



## State of New Jersey

### ELECTION LAW ENFORCEMENT COMMISSION

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March 8, 1982

Joseph W. Katz, President  
The Joseph W. Katz Company  
Capitol House  
142 West State Street  
Trenton, New Jersey 08608

#### ADVISORY OPINION No. 04-1982

Dear Mr. Katz:

Your letter to the Election Law Enforcement Commission requesting an advisory opinion has been considered by the Commission and I have been directed to issue this response. You have asked whether the Joseph W. Katz Company, a firm which periodically undertakes lobbying on behalf of lobbyist clients, must file a Form L-2 on behalf of clients for whom the firm is registered as a legislative agent pursuant to N.J.S.A. 52:13C-19 et seq. but on whose behalf no direct communication with legislators for the purpose of affecting legislation was undertaken in the reporting year. For the reasons stated herein, you are advised that under the facts you have represented the lobbyist clients did not have any obligation to file an annual report directly or through your company by use of the Form L-2.

You have informed the Commission that the Joseph W. Katz Company provides, among other services, lobbying representation for its lobbyist clients and therefore meets the definition of "legislative agent" as set forth in Chapter 150 of the Laws of 1981. N.J.S.A. 52:13C-20(g). The company received fees from these clients for services that included monitoring legislation. The company stood prepared to communicate with legislators concerning legislation during the reporting year but found it in fact unnecessary to do so. The Commission infers that the lobbyist clients did not undertake any lobbying or direct communication in their own behalfs but relied exclusively on the Joseph W. Katz Company.

The statute controlling the filing of annual reports by lobbyists and legislative agents is contained in section 2 of Chapter 150 of the Laws of 1981, as amended by Chapter 513 of the Laws of 1981. That statute reads, in pertinent part, as follows:

"Each legislative agent or lobbyist shall make and certify the correctness of a full annual report to the Election Law Enforcement Commission, of those moneys, loans, paid personal services or other things of value contributed to it and those expenditures made, incurred or authorized by it for the purpose of direct, express and intentional communication with legislators or the Governor or his staff undertaken for the specific purpose of affecting legislation during the previous year. The report shall include the following expenditures which expressly relate to direct, express and intentional communication with legislators for the specific purpose of affecting legislation: media, including advertising; entertainment; food and beverage; travel and lodging; honoraria; loans; gifts; and salary, fees, allowances or other compensation paid to a legislative agent."

The lobbyist clients, and the Joseph W. Katz Company as the "legislative agent" of those clients, did not undertake any lobbying communication. The Form L-2 is exclusively for use of lobbyist clients that engage the services of an outside legislative agent, such as the Joseph W. Katz Company, and undertake all lobbying activity through that legislative agent only. In such circumstances, the Form L-2 permits the lobbyist client to designate the annual report filed by the legislative agent as the report of the lobbyist client because all expenditures in such reports will include all the lobbying expenditures of the client. However, in the case you have presented, there was no expenditure expressly related to a direct communication with a legislator for the specific purpose of affecting legislation, and therefore there was no underlying duty on the lobbyist client to file any report, including the Form L-2.

The Commission wishes to bring to your attention that in the event that a lobbyist client in addition to representation by a legislative agent undertook lobbying activities or expenditures beyond those made by the legislative agent, the Form L-2 could not be filed and the lobbyist client would be under an obligation to file a full annual report, i.e. Form L-1.

Very truly yours,

ELECTION LAW ENFORCEMENT COMMISSION

by: GREGORY E. NAGY  
Staff Counsel

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