

1992 Wis Eth Bd 13
LOBBYING AND LOBBYISTS; CAMPAIGN ACTIVITIES

A lobbying principal may, without violating laws administered by the Ethics Board, operate a conduit on behalf of campaign contributors for making contributions to partisan elective state officials or candidates for partisan elective state office. A lobbyist may administer a conduit. The Ethics Board recommends that someone other than a lobbyist sign and convey the check provided to the candidate. OEB 92-13

April 27, 1992

Facts

[1] This opinion is based upon these understandings:

- a. An organization is a registered principal under the lobbying law.
- b. You are a licensed lobbyist for that principal.
- c. The organization has established and operates a conduit that solicits campaign contributions from others and passes those contributions along to candidates.
- d. Under Wisconsin law, a conduit is an individual or organization that receives contributions of money and transfers the contributions to another without exercising discretion as to the amount which is transferred or to whom the transfer is made.
- e. Candidates to whom the conduit distributes contributions include candidates for partisan elective state office.
- f. You are the administrator of the conduit.

Question

[2] The State of Wisconsin Ethics Board understands your questions to be:

1. May a lobbying principal operate a conduit for campaign contributions to candidates for partisan elective state office?
2. May a lobbyist serve as the administrator of the conduit established by that lobbyist's principal?

Discussion

[3] Section 13.625, *Wisconsin Statutes*, generally prohibits lobbyists and principals from furnishing any items or services of pecuniary value to partisan elected officials or candidates for partisan elective state office, including campaign contributions except during specified time periods. § 13.625(1)(c), *Wisconsin Statutes*.¹ It is our understanding that a conduit does not itself provide money for campaign contributions. Rather, the amount and recipient of contributions are designated by the individual contributors.² Although a

¹ Section 13.625(1) and (2), *Wisconsin Statutes*, provides:

13.625 Prohibited practices. (1) No lobbyist may:

(a) Instigate legislative or administrative action for the purpose of obtaining employment in support or opposition thereto.

(b) Furnish to any agency official or legislative employe of the state or to any elective state official or candidate for an elective state office, or to the official's, employe's or candidate's personal campaign committee:

1. Lodging.

2. Transportation.

3. Food, meals, beverages, money or any other thing of pecuniary value, except that a lobbyist may make a campaign contribution to a partisan elective state official or candidate for national, state or local office or to the official's or candidate's personal campaign committee; but a lobbyist may make a contribution to which par. (c) applies only as authorized in par. (c).

(c) Except as permitted in this subsection, make a campaign contribution, as defined in s. 11.01 (6), to a partisan elective state official for the purpose of promoting the official's election to any national, state or local office, or to a candidate for a partisan elective state office to be filled at the general election or a special election, or the official's or candidate's personal campaign committee. A campaign contribution to a partisan elective state official or candidate for partisan elective state office or his or her personal campaign committee may be made in the year of a candidate's election between June 1 and the day of the general election, except that:

1. A campaign contribution to a candidate for legislative office may be made during that period only if the legislature concluded its final floor period, and is not in special or extraordinary session.

2. A campaign contribution by a lobbyist to the lobbyist's campaign for partisan elective state office may be made at any time.

(d) Contract to receive or receive compensation dependent in any manner upon the success or failure of any legislative or administrative action.

(2) No principal may engage in the practices prohibited under sub.

(1) (b) and (c). This subsection does not apply to the furnishing of transportation, lodging, food, meals, beverages or any other thing of pecuniary value which is also made available to the general public.

² State campaign finance law, at §11.01(5m), *Wisconsin Statutes*, defines a "conduit." That section provides:

11.01(5m) "Conduit" means an individual who or an organization which receives a contribution of money and transfers the contribution to another individual or organization without exercising discretion as to the amount which is transferred and the individual to whom or organization to which the transfer is made.

conduit facilitates the ability of like-minded individuals to combine and deliver their campaign contributions, and provides administrative and other services to that end, the services (arguably of pecuniary value) are furnished to the individuals who otherwise would not be able to pool their contributions and not to the candidate.

[4] The Ethics Board recommends that someone other than a lobbyist sign and convey the check provided to the candidate.

Advice

[5] A lobbying principal may, without violating laws administered by the Ethics Board, operate a conduit on behalf of campaign contributors for making contributions to partisan elective state officials or candidates for partisan elective state office. A lobbyist may administer a conduit. The Ethics Board recommends that someone other than a lobbyist sign and convey the check provided to the candidate.