



2013 ASSEMBLY BILL 907

April 3, 2014 - Introduced by Representatives BILLINGS, SARGENT, PASCH, OHNSTAD, GOYKE, KOLSTE, ZAMARRIPA, KAHL, WACHS, SHANKLAND and BERCEAU, cosponsored by Senator MILLER. Referred to Committee on Campaigns and Elections.

1 **AN ACT** *to renumber and amend* 19.44 (1) (b); *to amend* 19.42 (12), 19.42 (14),
2 19.43 (1), 19.43 (2), 19.43 (3), 19.43 (4), 19.43 (8), 19.44 (1) (a) (intro.), 19.44 (1)
3 (c) and 19.44 (1) (d); and *to create* 13.025, 19.43 (2m), 19.44 (1) (b) 1., 19.44 (1)
4 (cd), 19.44 (1) (ce) and 19.44 (1) (fm) of the statutes; **relating to:** ethics training
5 for legislators-elect; making the code of ethics applicable to state public
6 officials-elect; and the requirement to file and the required content of
7 statements of economic interests.

Analysis by the Legislative Reference Bureau

Currently, the Government Accountability Board (board) administers programs to explain the laws that regulate lobbying and prescribe codes of ethics for state public and elected officials. These programs are offered to state public officials, elective public officials, and candidates for public office, among others. This bill requires each member of the legislature to complete two hours of ethics training administered by the board within three months after taking the oath of legislative office and one hour of ethics training after being reelected in any immediately succeeding election. A legislator who fails to complete the ethics training within the specified time period must forfeit any per diem and expense allowance for which the legislator would be eligible on the last day the training is provided.

Under current law, state public officials are subject to a Code of Ethics for Public Officials and Employees. Current law defines a state public official to include both

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individuals appointed to their office, such as persons appointed by the governor, and individuals elected into office, including the governor, state supreme court justices, and members of the state assembly and state senate. The code of ethics includes standards of conduct to guide the official in taking actions while in office. Under the code of ethics, for example, state public officials are generally prohibited from taking official actions substantially affecting a matter in which the official or his or her family or an organization with which the official is associated has a substantial financial interest. The code of ethics also prohibits state public officials from accepting any transportation, lodging, meals, food, or beverages, except as expressly authorized by law.

This bill extends coverage of the code to apply to individuals whose names are certified as having won election to office and who qualify to assume office but who have not yet assumed office.

Current law requires state public officials and nominees and candidates for state public office to file statements of economic interests with the board. Current law defines "state public official" to include individuals appointed to their office, such as appointees of the governor, and individuals elected into office, such as members of the state assembly and state senate, the governor, and state supreme court justices. This bill makes changes to the requirements to file and to the content of these statements, including the following:

1. Currently, a state public official who serves in office during January of any year must file a statement of economic interests with the board covering the preceding calendar year no later than April 30 following the calendar year. This bill changes the filing deadline to February 28.

2. Currently, a state public official, an appointee to a state public office, or a nominee or candidate for state public office must file a statement of economic interests that is current as of a date specified by law. In addition to other information, the statement identifies certain organizations with which the individual or a member of his or her immediate family is associated or has an ownership interest, and certain creditors and real estate holdings of the individual or a member of his or her immediate family. This bill requires this information to be provided for the entire 12-month period preceding and ending on the date for which the information is currently required to be provided.

3. The bill provides that an individual who is required to file a statement of economic interests include in that statement the identity of any person, other than a relative, who owes the individual \$5,000 or more; the identity of any person, other than a relative, for whom the individual guaranteed a loan in the amount of \$5,000 or more and the identity of the creditor who made the loan; and the identity of any business for which the individual, or a member of his or her immediate family, owns or controls a 5 percent or greater interest.

4. Under current law, an individual's statement of economic interests must identify every organization in which the individual owns securities having a value of \$5,000 or more. For reporting purposes, a security does not include a certificate of deposit or a deposit in a financial institution organized in this state. Under the bill, a security also does not include money market funds or mutual funds.

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5. Currently, a state public official who serves in office during January of any year and who assumes that office or another state public office in that same month or who is nominated for appointment to that office or another state public office in that same month is subject to the requirement to file a regular statement of economic interests, which must be current to December 31 of the preceding year, as well as a requirement to file a special statement of economic interests, which must be current to the date the official assumes office or the nominee is nominated. This bill provides that such an official or nominee is subject only to a requirement to file a statement of economic interests that is current to the date on which the official assumes office or the nominee is nominated.

6. This bill requires an official who leaves office and who was subject to the requirement to file a statement of economic interests but who had not done so within the six months prior to leaving office to file a statement of economic interests within 21 days after leaving office. The official must report on the statement of economic interests information for the entire 12-month period beginning one year prior to the date the official leaves office and ending on the date the official leaves office.

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

1 **SECTION 1.** 13.025 of the statutes is created to read:

2 **13.025 Ethics training for members.** (1) Each member of the legislature
3 shall complete 2 hours of ethics training administered by the government
4 accountability board under s. 19.48 (9) within 3 months after taking the oath of office,
5 and shall complete one hour of ethics training within 3 months after taking the oath
6 of office subsequent to any immediately succeeding election.

7 (2) A member of the legislature who fails to attend or complete the ethics
8 training as required under sub. (1) shall, at the end of the last day on which the
9 training is provided, forfeit any per diem and expense allowance that member would
10 be eligible to receive for that day.

11 **SECTION 2.** 19.42 (12) of the statutes is amended to read:

12 19.42 (12) "Security" has the meaning given under s. 551.102 (28), except that
13 the term does not include a certificate of deposit, money market funds, mutual funds,

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1 or a deposit in a savings and loan association, savings bank, credit union, or similar
2 association organized under the laws of any state.

3 **SECTION 3.** 19.42 (14) of the statutes is amended to read:

4 19.42 (14) "State public official" means any individual ~~holding~~ who holds a
5 state public office or any individual whose name is certified under s. 7.70 (3) (g) as
6 having been elected to and who qualifies to assume a state public office but whose
7 term of office has not yet commenced.

8 **SECTION 4.** 19.43 (1) of the statutes is amended to read:

9 19.43 (1) Each individual who in January of any year is an official required to
10 file shall file with the board no later than ~~April 30~~ February 28 of that year a
11 statement of economic interests meeting each of the requirements of s. 19.44 (1). The
12 information contained on the statement shall be ~~current as of~~ provided for the period
13 beginning on January 1 and ending on December 31 of the preceding year. This
14 subsection does not apply to an official required to file who assumes office or is
15 nominated in January of any year, with respect to the year in which the official
16 assumes office or is nominated, if the official is required to file a report under sub.
17 (2) or (3) in that year.

18 **SECTION 5.** 19.43 (2) of the statutes is amended to read:

19 19.43 (2) An official required to file shall file with the board a statement of
20 economic interests meeting each of the requirements of s. 19.44 (1) no later than 21
21 days following the date he or she assumes office if the official has not previously filed
22 a statement of economic interests with the board during that year. The information
23 on the statement shall be ~~current as per~~ provided for the period beginning one year
24 prior to the date the official assumes office and ending on the date he or she assumes
25 office.

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1 **SECTION 6.** 19.43 (2m) of the statutes is created to read:

2 19.43 **(2m)** An official required to file shall file with the board a statement of
3 economic interests meeting each of the requirements of s. 19.44 (1) no later than 21
4 days following the date he or she leaves office if the official has not previously filed
5 a statement of economic interests with the board within the 6 months preceding the
6 date he or she leaves office. The information on the statement shall be provided for
7 the period beginning one year prior to the date the official leaves office and ending
8 on the date he or she leaves office.

9 **SECTION 7.** 19.43 (3) of the statutes is amended to read:

10 19.43 **(3)** A nominee shall file with the board a statement of economic interests
11 meeting each of the requirements of s. 19.44 (1) within 21 days of being nominated
12 unless the nominee has previously filed a statement of economic interests with the
13 board during that year. The information on the statement shall be ~~current as per~~
14 provided for the period beginning one year prior to the date the nominee was
15 nominated and ending on the date he or she was nominated. Following the receipt
16 of a nominee's statement of economic interests, the board shall forward copies of such
17 statement to the members of the committee of the senate to which the nomination
18 is referred.

19 **SECTION 8.** 19.43 (4) of the statutes is amended to read:

20 19.43 **(4)** A candidate for state public office shall file with the board a statement
21 of economic interests meeting each of the requirements of s. 19.44 (1) no later than
22 4:30 p.m. on the ~~3rd day following the last day~~ permitted for filing that candidate to
23 file nomination papers for the office which the candidate seeks, ~~or no later than 4:30~~
24 ~~p.m. on the next business day after the last day whenever that candidate is granted~~
25 ~~an extension of time for filing nomination papers or a declaration of candidacy under~~

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1 s. 8.05 (1) (j), 8.10 (2) (a), 8.15 (1), or 8.20 (8) (a), no later than 4:30 p.m. on the 5th
2 day after notification of nomination is mailed or personally delivered to the
3 candidate by the municipal clerk in the case of a candidate who is nominated at a
4 caucus, or no later than 4:30 p.m. on the 3rd day after notification of nomination is
5 mailed or personally delivered to the candidate by the appropriate official or agency
6 in the case of a write-in candidate or candidate who is appointed to fill a vacancy in
7 nomination under s. 8.35 (2) (a). The information contained on the statement shall
8 be ~~current as of~~ provided for the period beginning on January 1 of the year preceding
9 the filing deadline and ending on December 31 of the year preceding the filing
10 deadline. Before certifying the name of any candidate for state public office under
11 s. 7.08 (2) (a), the government accountability board, municipal clerk, or board of
12 election commissioners shall ascertain whether that candidate has complied with
13 this subsection. If not, the government accountability board, municipal clerk, or
14 board of election commissioners may not certify the candidate's name for ballot
15 placement.

16 **SECTION 9.** 19.43 (8) of the statutes is amended to read:

17 19.43 (8) ~~On its own motion or at~~ At the written request of any individual who
18 is required to file a statement of economic interests, received by the board prior to
19 the latest time prescribed by law for filing the statement, the board ~~may~~ shall extend
20 the time for filing ~~or a statement by 3 days.~~ On its own motion or at the request of
21 any individual who is required to file a statement of economic interests, the board
22 may waive any filing requirement if the board determines that the literal application
23 of the filing requirements of this subchapter would work an unreasonable hardship
24 on that individual or that the ~~extension of the time for filing or waiver~~ is in the public

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1 interest. The board shall set forth in writing as a matter of public record its reason
2 for the ~~extension or~~ waiver.

3 **SECTION 10.** 19.44 (1) (a) (intro.) of the statutes is amended to read:

4 19.44 (1) (a) (intro.) The identity of every organization with which the
5 individual required to file is was associated during the period to which the statement
6 applies and the nature of his or her association with the organization, except that no
7 identification need be made of:

8 **SECTION 11.** 19.44 (1) (b) of the statutes is renumbered 19.44 (1) (b) (intro.) and
9 amended to read:

10 19.44 (1) (b) (intro.) The identity of every organization or body politic in which
11 the individual who is required to file or that individual's immediate family, severally
12 or in the aggregate, ~~owns~~ owned, directly or indirectly, during the period to which the
13 statement applies, securities having a value of \$5,000 or more, the identity of such
14 securities and their approximate value on the last day of that period or on the date
15 that the securities were disposed of, whichever is earlier, except that no:

16 2. No identification need be made of a security or issuer of a security when it
17 is issued by any organization not doing business in this state or by any government
18 or instrumentality or agency thereof, or an authority or public corporation created
19 and regulated by an act of such government, other than the state of Wisconsin, its
20 instrumentalities, agencies and political subdivisions, or authorities or public
21 corporations created and regulated by an act of the legislature.

22 **SECTION 12.** 19.44 (1) (b) 1. of the statutes is created to read:

23 19.44 (1) (b) 1. Identification of a security issued by an organization is required
24 only if the security consists of an ownership interest in a particular profit-making
25 business or an industry group.

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1 **SECTION 13.** 19.44 (1) (c) of the statutes is amended to read:

2 19.44 (1) (c) The name of any creditor to whom the individual who is required
3 to file or such individual's immediate family, severally or in the aggregate, ~~owes~~ owed
4 \$5,000 or more during the period to which the statement applies and the maximum
5 approximate amount owed during that period.

6 **SECTION 14.** 19.44 (1) (cd) of the statutes is created to read:

7 19.44 (1) (cd) The identity of any person, other than a relative, who owes the
8 individual who is required to file \$5,000 or more.

9 **SECTION 15.** 19.44 (1) (ce) of the statutes is created to read:

10 19.44 (1) (ce) The identity of any person, other than a relative, for whom the
11 individual who is required to file guaranteed a loan in the amount of \$5,000 or more
12 and the identity of the creditor who made the loan.

13 **SECTION 16.** 19.44 (1) (d) of the statutes is amended to read:

14 19.44 (1) (d) The real property located in this state in which the individual who
15 is required to file or such individual's immediate family holds held an interest during
16 the period to which the statement applies, other than the principal residence of the
17 individual or his or her immediate family, and the nature of the interest held. An
18 individual's interest in real property does not include a proportional share of
19 interests in real property if the individual's proportional share is was less than 10%
20 10 percent of the outstanding shares or is was less than an equity value of \$5,000 at
21 all times during that period.

22 **SECTION 17.** 19.44 (1) (fm) of the statutes is created to read:

23 19.44 (1) (fm) If the individual who is required to file, or a member of his or her
24 immediate family, severally or in the aggregate, owns or controls 5 percent or more
25 of a business, the identity of the business.

