



1999 ASSEMBLY BILL 644

January 11, 2000 - Introduced by Representatives BLACK, POCAN, BOCK, RICHARDS, LA FAVE, J. LEHMAN, BERCEAU and MILLER, cosponsored by Senators BAUMGART and ROBSON. Referred to Committee on Campaigns and Elections.

1 **AN ACT** *to amend* 13.62 (10g), 13.62 (10r), 13.62 (11), 13.621 (1) (a), 13.64 (3),
2 13.68 (1) (a) (intro.), 1., 3., 4., 5. and 6., 13.68 (1) (b), 13.68 (1) (c) (intro.), 2. and
3 (e), 13.68 (2) (a), 13.68 (3), 13.68 (5), 13.68 (6) and 13.685 (7); and *to create*
4 13.64 (1) (f) of the statutes; **relating to:** registration and reporting by
5 principals who attempt to influence certain actions of state agencies.

Analysis by the Legislative Reference Bureau

Currently, every principal (person who employs a lobbyist) must register with the state ethics board and file semiannual reports of lobbying expenditures and certain other information concerning any attempts by the principal to influence state legislative action or rule making by state agencies, unless the principal is exempted from registration or reporting under a statutory exemption. Lobbyists must supply to their principals the information required for the principals to prepare their reports.

This bill requires registration and reporting, in addition, by any principal, other than a state agency, who or which attempts to influence any other official action of a state agency, unless the principal is exempted from registration or reporting under a current statutory exemption. Under the bill, a person who or which does not

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attempt to influence state legislative action or rule making by state agencies is not subject to registration or reporting requirements.

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

1 **SECTION 1.** 13.62 (10g) of the statutes is amended to read:

2 13.62 (10g) “Lobbying communication” means an oral or written
3 communication with any agency official, elective state official or legislative employe
4 that attempts to influence legislative or administrative action, or in the case of a
5 principal who is subject to a registration requirement under s. 13.64 (1), that
6 attempts to influence official action under sub. (10r), unless the communication is
7 exempted under s. 13.621.

8 **SECTION 2.** 13.62 (10r) of the statutes is amended to read:

9 13.62 (10r) “Lobbying expenditure” means an expenditure related to the
10 performance of lobbying, whether received in the form of an advance or subsequent
11 reimbursement, and in the case of a principal who is subject to a registration
12 requirement under s. 13.64 (1), an expenditure made for the purpose of attempting
13 to influence official action of an agency with respect to a matter other than rule
14 making under the jurisdiction of the agency. The term includes an expenditure for
15 conducting research or for providing or using information, statistics, studies or
16 analyses in communicating with an official that would not have been incurred but
17 for lobbying or attempting to influence other official action, if applicable to a
18 principal under this subsection.

19 **SECTION 3.** 13.62 (11) of the statutes is amended to read:

20 13.62 (11) “Lobbyist” means an individual who is employed by a principal, or
21 contracts for or receives economic consideration, other than reimbursement for

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1 actual expenses, from a principal and whose duties include lobbying on behalf of the
2 principal or, if the principal is subject to a registration requirement under s. 13.64
3 (1), attempting to influence official action under sub. (10r) on behalf of the principal.

4 If an individual's duties on behalf of a principal are not limited exclusively to
5 lobbying, the individual is a lobbyist only if he or she makes lobbying
6 communications on each of at least 5 days within a reporting period.

7 **SECTION 4.** 13.621 (1) (a) of the statutes is amended to read:

8 13.621 (1) (a) Lobbying or other attempts to influence official action under s.
9 13.62 (10r) through communications media or by public addresses to audiences made
10 up principally of persons other than legislators or agency officials.

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

12 13.64 (1) (f) If the principal intends to attempt to influence official action of any
13 agency with respect to a matter other than rule making, the name of each agency and
14 the general areas of official action that the principal is attempting to influence.

15 **SECTION 6.** 13.64 (3) of the statutes is amended to read:

16 13.64 (3) Each principal registered under this section shall, before the
17 principal or a lobbyist for the principal attempts to influence legislative or
18 administrative action or other official action of an agency under s. 13.62 (10r) in any
19 general area or agency not previously filed with the board, provide written notice to
20 the board of the general area or agency in which the principal or a lobbyist for the
21 principal will attempt to influence legislative or administrative action or other
22 official action and in relation to which a lobbyist is employed.

23 **SECTION 7.** 13.68 (1) (a) (intro.), 1., 3., 4., 5. and 6. of the statutes are amended
24 to read:

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1 13.68 (1) (a) (intro.) The aggregate total amount of lobbying expenditures made
2 and obligations to make lobbying expenditures incurred ~~for lobbying~~ by the principal
3 and all lobbyists for the principal, excluding lobbying expenditures and obligations
4 for the principal's clerical employees, lobbying expenditures and obligations for any
5 employe of the principal who is not a lobbyist and who devotes not more than 10 hours
6 to lobbying during a reporting period, and lobbying expenditures and obligations
7 specified in pars. (b), (d) and (e). With respect to expenditures and obligations
8 included in the amount reported under this paragraph:

9 1. Lobbying expenditures made and obligations to make lobbying expenditures
10 incurred ~~for lobbying~~ shall include compensation to lobbyists ~~for lobbying~~, whether
11 in cash or in-kind, and reimbursements to lobbyists and to the principal or officers
12 or employes of the principal ~~for lobbying or expenses~~.

13 3. A reasonable estimate of lobbying expenditures made and obligations to
14 make lobbying expenditures incurred for conducting, compiling or preparing
15 research, information, statistics, studies or analyses ~~used in lobbying~~ shall be
16 included in the aggregate total. Lobbying expenditures and obligations to make
17 lobbying expenditures shall not be reported under this subdivision if the use in
18 lobbying or attempting to influence other official action under s. 13.62 (10r) occurs
19 more than 3 years after the completion of the research or the compilation or
20 preparation of the information, statistics, studies or analyses. If the research,
21 information, statistics, studies or analyses are used by the principal both for lobbying
22 or attempting to influence other official action under s. 13.62 (10r) and for other
23 purposes ~~other than lobbying~~, the principal shall allocate the lobbying expenditures
24 and obligations among the purposes for which the research, information, statistics,
25 studies or analyses are used and include the portion allocated to lobbying and

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1 attempting to influence other official action under s. 13.62 (10r) in the aggregate
2 total.

3 4. Lobbying expenditures made and obligations to make lobbying expenditures
4 incurred for providing or using research, information, statistics, studies or analyses
5 in lobbying shall be included in the aggregate total.

6 5. Lobbying expenditures made and obligations to make lobbying expenditures
7 incurred for paid advertising and any other activities conducted for the purpose of
8 urging members of the general public to attempt to influence legislative or
9 administrative action or other official action under s. 13.62 (10r) shall be included
10 in the aggregate total, if the total amount of all such lobbying expenditures made and
11 obligations incurred exceeds \$500 during the reporting period.

12 6. If the total amount of lobbying expenditures and obligations to make
13 lobbying expenditures, included in the aggregate total under this paragraph, made
14 or incurred to any lobbyist for the principal exceeds \$200 during the reporting period,
15 the name and address of the lobbyist and the total amount of the lobbying
16 expenditures made or obligations incurred to the lobbyist during the reporting
17 period shall be listed.

18 **SECTION 8.** 13.68 (1) (b) of the statutes is amended to read:

19 13.68 (1) (b) If a lobbyist is an employe, officer or director of a principal and the
20 lobbyist is paid a salary or given consideration other than reimbursement of
21 expenses, the aggregate total amount of lobbying expenditures made or obligations
22 to make lobbying expenditures incurred by the principal for office space, utilities,
23 supplies and compensation of employes who are utilized in preparing for lobbying
24 communications. Any lobbying expenditures made or obligations to make lobbying
25 expenditures incurred for office overhead costs which are included in the amount

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1 reported under par. (a) 1. shall not be included in the amounts reported under this
2 paragraph.

3 **SECTION 9.** 13.68 (1) (c) (intro.), 2. and (e) of the statutes are amended to read:

4 13.68 (1) (c) (intro.) A record disclosing the amount of time spent to influence
5 legislative or administrative action, or other official action under s. 13.62 (10r). The
6 record shall be supplied on a form provided by the board and shall include a daily
7 itemization of the time, except the time of a clerical employe, the time of an employe
8 who is not a lobbyist and who devotes not more than 10 hours to lobbying during a
9 reporting period and the time of an unpaid volunteer, spent by the principal on:

10 2. Research, preparation and any other activity which includes lobbying or
11 attempting to influence other official action under s. 13.62 (10r).

12 (e) The total lobbying expenditures made and obligations to make lobbying
13 expenditures incurred for personal travel and living expenses, except for
14 expenditures made or obligations incurred for the travel and living expenses of
15 unpaid volunteers if the primary purpose of the travel is for reasons unrelated to
16 lobbying or for reasons unrelated to lobbying or attempting to influence other official
17 action under s. 13.62 (10r).

18 **SECTION 10.** 13.68 (2) (a) of the statutes is amended to read:

19 13.68 (2) (a) If the principal compensates or reimburses a lobbyist or employe
20 both for lobbying activities ~~or expenses~~ expenditures which are not exempt under s.
21 13.621 and for other activities or expenses, for the purposes of sub. (1) (a) 1. or 6., the
22 lobbyist or principal shall estimate and report the portion of the compensation and
23 reimbursements paid for nonexempt lobbying activities ~~or expenses~~ expenditures or,
24 if 85% or more of the total compensation and reimbursements paid to the lobbyist or
25 employe relate to are for lobbying ~~or expenses~~ expenditures which are not exempt

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1 under s. 13.621, the lobbyist or principal may report the entire amount of the
2 compensation and reimbursements paid to the lobbyist or employe.

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

4 13.68 (3) EXEMPT ACTIVITIES. Lobbying expenditures made and obligations to
5 make lobbying expenditures incurred for activities identified under s. 13.621 (1) (a)
6 to (f) and (3) are not required to be reported under sub. (1), regardless of whether the
7 principal or a lobbyist for the principal also engages in lobbying activities which are
8 not identified in s. 13.621 (1) (a) to (f) and (3) that are required to be reported under
9 sub. (1).

10 **SECTION 12.** 13.68 (5) of the statutes is amended to read:

11 13.68 (5) RECORDS. Each principal and each lobbyist engaged by a principal
12 shall obtain, organize and preserve all accounts, bills, receipts, books, papers and
13 other documents necessary to substantiate the expense statement, including an
14 account identifying the amount of time that a principal and each of its authorized
15 lobbyists spend each day on lobbying each day or attempts to influence official action
16 under s. 13.62 (10r), for 3 years after the date of filing the expense statement. A
17 principal may permit its authorized lobbyist to maintain any of the records identified
18 in this subsection on its behalf.

19 **SECTION 13.** 13.68 (6) of the statutes is amended to read:

20 13.68 (6) SUSPENSION FOR FAILURE TO FILE A COMPLETE EXPENSE STATEMENT. If a
21 principal fails to timely file a complete expense statement under this section, the
22 board may suspend the privilege of any lobbyist to ~~lobby~~ act as a lobbyist on behalf
23 of the principal. Upon failure of a principal to file the required expense statement,
24 the board shall mail written notices to the principal and to any lobbyist for whom a
25 written authorization has been filed under s. 13.65 to act as a lobbyist for the

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1 principal informing them that unless the principal files the delinquent statement
2 within 10 business days after the date of mailing of the notices, no lobbyist may lobby
3 act as a lobbyist on behalf of the principal. The privilege of any lobbyist to lobby act
4 as a lobbyist on behalf of the principal shall be restored immediately upon filing the
5 delinquent statement. The notices shall be sent by certified mail to the last-known
6 addresses of the principal and lobbyist. Any principal or lobbyist who is aggrieved
7 by a suspension of lobbying privileges to act as a lobbyist under this subsection may
8 request a hearing under s. 227.42 regarding the suspension.

9 **SECTION 14.** 13.685 (7) of the statutes is amended to read:

10 13.685 (7) Beginning with the 3rd Tuesday following the beginning of any
11 regular or special session of the legislature and on every Tuesday thereafter for the
12 duration of such session, the board shall, from its records, submit to the chief clerk
13 of each house of the legislature, for distribution to the legislature under s. 13.172 (2),
14 a report of the names of lobbyists licensed under s. 13.63 and the names of officers
15 and employes of agencies filed under s. 13.695 who were not previously reported, the
16 names of the principals or agencies whom they represent and the general areas of
17 legislative and administrative action or other official action of agencies under s.
18 13.62 (10r) which the principals or agencies are the object of their lobbying activity
19 attempting to influence. Such reports shall be incorporated into the journal of the
20 senate and a copy filed in the office of the chief clerk of the assembly. The board shall
21 also notify the chief clerk of each house that a copy of each statement which is
22 required to be filed under ss. 13.68 and 13.695 is available upon request. Such copy
23 shall be open to public inspection but shall not be incorporated in the journal unless
24 the chief clerk so orders. The board shall include in its biennial report under s. 15.04
25 (1) (d), a summary of the statements it has received under ss. 13.68 and 13.695.

