggregate on behalf of any
3 one legislator or the Governor or his staff exceed \$200.00 per
4 year, the expenditures, together with the name of the legislator
5 or the Governor or his staff, shall be stated in detail including the
6 type of each expenditure, amount of expenditure and to whom
7 paid. Where the expenditures in the aggregate with respect to
8 any specific occasion are in excess of \$100.00, the report shall
9 include the date and type of expenditure, amount of expenditure
10 and to whom paid. The [Election Law Enforcement Commission]
11 Attorney General may, in [its] his discretion, permit joint reports
12 by legislative agents. No legislative agent shall be required to
13 file a report unless all moneys, loans, paid personal services or
14 other things of value contributed to it for the purpose of direct,
15 express and intentional communication with legislators or the
16 Governor or his staff undertaken for the specific purpose of
17 affecting legislation exceed \$2,500.00 in any year or unless all
18 expenditures made, incurred or authorized by it for the purpose
19 of direct, express or intentional communication with legislators
20 or the Governor or his staff undertaken for the specific purpose
21 of affecting legislation exceed \$2,500.00 in any year.

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

40 (cf: P.L.1981, c.513, s.1)]¹

41 ¹[3. (New section) Upon receiving evidence of any violation of
42 P.L.1971, c.183 (C.52:13C-18 et seq), as amended and
43 supplemented, the Attorney General shall have power to bring
44 complaint proceedings, to issue subpoenas for the production of
45 witnesses and documents, and to hold or to cause to be held by
46 the Office of Administrative Law, hearings upon such complaint.
47 In addition to any other penalty provided by law, any person who
48 is found to have violated either act shall be liable for civil
49 penalty not in excess of \$1,000.00, which penalty may be

1 collected in a summary proceeding pursuant to "the penalty
2 enforcement law" (N.J.S.2A:58-1 et seq.)]¹

3 1. Section 3 of P.L.1971, c.183 (C.52:13C-20) is amended to
4 read as follows:

5 3. For the purposes of this act, as amended and supplemented,
6 unless the context clearly 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, the members and
17 members-elect thereof and each of them, all committees and
18 commissions established by the Legislature or by either House
19 and all members of any such committee or commission, and all
20 staff, assistants and employees of the Legislature whether or not
21 they receive compensation from the State of New Jersey.

22 d. The term "lobbyist" means any person, partnership,
23 committee, association, corporation, labor union or any other
24 organization that employs, engages or otherwise uses the services
25 of any legislative agent to influence legislation.

26 e. The term "Governor or his staff" includes the Governor or
27 the Acting Governor, the members of the Governor's Cabinet,
28 the Secretary to the Governor, the Counsel to the Governor, and
29 all other employees of the Chief Executive's Office.

30 f. The term "communication to the Legislature or "to the
31 Governor or his staff" means any communication, oral or in
32 writing or any other medium, addressed, delivered, distributed or
33 disseminated to the Legislature or the Governor or his staff or to
34 any part thereof or member thereof as distinguished from the
35 general public including but not limited to the Legislature or the
36 Governor or his staff. If any person shall obtain, reproduce or
37 excerpt any communication or part thereof which in its original
38 form was not a communication to the Legislature or the Governor
39 or his staff and shall cause such excerpt or reproduction to be
40 addressed, delivered, distributed or disseminated to the
41 Legislature or the Governor or his staff or any part thereof or
42 member thereof, such communication, reproduction or excerpt
43 shall be deemed a communication to the Legislature or the
44 Governor or his staff by such person.

45 g. The term "legislative agent" means any person who receives
46 or agrees to receive, directly or indirectly, compensation, in
47 money or anything of value including reimbursement of his
48 expenses where such reimbursement exceeds \$100.00 in any
49 3-month period, to influence legislation by communication,

1 personally or through any intermediary, to the Legislature or the
2 Governor or his staff, or who holds himself out as engaging in the
3 business of influencing legislation by such means, or who incident
4 to his regular employment engages in influencing legislation by
5 such means; provided, however, that a person shall not be deemed
6 a legislative agent who, in relation to the duties or interests of
7 his employment or at the request or suggestion of his employer,
8 communicates to the Legislature or the Governor or his staff
9 concerning any legislation, if such communication is an isolated,
10 exceptional or infrequent activity in relation to the usual duties
11 of his employment.

12 h. The term "influence legislation" means to make any
13 attempt, whether successful or not, to secure or prevent the
14 initiation of any legislation, or to secure or prevent the passage,
15 defeat, amendment or modification thereof by the Legislature, or
16 the approval, amendment or disapproval thereof by the Governor
17 in accordance with his constitutional authority.

18 i. The term "statement" includes a notice of representation or
19 a report required by this act, as amended and supplemented.

20 j. The phrase "direct, express and intentional communication
21 with legislators undertaken for the specific purpose of affecting
22 legislation" means any communication initiated by a legislative
23 agent to the Legislature or the Governor or his staff having the
24 effect of transmitting information which reasonably can be said
25 to be intended to influence legislation.

26 k. The term "commission" means the Election Law
27 Enforcement Commission established pursuant to section 5 of
28 P.L.1973, c.83 (C.19:44A-5).¹
29 (cf: P.L.1981, c.150, s.1)

30 12. Section 4 of P.L.1971, c.183 (C.52:13C-21) is amended to
31 read as follows:

32 4. a. Any person who, on or after the effective date of this
33 act, is employed, retained or engages himself as a legislative
34 agent shall, prior to any communication to the Legislature or to
35 the Governor or his staff, and in any event within 30 days of the
36 effective date of this act or of such employment, retainer or
37 engagement, whichever occurs later, file a signed notice of
38 representation with the [Attorney General] Election Law
39 Enforcement Commission in such detail as the [Attorney General]
40 commission may prescribe, identifying himself and persons by
41 whom he is employed or retained, and the persons in whose
42 interests he is working, and the general nature of his proposed
43 services as a legislative agent for such persons, which notice shall
44 contain the following information:

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

46 (2) the name, business address and occupation of the person
47 from whom he receives compensation for acting as a legislative
48 agent;

49 (3) the name, business address and occupation of any person in

1 whose interest he acts as a legislative agent in consideration of
2 the aforesaid compensation, if such person is [another] other than
3 the person from whom said compensation is received;

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

9 (5) the length of time for which he will be receiving
10 compensation from the person aforesaid for acting as a
11 legislative agent, if said length of time can be ascertained at the
12 time of filing;

13 (6) the type of legislation or the particular legislation in
14 relation to which he is to act as legislative agent in consideration
15 of the aforesaid compensation, and any particular legislation or
16 type of legislation which he is to promote or oppose;

17 (7) a full and particular description of any agreement,
18 arrangement or understanding according to which his
19 compensation, or any portion thereof, is or will be contingent
20 upon the success of any attempt to influence legislation.

21 b. Any legislative agent who receives compensation from more
22 than one person for his services as a legislative agent shall file a
23 separate notice of representation with respect to each such
24 person; except that a legislative agent whose fee for acting as
25 such in respect to the same legislation or type of legislation is
26 paid or contributed to by more than one person may file a single
27 statement, in which he shall detail the name, business address and
28 occupation of each person so paying or contributing.¹

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

30 ¹3. Section 5 of P.L.1971, c.183 (C.52:13C-22) is amended to
31 read as follows:

32 5. a. Every legislative agent shall file with the [Attorney
33 General] commission a signed quarterly report of his activity in
34 attempting to influence legislation during each such quarter.

35 b. The quarterly reports required under this section shall be
36 made in the form and manner prescribed by the [Attorney
37 General] commission and shall be filed between the first and
38 tenth days of each calendar quarter for such activity during the
39 preceding calendar quarter. The [Attorney General] commission
40 may, in [his] its discretion, permit joint reports by persons subject
41 to this act.

42 c. Each such quarterly report shall

43 (1) describe the particular items of legislation and any general
44 category or type of legislation regarding which the legislative
45 agent acted as a legislative agent during the quarter, and any
46 particular items or general types of legislation which he actively
47 promoted or opposed during the quarter; and

48 (2) supply any information necessary to make the notice of
49 representation filed by the legislative agent pursuant to section 4

1 of [this act] P.L.1971, c.183 (C.52:13C-21), current and accurate
2 as of the final day of the calendar quarter covered by the report.¹
3 (cf: P.L.1971, c.183, s.5)

4 ^{14.} Section 6 of P.L.1971, c.183 (C.52:13C-23) is amended to
5 read as follows:

6 6. The [Attorney General] commission shall:

7 a. permit public inspection of all statements filed pursuant to
8 this act, as amended and supplemented;

9 b. compile and summarize information contained in statements
10 filed pursuant to this act, as amended and supplemented, and
11 report the same to the Legislature and the Governor;

12 c. ascertain whether any persons have failed to file statements
13 as required by this act, as amended and supplemented, or have
14 filed incomplete or inaccurate statements, and give notice to
15 such persons to file such statements as will conform to the
16 requirements of this act, as amended and supplemented;

17 d. investigate [and prosecute] violations of this act, [and] as
18 amended and supplemented, report to the Legislature and the
19 Governor thereon, and notify the Attorney General of any
20 possible criminal violations of this act, as amended and
21 supplemented, that may warrant further investigation and action;

22 e. make such recommendations to the Legislature and the
23 Governor as will tend to further the objectives of this act, as
24 amended and supplemented, and take such other action as shall be
25 necessary and proper to effectuate the purposes of this act, as
26 amended and supplemented;

27 f. report to the Legislature and the Governor annually on the
28 administration of this act, as amended and supplemented;

29 g. develop and prescribe methods and forms for statements
30 required to be filed by this act, as amended and supplemented,
31 and require the use of such forms by persons subject to this act,
32 as amended and supplemented;

33 h. compile and publish quarterly a list of all legislative agents
34 then registered, together with the information contained in their
35 notices of representation and last quarterly report, which
36 compilation shall be distributed to all members of the Legislature
37 and the Governor, and published in the New Jersey Register;

38 i. prepare and publish a summary and explanation of the
39 registration and reporting requirements of this act, as amended
40 and supplemented, for the use and guidance of those persons who
41 may be required to file statements under this act, as amended
42 and supplemented;

43 j. in accordance with a fee schedule adopted by [him] the
44 commission as a rule or regulation, establish and charge
45 reasonable fees for the filing of notices of representation and
46 quarterly and annual reports pursuant to this act, as amended and
47 supplemented, provided that such fees shall not apply to the
48 organizations which qualify under section 9(b) of chapter 30 of
49 the laws of 1966, as amended (C.54:32B-9(b)), and provided

1 further that the amount of such fees shall not exceed the cost to
2 the commission of processing and maintaining those notices and
3 reports and of compiling, summarizing and publishing the
4 information contained therein as prescribed by this act, as
5 amended and supplemented;

6 k. during periods when the Legislature is in session, report
7 monthly to the members of the Legislature and the Governor and
8 his staff all new notices of representation, notices of termination
9 and other notices filed pursuant to this act, as amended and
10 supplemented, during the preceding month.¹

11 (cf: P.L.1971, c.349, s.1)

12 ^{15.} Section 8 of P.L.1971, c.183 (C.52:13C-25) is amended to
13 read as follows:

14 8. a. Every legislative agent shall file a notice of termination
15 report within 30 days after his activity shall cease, on such form
16 as the [Attorney General] commission shall prescribe, and any
17 person who engages a legislative agent may file a notice of
18 termination after such agent ceases to represent such person.

19 b. A legislative agent who receives or agrees to receive
20 compensation for acting as such from any person not named in
21 the notice of representation filed pursuant to section 4 of [this
22 act or in any subsequent supplement or amendment thereto]
23 P.L.1971, c.183 (C.52:13C-21) shall, within 15 days of receiving
24 or agreeing to receive such compensation, file an appropriate
25 notification thereof in writing with the [Attorney General]
26 commission.

27 c. A legislative agent shall notify the [Attorney General]
28 commission in writing of any material change in the information
29 supplied by him in the notice of representation filed pursuant to
30 section 4 of [this act] P.L.1971, c.183 (C.52:13C-21) within 15
31 days of the effective date of such change.¹

32 (cf: P.L.1971, c.183, s.8)

33 ^{16.} Section 9 of P.L.1971, c.183 (C.52:13C-26) is amended to
34 read as follows:

35 9. The statements required by this act, as amended and
36 supplemented, to be filed with the [Attorney General] commission
37 (a) shall constitute part of the public records of [his] the office of
38 the commission and shall be available for public inspection; and
39 (b) shall be preserved by the [Attorney General] commission for a
40 period of [5] five years from the date of filing.¹

41 (cf: P.L.1971, c.183, s.9)

42 ^{17.} Section 11 of P.L.1971, c.183 (C.52:13C-28) is amended to
43 read as follows:

44 11. Every legislative agent who, for the purpose of influencing
45 legislation, is in the State House, the State House Annex, or any
46 other State building or other location when and where an
47 authorized meeting of a legislative committee is being held [for
48 the purpose of influencing legislation] shall at all times wear a
49 descriptive name tag of a type prescribed by the [Attorney

1 General] commission.¹

2 (cf: P.L.1971, c.183, s.11)

3 ^{18.} Section 15 of P.L.1971, c.183 (C.52:13C-32) is amended to
4 read as follows:

5 15. Upon the failure to comply with any provisions of this act,
6 as amended and supplemented, by any person subject thereto the
7 [Attorney General] commission may institute a civil action to
8 enjoin such person from engaging in activity covered by this act
9 until such time as he shall perform any duty imposed thereby and
10 to require him to file any statement required by this act, as
11 amended and supplemented, for the period he acted in violation
12 thereof, and the court may proceed in a summary manner.¹

13 (cf: P.L.1971, c.183, s.15)

14 ^{19.} Section 18 of P.L.1971, c.183 (C.52:13C-35) is amended to
15 read as follows:

16 18. The [Attorney General] commission shall make provision to
17 accept statements similar to statements required by this act, as
18 amended and supplemented, from persons who are not required by
19 law to file such statements but who choose to make reports upon
20 their activities in influencing legislation. The [Attorney General]
21 commission shall have full discretion in prescribing the form and
22 detail of such voluntary statements[,] and [he] may by general
23 rules delimit classes of voluntary filings which it will or will not
24 [be accepted by him] accept in order to further the purposes of
25 this act, as amended and supplemented, and the efficient
26 administration thereof. The information contained in such
27 voluntary statements as are accepted by the [Attorney General]
28 commission shall be included in the periodic reports and
29 summaries which it is required to [be made by him] make.¹

30 (cf: P.L.1971, c.183, s.18)

31 ^{110.} Section 19 of P.L.1971, c.183 (C.52:13C-36) is amended
32 to read as follows:

33 19. a. When it shall appear to the [Attorney General]
34 commission that a person required to file any statement under
35 this act, as amended and supplemented, has failed to file such
36 required statement, or has filed a statement false, inaccurate or
37 incomplete in any material matter, or has otherwise violated the
38 provisions of this act, as amended and supplemented; or when the
39 [Attorney General] commission believes it to be in the public
40 interest that an investigation should be made to ascertain
41 whether a person has in fact violated any of the provisions of this
42 act, as amended and supplemented, [he] it may apply to the
43 Superior Court for an order or orders directing[.]:

44 (1) That any such person or persons [to] make available to [his]
45 the commission's inspection, or to the inspection of any of [his]
46 its authorized deputies or agents, such records as are required to
47 be kept by that person pursuant to section 7 of [this act] P.L.
48 1971, c. 183 (C. 52:13C-24); or

49 (2) That any such person file a statement or report in writing

1 under oath concerning the facts and circumstances upon which
2 the [Attorney General's] commission's belief in the necessity of
3 an investigation is based; or

4 (3) That any person submit to examination under oath by the
5 [Attorney General] commission in connection with said
6 circumstances, and produce any and all records, books and other
7 documents which may be specified by order of the court; or

8 (4) That the [Attorney General] commission may impound any
9 record, book or other documents specified by order of the court.

10 b. Such application by the [Attorney General] commission shall
11 set forth all the facts and circumstances upon which [his] its
12 belief in the necessity of an investigation is based. The court
13 may proceed on such application in a summary manner; and if the
14 court determines that from the evidence submitted it appears
15 that a person required to file any statement under this act, as
16 amended and supplemented, has failed to file such statement, or
17 has filed a statement false, inaccurate or incomplete in any
18 material respect, or has otherwise violated any of the provisions
19 of this act, as amended and supplemented, or that it is in the
20 public interest that an investigation be held to determine whether
21 such violation has occurred, the court shall issue such order
22 pursuant to subsection a. of this section as it may deem necessary
23 and proper.

24 c. The [Attorney General] commission shall hold as
25 confidential all statements, books, records, testimony and other
26 information or sources of information coming into [his] its
27 possession or knowledge as a result of an investigation pursuant
28 to this section[;] and [he] shall not disclose or divulge any such
29 materials or information to anyone except the court under whose
30 order such material or information comes into [his] its knowledge
31 or possession, unless the court shall order its disclosure to a grand
32 jury of this State or other appropriate authorities for the
33 purposes of enforcing the provisions of this act, as amended and
34 supplemented, or any other law.

35 d. If any person shall refuse to testify or produce any book,
36 paper or other document in any proceeding under this section as
37 ordered by the court on the grounds that the testimony or
38 evidence, documentary or otherwise, which is required of him
39 may tend to incriminate him, convict him of a crime, or subject
40 him to a penalty or forfeiture, and shall, notwithstanding, be
41 directed to testify or to produce such book, paper or document,
42 he shall comply with such direction. A person who is entitled by
43 law to assert such privilege, and does so assert, and thereafter
44 complies with such direction, shall not thereafter be prosecuted
45 or subjected to any penalty or forfeiture in any criminal
46 proceeding which arises out of and relates to the subject matter
47 of the proceeding. No person so testifying shall be exempt from
48 prosecution or punishment for perjury on false swearing
49 committed by him in giving such testimony.

1 e. In any action brought under this section, the court may
2 award to the State all costs of investigation and trial, including a
3 reasonable attorney's fee to be fixed by the court. If costs are
4 awarded in such an action brought against a legislative agent, the
5 judgment may be awarded against the legislative agent, and the
6 legislative agent's employer or employers joined as defendants,
7 jointly, severally, or both. If the defendant prevails, he shall be
8 awarded all costs of trial, and may be awarded a reasonable
9 attorney's fee to be fixed by the court and paid by the State of
10 New Jersey.¹

11 (cf: P.L.1977, c.451, s.1)

12 ¹11. (New section) Upon receiving evidence of any violation of
13 P.L.1971, c.183 (C.52:13C-18 et seq.), as amended and
14 supplemented, the commission shall have power to bring
15 complaint proceedings, to issue subpoenas for the production of
16 witnesses and documents, and to hold or to cause to be held by
17 the Office of Administrative Law, hearings upon such complaint.
18 In addition to any other penalty provided by law, any person who
19 is found to have committed such a violation shall be liable for
20 civil penalty not in excess of \$1,000, which penalty may be
21 collected in a summary proceeding pursuant to "the penalty
22 enforcement law" (N.J.S.2A:58-1 et seq.).¹

23 ¹12. (New section) The commission shall adopt such rules and
24 regulations as may be necessary to effectuate the purposes of
25 P.L.1971, c.183 (C.52:13C-18 et seq.), as amended and
26 supplemented.¹

27 ¹[4.] 13.¹ Sections 3 and 5 of P.L.1981, c.150 (C.52:13C-22.2
28 and 22.3) are repealed.

29 ¹[5.] 14.¹ This act shall take effect on the January 1st
30 following enactment.

31

32

33

STATE GOVERNMENT

34

35 Changes jurisdiction and supervision of lobbying activities from
36 dual jurisdiction by the Attorney General and ELEC to sole
37 jurisdiction by ELEC.

1 enforcement law" (N.J.S.2A:58-1 et seq.).

2 4. Sections 3 and 5 of P.L.1981, c.150 (C.52:13C-22.2 and 22.3)
3 are repealed.

4 5. This act shall take effect on the January 1st following
5 enactment.

6

7

8

STATEMENT

9

10 The purpose of this bill is to change the administration and
11 supervision of lobbying activities from dual jurisdiction by the
12 Attorney General and the Election Law Enforcement Commission
13 (ELEC) to sole jurisdiction by the Attorney General.

14

15

16

STATE GOVERNMENT

17

18 Changes jurisdiction and supervision of lobbying activities from
19 dual jurisdiction by the Attorney General and ELEC to sole
20 jurisdiction by the Attorney General.

ASSEMBLY STATE GOVERNMENT COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4618

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. 4618.

This bill amends the lobbying statute to consolidate jurisdiction over the State's regulation and monitoring of lobbying activity, which is now divided between the Attorney General and the Election Law Enforcement Commission (ELEC), in the commission.

COMMITTEE AMENDMENTS

The committee adopted amendments to the bill, which as introduced would have assigned the consolidated jurisdiction over lobbying to the Attorney General, to assign that jurisdiction instead to ELEC.

**SENATE STATE GOVERNMENT AND FEDERAL
AND INTERSTATE RELATIONS COMMITTEE**

STATEMENT TO

[FIRST REPRINT]

ASSEMBLY, No. 4618

STATE OF NEW JERSEY

DATED: JUNE 20, 1991

The Senate State Government and Federal and Interstate Relations Committee reports favorably Assembly, No. 4618 (1R).

This bill amends the lobbying statute to consolidate jurisdiction over the State's regulation and monitoring of lobbying activity, which is now divided between the Attorney General and the Election Law Enforcement Commission (ELEC), in the commission.

9-74,901

G61



OFFICE OF THE GOVERNOR

NEWS RELEASE

CN-001
Contact:

EMMA BYRNE
NANCY KEARNEY
609-292-8956

TRENTON, N.J. 08625

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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 laws 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

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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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