

NEWS RELEASE

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The top 25 special interest groups in New Jersey spent a combined \$251 million on campaign expenditures and lobbying between 1999 and 2012, according to a new analysis by the New Jersey Election Law Enforcement Commission.

The groups spent nearly \$145 million through political action committees and \$107 million on lobbying.

	Spending Between 1999 and 2012							
Rank	Group	Туре	PAC Spending	Lobbying	Total			
1	New Jersey Education Association	Union	\$16,010,216	\$21,444,462	\$37,454,678			
2	IBEW and affiliates [†]	Union	\$22,850,224†	\$ 163,027	\$23,013,251†			
3	NJ State Laborers and affiliates	Union	\$21,453,950	\$ 979,386	\$22,433,336			
4	Northeast Regional Council of Carpenters NJ and affiliates	Union	\$15,971,183	\$ 462,445	\$16,433,628			
5	NJ Association of Realtors	Trade Association	\$10,526,600	\$ 3,949,093	\$14,475,693			
6	Plumbers and Pipefitters affiliates ⁺	Union	\$12,892,710†	\$ 29,145	\$12,921,865†			
7	Verizon	Regulated Industry	\$ 1,070,129	\$10,847,529	\$11,917,658			
8	NJ Hospital Association	Professional	\$ 2,083,925	\$ 8,159,174	\$10,243,099			
9	NJ Builders Association	Trade Association	\$ 3,040,111	\$ 7,164,260	\$10,204,371			
10	Communications Workers of America and affiliates	Union	\$ 7,890,703	\$ 1,477,136	\$ 9,367,839			
11	NJ Business and Industry Association and affiliate NJ Organization for a Better State	Ideological	\$ 4,824,911	\$ 3,331,555	\$ 8,156,466			
12	AARP	Ideological	None	\$ 8,137,792	\$ 8,137,792			
13	AFSCME	Union	\$ 7,020,171	\$ 170,530	\$ 7,190,701			
14	NJ Association for Justice (Formerly ATLA)	Professional	\$ 4,975,893	\$ 1,039,440	\$ 6,015,333			
15	NJ State League of Municipalities	Professional	None	\$ 5,909,744	\$ 5,909,744			
16	PSE&G	Regulated Industry	\$ 562,518	\$ 5,090,733	\$ 5,653,251			
17	Prudential Companies	Regulated Industry	\$ 199,723	\$ 5,168,851	\$ 5,368,573			
18	Atlantic City Electric	Regulated Industry	\$ 70,479	\$ 5,006,950	\$ 5,077,429			
19	NJ Dental Association	Professional	\$ 3,019,294	\$ 2,013,092	\$ 5,032,386			
20	First Energy/ JCP&L	Regulated Industry	\$ 247,590	\$ 4,682,507	\$ 4,930,098			
21	Medical Society of New Jersey	Professional	\$ 3,923,610	\$ 934,827	\$ 4,858,437			
22	NAIOP NJ Chapter	Trade Association	\$ 2,375,594	\$ 2,297,469	\$ 4,673,063			
23	International Union of Operating Engineers Local 825	Union	\$ 3,565,911	\$ 972,291	\$ 4,538,202			
24	AT&T	Regulated Industry	\$ 313,580	\$ 3,752,960	\$ 4,066,540			
25	Cablevision	Regulated Industry	\$ 489,602	\$ 3,431,087	\$ 3,920,689			

Table 1 Top Special Interest Group Spending Between 1999 and 2012

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"Each year, decisions are made by government officials that impact the interests of special interest groups and the people they represent. These groups range from funeral directors, to teachers, to realtors. They spend millions annually to exercise their First Amendment rights and to promote the interests of their constituents," said Jeff Brindle, ELEC's Executive Director.

Unions dominated the top 25, spending a total of \$133 million- 53 percent of all spending. Eight of the top 25 special interest groups were unions, including the top four spenders. While they are major contributors to political campaigns, unions generally do not make huge outlays on lobbying.

Table 2								
Top PAC Spending and Lobbying								
l	oy Special Interes	t Group Type						
Туре	Type PAC Spending Lobbying Total							
Union	\$106,974,878	\$ 25,698,421	\$132,673,299					
Regulated Industry	\$ 2,953,622	\$ 37,980,617	\$ 40,934,239					
Trade Association	\$ 18,026,230	\$ 21,569,996	\$ 39,596,226					
Professional	\$ 11,918,797	\$ 9,897,104	\$ 21,815,901					
Ideological	\$ 4,824,911	\$ 11,469,347	\$ 16,294,258					
Total	\$144,698,437	\$106,615,486	\$251,313,923					

While unions overall were the top spenders and the top PAC spenders, regulated industries invested the most in lobbying- nearly \$38 million. Regulated industries include gas and electric utilities, water companies, cable companies and other companies that are substantially regulated by the state.

Under state law, these groups are prohibited from making direct contributions to candidates. Instead, their employees must set up political action committees to make contributions to campaigns. They generally are not major campaign spenders.

Among the top 25, the number one spender over the 13-year period was the New Jersey Education Association, a union that represents 195,501 teachers and other school employees. NJEA spent \$37.4 million-nearly \$11 million more than the next highest group, the International Brotherhood of Electrical Workers (IBEW).

NJEA's totals are skewed by the fact that it spent \$18.1 million on lobbying just in 2010 and 2011- far more than its historical norm. It made the huge investment mostly on a massive media campaign in opposition to several proposed legislative changes to the state educational system and to promote the union's image. Without the unusually large expenditure, it would have ranked third.

Year	NJEA School Elections Committee*	NJEA PAC Spending	Lobbying	Total	
1999	\$ 150,983	\$ 551,183	\$ 156,696	\$ 858,862	
2000	\$ 155,160	\$ 336,980	\$ 181,331	\$ 673,471	
2001	\$ 189,239	\$ 1,056,534	\$ 173,341	\$ 1,419,114	
2002	\$ 524,414	\$ 354,692	\$ 283,989	\$ 1,163,095	
2003	\$ 228,123	\$ 703,296	\$ 272,367	\$ 1,203,785	
2004	\$ 203,125	\$ 450,586	\$ 262,713	\$ 916,424	
2005	\$ 340,364	\$ 691,058	\$ 249,750	\$ 1,281,172	
2006	\$ 378,099	\$ 519,097	\$ 342,271	\$ 1,239,467	
2007	\$ 276,188	\$ 1,215,626	\$ 317,488	\$ 1,809,302	
2008	\$ 504,798	\$ 531,653	\$ 305,463	\$ 1,341,914	
2009	\$ 744,512	\$ 1,539,196	\$ 360,505	\$ 2,644,213	
2010	\$ 478,759	\$ 675,967	\$ 6,869,256	\$ 8,023,982	
2011	\$ 767,712	\$ 1,526,013	\$11,259,886	\$13,553,611	
2012	\$ 24,605	\$ 892,255	\$ 409,407	\$ 1,326,267	
Totals	\$4,966,081	\$11,044,135	\$21,444,462	\$37,454,678	

Table 3NJEA PAC and Lobbying Expenditures 1999-2012

*Net total after adjusting for transfers back to NJEA

Other studies have found that New Jersey's teacher union is not alone in dominating the special interest landscape in a state.

A March 2010 analysis by the California Fair Political Practices Commission found that the California Teachers Association spent nearly \$212 million during the previous decade on campaigns and lobbying- nearly \$105 million more than the next biggest spender (California State Council of Service Employees).

In a separate analysis, ELEC also did a detailed review of PAC spending just for 2012. ELEC has done similar studies starting with 2009 PAC spending. The analysis found that PACs gave just \$8.9 million to New Jersey state, county and local campaigns during a year when neither the Governor's seat nor the Legislature were up for reelection. (See Table 8 in Appendix to see Top 25 PAC Spenders in 2012).

That figure was down 50 percent from the \$18 million spent in 2011, when all 120 legislators ran for reelection.

Recipient	Amount	Percent
Legislative Leadership PACs and Individual Legislators	\$4,405,748	49%
Local (Excluding County Parties)	\$3,045,238	34%
County Parties	\$ 947,885	11%
State Parties	\$ 451,160	5%
Gubernatorial Candidates	\$ 79,250	1%
Total	\$8,929,281	100%

 Table 4

 Total Contributions Made by Political Action Committees (PACs) in 2012 to New Jersey Candidates and Committees (Excludes Contributions to Federal Candidates)

In 2011, individual legislators and legislative leadership PACs received \$12.1 million. In 2012, they got just \$4.4 million. County parties, who often are active in legislative elections, received more than \$1.8 million in 2011 versus less than \$950,000 in 2012.

"While 2012 was an important federal election year with the president, Congressional seats and a U.S. Senate seat all in contention, it was a relatively quiet year for state, county and local elections," said Brindle. "PAC contributions for New Jersey races predictably were down."

The \$8.9 million in PAC spending in New Jersey comprised just a third of the \$28.4 million in total PAC spending.

"Many PACs that file in New Jersey are national and may have spent all or most of their funds outside the state in 2012," said Brindle. "Also, PAC spending on New Jersey federal elections were not included in ELEC's totals since the agency has no jurisdiction over those campaigns."

PAC spending in 2012 was well below the high of \$35.4 million in 2009.

Registered in New Jersey									
Year	Year 2007 2008 2009 2010 2011 2012								
Total Contributions From Registered PACs	\$33,023,400	\$25,422,329	\$35,445,360	\$28,198,556	\$34,313,085*	\$28,444,172**			
% Change	14.0%	-23.0%	39.4%	-20.4%	22%	-17			

Table 5
Total Contributions in 2012 by PACs
Registered in New Jersev

*Includes \$1 million from mostly out of state PACs not registered in New Jersey. No comparable figure available for past years. **Includes \$212,387 from unregistered PACs.

For the second straight year, ELEC analyzed all 278 PACs that reported spending in 2012.

Union PACs gave the most to state and local campaigns in 2012- nearly \$5.1 million, or 57 percent. This continues a trend of heavy union involvement in recent state elections.

Table 6

PAC Spending in 2012- Just New Jersey						
Туре	Contributions	Percent				
Union	\$5,097,036	57%				
Professional or Trade Association	\$2,174,293	24%				
Other Ongoing Committee	\$ 621,998	7%				
Regulated Industries	\$ 387,318	4%				
Ideological	\$ 348,776	4%				
Business	\$ 299,859	3%				
Grand Total	\$8,929,280	100%				

Unions also dominated overall spending. Several are national PACs that participate in elections in several states. Only about one-quarter of the \$20.2 million in reported union PAC spending went to New Jersey non-federal campaigns in 2012.

PAC Spending in 2012- Overall Spending by Type						
Туре	Contributions	Percent				
Union	\$20,189,763	71%				
Professional or Trade Association	\$ 4,360,823	15%				
Business	\$ 1,397,322	5%				
Other Ongoing Committee	\$ 1,083,920	4%				
Ideological	\$ 749,263	3%				
Regulated	\$ 663,082	2%				
Grand Total	\$28,444,172	100%				

Table 7

Technically known in New Jersey as continuing political committees, PACs generally are required to file detailed reports with ELEC when, during a calendar year, they contribute in excess of \$4,900 to state and/or local candidates. They must file reports with ELEC each quarter that list their contributions and expenditures.

For purposes of this analysis, special interest PACs are defined as those that identified themselves as a business, labor union, professional association, ideological group, civic association, trade association, or other ongoing.

The list also includes PACs formed by employees of regulated industries such as banks and insurance companies, which cannot use corporate funds for campaign contributions.

In its long-term analysis of major special interest spending, ELEC began with 1999 because it was the earliest year for which PAC reports and lobbying information are available online.

This press release is a compilation of figures reported to the Commission, and is not intended to express any opinion concerning the accuracy or completeness of any filed report. Although the Commission has taken all reasonable precautions to prevent mathematical or typographical errors, they may occur.

Copies of individual PAC and lobbying reports are available on ELEC's website at <u>www.elec.state.nj.us</u>.

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Appendix Table 8 Top 25 PAC Contributors in 2012 to New Jersey Candidates and Committees

	to New Jersey Candidates and Committees							
Name	Туре	Guber- natorial	Legislative	State Parties	County Parties	Local	Total	
Northeast Regional								
Council of Carpenters								
NJ PEC	Union		\$112,500	\$ 45,000	\$210,700	\$467,750	\$835,950	
New Jersey Education								
Association	Union		\$271,575	\$ 25,000	\$ 90,400	\$ 42,940	\$429,915	
NJ For the People	Other					****	****	
(CWA affiliate) (3)	Ongoing					\$383,742	\$383,742	
IBEW 351(1)	Union		\$166,500	\$ 5,000	\$122,000	\$ 67,876	\$361,376	
IBEW 164 (1)	Union		\$ 77,625	\$ 35,000	\$ 84,700	\$ 91,357	\$288,682	
Realtors PAC ⁺	Professional	\$3,800	\$214,875	\$ 21,000		\$ 42,900	\$282,575	
Local 322 Committee								
for Political Education								
(Plumbers and								
Pipefitters)	Union		\$105,200		\$ 44,000	\$124,877	\$274,077	
Plumbers & Pipefitters								
Local 9	Union		\$113,110	\$ 5,500	\$ 19,150	\$ 91,360	\$229,120	
NJ Dental Association	Professional	\$3,800	\$171,725	\$ 10,000		\$ 29,200	\$214,725	
NJ State Laborers PAC	Union	\$3,800	\$ 94,025	\$ 5,000	\$ 46,000	\$ 54,450	\$203,275	
International Union of								
Operating Engineers								
Local 825	Union	\$3,800	\$ 67,200	\$ 20,000	\$ 16,300	\$ 73,016	\$180,316	
NJ Apartment	Trade							
Association	Association	\$3,800	\$124,540	\$ 6,500		\$ 12,700	\$147,540	
Developers PAC	Professional		\$114,700	\$ 10,000			\$124,700	
Association for Justice								
(formerly ATLA)	Professional	\$3,800	\$ 91,850	\$ 21,500			\$117,150	
Drive (Teamsters)	Union		\$ (500)	\$ 5,000	\$ 5,000	\$105,190	\$114,690	
Plumbers Local 14	Union		\$ 57,250		\$4,900	\$ 47,725	\$109,875	
1199/SEIU NY State								
Political Action Fund								
(2)	Union		\$ 42,800	\$ 10,000		\$ 43,150	\$ 95,950	
CWA NJ PEC (3)	Union		\$ 21,250	\$ 2,500		\$ 71,660	\$ 95,410	
NJ Optometric PAC	Professional		\$ 88,825	\$ 4,000		\$ 2,000	\$ 94,825	
BAC Administrative								
District Council of NJ								
PAC (5)	Union		\$ 33,750	\$ 6,000	\$ 11,600	\$ 39,310	\$ 90,660	
Medical Action								
Committee	Professional		\$ 85,100	\$ 750			\$ 85,850	
	Regulated							
JebPac	Industries		\$ 77,575			\$ 7,200	\$ 84,775	
	Trade							
CAR PAC	Association		\$ 80,002			\$ 3,302	\$ 83,302	
NJ Funeral Directors								
PAC	Professional		\$ 80,950				\$ 80,950	
IBEW COPE- Trenton								
(1) International B	Union rotherhood of Fl		\$ 37,850	\$ 8,500	\$ 3,000	\$ 31,240	\$ 80,590	

(1) International Brotherhood of Electrical Workers

(2) Service Employees International Union

(3) Communications Workers of America

(4) International Union Of Bricklayers & Allied Craftworkers