

NJPIRG

Standing Up To Powerful Interests

New Jersey Public Interest Research Group & NJPIRG Law & Policy



**Ensuring America's
Financial Future**

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2008 ANNUAL REPORT

Financial Security: Ensuring America's Future

Accountability & Transparency

In 2008, with the economy weakening and home foreclosures skyrocketing, Congress and the president took unprecedented action, empowering the Treasury to inject more than \$700 billion into Wall Street banks, investment firms and, ultimately, Detroit automakers. While people disagree about the necessity and the efficacy of these actions, one thing was clear: Far more accountability and oversight is necessary to ensure the money is being spent in ways that will help fix our economy.

“The hastily developed law gave unprecedented spending authority to the Treasury but lacked protections for taxpayers and homeowners,” said NJPIRG’s Ed Mierzwinski.

In the final weeks of 2008, NJPIRG worked to build support for a comprehensive Main Street reform platform that would include reforms to prevent the massive failures that led to the bailouts and require greater transparency and accountability in financial regulation.



Ed Mierzwinski testifies on the importance of a recovery package that helps Main Street before Wall Street.

New Voters Project: Record Setting Youth Turnout

Volunteers Boost Outreach On Campus

Americans made history on Nov. 4, 2008 in numerous ways, among them: A record number of voters cast their ballots for president and, for the first time in 20 years, young voters' share of the electorate surpassed that of voters over 65.

In 2008, NJPIRG Student Chapters' staff and volunteers joined the student PIRGs' New Voters Project to collect registrations for 5,000 young voters across the state. Working on campuses throughout New Jersey, we combined pavement pounding with high-tech outreach efforts, such as sending text messages reminding voters to get to the polls. According to our analysis, text message reminders sent to young voters increased turnout by 4.6 percentage points.

Nationally, The Center for Information and Research on Civic Learning and Engagement estimated that 2.2 million more young people voted on Nov. 4, 2008 than in the last presidential election.



NJPIRG Student Chapter volunteers helped to register students at Rutgers University in New Brunswick.

Water Watch: Engaging Our Communities

Hundreds Turn Out For Clean Water

This past Earth Day, NJPIRG's Water Watch organized cleanups throughout the state, which drew a total of 720 volunteers. A record breaking number of volunteers turned out to clean up the shores of the Passaic River, Raritan River and D&R Canal, to down along the shore on the Navesink River and Toms River. The day's turn out showed that New Jersey communities are ready and willing to get their hands dirty to protect and restore our threatened waterways.

Water watchdog groups were honored at the events, including the New Brunswick Environment Commission, the Lawrence Brook Watershed Partnership, Middletown Environment Commission, Brookdale Community College's PTK student group, the Rutgers University Environment Council, Princeton Friends of Open Space and the Ocean County Chapter of the Sierra Club.



Water Watch's Earth Day cleanups brought together more than 700 concerned citizens from across the state to clean the banks of our waterways.

New Jersey Water Watch is a joint program between AmeriCorps and the NJPIRG Law and Policy Center. Learn more about the group at their Web site: www.njwaterwatch.org.



Tax & Budget: Reform Closes Tax Loopholes

Working To Level The Playing Field

In 2007, the federal government spent \$422 billion in taxpayer funds on outside contracts. The projects contracted covered a wide range of expenses, from equipment for soldiers in Iraq to relief efforts for victims displaced by Hurricane Katrina.

In 2008, NJPIRG joined U.S. PIRG, Public Citizen, Common Cause and OMB Watch to call on Congress to pass two important reforms. First, to ensure that major federal contracts go to businesses and organizations that obey tax laws. Second, to close loopholes used by contractors to avoid payroll taxes by hiring workers through foreign shell companies.

In June, Congress passed and the president signed the Taxpayer Assistance and Simplification Act, which closed the loophole that allowed private contractors, including Halliburton spin-off, Kellogg Brown and Root (KBR), to avoid paying almost \$100 million a year in payroll taxes.



Alex Wong/Getty Images

By exploiting a loophole in tax law and setting up foreign subsidiaries, private contractors like Kellogg Brown and Root avoided paying almost \$100 million a year in payroll taxes.

Product Safety: From Recalls To Reforms

Protecting Our Families From Toxic Products

For years, NJPIRG and our other state PIRGs have sounded the alarm about problems with the nation's product safety laws and the Consumer Product Safety Commission (CPSC), the body charged with enforcing these laws.

Before 2008, funding at the agency had reached an all-time low and, even as more products than ever crowded the nation's store shelves, the commission had only half the staff than it did 20 years ago.

Our worries were confirmed in 2007, which later became known as the "Year Of The Recall." High-profile recalls of food, drugs and consumer products had families wondering what else was slipping through the product safety net. Twenty-five million toys were recalled because they were laced with lead or contained small, powerful magnets that could perforate a young child's intestines. Sixty million pounds of pet food were recalled because they were peppered with rat poison.



Staff

Liz Hitchcock releases our toy safety research, which highlighted a bath toy that contained a developmental toxin and other toys that contained extremely high levels of lead.

Fighting For Our Safety

These failures to protect the public from unsafe products helped bolster our case for reforming the CPSC and helped to build support for the Consumer Product Safety Improvement Act, the largest overhaul in the history of the CPSC.

In New Jersey, we worked to help introduce the Toxic-Free Children's Products Act, which would ban several toxic chemicals from children's products. In doing so, New Jersey joined several other states moving forward with legislation to ban toxic substances in the absence of federal action.

Still, the act faced heavy resistance from ExxonMobil and the American Chemistry Council, among other powerful interests. The last-minute effort of two members of our federal staff, Elizabeth Hitchcock and Ed Mierzwinski, bolstered by the support and actions of our members and other public interest groups, helped push the measure over the top.

On Aug. 14, 2008, President Bush signed the new law, which increases funding for the CPSC and allows it to remove hazardous products more quickly, hand out fines and penalties to those violating product safety laws, create a public database so that consumers and the media can learn about potentially hazardous products, and set new safety requirements for toys that contain potentially hazardous substances.

Unfortunately, the requirements didn't go into effect until February 2009, so toy manufacturers were under no requirement to take these products off shelves for the 2008 holiday shopping season.

In November, NJPIRG's Jacob Koetsier released our 23rd annual toy safety report, "Trouble in Toyland," highlighting the Silly Fish Squirter toy, which had 400 times the amount of the chemical DINP allowed by the new product safety law. DINP has significant reproductive and developmental health effects.

NJPIRG continues working to ban other toxic substances not addressed in the federal law.

You can learn more about product safety by reading our most recent toy safety report available at www.njpirg.org/report.



Money & Politics: Independent Ethics Team Put In Place

Bringing Ethics Back To Washington

In March 2008, the U.S. House of Representatives voted to create an independent office to police ethical scandals under a plan recommended by NJPIRG and other state PIRGs.

The new Office of Congressional Ethics opened in December. NJPIRG's Gary Kalman, our legislative director in Washington, D.C., was invited to brief the office's director and co-chair of the board about how to interpret the new ethics rules and establish enforcement procedures.

NJPIRG-backed ethics rules that ban lobbyist-paid gifts and travel and require lobbyists to disclose fundraising for candidates, also created the new office.

To make our case for independent enforcement, we pointed to our February 2007 report showing that 23 states already have similar independent panels to enforce ethics rules.



Tolka Rowa/Creative Commons

We will all be watching Washington very closely over the next four years, with hopes of seeing a more transparent and ethical government.

Health Care: NJPIRG Helps Define Principles For Reform

Leveling The Playing Field For Taxpayers

Each year, Americans pay an average of \$7,027 per person for health care. Overall, health care spending is projected to climb from 2007's \$2.3 trillion to \$4.3 trillion by 2016.

Simply put, Americans are paying more and getting less from their health care system. But, as 2008 drew to a close and the incoming Obama administration considered how to address the health care crisis and end years of inaction by Washington, D.C., our researchers and issue experts defined a set of principles to guide the debate over health care reform:

- Health care must be more affordable;
- Insurance companies and HMOs must minimize waste, fraud, abuse and perverse incentives in the system; and
- Consumers must be given more control over their treatment.

In New Jersey, NJPIRG has joined a coalition of community and health groups to promote better, more affordable health care policies.



Dennis Sabo/Shutterstock

Health care is a basic need that should be available to all Americans. NJPIRG and our federation work hard to make health care affordable for all.

Learn more on our Web site about the specifics of our fight to make health care affordable for all Americans: www.njpirg.org.



NJPIRG Supporters

Foundations

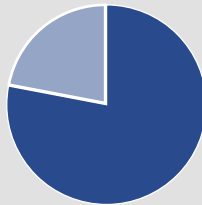
New Jersey Public Interest Research Group Law & Policy Center, a 501(c)(3) organization, conducts research and public education on emerging public interest issues. Contributions to NJPIRG Law & Policy Center are tax-deductible. To find out more, contact Jacob Koetsier at (609) 394-8155.

The NJPIRG Law & Policy Center would like to thank the Commission for National and Community Service and Victoria Foundation for supporting our work.

Financial Information

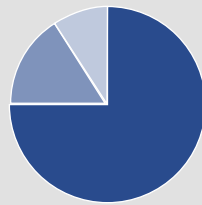
Charts reflect 2008 financial information for NJPIRG and the NJPIRG Law & Policy Center.

FY08 Income



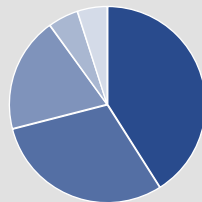
- ◆ Citizen Contributions **78%**
- ◆ Foundation Grants **22%**

FY08 Expenses



- ◆ Program **75%**
- ◆ Fundraising **16%**
- ◆ Administration **9%**

FY08 Program Expenses Breakdown



- ◆ Toxic-Free Future **41%**
- ◆ Consumer Protection **30%**
- ◆ Transportation Solutions **19%**
- ◆ Voting & Democracy **5%**
- ◆ Other **5%**

PLANNED GIVING—Members who include NJPIRG in their wills leave a legacy of activism that will protect consumers and taxpayers, as well as revitalize participation in the democratic process for decades to come. For more information about including NJPIRG in your estate and major giving plans, call (800) 841-7299 or send an e-mail to plannedgiving@njpirg.org.



Jacob Koestier
Advocate

Dear NJPIRG member,

If you read the headlines last year, you might think that the powerful interests were on the run.

It seemed like each week brought with it a new scandal and a new story about bankruptcies and bailouts for Wall Street giants, big banks, automakers and other corporate giants.

But, if you looked beyond the headlines and into the halls of Congress and the state Legislature in Trenton, you saw business as usual: powerful interests benefiting at the expense of the public good.

That's where we came in and, together with your continued support, provided an effective counterweight. You can read about just a few of our biggest accomplishments for 2008 in the pages that follow.

Thanks for making it all possible.

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