

**STATEMENT OF SCOPE
PURSUANT TO WIS. STAT. § 227.135
WISCONSIN ETHICS COMMISSION**

Rule No.: ETH Ch. 16

Relating to: Lobbying

Rule Type: Permanent

1. Detailed description of the objective of the proposed rule:

The Commission proposes to amend ETH 16.03(1) to clarify the level of detail required, repeal ETH 16.03(3) to reflect the current procedure for reporting on administrative action, and create ETH 16.03(4) to incorporate the Commission's new policy that topics of lobbying communications are reported by pre-determined topic categories, similar to how budget bill subjects are reported. The Commission proposes to amend ETH 16.04(1) to only require agency name and scope statement number, and repeal ETH 16.04(2). Finally, the Commission proposes to create ETH 16.05 to request lobbyists voluntarily provide a residential address when applying for a lobbyist license. This information would be used to audit for prohibited campaign contributions by the lobbyist while so licensed.

2. Description of the existing policies relevant to the rule, new policies proposed to be included in the rule, and an analysis of policy alternatives:

The changes to ETH 16.03 are the result of new policy and procedures adopted by the Commission for the reporting of topics under WIS. STAT. § 13.67. The Commission proposes to require lobbying principals to report topics of lobbying communications by a pre-defined list, similar to budget bill subjects, in addition to the current requirements provided in ETH 16.03(1) and (2). Additionally, the Commission proposed repealing ETH 16.03(3). This will make reporting more consistent and easier for the public to follow.

The changes to ETH 16.04 are the result of improvements to the online reporting process which only requires reporting the state agency name and scope statement number. The Ethics Commission has worked with the Legislative Technology Services Bureau (LTSB) to automate providing the Administrative Register number and date, and properly references the online publishing of the register.

The creation of ETH 16.05 is an extension of the Commission's audit plan, which was adopted on October 10, 2016. The lobbyist contribution audit requires Commission staff to identify if the identity of any contributor to a candidate matches the identity of a licensed lobbyist. Contributions are itemized by date, full name, and street address of the contributor. Matching contributors to lobbyists with only a name can sometimes lead to erroneous matches or make it more difficult for Commission staff to verify when a prohibited contribution has been made.

3. Detailed explanation of statutory authority for the rule (including the statutory citation and language):

The Commission has general authority for the promulgation of rules to carry out the requirements of Subchapter III of Chapter 13.

Wis. Stat. § 19.48(1):

19.48 Duties of the ethics commission. The commission shall:

(1) Promulgate rules necessary to carry out ch. 11, subch. III of ch. 13, and this subchapter.

Wis. Stat. § 227.11 (2) (a):

227.11 Extent to which chapter confers rule-making authority.

(2) Rule-making authority is expressly conferred on an agency as follows:

(a) Each agency may promulgate rules interpreting the provisions of any statute enforced or administered by the agency, if the agency considers it necessary to effectuate the purpose of the statute, but a rule is not valid if the rule exceeds the bounds of correct interpretation.

4. Estimate of the amount of time that state employees will spend developing the rule and of other resources necessary to develop the rule :

The Commission estimates that it will use approximately 0.05 FTE staff to develop this rule. This includes time required for research, rule drafting, preparing related documents, coordinating stakeholder meetings, holding public hearings, legislative review and adoption, and communicating the final rule with affected persons and groups. The Commission will use existing staff resources to develop this rule.

5. List with description of all entities that may be affected by the proposed rule :

Lobbyists, lobbying principals, and the general public may be affected by the proposed rule.

6. Summary and preliminary comparison with any existing or proposed federal regulation that is intended to address the activities to be regulated by the proposed rule :

The Wisconsin Ethics Commission is unaware of any existing or proposed federal regulation that is applicable to this rule.

7. Anticipated economic impact of implementing the rule (note if the rule is likely to have a significant economic impact on small businesses):

The Wisconsin Ethics Commission anticipates the rule having no economic impact. This proposed rule includes no significant economic impact on small businesses.

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