2009 Connecticut State of Lobbying Report

Summary of Statistics

The attached reports show a number of statistics from the 2009 lobbyist financial filings. Last year, 818 client lobbyists registered with the Office of State Ethics (OSE), as did their 472 in-house communicators and 168 individual communicator lobbyists, many of whom are members of business organizations.

Health care (including hospitals and health care systems) topped the list of most popular issues, followed by government (including taxation and appropriations), human services, the environment and business.

On these issues and others, lobbyists spent a total of $38,588,006.20 in 2009. Eighty-three percent of this amount was spent on legislative lobbying, with the remainder spent on administrative lobbying.

The Connecticut Business and Industry Association (CBIA) led client lobbyists in spending, followed by Northeast Utilities, AT&T Connecticut and Affiliates, the Connecticut Hospital Association, and the Connecticut Conference of Municipalities. (CBIA also led in spending for paid media.)

On the flip side, Gaffney, Bennett & Associates led the business organizations in total revenue received for lobbying in 2009, followed by: Sullivan & LeShane; Robinson & Cole; Levin, Powers, Brennan and Shea; and Murtha Cullina.

In 2009, $24,284.68 was expended by lobbyists for the benefit of public officials. CWA Local 1298, the Connecticut Association of Nonprofits, and Professional Insurance Agents of Connecticut led in that spending, for example, by paying for an official's meal or providing another such benefit.

Lobbying – The Basics

Connecticut's lobbying laws are in place to prevent corruption and provide transparency by showing the citizens of the state who is spending money on lobbying, what issues are being targeted, and how the money is being spent. Lobbying laws disclose sources and paths of money; they in no way limit lobbying activities.

Lobbying in Connecticut is defined as "communicating directly or soliciting others to communicate with any official or his or her staff in the legislative or executive branch of government or in a quasi-public agency, for the purpose of influencing any legislative or administrative action."

Individuals or entities are required by law to register as a lobbyist with the Office of State Ethics (OSE) if they:

- Expend or agree to expend $2,000 or more in a calendar year in lobbying; *OR*
- Receive or agree to receive $2,000 or more in a calendar year in lobbying.

The $2,000 registration threshold applies to any combination of legislative or administrative lobbying and also includes expenditures for activities in furtherance of lobbying, such as expenditures for research, reports, polls, media buys, activities fostering good will, office expenses, secretarial or paralegal salaries, etc. – essentially all of the activities that support the actual lobbying efforts.

Lobbyist Terms – Who's Who

A **Client Lobbyist** is the party *paying* for lobbying services on its behalf. In other words, the client lobbyist is expending or agreeing to expend the threshold amount of $2,000 in a calendar year.

A **Communicator Lobbyist** *receives payment* and does the actual lobbying legwork (i.e., communicating or soliciting others to communicate). A communicator lobbyist receives or agrees to receive $2,000 for lobbying activities in a calendar year. A communicator lobbyist can be:

1. An individual; or
2. A member of a **Business Organization** (e.g., a firm or association that is owned by or employs a number of lobbyists), Conn. Gen. Stat. § 1-91 (t); or
3. An **In-house Communicator** (a lobbyist who is a salaried employee of a client lobbyist).

Registration and Filing Specifics

Once the $2,000 threshold is met, registration with the OSE is required. Registration occurs biennially (every two years) by January 15, or prior to the commencement of lobbying, whichever is later. For odd-numbered years (i.e., registration for a two-year period), the fee is $150.00. The fee for an even-numbered year registration (i.e., registering for one year), is $75.00. The Citizen's Ethics Advisory Board is proposing an amendment to the OSE's regulations to increase the fees to bring them in line with the cost of administering the program. The last such increase was in 1996. The Board is also proposing an increase of the registration threshold from $2,000 to $3,000.

<u>Client Lobbyists</u>
Client lobbyists file quarterly financial reports, with the third and fourth quarters combined. These reports are filed between the 1st and 10th days of April, July and January.

To ensure timely transparency, if a client lobbyist spends or agrees to spend more than $100 in legislative lobbying while the Legislature is in regular session, that lobbyist must file monthly financial reports.

The quarterly and monthly reports gather information such as compensation, sales tax and money expended in connection with lobbying; expenditures benefiting a public official or his/her staff or immediate family; all other lobbying expenditures; and the fundamental terms of any lobbying contract or agreement.

Communicator Lobbyists

Communicator lobbyists also register upon meeting the threshold amount. Communicator lobbyists generally file a financial report once a year, due by January 10. These reports capture compensation, reimbursements from the client lobbyist and sales tax for the previous year.

If a communicator lobbyist makes unreimbursed expenditures of $10 or more for the benefit of a public official, a member of his/her staff, or his/her immediate family, that lobbyist must also file on the client lobbyist's schedule (either monthly or quarterly).

Filing Process – Online System

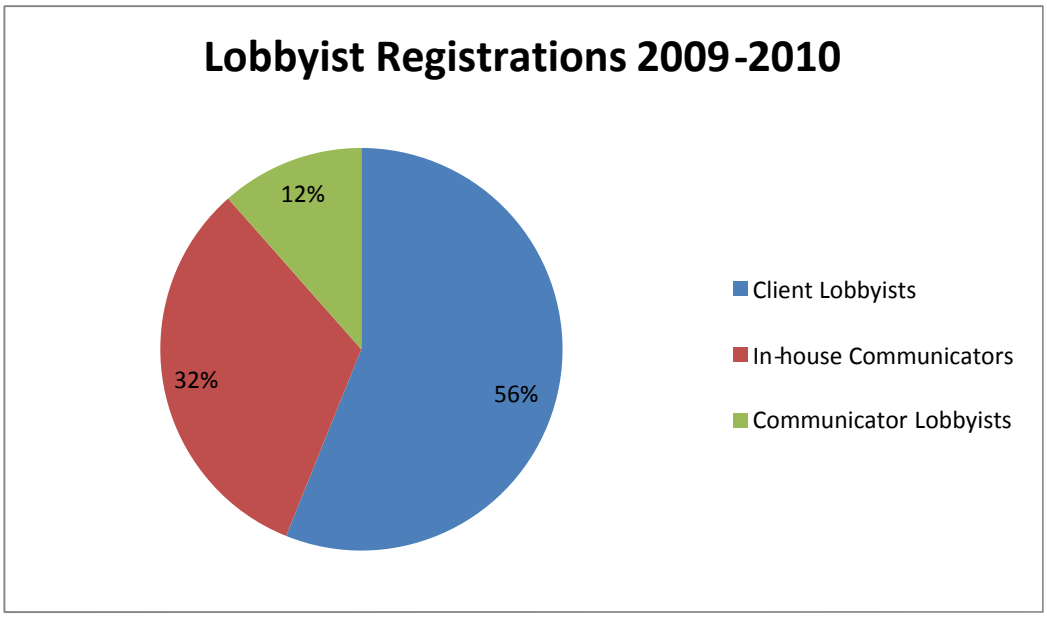
In late December 2008, the OSE debuted a new user-friendly electronic filing system for lobbyist registration and reporting. This new system streamlined the filing process to make data entry and retrieval of statistics convenient and simple. The agency hosted a number of training sessions in a variety of large- and small-group formats for lobbyists on the new online system, and received much positive feedback from front line users. In 2009, the OSE completed the creation of the new system, and lobbyists increased their familiarity and comfort with the system through regular filings. The online system provides the media and the public with real-time statistics on the number of registrants, as well as various reports regarding lobbyist spending and activities.

Auditing the Reports

In 2009, the OSE completed, and the Citizen's Ethics Advisory Board approved, 60 audits of registered client and communicator lobbyists. Thirty-two of those audits contained findings, which were corrected as a result of the audits, and corrective action was imposed in two.

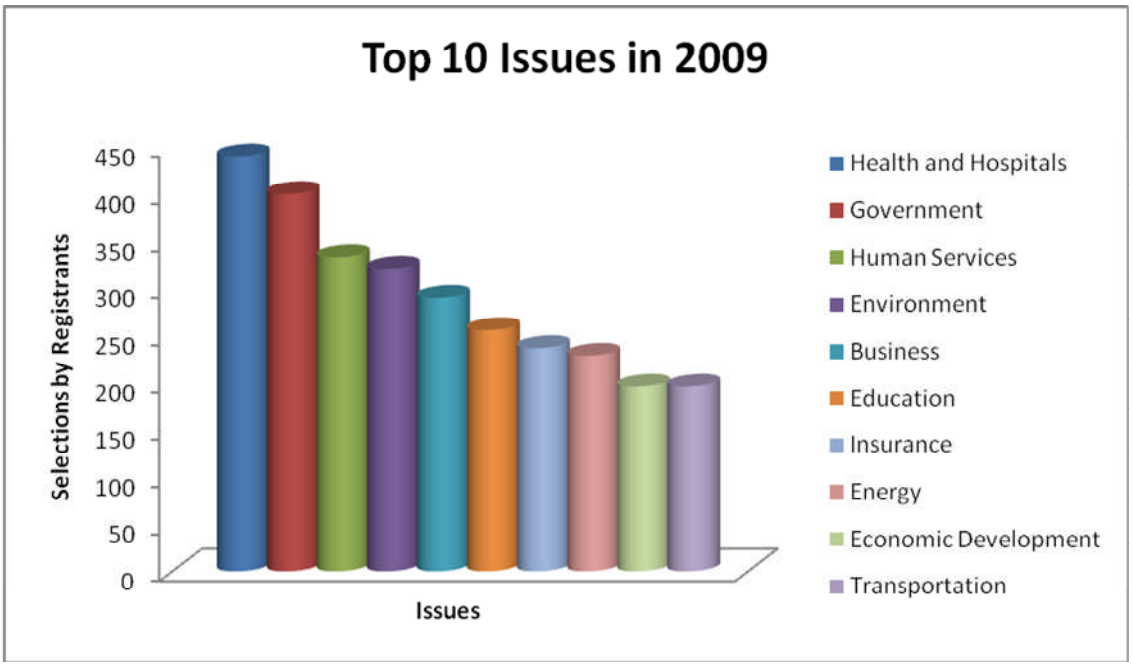
Total Lobbyist Registrations, 2009-2010

Client Lobbyists	818
In-house Communicators	472
Communicator Lobbyists	168



Top 10 Issues

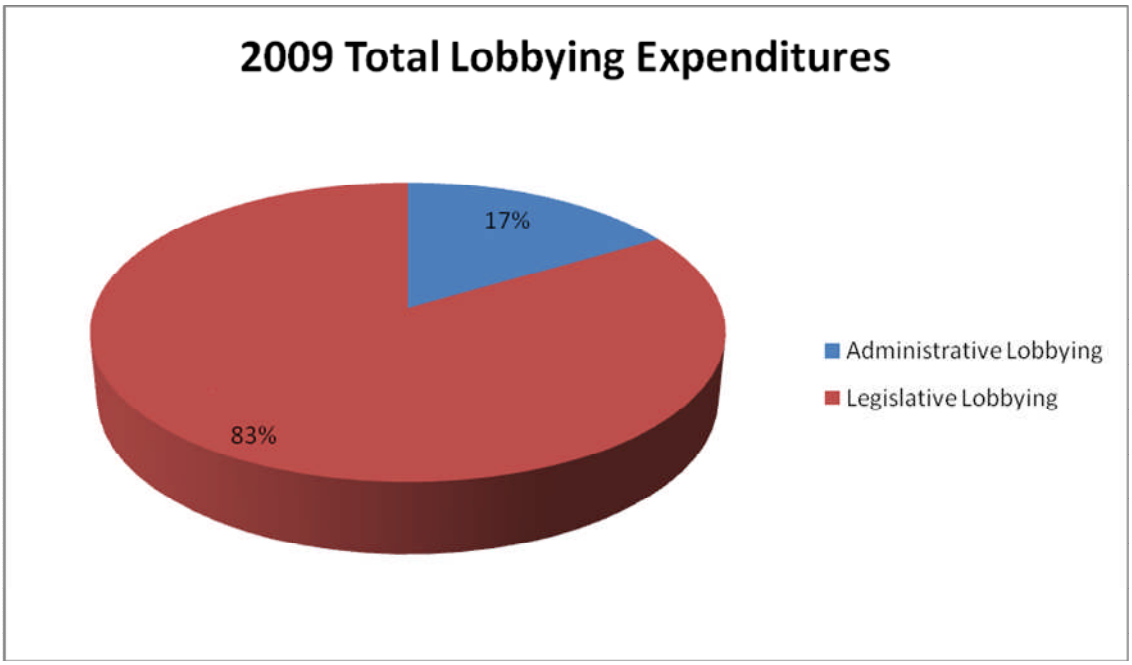
Total (Selections by Registrants)	Issue Name
440	Health and hospitals, health care systems, medical organizations
400	Government – financing, taxation, revenue, budget, appropriations, bids, fees, funds, contracts
333	Human Services – adult, families, children
321	Environment – recycling, packaging, pollution, waste
290	Business
256	Education – institutions, services, programs
237	Insurance – medical, dental, mental health
229	Energy
196	Economic and Community Development
196	Transportation – air, sea, land, rail



Total Expenditures

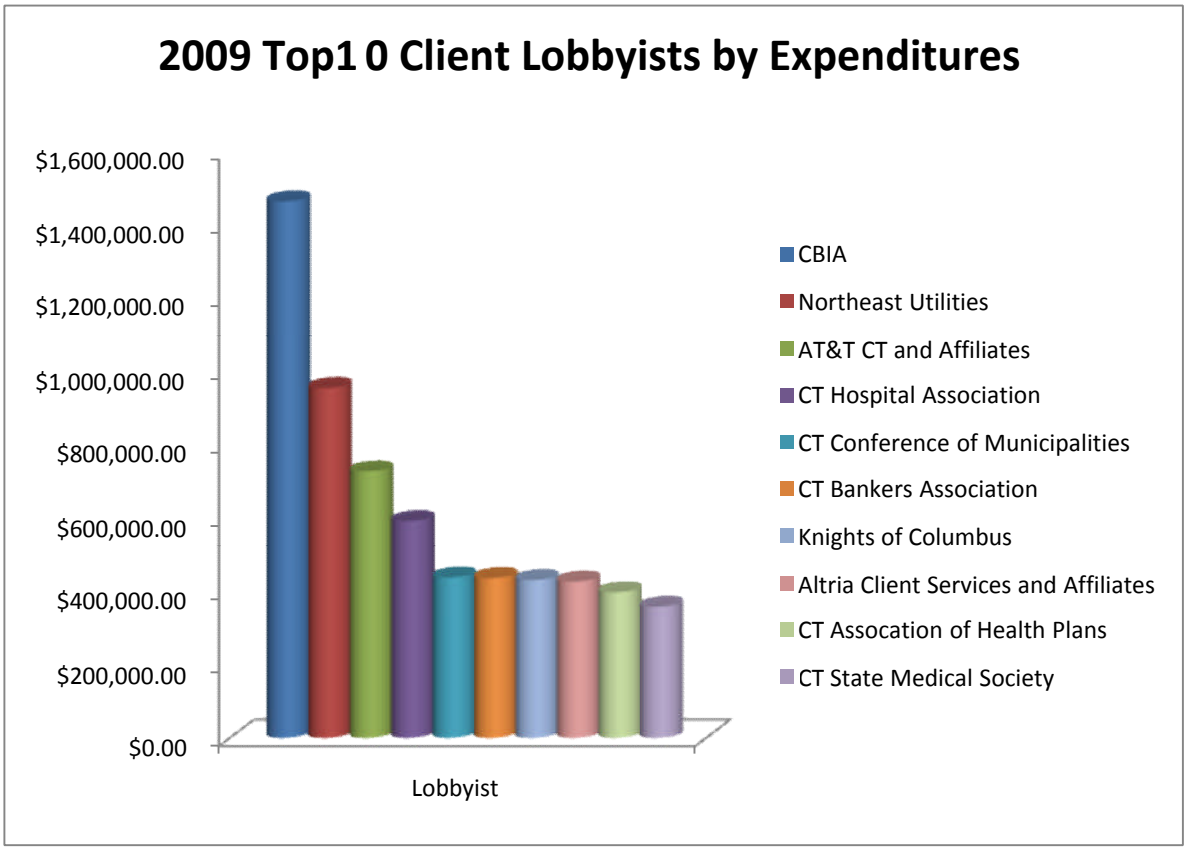
Total Lobbying	**$38,588,006.20**
Administrative Lobbying	$ 6,393,447.77
Legislative Lobbying	$32,194,588.43

Figures include compensation, entertainment, paid media, solicitation, office expenses and other expenses.



Top 10 Client Lobbyists by Expenditures

Lobbyist	Amount
1. CBIA	$1,464,741.97
2. Northeast Utilities	$ 954,644.78
3. AT&T CT and Affiliates	$ 728,580.06
4. CT Hospital Association	$ 593,695.96
5. CT Conference of Municipalities	$ 438,459.00
6. Connecticut Bankers Association	$ 436,920.45
7. Knights of Columbus	$ 431,559.95
8. Altria Client Services and Affiliates	$ 427,315.72
9. CT Association of Health Plans	$ 398,515.10
10. CT State Medical Society	$ 358,547.33
TOTAL	**$6,232,980.32**



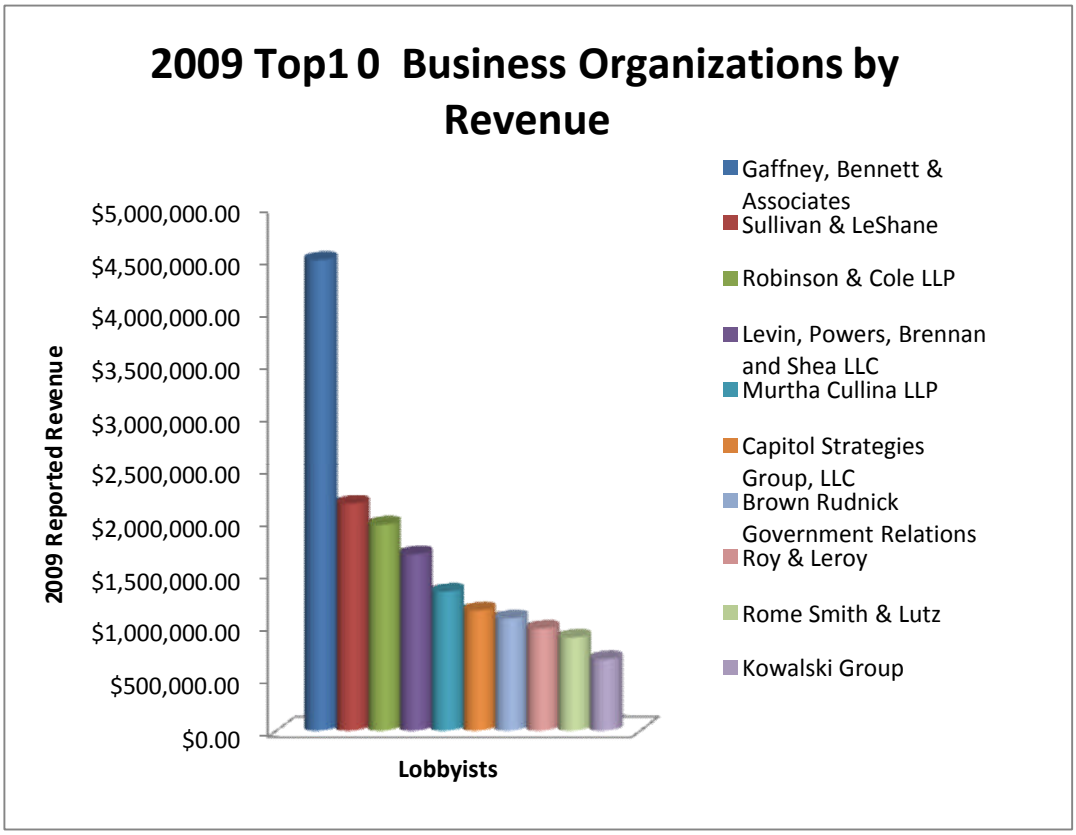
Total Business Organization Revenue

Total Lobbying **$ 22,185,077.25**

Figure includes dollar amount of compensation, sales tax and expense reimbursements.

Top 10 Business Organizations by Revenue

Lobbyist	Amount
1. Gaffney, Bennett & Associates	$ 4,504,566.88
2. Sullivan & LeShane	$ 2,168,539.42
3. Robinson & Cole LLP	$ 1,969,734.47
4. Levin, Powers, Brennan and Shea LLC	$ 1,686,455.98
5. Murtha Cullina LLP	$ 1,331,708.59
6. Capitol Strategies Group, LLC	$ 1,153,338.64
7. Brown Rudnick Government Relations	$ 1,077,282.41
8. Roy & Leroy	$ 979,364.17
9. Rome Smith & Lutz	$ 894,286.42
10. Kowalski Group	$ 688,016.69
TOTAL	**$16,453,293.67**

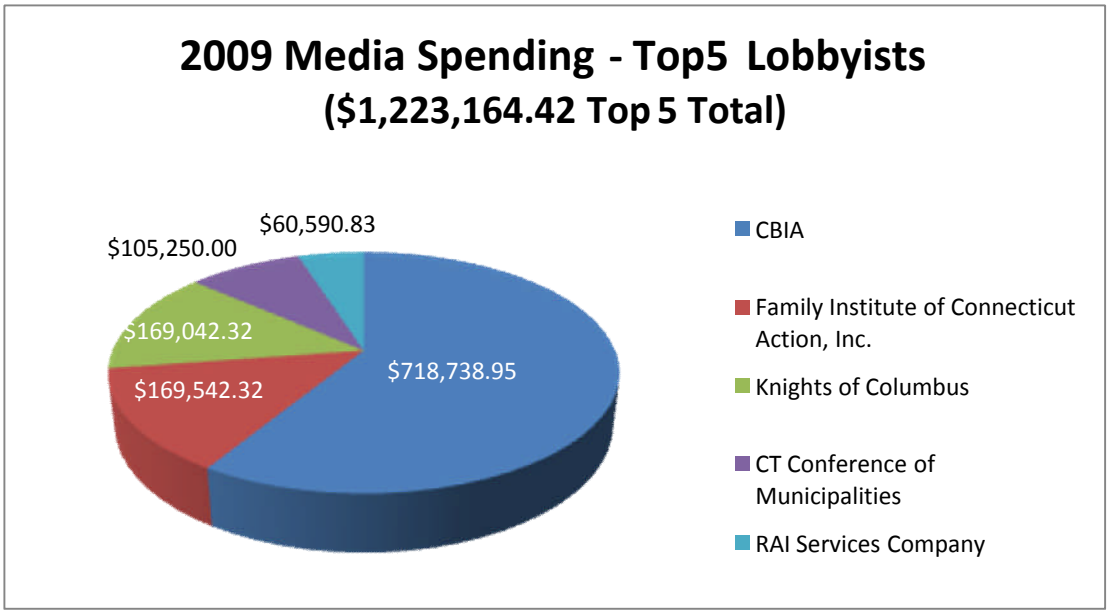


Total Lobbyist Media Spending

Total Paid Media **$ 1,389,862.92**

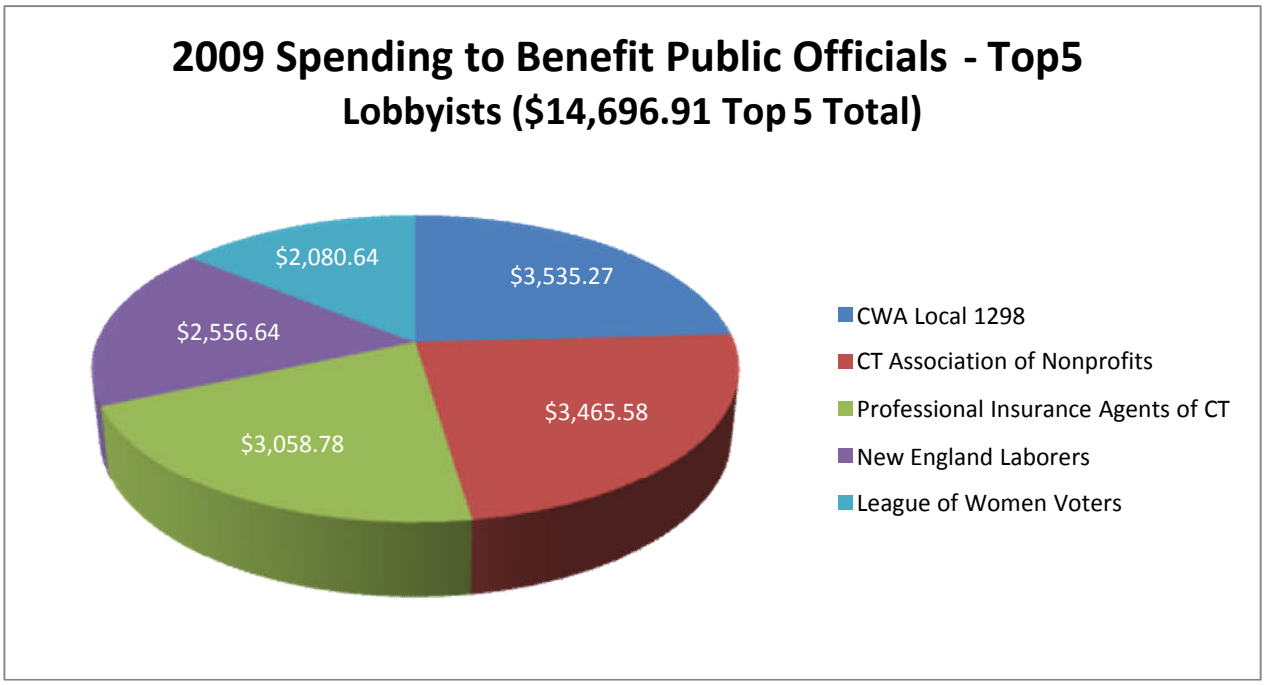
Media Spending – Top 5 Lobbyists

Lobbyist	Amount
1. CBIA	$ 718,738.95
2. Family Institute of Connecticut Action, Inc.	$ 169,542.32
3. Knights of Columbus	$ 169,042.32
4. CT Conference of Municipalities	$ 105,250.00
5. RAI Services Company	$ 60,590.83
TOT**AL**	**$1,223,164.42**



Total Spending by Lobbyists to Benefit Public Officials

Total Spending to Benefit Public Officials **$24,284.68**

Spending to Benefit Public Officials – Top 5 Lobbyists

Lobbyist	Amount
1. CWA Local 1298	$ 3,535.27
2. CT Association of Nonprofits	$ 3,465.58
3. Professional Insurance Agents of CT	$ 3,058.78
4. New England Laborers, Labor-Management Cooperation Trust	$ 2,556.64
5. League of Women Voters of CT	$ 2,080.64
TOTAL	**$14,696.91**