



1995 ASSEMBLY BILL 918

February 21, 1996 - Introduced by Representatives GREEN and R. POTTER, cosponsored by Senators PETAK and MOEN, by request of Ethics Board of Wisconsin. Referred to Committee on Elections and Constitutional Law.

1 **AN ACT** *to repeal* 13.68 (1) (c) (intro.) and 1.; *to renumber and amend* 13.68
2 (1) (c) 2. and 13.68 (2); *to amend* 13.64 (1) (e), 13.68 (1) (a) (intro.), 13.68 (1) (a)
3 3., 13.68 (1) (e) and (5), 13.69 (6m) and 20.521 (1) (i); and *to create* 13.62 (14),
4 13.64 (1) (f), 13.67, 13.68 (1) (bn), 13.68 (2) (b), 13.75 (5) and 19.48 (10) of the
5 statutes; **relating to:** reporting by principals with respect to certain lobbying
6 activities, voluntary registration by certain persons with the ethics board,
7 compilation and use of certain information provided to the ethics board, making
8 an appropriation and providing a penalty.

Analysis by the Legislative Reference Bureau

Currently, each principal (person who employs a lobbyist) must report to the state ethics board after the end of each 6-month reporting period the number, subject matter and specific issues addressed in each legislative proposal or administrative rule on which the principal has attempted to influence legislative or administrative action. Each lobbyist who is employed by a principal must also report this information to the principal. The principal forwards information received from its lobbyists to the state ethics board. Violators are subject to a forfeiture (civil penalty) not exceeding \$5,000 for each violation. A principal who or which files a statement that the principal does not believe is true may be fined not more than \$10,000 or imprisoned for not more than 5 years, or both.

This bill deletes this reporting requirement and substitutes a requirement for each principal who or which is not exempt from registration to report to the ethics board when the principal registers, or thereafter within 5 working days after making a lobbying communication with respect to any legislative proposal or proposed

administrative rule not previously reported, each bill or proposed rule number with respect to which the principal has made or intends to make a lobbying communication. If the bill or proposed rule accounts for 5% or more of its lobbying time in a reporting period, the principal must, on its semiannual report, provide an estimate of the proportion of its lobbying time associated with that proposal. With respect to the executive budget bill or bills, the bill requires a principal to identify, from a list of topics provided by the ethics board, each topic that accounts for 5% or more of the principal's lobbying time during the reporting period and provide a reasonable estimate of the proportion of its lobbying time associated with that topic. The report must be made in such manner as the ethics board prescribes. Violators are subject to the same penalties that currently apply to filing of false statements by principals.

The bill also deletes requirements that a principal identify in its report:

1. Any amounts paid to the principal's clerical employees for lobbying activities.
2. The time and resources spent on each attempt to influence legislative action or rule making in each subject area. Under the bill, a principal need only include a daily itemization of the time spent on lobbying activities.
3. The number of hours that the principal's clerical employees and unpaid volunteers spend on lobbying activities.
4. Travel and living expenses for unpaid volunteers if the primary purpose for the travel is unrelated to lobbying.

The bill directs the ethics board to compile and make available information filed with the board in ways designed to facilitate access to the information and permits the board to charge a fee for making available such information, except that the board is not permitted to charge a fee for inspecting records at its office. Currently, the board may charge only for the actual, necessary and direct costs of reproduction of a record, or the cost of locating a record if the costs of location is \$50 or more.

The bill also authorizes any person, including any organization who or which is not required to register with the ethics board as a principal, to register an interest in a bill or proposed administrative rule voluntarily by payment of a \$10 fee.

In addition, the bill directs the department of administration to provide technical and administrative support to the ethics board, and to cooperate with the board, to effect implementation of the requirements created by the bill.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

- 1 **SECTION 1.** 13.62 (14) of the statutes is created to read:
- 2 13.62 (14) "Working day" means any day except Saturday, Sunday or a holiday
- 3 designated in s. 230.35 (4) (a).

1 **SECTION 2.** 13.64 (1) (e) of the statutes is amended to read:

2 13.64 (1) (e) The name and position or relationship to the principal of any
3 designee who is authorized to sign other documents required under this section or
4 s. 13.65, 13.67 or 13.68 (1).

5 **SECTION 3.** 13.64 (1) (f) of the statutes is created to read:

6 13.64 (1) (f) Each bill or proposed rule number in connection with which the
7 principal has made or intends to make a lobbying communication during the biennial
8 period to which the registration applies.

9 **SECTION 4.** 13.67 of the statutes is created to read:

10 **13.67 Identification of legislative and administrative proposals. (1)**

11 Except as authorized under s. 13.621, no person may engage in lobbying as a lobbyist
12 on behalf of a principal and no principal may authorize a lobbyist to engage in
13 lobbying on its behalf unless, no later than the end of the 5th working day after the
14 principal makes a lobbying communication with respect to a legislative proposal or
15 proposed administrative rule not previously identified by the principal under s.
16 13.64 (1) (f) or reported under this section during the biennial period for which the
17 principal is registered, the principal reports to the board, in such manner as the
18 board may prescribe, each bill or proposed rule number in connection with which the
19 principal has made or intends to make a lobbying communication. With respect to
20 a lobbying communication relating to the executive budget bill or bills introduced
21 under s. 16.47, the principal shall further identify from among topics provided by the
22 board the topic or topics of its lobbying communications, if any. The report shall be
23 made by a person who is identified by the principal under s. 13.64 (1) (e).

1 **(2)** Any person who is not a principal may, upon payment of the fee prescribed
2 under s. 13.75 (5), register with the board an interest in any bill or proposed
3 administrative rule.

4 **SECTION 5.** 13.68 (1) (a) (intro.) of the statutes is amended to read:

5 13.68 **(1)** (a) (intro.) The aggregate total amount of lobbying expenditures made
6 and obligations incurred for lobbying activities by the principal and all lobbyists for
7 the principal, excluding lobbying expenditures and obligations for the principal's
8 clerical employes and lobbying expenditures and obligations specified in pars. (b), (d)
9 and (e). With respect to expenditures and obligations included in the amount
10 reported under this paragraph:

11 **SECTION 6.** 13.68 (1) (a) 3. of the statutes is amended to read:

12 13.68 **(1)** (a) 3. A reasonable estimate of lobbying expenditures made and
13 obligations incurred for conducting, compiling or preparing research, information,
14 statistics, studies or analyses used in lobbying shall be included in the aggregate
15 total. Lobbying expenditures and obligations shall not be reported under this
16 subdivision if the use in lobbying occurs more than 3 years after the completion of
17 the research or the compilation or preparation of the information, statistics, studies
18 or analyses. If the research, information, statistics, studies or analyses are used by
19 the principal both for lobbying and for purposes other than lobbying, the principal
20 shall allocate the lobbying expenditures and obligations among the purposes for
21 which the research, information, statistics, studies or analyses are used and include
22 the portion allocated to lobbying in the aggregate total. ~~Any estimate or allocation~~
23 ~~of expenditures and obligations made in good faith, under this subdivision, fulfills~~
24 ~~the requirements of this subdivision.~~

25 **SECTION 7.** 13.68 (1) (bn) of the statutes is created to read:

1 13.68 (1) (bn) For each bill or proposed administrative rule that accounts for
2 5% or more of the principal's time spent in lobbying during the reporting period, the
3 principal's reasonable estimate of the proportion of its time spent in lobbying
4 associated with that bill or proposed rule. With respect to executive budget bill or
5 bills introduced under s. 16.47, the principal shall further identify from topics
6 provided by the board each topic that accounts for 5% or more of the principal's time
7 spent in lobbying during the reporting period and the principal's reasonable estimate
8 of the proportion of its time spent in lobbying associated with that topic.

9 **SECTION 8.** 13.68 (1) (c) (intro.) and 1. of the statutes are repealed.

10 **SECTION 9.** 13.68 (1) (c) 2. of the statutes is renumbered 13.68 (1) (c) and
11 amended to read:

12 13.68 (1) (c) ~~A contemporaneous record disclosing the time and resources spent~~
13 ~~on each attempt to influence legislative or administrative action in each subject area.~~
14 The contemporaneous record shall be supplied on a form provided by the board and
15 shall include an a daily itemization of the time and resources, except the time of
16 clerical employes and unpaid volunteers, ~~spent on research and preparation, the~~
17 ~~time spent meeting:~~

18 1. Meeting with elective state officials, agency officials, legislative employes of
19 the state and other state employes having decision-making authority, ~~and,~~

20 2. Research, preparation and any other activity which includes lobbying.

21 **SECTION 10.** 13.68 (1) (e) and (5) of the statutes are amended to read:

22 13.68 (1) (e) The total lobbying expenditures made and obligations incurred for
23 personal travel and living expenses, except for expenditures made or obligations
24 incurred for the travel and living expenses of unpaid volunteers if the primary
25 purpose of the travel is for reasons unrelated to lobbying.

1 **(5) RECORDS.** All Each principal and each lobbyist engaged by a principal shall
2 obtain, organize and preserve all accounts, bills, receipts, books, papers and other
3 documents necessary to substantiate the expense statement ~~shall be obtained,~~
4 ~~organized and preserved by the principal and any lobbyist engaged by the principal,~~
5 including a contemporaneous account identifying the amount of time that a principal
6 and each of its authorized lobbyists spend on lobbying each day, for 3 years after the
7 date of filing the expense statement. A principal may permit its authorized lobbyist
8 to maintain any of the records identified in this subsection on its behalf.

9 **SECTION 11.** 13.68 (2) of the statutes is renumbered 13.68 (2) (a) and amended
10 to read:

11 13.68 **(2)** (a) If the principal compensates or reimburses a lobbyist or employe
12 both for lobbying activities or expenses which are not exempt under s. 13.621 and for
13 other activities or expenses, for the purposes of sub. (1) (a) 1. or 6., the lobbyist or
14 principal may ~~either report the entire amount of the compensation or reimbursement~~
15 ~~or estimate and report the portion of the compensation or reimbursement paid for~~
16 nonexempt lobbying activities or expenses.

17 **SECTION 12.** 13.68 (2) (b) of the statutes is created to read:

18 13.68 **(2)** (b) Any reasonable estimate or allocation made in good faith under
19 sub. (1) (a) 3. or (bn) or this subsection fulfills the requirements of this section.

20 **SECTION 13.** 13.69 (6m) of the statutes is amended to read:

21 13.69 **(6m)** Any principal, lobbyist or other individual acting on behalf of a
22 principal who files a statement under s. 13.63 (1), 13.64, 13.65, 13.67 or 13.68 which
23 he or she does not believe to be true may be fined not more than \$10,000 or
24 imprisoned for not more than 5 years or both.

25 **SECTION 14.** 13.75 (5) of the statutes is created to read:

1 13.75 (5) Registering an interest in a bill or proposed administrative rule under
2 13.67 (2), \$10.

3 **SECTION 15.** 19.48 (10) of the statutes is created to read:

4 19.48 (10) Compile and make available information filed with the board in
5 ways designed to facilitate access to the information. The board may charge a fee for
6 compiling, disseminating or making available such information, except that the
7 board shall not charge a fee for inspection at the board's office of any record otherwise
8 open to public inspection under s. 19.35.

9 **SECTION 16.** 20.521 (1) (i) of the statutes is amended to read:

10 20.521 (1) (i) *Materials and services.* The amounts in the schedule for the costs
11 of publishing documents, locating and copying records, postage and shipping and
12 conducting programs under s. 19.48 (9) and of compiling, disseminating and making
13 available information prepared by and filed with the board under s. 19.48 (10). All
14 moneys received by the board from sales of documents, and from fees collected for
15 copies of records, for postage, for shipping and location fees, and from fees assessed
16 to participants in programs under s. 19.48 (9) and (10) shall be credited to this
17 appropriation account.

18 **SECTION 17. Nonstatutory provisions; technical and administrative**
19 **support.**

20 (1) The department of administration shall provide technical and
21 administrative support to the ethics board, and shall cooperate with the board, to
22 effect implementation of this act.

23 **SECTION 18. Effective date.**

24 (1) This act takes effect on January 1, 1997.

25

(END)