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LOBBYING FIRM CONTINUES TO MONITOR EXECUTIVE ORDER NUMBER 7 AND ITS IMPACT ON PAY-TO-PLAY ISSUES

TRENTON, NJ – May 12, 2010 – Even though the Appellate Division struck down Executive Order Number 7 last week, this is by no means the last word on the issue, according to Brian P. Sharkey, Director of Compliance and Legal Affairs of Porzio Governmental Affairs, a lobbying firm that specializes in pay-to-play matters. “While this appears to be a setback for the Governor, the Appellate Division acknowledged that the Governor has extensive powers to issue Executive Orders, and neither expressed disagreement, or agreement, with the underlying policies of Executive Order 7.”

Dennis P. Marco, Executive Vice President of Porzio Governmental Affairs, anticipates that the Legislature, which is controlled by Democrats, would not be receptive to legislation that would impose pay-to-play restrictions on unions, in no small part because unions usually support Democrats. However, Mr. Marco further predicts, that if the Supreme Court were to reverse the Appellate Division or if the legislature were to somehow pass a law similar to Executive Order Number 7, that would level the fund-raising playing field because right now only companies face these political contributions restrictions.

On May 7, 2010, the New Jersey Appellate Division struck down Executive Order Number 7, which Governor Chris Christie issued on January 20, 2010. Executive Order Number 7 extended pay-to-play restrictions that are already part of existing State law to the political contributions of labor unions, labor organizations, and any political committee formed by labor unions or organizations. Several New Jersey public employee labor unions challenged the

Executive Order, claiming that it was unconstitutional. The Appellate Division agreed that the Executive Order was unconstitutional because it was inconsistent with existing laws and violated the separation-of-powers doctrine. However, the Appellate Division ruled that its determination would not become effective until July 1, 2010, in order to allow the Governor time to seek review by the New Jersey Supreme Court. Not surprisingly, Governor Christie expressed disappointment with the decision and Democratic legislators applauded it. It will be interesting to see if the Governor seeks the Supreme Court's review or attempts to have legislation passed that would accomplish his objective. Mr. Sharkey concluded, "In any event, this is an ongoing issue that requires monitoring."

About Porzio Governmental Affairs, LLC

Porzio Governmental Affairs provides comprehensive lobbying, business development, grassroots advocacy, and public relations services to its clients. Among the services offered, Porzio Governmental Affairs developed the *Porzio Pay-to-Play Database* (www.porziopaytoplay.com), a centralized point of access to pay-to-play laws.

The services of Porzio Governmental Affairs complement the services of the lawyers of Porzio, Bromberg & Newman P.C. who offer legal advice to clients on compliance with NJ ELEC regulations, campaign and election laws, environmental and land use regulations, and FDA and other statutory schemes.

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