

1999 DRAFTING REQUEST

Bill

Received: 04/12/99

Received By: shoveme

Wanted: As time permits

Identical to LRB:

For: Lorraine Seratti (608) 266-3780

By/Representing: Tim Fiocchi

This file may be shown to any legislator: NO

Drafter: shoveme

May Contact:

Alt. Drafters:

Subject: Munis - miscellaneous Counties

Extra Copies: JTK

Pre Topic:

No specific pre topic given

Topic:

Codes of ethics for local governmental officials

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	shoveme 05/13/99	chanaman 05/18/99	mclark 05/21/99	_____	lrb_docadmin 05/23/99	lrb_docadminS&L 05/28/99	

FE Sent For:

G 01-24-00

<END>

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BILL
REQUEST FORM

LEGISLATIVE REFERENCE BUREAU
Legal Section Telephone: 266-3561
5th Floor, 100 N. Hamilton Street

Use of this form is optional. It is often better to talk directly with the LRB attorney who will draft the bill.

Use this form only for **BILL** drafts. Attach more pages if necessary.

Legislator, agency or other body requesting this draft: Rep. Seratti

Date: 4/8/99 Person submitting request (name, phone number): Tim Fiocchi
Timothy.Fiocchi@legis.st... 6-3780

Persons to contact for questions about this draft (names, phone numbers): _____

Describe the problem, including any helpful examples. ~~One of our own~~
How do you want to solve the problem?

Please see attached

Please attach a copy of any correspondence or other material that may help us.
If you know of any statute sections that might be affected, list them or provide a marked-up (not re-typed) copy. _____
You may attach a marked-up (not retyped) copy of any LRB draft, or provide its number (e.g., 1999 LRB-2345/1 or 1997 AB-67): _____

Requests are confidential unless stated otherwise.

- May we tell others that we are working on this for you? Yes No
- If yes: Anyone who asks? Yes No Any legislator? Yes No Only the following persons: _____

Do you consider this request urgent? Yes No If yes, please indicate why: _____

Should we give his request priority over any other pending request of this legislator, agency or body? Yes No If yes, sign your name here: _____



THE PROBLEM: One of our constituents contacted our office because one of his neighbors gave money to the township they live in to condemn part of the constituent's property in order to make what had been a private road into a public road. The neighbor paid for the legal and other costs, and directly benefited from the condemnation. The constituent felt this was basically legal bribery.

The attached newspaper article describes a very different situation, but seems indicative of the same problem. While this particular casino is not in Rep. Seratti's district, it has been observed that small businesses in areas where casinos are brought in are hard pressed to compete because of the tax exemptions and other obvious advantages the casinos have. Such small businesses could never offer anything to compete with the offers being made to the town/school in the article. People shouldn't be able to buy favors from local governments.

POSSIBLE SOLUTION:

Whenever a local governmental body accepts anything of value from an individual or organization, which could reasonably be expected to influence local public official's vote, official actions or judgment, or could reasonably be considered as a reward for any official action or inaction on the part of the local public official the following must be done:

1. If the donation is conditional on an action being taken, the county or municipality shall hold a public hearing before the donation may be accepted. Notice of the amount of the donation, the conditions, and the time and location of the hearing shall be posted five days prior to the hearing.
2. If the party making the donation stands to directly benefit from actions taken as a result of the donation, the county or municipality shall hold a public hearing before expending the donation. Notice of the amount of the donation, the conditions, and the time and location of the hearing shall be posted five days prior to the hearing.

*DRAFTING NOTE: the language used in this was partially modeled on SS 19.59

Local pitch made for casino in Hudson

Continued from Page 1A

Casino

Feathers Partnership to offer a \$1,000,000 per year in return for a resolution of support. BIC "is going to consider the proposition from Four Feathers Partnership," said Schumacher, "and we think it might be a good source of funds for economic development. We want to review the resolution and the contract."

JoAnne Stewart, President of the Blackhawk Hockey Association, said the Association's board met with NDPMAS at a meeting Tuesday. February 2 and he offered an amount equal to the annual payment for the Civic Center. That amount is about \$75,000. In return, Stewart said the Association, either by the board or the membership as a whole, would have to assess a resolution of support for a casino. She said an open forum meeting has been set up to hear the views of members about the proposal.

Village's (ex) levy, or just under \$500,000, annually, with a provision for annual increases. McGee said (be) offer was a "ball park" figure and would require the village to offer support for a casino.

"I think we just have () have an advanced mind," said McGee commenting on (be) proposal, "and not make () decisions until we've really thought it out."

Likewise, Andrews bes suggested in some preliminary discussions an amount, about equal to half of the Village of Woodville's annual (ex) levy, said Woodville Village President Larry Knegendorf, which translates () about \$90,000.

Knegendorf said SMPAS will meet with (be) Village Board on Tuesday, February 9. Knegendorf said he hasn't heard () feedback yet on the offer and (be) will "hear () proposal and () on from interest."

Ken Peterson, Chairman of the Town of Hammond, also said (be) had talked with Andrews and a scheduled meeting with the Town Board was scheduled for Monday night, February 8.

Peterson noted that an amount of money discussed in return for a resolution of support for a casino by (be) Town Board.

Tom Schumacher, local attorney and President of the Baldwin Improvement Corporation said the BIC board met with () SMPAS Wednesday, February 3, and Andrews () on from ()

Casino

Continued on Page 7A

support the proposal will remain neutral.

NDPMA said the Four Feathers Partnership projects gross revenue of \$200 to \$250 million in the first year of operation with a profit of \$50 million. After several years the Partnership projects a gross of up to \$800 million and up to \$200 million profit. He said employment would be near 1,000 in the first year of operation and () increase to up to 4,000 after several years of operation.

The success of (be) casino would be related to its proximity to () twin cities, SMPAS said. He noted that 95% of the business of the casino is projected to come from (be) twin cities and that 75% of the population of (be) twin cities metro area is closer () Hudson ()

NDPMA said the Partnership is prepared to offer () a City of Hudson, St. Croix County and the Hudson School District \$1.15 million annually with an increase each year of operation in return for a resolution of ()

Among () a () municipalities that Andrews () recently contacted making () presentation are (be) Villages of Woodville and Baldwin. Andrews has also met with the Baldwin Improvement Corporation and the Blackhawk Hockey Association.

Trustees of the Village of Baldwin will hear Andrews' proposal at a special meeting set for Wednesday, February 17. According to Village President Don McGee, NDPMAS indicated he is willing () offer the village an amount of about half the

The press for approval to turn (be) financially failing dog racing track at Hudson into () Indian casino base () greater St. Croix County.

Morris Andrews, () consultant hired by () Four Feathers Partnership that is composed of three Indian Tribes and (be) owners made proposals to municipalities outside of (be) Hudson area () local groups. The proposals are for cash donations () organizations () municipalities in return for resolutions in support () a casino at (be) dog track.

NDPMA said (be) former head of Wisconsin Education Association. In a poll cited by Andrews, he said respondents were asked whether they favored a casino at St. Croix Meadows if taxes will be reduced, () that 52% of City of Hudson residents favored () a casino and 60% of county residents favored () county casino. Only 29% of county residents rose () when asked of number rose () 3% when asked of Hudson residents. Eleven percent of county residents and 15% of City of Hudson residents were undecided.

Andrews () also said that (be) casino owned by () of (be) three tribes making () Four Feathers Partnership, will be closed in return for approval for the track conversion to a casino. He said that when the Bureau of Indian Affairs denied the application to place the dog track in trust for purposes of a casino, one of the reasons cited was lack of support by other Indian tribes in Wisconsin. However, now all tribes in Wisconsin support the proposal. And the tribe that doesn't



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-299 1/1

MES.....

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RMR

~~PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION~~

gm

1

AN ACT ...; relating to: creating a code of ethics for the governing bodies of local

2

governmental units.

Analysis by the Legislative Reference Bureau

Under current law, a local public official is prohibited ~~from~~ using his or her public position or office to obtain financial gain or anything of substantial value for his or her private benefit or for the benefit of his or her immediate family, or for an organization with which he or she is associated. Also under current law, no person may offer or give to a local public official, and no such official may solicit or accept from any person, anything of value if it could reasonably be expected to influence the local public official's vote, official actions or judgment, or could reasonably be considered as a reward for any official action or inaction on the part of the local public official.

Under this bill, if the governing body of a local governmental unit, which is defined to include a city, village, town, county, special purpose district or instrumentality or subunit of any of these units of government, is offered anything of value from any person, which could reasonably be expected to influence a local public official or any action taken, or not taken, by the governing body of a local governmental unit, or which could reasonably be considered as a reward for any official action or inaction by a local public official or by the governing body of a local governmental unit, the local governmental unit must hold a public hearing before the thing of value is accepted. The public hearing requirement applies if the thing of value is conditioned on an action being taken, or not being taken by the governing body of the local governmental unit or if the person offering the thing of value is likely

delete space

to directly benefit from an action being taken, or not being taken by the governing body. The public hearing may not take place before public notice of the hearing is published. The notice must provide information on the value of the thing of value and any conditions which may be attached to acceptance of the thing of value.

For further information see the **state and local** 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:

SECTION 1. 66.15 of the statutes is created to read:

66.15 Code of ethics for local governmental units. (1) DEFINITIONS. In this section: (a) "Anything of value" means any money or property, favor, service, payment, advance, forbearance or loan.

(b) "Local governmental unit" means a political subdivision, a special purpose district, an instrumentality or corporation of such a political subdivision or special purpose district, a combination or subunit of any of the foregoing or an instrumentality of the state and any of the foregoing.

(c) "Local public office" means any of the following offices:

1. An elective office of a local governmental unit.
2. A county administrator or administrative coordinator or a city or village manager.
3. An appointive office or position of a local governmental unit in which an individual serves for a specified term, except a position limited to the exercise of ministerial action or a position filled by an independent contractor.
4. The position of member of the board of directors of a local exposition district under subch. II of ch. 229 not serving for a specified term.
5. An appointive office or position of a local governmental unit which is filled by the governing body of the local governmental unit or the executive or administrative head of the

(9)

6. An appointive office or position of a local governmental unit in which an individual serves as the head of a department, agency or division of the local governmental unit.

local government, and in which the incumbent serves at the pleasure of the appointing authority, except a clerical position, a position limited to the exercise of ministerial action or a position filled by an independent contractor.

(d) "Local public official" means an individual holding a local public office.

(e) "Political subdivision" means a city, village, town or county.

(2) NOTICE REQUIRED. If the governing body of a local governmental unit is offered anything of value from any person, which could reasonably be expected to influence the vote or judgment of a local public official or any action taken or decision made by the governing body of a local governmental unit, or which could reasonably be considered as a reward for any official action or inaction on the part of the local public official or the governing body of the local governmental unit, the local governmental unit shall do one of following before accepting the thing of value:

(a) If the thing of value is conditioned on an action being taken, or on an action not being taken, by the governing body of a local governmental unit, the governing body shall hold a public hearing for which a class 1 notice under ch. 985 is published at least five business days before the hearing. The notice shall provide information on the value of the thing of value and any conditions which may be attached to acceptance of the thing of value.

(b) If the person offering the thing of value is likely to directly benefit from an action being taken, or on an action not being taken, by the governing body of a local governmental unit, as result of the thing of value being accepted, the governing body shall hold a public hearing for which a class 1 notice under ch. 985 is published at least five business days before the hearing. The notice shall provide information on

1 the value of the thing of value and any conditions which may be attached to
2 acceptance of the thing of value.

3 (END)

The attached draft is submitted for your inspection. Please check each part carefully, proofread each word, and **sign** on the appropriate line(s) below.

Date: 5/23/99

To: Representative Seratti

Relating to LRB drafting number: LRB-2991

Topic

Codes of ethics for local governmental officials

Subject(s)

Munis - miscellaneous, Counties

1. **JACKET** the draft for introduction _____



in the **Senate** or the **Assembly** (check only one). Only the requester under whose name the drafting request is entered in the LRB's drafting records may authorize the draft to be submitted. Please allow one day for the preparation of the required copies.

2. **REDRAFT.** See the changes indicated or attached _____

A revised draft will be submitted for your approval with changes incorporated.

3. Obtain **FISCAL ESTIMATE NOW**, prior to introduction _____

If the analysis indicates that a fiscal estimate is required because the proposal makes an appropriation or increases or decreases existing appropriations or state or general local government fiscal liability or revenues, you have the option to request the fiscal estimate prior to introduction. If you choose to introduce the proposal without the fiscal estimate, the fiscal estimate will be requested automatically upon introduction. It takes about 10 days to obtain a fiscal estimate. Requesting the fiscal estimate prior to introduction retains your flexibility for possible redrafting of the proposal.

If you have any questions regarding the above procedures, please call 266-3561. If you have any questions relating to the attached draft, please feel free to call me.

Marc E. Shovers, Senior Legislative Attorney
Telephone: (608) 266-0129