



Wisconsin Ethics Commission

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Wisconsin Ethics Commission

Board Room
212 East Washington Avenue
Madison, Wisconsin
August 23, 2016
9:00 a.m.

Open Session Minutes

Present: Peg Lautenschlager, Katie McCallum, Mac Davis, David Halbrooks, Robert Kinney, and Pat Strachota

Staff present: Brian Bell, David Buerger, Richard Bohringer, Adam Harvell, Kyle Kundert, Molly Nagappala and Reid Magney

A. Call to Order

Commission Chair Peg Lautenschlager called the meeting to order at 9:06 a.m.

B. Report of Appropriate Meeting Notice

Administrator Brian Bell reported that appropriate notice of the Commission meeting had been given to the public and news media.

C. Personal Appearances

There were no personal appearances by members of the public.

D. Minutes of the July 11, 2016 Meeting

Staff Counsel David Buerger directed Commissioners to the draft meeting minutes on page 3 of the meeting materials. He noted that the time of that the Commission returned to open session had been omitted, and a corrected copy would be provided for Commissioner McCallum to sign.

Wisconsin Ethics Commissioners

Mac Davis | David R. Halbrooks | Robert Kinney | Peg Lautenschlager | Katie McCallum | Pat Strachota

Administrator
Brian M. Bell, MPA

MOTION: Approve the July 11, 2016 Wisconsin Ethics Commission minutes as corrected. Moved by Commissioner Kinney, seconded by Commissioner Strachota. Motion carried unanimously.

E. Campaign Contributions by Commissioners

Chair Lautenschlager directed Commissioners to the staff memorandum on page 9 of the meeting materials.

MOTION: Move this item to a later point on the agenda between items K and L. Moved by Commissioner Davis, seconded by Commissioner Strachota. Commissioner Halbrooks offered a friendly amendment to take up the matter following the closed session items, which was accepted. Motion carried.

F. Electronic Fee Collection

Administrator Bell made an oral presentation based on a written report starting on page 11 of the meeting materials.

MOTION: Adopt as its payment policy option 3 (accept electronic payments, but absorb the cost of the processing electronic payments) and direct the Ethics Commission Staff to work with the State Controller's Office to implement the policy. Moved by Commissioner Strachota, seconded by Commissioner Davis.

Discussion.

The Chair called the question, which failed 4-2.

MOTION: Adopt as its payment policy option 1 (accept electronic payments and charge a surcharge of two percent on all transactions) and direct the Ethics Commission Staff to work with the State Controller's Office to implement the policy. Moved by Commissioner Kinney, seconded by Commissioner Halbrooks.

MOTION: Amend the previous motion to ask the Department of Administration if the Ethics Commission can distinguish between surcharges for different programs. Moved by Commissioner Halbrooks, seconded by Commissioner Davis. The motion carried and the previous motion was amended.

The Chair called the question, and the motion carried unanimously.

G. Settlement Schedule Review

Chair Lautenschlager directed Commissioners to the staff memorandum on page 13 of the meeting materials. Administrator Bell and Ethics Specialist Adam Harvell made an oral presentation and answered questions from Commissioners.

Commissioners discussed the settlement schedule and whether settlement offers should be made by the staff or the Commission.

MOTION: Adopt the tables outlined in the materials as a settlement schedule. Commission authorizes staff to inform parties involved of the table's result relative to their case, and inform them that it is subject to commission approval. Moved by Commissioner Halbrooks, seconded by Commissioner Davis.

Discussion.

Chair Lautenschlager called a recess at 10:45 a.m. The Commission reconvened at 11 a.m.

The Chair called the question, and the motion carried unanimously.

Commissioners asked staff to develop recommendations for simplifying the settlement schedule.

Staff Counsel Buerger asked the Commission to authorize staff to draft a statement of scope for an administrative rule establishing a settlement schedule.

MOTION: Authorize staff to draft a statement of scope for an administrative rule establishing a settlement schedule for violations. Moved by Commissioner Halbrooks, seconded by Commissioner Kinney. The motion carried unanimously.

H. Review of Audit Findings

Administrator Bell and Campaign Finance Auditor Richard Bohringer made an oral presentation based on a memorandum regarding campaign finance audits starting on page 25 of the meeting materials.

The Commission deferred action to the closed session.

I. Delegation of Authority

Staff Counsel Buerger directed Commissioners to the memorandum on page 35 of the meeting materials. Because of the Commission's action under item G, delegation of authority to offer settlement agreements is not necessary.

The Commission took no action.

J. Memorandum of Understanding with the Wisconsin Elections Commission

Chair Lautenschlager introduced the MOUs with the Wisconsin Elections Commission, starting on page 37 of the meeting materials. Elections Administrator Michael Haas and Staff Counsel Nathan Judnic joined the meeting to discuss the amended agreements for shared facilities, staff services and data. Commissioners discussed financial and media relations services provided by Elections Commission staff that are not covered in the amended MOUs, and directed staff to

maintain the status quo during the transition. Commissioners expressed an interest in seeing the agreements amended to include non-disclosure of confidential information.

MOTION: Approve the Data Exchange Agreement, Shared Office Space Agreement, and Shared Staffing Agreement, subject to the addition of language in each agreement covering confidentiality. Moved by Commissioner Kinney, seconded by Commissioner Strachota. Motion carried unanimously.

K. 2017 – 2019 Budget Initiatives

Administrator Bell directed Commissioners to budget memoranda starting on page 59 of the meeting materials. Commissioners and staff discussed four budget initiatives:

1. DIN #4001 – Funding for Commissioner Per Diems and Meeting Expenses
2. DIN #4002 – Address Ethics Commission Information Technology Needs
3. DIN #4003 – Campaign Finance Information System Maintenance and Support
4. DIN #4004 – Lobbying Fee Structure Revisions

MOTION: Approve the four budget motions as recommended by staff:

1. Request \$31,600 in GPR limited term employee and miscellaneous salaries base funding for Commissioner per Diems and meeting related expenses.
2. Request \$353,600 in supplies and services base funding for continued support of a full-time contract IT resource for the Ethics Commission. This request is based on the current annual cost of a Solution Architect providing support for the commission of \$176,800 applied over the two-year biennium.
3. Request \$50,000 annually in supplies and services base funding for continued maintenance and support of the Campaign Finance Information System (CFIS).
4. Request revising the lobbying fee structure established under WIS STAT §13.75 in order to address trends of declining revenue, increasing costs, and to ensure that the lobbying program is and remains self-funded and not reliant on general purpose revenue.

Moved by Commissioner Kinney, seconded by Commissioner Halbrooks.

Commissioner Davis asked that the question be divided so #4 can be voted on separately. The Chair divided the question.

Questions 1, 2 and 3: Motions carried unanimously.

Question 4: Motion carried.

L. Administrator's Report

Administrator Bell directed Commissioners to a memorandum starting on page 71 of the meeting materials regarding the authority of the administrator and a review of Legislative Audit Bureau reports.

Chair Lautenschlager called a recess at 12:22 p.m. The Commission reconvened at 12:46 p.m.

Commissioners and Administrator Bell further discussed the audit reports. Chair Lautenschlager said the consensus of the Commission is to have the administrator invite the State Auditor to make a brief presentation at a future Commission meeting.

Commissioners and Administrator Bell further discussed the proposed motion regarding the administrator's authority. The Commission took no action.

Administrator Bell discussed with the Commission whether to become a member of the Council on Governmental Ethics Laws and attend the organization's annual conference, which would involve out-of-state travel. Chair Lautenschlager said the consensus is to put the matter on the Commission's next meeting agenda.

M. Future Meetings

Administrator Bell directed Commissioners to a memorandum on page 77 of the meeting materials regarding proposed agendas for the remainder of 2016 and proposed meeting dates for 2017. Commissioners provided staff with direction regarding future agenda items.

Commissioners discussed proposed meeting dates for 2017.

MOTION: Adopt the following meeting dates for 2017:

Tuesday, March 7, 2017 at 9:00 a.m.
Tuesday, June 6, 2017 at 9:00 a.m.
Tuesday, August 22, 2017 at 9:00 a.m.
Tuesday, December 5, 2017 at 9:00 a.m.

Moved by Commissioner Kinney, seconded by Commissioner McCallum. Motion carried unanimously.

Commissioners discussed possible meeting locations outside of Madison and directed the administrator to research possible locations and the staff costs of having meetings outside of Madison for discussion at the December meeting.

N. Closed Session

Commissioner Davis questioned why certain items were noticed for discussion in closed session under the personnel exception. Commissioners and staff discussed exceptions to the open meeting law for closed sessions. Chair Lautenschlager said the Commission would table any items not appropriate for closed session.

MOTION: Move into closed session pursuant to § 19.50 and 19.55(3) to consider complaints and investigations, and pursuant to § 19.85(1)(h) to consider requests for advice under the ethics code, lobbying law and campaign finance law. Moved by Commissioner Davis, seconded by Commissioner Strachota. Motion carried unanimously.

The Commission entered closed session at 1:47 p.m. and returned to open session at 3:20 p.m.

E. Campaign Contributions by Commissioners

MOTION: To table discussion of this matter. Moved by Commissioner Halbrooks, seconded by Commission Davis.

MOTION: To suspend the rules to discuss the motion to table. Moved by Commissioner Strachota, seconded by Commissioner Kinney. Motion carried unanimously.

Commissioners discussed Agenda Item E – Campaign Contributions by Commissioners.

Chair Lautenschlager called the question on the motion to table. The motion carried 4-2, with Commissioners Lautenschlager, McCallum, Davis and Halbrooks voting aye, and Commissioners Kinney and Strachota voting no.

O. Adjourn

MOTION: To adjourn. Moved by Commissioner Kinney, seconded by Commissioner Davis. Motion carried unanimously.

The Commission adjourned at 3:40 p.m.

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August 23, 2016 Wisconsin Ethics Commissioners meeting minutes prepared by:


David Buerger, Staff Counsel

December 6, 2016

August 23, 2016 Wisconsin Ethics Commissioners meeting minutes certified by:


Katie McCallum, Vice Chair

December 6, 2016