



1997 ASSEMBLY BILL 705

January 13, 1998 – Introduced by Representatives J. LEHMAN, ZIEGELBAUER, PLOUFF and TRAVIS, cosponsored by Senator DARLING. Referred to Committee on Judiciary.

- 1 **AN ACT to amend** 19.46 (3); and **to create** 19.46 (4) of the statutes; **relating to:**
2 disclosure of certain financial interests in legislative proposals.

Analysis by the Legislative Reference Bureau

Currently, under the code of ethics for state public officials, no state public official (elective or major appointive official) may use his or her position or office to obtain financial gain or anything of substantial value for the private benefit of the official or his or her immediate family, or for the benefit of an organization with which the official is associated as a director, officer, trustee, authorized representative or agent, or by ownership or control of at least 10% of the outstanding equity. No state public official may accept from any person anything of value if it could reasonably be expected to influence the official's vote, official actions or judgment, or could reasonably be considered a reward for any official action or inaction on the part of the official. Violators of the code are subject to a forfeiture (civil penalty) of not more than \$5,000 for each violation. Intentional violators are subject to a fine of not less than \$100 nor more than \$5,000 or imprisonment for not more than one year, or both, for each violation. In addition, no state public official may, except in accordance with advice received from the ethics board, take any official action substantially affecting a matter in which the official, a member of his or her immediate family or an organization with which the official is associated has a substantial financial interest, or use his or her office or position in a way that produces or assists in producing a substantial benefit for the official, the official's immediate family or an organization with which the official is associated. This prohibition does not prevent an official from taking official action with respect to any proposal to modify state law.

This bill provides that, within 3 working days after voting upon any proposed constitutional amendment, bill or amendment before any committee of either house of the legislature or before any joint committee of the legislature and before voting upon any such proposal before either house of the legislature the principal author of the proposal or any other member of the legislature who requests the principal

author to introduce or offer the proposal must disclose to the ethics board, on a form prescribed by the board, the nature of the any direct, substantial and material financial interest in the proposal by that person or a member of that person's immediate family or by any organization with which that person or a member of that person's immediate family is associated. Under the bill, ethics board may reasonably interpret and apply the words "direct, substantial and material". Violators are subject to the same civil and criminal penalties that currently apply to violations of the code.

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

1 **SECTION 1.** 19.46 (3) of the statutes is amended to read:

2 19.46 (3) This section does not prohibit a state public official from taking any
3 action concerning the lawful payment of salaries or employe benefits or
4 reimbursement of actual and necessary expenses, or prohibit a state public official
5 from taking official action with respect to any proposal to modify state law or the
6 state administrative code. A member of the legislature shall comply with sub. (4)
7 before taking such action if sub. (4) applies to the action.

8 **SECTION 2.** 19.46 (4) of the statutes is created to read:

9 19.46 (4) (a) In this subsection:

- 10 1. "Proposal" means a proposed constitutional amendment, bill or amendment.
11 2. "Working day" means any day other than Saturday, Sunday or a holiday
12 designated in s. 230.35 (4) (a).

13 (b) Within 3 working days after voting upon any proposal before a committee
14 of either house of the legislature or before any joint committee of the legislature and
15 prior to voting upon any proposal before either house of the legislature, the principal
16 author of the proposal or any other member of the legislature who requests the
17 principal author to introduce or offer the proposal shall disclose to the board, on a
18 form prescribed by the board, the nature of any direct, substantial and material

1 financial interest in the proposal by that person or a member of that person's
2 immediate family or by any organization with which that person or a member of that
3 person's immediate family is associated.

4 **SECTION 3. Initial applicability.**

5 (1) This act first applies with respect to proposals introduced or offered in the
6 1999-2000 legislative session.

7 (END)