

AN ACT concerning certain activities and disclosures by lobbyists, governmental affairs agents, and other entities and amending and supplementing P.L.1971, c.183.

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

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

3. For the purposes of this act, as amended and supplemented, unless the context clearly requires a different meaning:

a. The term "person" includes an individual, partnership, committee, association, corporation, and any other organization or group of persons.

b. The term "legislation" includes all bills, resolutions, amendments, nominations and appointments pending or proposed in either House of the Legislature, and all bills and resolutions which, having passed both Houses, are pending approval by the Governor.

c. The term "Legislature" includes the Senate and General Assembly of the State of New Jersey and all committees and commissions established by the Legislature or by either House thereof.

d. The term "lobbyist" means any person, partnership, committee, association, corporation, labor union or any other organization that employs, engages or otherwise uses the services of any governmental affairs agent to influence legislation, regulation or governmental processes.

e. (1) The term "Governor" includes the Governor or the Acting Governor; and

(2) the term "Lieutenant Governor" means the person elected to that office, or appointed to fill a vacancy therein, pursuant to Article V, Section I of the New Jersey Constitution.

f. The term "communication with a member of the Legislature", "with legislative staff," "with the Governor," "with the Lieutenant Governor," "with the Governor's staff," or "with an officer or staff member of the Executive Branch" means any communication, oral or in writing or any other medium, addressed, delivered, distributed or disseminated, respectively, to a member of the Legislature, to legislative staff, to the Governor, to the Lieutenant Governor, to the Governor's staff, or to an officer or staff member of the Executive Branch, as distinguished from communication to the general public including but not limited to a member of the Legislature, legislative staff, the Governor, the Lieutenant Governor, the Governor's staff, or an officer or staff member of the Executive Branch. If any person shall obtain, reproduce or excerpt any communication or part thereof which in its original form was not a communication under this subsection and shall cause such excerpt or reproduction to be addressed, delivered, distributed or disseminated to a member of the Legislature, to legislative staff, to the Governor, to the Lieutenant

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.

Governor, to the Governor's staff, or to an officer or staff member of the Executive Branch, such communication, reproduction or excerpt shall be deemed a communication with the member of the Legislature, with legislative staff, with the Governor, with the Lieutenant Governor, with the Governor's staff, or with an officer or staff member of the Executive Branch by such person.

g. The term "governmental affairs agent" means any person who receives or agrees to receive, directly or indirectly, compensation, in money or anything of value including reimbursement of his expenses where such reimbursement exceeds \$100.00 in any three-month period, to influence legislation, to influence regulation or to influence governmental processes, or all of the above, for more than one hour in a calendar year, by direct or indirect communication with, or by making or authorizing, or causing to be made or authorized, any expenditures providing a benefit to, a member of the Legislature, legislative staff, the Governor, the Lieutenant Governor, the Governor's staff, or any officer or staff member of the Executive Branch, or who holds himself out as engaging in the business of influencing legislation, regulation or governmental processes, by such means, or who incident to his regular employment engages in influencing legislation, regulation or governmental processes, by such means **];** provided, however, that a person shall not be deemed a governmental affairs agent who, in relation to the duties or interests of his employment or at the request or suggestion of his employer, communicates with a member of the Legislature, with legislative staff, with the Governor, with the Lieutenant Governor, with the Governor's staff, or with an officer or staff member of the Executive Branch concerning any legislation, regulation or governmental process, if such communication is an isolated, exceptional or infrequent activity in relation to the usual duties of his employment**].**

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

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

j. (Deleted by amendment, P.L.1991, c.243).

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

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

m. The term "Governor's staff" includes the members of the Governor's Cabinet, the Secretary to the Governor, the Counsel to the Governor and all professional employees in the office of the Counsel to the Governor, and all other employees of the Office of the Governor, including employees of that office who may be assigned by the Governor to assist the Lieutenant Governor.

n. The term "officer or staff member of the Executive Branch" means any assistant or deputy head of a principal department in the Executive Branch of State Government, including all assistant and deputy commissioners; the members and chief executive officer of any authority, board, commission or other agency or instrumentality in or of such a principal department; and any officer of the Executive Branch of State Government other than the Governor who is not included among the foregoing or among the Governor's staff, but including the Lieutenant Governor when the Lieutenant Governor has been appointed by the Governor to serve in any of the foregoing positions, but who is empowered by law to issue, promulgate or adopt administrative rules and regulations or to administer governmental processes, and any person employed in the office of such an officer who is involved with the development, issuance, promulgation or adoption of such rules and regulations or administration of governmental processes in the regular course of employment.

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

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

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

r. The term "commission" means the Election Law Enforcement Commission established pursuant to section 5 of P.L.1973, c.83 (C.19:44A-5).

s. The term "communication with the general public" means any communication:

(1) disseminated to the general public through direct mail or in the form of a paid advertisement in a newspaper, magazine, or other printed publication of general circulation or aired on radio, television, or other broadcast medium, and

(2) which explicitly supports or opposes a particular item or items of legislation or regulation, or the content of which can reasonably be understood, irrespective of whether the communication is addressed to the general public or to persons in public office or employment, as intended to influence legislation or to influence regulation.

t. The terms "influence governmental processes", "influencing governmental processes" or "influence governmental process" means to make any attempt, whether successful or not, to assist a represented entity or group to engage in communication with, or to secure information from, an officer or staff member of the Executive Branch, or any authority, board, commission or other agency or instrumentality in or of a principal department of the Executive Branch of State Government, empowered by law to administer a governmental process or perform other functions that relate to such processes.

u. The term "governmental process" means:

promulgation of executive orders;

rate setting;

development, negotiation, award, modification or cancellation of public contracts;

issuance, denial, modification, renewal, revocation or suspension of permits, licenses or waivers;

procedures for bidding;

imposition or modification of fines and penalties;

procedures for purchasing;

rendition of administrative determinations; and

award, denial, modification, renewal or termination of financial assistance, grants and loans.

v. The term "public contract" means a contract the cost or price of which is to be paid with or out of State funds or the funds of an independent authority created by the State or by the Legislature.

(cf: P.L.2009, c.66, s.37)

2. (New section) A lobbyist, governmental affairs agent, or any other entity that provides fees, allowances, retainers, salary or other compensation to a governmental affairs agent, shall file a professional services disclosure statement in accordance with the provisions of this section concerning any persons compensated by the lobbyist, governmental affairs agent, or entity for the purpose of

providing professional services to the lobbyist, governmental affairs agent, or entity when those persons are otherwise not required by law to file a notice of representation and quarterly reports pursuant to sections 4 and 5 of P.L.1971, c.183 (C.52:13C-21 and C.52:13C-22, respectively), or annual reports pursuant to section 2 of P.L.1981, c.150 (C.52:13C-22.1) with respect to professional services. A lobbyist, governmental affairs agent, or other entity that provides fees, allowances, retainers, salary or other compensation to a governmental affairs agent shall file the professional services disclosure statement at the same time as notices of representation, quarterly reports, and annual reports are filed pursuant to the provisions of the "Legislative and Governmental Process Activities Disclosure Act," P.L.1971, c.183 (C.52:13C-18 et seq.). The professional services disclosure statement shall include, but shall not be limited to: the name and address of the person providing professional services to the lobbyist, governmental affairs agent, or entity; a description of the services provided; the reason the services were obtained; the time period during which the services were provided; the compensation paid by the lobbyist, governmental affairs agent, or entity for the services; and any additional information deemed necessary by the commission. The commission shall include the information contained in the professional services disclosure statements in the periodic reports and summaries which the commission is required to make. For the purposes of this section, "professional services" shall include, but shall not be limited to, advising, consulting, strategic planning, legal, political, public relations, research, analysis, digital, advertising, and similar services.

3. This act shall take effect immediately.

STATEMENT

This bill revises the time threshold for lobbying activity (currently implemented to be more than 20 hours per calendar year). Under the bill, a person will be classified as a governmental affairs agent, and subject to the disclosure and reporting requirements under current law, if that person spends more than one hour in a calendar year influencing legislation, regulation, or governmental processes, by communicating with, or making expenditures providing a benefit to, a member of the Legislature, legislative staff, the Governor, the Lieutenant Governor, the Governor's staff, or any officer or staff member of the Executive Branch.

The bill also requires a lobbyist, governmental affairs agent, or any other entity that provides fees, allowances, retainers, salary or other compensation to a governmental affairs agent to file a professional services disclosure statement concerning any persons employed by the lobbyist, governmental affairs agent, or entity for the purpose of providing professional services to the lobbyist,

governmental affairs agent, or entity when those persons are otherwise not required by law to file a notice of representation, quarterly reports, and annual reports with respect to those services.

The bill defines “professional services” to include, but not be limited to, advising, consulting, strategic planning, legal, political, public relations, research, analysis, digital, advertising, and similar services. The professional services disclosure statement required under the bill will include but need not be limited to:

- (1) the name and address of the person providing professional services to the lobbyist, governmental affairs agent, or entity;
- (2) a description of the services provided;
- (3) the reason the services were obtained;
- (4) the time period during which the services were provided;
- (5) the compensation paid by the lobbyist, governmental affairs agent, or entity for the services; and
- (6) any additional information deemed necessary by the commission.

Requires disclosure of professional services; revises lobbying time threshold.