



NEWS RELEASE

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WIND, WEED AND ATOMS POWERED LOBBYING SPENDING IN 2018

Spending surges by groups that want to erect offshore windmills and to legalize marijuana in New Jersey, combined with a second year of spending related to special ratepayer subsidies for nuclear plants, reflected some of the top state lobbying issues in 2018.

While overall lobbying spending was down slightly, annual reports filed with the New Jersey Election Law Enforcement Commission (ELEC) showed expenditures rose in areas where lobbying was especially fervent:

➤ Firms hoping to install wind turbines off the New Jersey coast increased spending 234 percent from \$261,664 in 2017 to \$874,679 in 2018.

➤ Businesses and interest groups with stakes in medical marijuana, or that support or oppose legalization of recreational marijuana, ramped up spending **319** percent from \$330,935 in 2017 to **\$1,388,076** in 2018.

➤ Spending by groups that support or oppose ratepayer subsidies to keep New Jersey's three nuclear plants from closing hovered around \$5 million again in 2018.

Jeff Brindle, ELEC's Executive Director, said regardless of how much money is spent on lobbying each year, there are always policy matters that draw controversy and aggressive advocacy.

"Lobbying is a vital and fundamental part of democracy. Total dollars spent rise and fall each year. But there are always new issues driving lobbyists to educate and persuade executive branch officials, legislators and, many times, the public," said Brindle.

Following a record year for spending in 2017, overall lobbying expenditures dipped 2.5 percent to \$89.4 million. This number is preliminary since late-arriving reports and amendments are likely to increase the total.

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Table 1
Total Spending by Lobbyists in New Jersey 2014-2018

Year	Expenditures	Change-\$	Change-%
2018*	\$ 89,441,327	\$ (2,277,482)	-2.5%
2017	\$ 91,718,809	\$ 1,356,680	1.5%
2016	\$ 90,362,129	\$ (1,142,581)	-1.2%
2015	\$ 91,504,710	\$ 8,024,394	9.6%
2014	\$ 83,480,316	\$ (5,234,788)	-5.9%

In May 2018, Governor Phil Murphy enacted legislation (S-3723) that set ambitious new goals for New Jersey for alternative energy production. One aim is to generate 3,500 megawatts of electricity from floating, ocean-based wind turbines by 2030.

Several firms ramped up their lobbying activity in 2018 in anticipation of the deep sea “gold rush” that will create an entire industry in the Garden State. Many firms from outside New Jersey or even the United States engaged in lobbying last year.

Table 2
Lobbying Spending Involving
Offshore Wind Production

GROUP	2018	2017
Ørsted North America Inc	\$330,206	\$158,164
NextEra Energy Resources	\$199,379	\$ 72,000
EDF Renewable Development	\$ 94,982	
Deep Water Wind LLC	\$ 94,556	\$ 7,500
Anbaric Development Partners	\$ 75,000	
Equinor	\$ 30,000	
American Wind Energy Associates (Awea)	\$ 24,000	\$ 24,000
Fishermans Energy	\$ 18,627	
Siemens Gamesa Renewable Energy	\$ 7,929	
Total	\$874,679	\$261,664

New Jersey legalized medical marijuana in January 2010 and a full legalization bill was first proposed in January 2014 by state Senator Nicholas Scutari (D-22). But Scutari’s bill languished several years because former Republican Governor Chris Christie opposed it. All six Democratic gubernatorial candidates, including Murphy, who ran in 2017 to fill Christie’s seat supported legalized marijuana.

After Murphy took office in January 2018, and with Democrats controlling both legislative houses, lobbying activity escalated on the proposed marijuana legalization bill (S-2703). Statehouse leaders still are trying to hammer out the final details of the complex measure. Murphy also administratively expanded the state’s medical marijuana program last year.

Further expansion of legalized marijuana would mean huge growth for the fledgling industry. Many companies hoping to play a role in its growth have hired a fleet of lobbyists on their behalf.

Table 3
Groups Represented by Lobbyists on Marijuana Issues

GROUP	2018	2017
Acreage Holdings	\$ 120,000	
Abira Medical Laboratories LLC D/B/A Genesis Diagnostics	\$ 70,000	
Aria Mello LLC	\$ 12,000	
Biotrack Thc	\$ 12,000	
Cherry Hill Skinny Investors	\$ 67,419	
Compassionate Care Foundation	\$ 48,000	\$ 12,000
Compassionate Care Research Institute Inc.	\$ 97,500	\$ 95,000
Compassionate Sciences	\$ 20,000	\$ 55,000
Curaleaf NJ, Bellmawr	\$ 71,500	
Eaze Solutions Inc	\$ 130,311	
Eliasof, Steven And Holub, Michael	\$ 7,500	
Galenas New Jersey LLC	\$ 18,061	
Formula Two Realty LLC	\$ 22,714	
Garden State Of Mind	\$ 37,500	
Garden State Releaf	\$ 7,500	
Green Medicine NJ	\$ 30,008	
Greenwich Biosciences Inc	\$ 42,000	\$ 42,000
GW Pharmaceuticals	\$ 42,000	\$ 42,000
IMX Medical Management Services Inc	\$ 1,750	
Mainline Investment Partners	\$ 30,000	
Modern Remedies LLC	\$ 20,000	
Mtrac Tech Corp	\$ 2,000	
New Jersey Cannabusiness Association	\$ 67,000	\$ 53,000
Panacea Inc	\$ 66,334	
Pharmacann LLC	\$ 28,000	
Pure NJ LLC/ Moxie	\$ 16,417	
Ruby Farms USA LLC	\$ 60,000	
RemedyNJ/Remedy Columbia	\$ 52,562	
Responsible Approaches To Marijuana Policy (Ramp)	\$ 24,000	
Sanctuary Medicinals	\$ 10,000	
Telebrands Corp	\$ 24,000	
Terra Tech	\$ 60,000	\$ 16,935
Vinedrea	\$ 10,000	
Weedmaps	\$ 60,000	\$ 15,000
Totals	\$1,388,076	\$330,935

Note: Lobbyist clients where no fees were reported: Applied Cannabis Sciences; Canna-Dynamics LLC; Mandel Distributors; Marijuana Policy Project, Nuka Enterprises LLC.

Another issue that continued to draw heavy lobbying attention and spending in 2018 was legislation (S-2313) enacted in May 2018 by Governor Murphy.

The new law has been controversial because it gives the state Board of Public Utilities power to impose a special surcharge on electricity consumers of up to \$300 million annually to help keep the state's three nuclear plants in operation. BPU still is deliberating over the matter, which could cost average ratepayers an extra \$25 to \$30 annually.

The subsidy issue has caused a clash of titans, with PSE&G and JCP&L, the state's two largest electric utilities, and Exelon Generation, one of the nation's top power plant operators, on one side, and, on the opposing side, groups like NJ Petroleum Council (and its parent firm, American Petroleum Council), Chemistry Council of NJ, AARP and New Jersey businesses that are large electricity consumers.

Table 4
Major Groups Lobbying on Nuclear Plant Subsidy Legislation

GROUP	2018 SPENT	2017 SPENT	DIFF- \$	DIFF-%
Public Service Enterprise Group	\$1,475,770	\$2,350,364	\$(874,594)	-37%
First Energy/JCPL	\$ 445,800	\$ 385,800	\$ 60,000	16%
Exelon Generation Co LLC	\$ 337,070	\$ 193,590	\$ 143,480	74%
Support-Total	\$2,258,640	\$2,929,754	\$(671,114)	-23%
AARP	\$ 722,562	\$ 600,552	\$ 122,010	20%
NJ Coalition For Fair Energy*	\$ 679,332	\$ 939,058	\$(259,726)	-28%
NJ Petroleum Council	\$ 595,444	\$ 103,448	\$ 491,996	476%
Chemistry Council of NJ	\$ 215,353	\$ 203,390	\$ 11,963	6%
NJ Large Energy Users Coalition	\$ 200,000		\$ 200,000	
NRG Energy	\$ 358,753	\$ 110,000	\$ 248,753	226%
Calpine Corp.	\$ 3,000		\$ 3,000	
Opposed-Total	\$2,774,444	\$1,956,448	\$ 817,997	42%
Total	\$5,033,084	\$4,886,202	\$ 146,882	3%

*Received \$204,865 from Calpine Corp., \$194,377 from Dynergy Inc., and \$188,127 from NRG Energy in 2018

Note: Some groups on this list like AARP lobbied on multiple issues so their entire spending did not relate to the nuclear subsidy issue.

Three of the five special interest groups that spent heaviest on communications- Public Service Enterprise Group, NJ Petroleum Council, and NJ Coalition for Fair Energy- also lobbied on the nuclear subsidy issue. Represented entities as a group spent 10 percent on communications.

Table 5
Top Five Expenditures on Communications
in 2018 by Represented Entity

GROUP	COMMUNICATIONS	TOTAL	%
Public Service Enterprise Group	\$914,421	\$1,475,770	62
Engineers Labor Employer Cooperative	\$774,906	\$ 970,528	80
NJ Petroleum Council	\$539,394	\$ 595,444	91
NJ Coalition For Fair Energy	\$531,212	\$ 679,332	78
New Direction NJ Corporation	\$503,216	\$ 503,750	99.9

Communications spending by all represented entities totaled \$6.5 million - a 23 percent reduction from 2017. The highest spending ever was \$15.2 million in 2011.

Table 6
Total Annual Spending on Lobbying Communications - 2014-2018

YEAR	AMOUNT	CHANGE-\$	CHANGE-%
2018	\$ 6,471,942	\$ (1,979,856)	-23%
2017	\$ 8,451,798	\$ (2,123,150)	-20%
2016	\$10,574,948	\$ (4,204,761)	-28%
2015	\$14,779,709	\$ 11,044,746	296%
2014	\$ 3,734,963	\$ (3,081,016)	-45%

The top 50 represented entity spenders, making up just 6 percent of the 858 filers, spent \$21 million- 34 percent- of the \$62.2 million in reported spending by represented entities (See Table 11). Among the top 50, energy interests and hospitals were the biggest spenders in 2018.

Table 7
Spending by Top 50 Special
Interest Groups by Type

SPECIAL INTEREST TYPE	SPENT	SPECIAL INTEREST TYPE	SPENT
Energy	\$5,386,256	Government	\$ 527,139
Hospital	\$3,256,132	Pharmaceutical	\$ 494,012
Insurance	\$1,689,892	Union	\$ 484,740
Transportation	\$1,523,290	Legal	\$ 474,693
Business	\$1,469,682	Accounting	\$ 373,190
Telecommunications	\$1,320,850	Tobacco	\$ 307,704
Ideological	\$1,226,312	Finance	\$ 298,893
Real Estate	\$1,142,095	Nursing Homes	\$ 242,914
Gaming	\$ 801,774	Grand Total	\$21,019,568

Engineers Labor Employer Cooperative reported the biggest increase in spending dollar-wise in 2018. It was up \$504,087, or 108 percent.¹ The group supports public funding for transportation projects and lobbied on various legislation involving bidding and contract rules.

Table 8
Top Ten Largest Increases
in Spending (By Dollar Amount)

GROUP	2018	2017	DIFFERENCE-\$
Engineers Labor Employer Cooperative	\$970,528	\$466,441	\$504,087
New Directions NJ Corporation	\$503,750		\$503,750
NJ Petroleum Council	\$595,444	\$103,448	\$491,996
New Jersey Realtors Issues Mobilization Fund	\$391,845		\$391,845
Igaming Cloud Inc	\$302,274		\$302,274
Hackensack Meridian Health	\$845,527	\$546,167	\$299,360
Municipal Parking Services	\$264,000	\$ 15,000	\$249,000
NRG Energy	\$358,753	\$110,000	\$248,753
<i>NJ Manufacturers Insurance Group</i>	<i>\$467,045</i>	<i>\$225,721</i>	<i>\$241,324</i>
<i>Williams Companies</i>	<i>\$522,500</i>	<i>\$358,000</i>	<i>\$164,500</i>

Several large represented entity spenders in 2017 were able to ratchet back their outlays as their issues were resolved or nearing resolution.

¹ A previous version of this press release said the biggest increase in spending in 2018 was by Williams Companies of Tulsa, Oklahoma, which owns several hundred miles of pipelines and five natural compressor stations in New Jersey. It actually ranked 10th, boosting its lobbying spending by \$164,500, or 46 percent, from \$358,000 to \$522,500. The ELEC analysis incorrectly assumed the company spent nothing in 2017 because, unlike this year and past years, it filed no L-2 report. L-2 reports authorize lobbyists to file a report on the client's behalf.

Table 9
Top Ten Largest Decreases
in Spending (by Dollar Amount)

GROUP	2018	2017	DIFFERENCE-\$
Horizon Blue Cross Blue Shield of NJ	\$ 429,841	\$2,350,364	\$(1,920,523)
Latino Consumer Alliance		\$1,415,000	\$(1,415,000)
Occidental Petroleum	\$ 99,711	\$1,198,526	\$(1,098,815)
NJ Food Council	\$ 207,694	\$1,151,556	\$ (943,862)
Protect Jersey Jobs		\$ 920,438	\$ (920,438)
Public Service Enterprise Group	\$1,475,770	\$2,350,364	\$ (874,594)
NJ Hospital Association	\$ 472,788	\$ 818,332	\$ (345,544)
NJ Coalition for Fair Energy	\$ 679,332	\$ 939,058	\$ (259,726)
Prudential Financial	\$ 565,532	\$ 778,353	\$ (212,821)
<i>New Jersey Realtors</i>	<i>\$ 277,455</i>	<i>\$ 353,948</i>	<i>\$ (76,493)</i>

The amount spent by lobbyists on “benefit passing”- gifts like meals, trips or other things of value- reached a new low in 2018 at \$2,331. That represents a 99 percent drop from the 1992 benefit passing peak of \$163,375.

Annual reports filed by lobbyists also indicate that 106 lobbyists served on 136 public authorities, boards and commissions. Some lobbyists serve on multiple boards.

The average number of lobbyists rose 2 percent to 922 in 2018. Despite the uptick, it remains 12 percent below the peak of 1,043 lobbyists in 2008. The number of reported clients fell to 1,915- a 7 percent drop from the peak of 2,077 in 2012.

For the sixteenth straight year, Princeton Public Affairs Group Inc. reported the top receipts among multi-client contract lobbying firms. Nine of 10 firms on the 2017 list remained there in 2018. Advocacy & Management Group was the newcomer.

Table 10
Top Ten Multi-Client Lobbying Firms
Ranked by 2018 Receipts

FIRM	2018 RECEIPTS
Princeton Public Affairs Group Inc	\$9,144,770
Public Strategies Impact LLC	\$7,184,927
Cammarano Layton & Bombardieri Partners LLC	\$3,164,924
Kaufman Zita Group LLC	\$2,890,239
MBI Gluckshaw	\$2,838,255
Gibbons PC	\$2,441,877
Optimus Partners LLC	\$2,207,850
Capital Impact Group	\$1,637,182
Advocacy & Management Group	\$1,502,290
Komjathy & Kean LLC	\$1,368,063

Table 11
Top 50 Represented Entity Spenders 2018

GROUP	2018 SPENT	2017 SPENT	DIFF-%
Public Service Enterprise Group	\$ 1,475,770	\$ 2,350,364	-37%
Engineers Labor Employer Cooperative	\$ 970,528	\$ 466,441	108%
Hackensack Meridian Health	\$ 845,527	\$ 546,167	55%
AARP	\$ 722,562	\$ 600,552	20%
NJ Coalition for Fair Energy	\$ 679,332	\$ 939,058	-28%
NJ Petroleum Council	\$ 595,444	\$ 103,448	476%
Verizon NJ	\$ 584,100	\$ 652,124	-10%
Prudential Financial	\$ 565,532	\$ 778,353	-27%
NJ State League of Municipalities	\$ 527,139	\$ 516,786	2%
Williams Companies	\$ 522,500	\$ 358,000	46%
RWJBarnabas Health	\$ 515,610	\$ 497,498	4%
New Directions NJ Corporation	\$ 503,750		
New Jersey Education Association	\$ 484,740	\$ 512,656	-5%
Honeywell International Inc.	\$ 482,400	\$ 518,541	-7%
NJ Hospital Association	\$ 472,788	\$ 818,332	-42%
NJ Manufacturers Insurance Group	\$ 467,045	\$ 225,721	107%
NJ Business and Industry Association	\$ 463,551	\$ 414,910	12%
First Energy/JCPL	\$ 445,800	\$ 385,800	16%
Horizon	\$ 429,841	\$ 2,350,364	-82%
Atlantic City Electric	\$ 422,461	\$ 456,474	-7%
Atlantic Health System	\$ 414,981	\$ 379,402	9%
Carepoint Health Management Associates	\$ 413,331	\$ 395,677	4%
Comcast	\$ 406,044	\$ 406,044	0%
New Jersey Realtors Issues Mobilization Fund	\$ 391,845		
NJ Society of CPAs	\$ 373,190	\$ 246,013	52%
NRG Energy	\$ 358,753	\$ 110,000	226%
Exelon Generation Company LLC	\$ 337,070	\$ 193,590	74%
AT&T	\$ 330,706	\$ 277,740	19%
Altria Client Services Inc	\$ 307,704	\$ 172,600	78%
Virtua Health Inc	\$ 307,166	\$ 290,207	6%
Igaming Cloud Inc	\$ 302,274		
Ørsted North America Inc	\$ 300,206	\$ 158,164	90%
NJ Bankers Association	\$ 298,893	\$ 247,316	21%
NJ Coalition of Automotive Retailers Inc	\$ 288,762	\$ 203,779	42%
Cooper Health System	\$ 286,729	\$ 300,440	-5%
NJ Wine and Spirits Wholesalers Association	\$ 285,400	\$ 161,900	76%
New Jersey Realtors	\$ 277,455	\$ 353,948	-22%
Municipal Parking Services	\$ 264,000	\$ 15,000	1,660%
IGT & Affiliates	\$ 255,000	\$ 125,000	104%
Bayer US LLC	\$ 250,638	\$ 91,846	173%
Fuel Merchants Association of NJ	\$ 248,920	\$ 238,505	4%
Caesars Enterprise Services LLC	\$ 244,500	\$ 270,000	-9%
Health Care Institute of NJ	\$ 243,374	\$ 254,787	-4%
NJ Association of Health Care Facilities	\$ 242,914	\$ 218,440	11%
NJ State Bar Association	\$ 239,793	\$ 251,147	-5%
NJ Retail Merchants Association	\$ 238,331	\$ 259,998	-8%
NJ Apartment Association	\$ 236,545	\$ 217,976	9%
NJ Society of Architects	\$ 236,250		
NJ Association for Justice	\$ 234,900	\$ 234,300	0%
State Farm Insurance	\$ 227,474	\$ 186,966	22%
Totals- Top 50 Represented Entity Spenders	\$21,019,568	\$19,986,915	5%

Summary data provided for 2018 should be considered preliminary and incomplete.

This analysis reflects a review of reports received as of noon March 1, 2019. In New Jersey, lobbyists who raise or spend more than \$2,500 were required to file a report on February 15th that reflects activity from the prior calendar year.

Summary information about lobbyist activities in 2018 can be obtained at the following website: http://www.elec.state.nj.us/publicinformation/gaa_annual.htm. Copies of annual reports also are available on ELEC's website.