

NOTICE OF OPEN AND CLOSED MEETING

Wisconsin Ethics Commission

101 E Wilson Street, St. Croix Room
Madison, Wisconsin

Tuesday, December 13, 2022, 9:00 a.m.

Open Session Agenda

- A. Call to Order
- B. Report of Appropriate Meeting Notice – Administrator
- C. Approval of Minutes of Prior Meetings
 - 1. Open Session Minutes for Meeting on August 30, 2022 Page 3
- D. Personal Appearances
- E. Revision and Adoption of Guidelines Page 7
 - 1. ETH 1301 Attribution
 - 2. New Guideline – ETH 1302 Exemption for State Candidate Committees
 - 3. New Guideline – ETH 1303 Exemption for Local Candidate Committees
- F. Lobbying Audit Update – Late 15-Day Report Audit Page 15
- G. Legislative Recommendations Page 19
- H. Staff Report Page 29
- I. Consideration of Future Agenda Items
- J. Closed Session
 - 1. Requests for Advice
 - 2. Complaints and Investigations
 - 3. Personnel Matters
- K. Adjourn

Future Ethics Commission Meetings Scheduled:

- Wednesday, February 22, 2023, at 9:00 AM
- Tuesday, June 20, 2023, at 9:00 AM
- Tuesday, September 12, 2023, at 9:00 AM
- Tuesday, December 12, 2023, at 9:00 AM

The Ethics Commission will convene in open session but may move to closed session under WIS. STAT. § 19.85(1), (c), (g), (h), or WIS. STAT. § 19.851. This notice is to inform the public that the Commission intends to convene in open session but may move to closed session. The Commission plans to return to open session following that closed session, as outlined in the above agenda. WIS. STAT. § 19.85(2).

WIS. STAT. §§ 19.50 & 19.55(3) No employee of the Commission may disclose information related to an investigation or prosecution under ch. 11, subchapter III of ch. 13, or ch. 19.

WIS. STAT. § 19.85(1) Any meeting of a governmental body, upon motion duly made and carried, may be convened in closed session under one or more of the exemptions provided in this section. The motion shall be carried by a majority vote in such manner that the vote of each member is ascertained and recorded in the minutes. No motion to convene in closed session may be adopted unless the chief presiding officer announces to those present at the meeting at which such motion is made, the nature of the business to be considered at such closed session, and the specific exemption or exemptions under this subsection by which such closed session is claimed to be authorized. Such announcement shall become part of the record of the meeting. No business may be taken up at any closed session except that which relates to matters contained in the chief presiding officer's announcement of the closed session. A closed session may be held for any of the following purposes:

- (c) Considering employment, promotion, compensation, or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility.
- (g) Conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved.
- (h) Consideration of requests for confidential written advice from the elections commission under s. 5.05 (6a) or the ethics commission under s. 19.46 (2), or from any county or municipal ethics board under s. 19.59 (5).

WIS. STAT. § 19.851(2) The commission shall hold each meeting of the commission for the purpose of deliberating concerning an investigation of any violation of the law under the jurisdiction of the commission in closed session under this section.



Wisconsin Ethics Commission

Campaign Finance | Lobbying | Ethics
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Wisconsin Ethics Commission

101 East Wilson Street, St. Croix Room
Madison, Wisconsin
August 30, 2022, 9:00 a.m.

Open Session Minutes

Present: Pat Strachota, David Wambach (Teams/Virtual), Maryann Sumi, Shauntay Nelson, Timothy Van Akkeren, and Andrew D. Weininger.

Staff Present: Daniel Carlton, Colette Greve, Sathya Sivaji, Richard Bohringer, Adam Harvell.

A. Call to Order

Commission Chair Pat Strachota called the meeting to order at 9:17 a.m. A quorum was present.

B. Report of Appropriate Meeting Notice – Administrator

Administrator Daniel Carlton notified the Commission appropriate meeting notice had been provided to the public and news media.

C. Approval of Minutes of Prior Meetings

1. Open Session Minutes for Meeting on June 15, 2022

MOTION: To approve the minutes. Moved by Commissioner Van Akkeren, seconded by Commissioner Sumi. Motion carried unanimously.

D. Personal Appearances

There were no personal appearances.

E. 2023 and 2024 Meeting Schedules

Administrator Daniel Carlton presented the Memo on page 7 of the meeting materials.

MOTION: To adopt the four-meeting schedule for the year 2023 with a change of date to February 22nd. Moved by Commissioner Van Akkeren, seconded by Commissioner Sumi. Motion carried unanimously.

The Commission asked staff to bring back the 2024 schedule in June 2023 meeting.

The Commission discussed cancelling the meeting on October 18th, 2022.

F. Administrative Rules Matters

Administrator Daniel Carlton presented the Memo on page 13 of the meeting materials.

- 1. For ETH 21 – Practice and Procedure, following the public hearing and consideration of any public comments:**

MOTION: To approve the revised draft rule. Moved by Commissioner Van Akkeren, seconded by Commissioner Weininger. Motion carried unanimously.

- 2. For ETH 26 – Settlement Offer Schedule, does the Commission approve the draft scope statement and direct staff to submit the scope statement to the Governor for initial approval?**

MOTION: To approve the scope statement draft with the addition of including the final SEI settlement process. Moved by Commissioner Sumi, seconded by Commissioner Van Akkeren. Motion carried unanimously.

G. 2023-2025 Budget Request

Administrator Daniel Carlton presented the Memo on page 3 of the supplemental meeting materials.

- 1. ACT 201 to include Investigation and supply services line**

MOTION: To authorize staff to draft the budget request documents consistent with the memo. Moved by Commissioner Van Akkeren, seconded by Commissioner Sumi. Motion carried unanimously.

- 2. CFIS System**

MOTION: To authorize to create a new CFIS website. Moved by Commissioner Sumi, seconded by Vice Chair Nelson. Motion carried unanimously.

MOTION: To contact the Governor’s office to determine the preferred way of requesting additional GPR funds and offsetting PR funds for the cost of new CFIS website, maintaining \$80,000 in reserve and submit the Budget Request after giving Commission the copy. Moved by Commissioner Van Akkeren, seconded by Commissioner Sumi. Motion carried unanimously.

H. 2021-2022 Annual Report

Administrator Daniel Carlton presented the Memo on page 15 of the supplemental meeting materials.

MOTION: To Adopt the policies contained in the draft 2022 Annual Report; and approve the 2022 Annual Report. Moved by Commissioner Van Akkeren, seconded by Commissioner Weininger. Motion carried unanimously.

I. Ethics Commission Staff Report

Administrator Daniel Carlton presented the Staff Report on page 53 of the meeting materials.

No action taken.

J. Consideration of Future Agenda Items

The Commission cancelled the October 18, 2022, meeting. The Commission decided that its next meeting would be the regularly scheduled meeting on December 13, 2022.

K. Closed Session

- 1. Requests for Advice**
- 2. Complaints and Investigations**
- 3. Personnel Matters**

MOTION: To go into closed session to discuss requests for advice, complaints, and investigations. Moved by Commissioner Van Akkeren seconded by Commissioner Weininger. Motion carried unanimously.

L. Adjourn

MOTION: To adjourn the meeting. Moved by Commissioner Van Akkeren, seconded by Commissioner Weininger. Motion carried unanimously. Meeting adjourned at 2:46 P.M.

August 30, 2022, Wisconsin Ethics Commission meeting minutes prepared by:

Sathya Sivaji, Office Management Specialist

December 13, 2022

August 30, 2022, Wisconsin Ethics Commission meeting minutes certified by:

Shauntay Nelson, Vice Chair

December 13, 2022



Wisconsin Ethics Commission

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DATE: For the Commission Meeting on December 13, 2022

TO: Members, Wisconsin Ethics Commission

FROM: David Buerger, Staff Counsel

SUBJECT: Guideline Revision and Adoption

FOR COMMISSION ACTION

For this agenda item, the Commission may:

1. Approve the guidelines as presented;
2. Direct changes to the guidelines; or
3. Take other action consistent with today's discussion.

The Commission maintains brief informational documents to provide the public and the regulated communities information about our statutes, administrative rules, and opinion precedent. These documents are called "Guidelines." Guidelines are not the law. They do not constitute legal advice. However, they are useful resources for a person looking to get an understanding of the law within the Commission's jurisdiction.

This agenda item concerns a revision to an existing guideline and adoption of two new guidelines. Consistent with the Commission's adopted policy, the drafts of these items have been posted on the Commission's website. Additionally, though not required by the adopted policy, staff has emailed all contacts who have requested notice of upcoming events that the Commission will consider these drafts. The email provided links to the draft documents and pertinent provisions of the law. In the case of the revision to Guideline 1301, a link was also provided for the existing version of that Guideline. The recipients were advised that they could provide comment or feedback on these revisions by emailing the Commission no later than Friday, December 9, 2022.

As noted, there are three documents under consideration. First, the Commission is revisiting the text of [Guideline 1301](#). This Guideline provides information about the attribution requirement. Recently, the Commission adopted [Wis. Admin. Code ETH 1.96](#). This administrative rule defines certain terms, contains a safe harbor provision for attribution statements that meet certain criteria, and specifically exempts certain items from the attribution requirement. While there were minor technical edits, the only substantive change in the attached draft version of Guideline 1301 is that it includes information about the rule and appropriate legal citations.

Additionally, there are drafts of two new guidelines relating to exempt status. Beginning on January 3, 2023, revisions to [WIS. STAT. § 11.0104](#) made by [2021 Wis. Act 265](#) will affect the exemption from filing campaign finance reports. The first draft creates Guideline 1302 which

Wisconsin Ethics Commissioners

Shauntay Nelson | Pat Strachota | Maryann Sumi | Timothy Van Akkeren | David Wambach | Andrew Weinger

Administrator

Daniel A. Carlton, Jr.

explains how state candidates may become exempt from filing campaign finance reports. The second draft creates Guideline 1303 which exempt status will work for local candidates after the effective date of the act. The language of these two drafts track the statutes and, per the Commission's adopted policies, provide legal citations to the appropriate provisions of those statutes.

If any feedback is provided by the public before the meeting, it will be provided to the Commissioners prior to consideration. Additionally, if a member of the public provides public comment during the meeting, that can be incorporated by the Commission. The Commission will take action separately on each of these drafts. If approved, the "Draft" watermark will be removed, and the guideline will be posted in the "Resources" page of Commission's website.

Attachments: A. Draft Revised Guideline 1301
 B. Draft New Guideline 1302
 C. Draft New Guideline 1303

Wisconsin Ethics Commission

For all committees

Attribution Statements

ATTRIBUTION STATEMENTS

Wisconsin campaign finance laws require an attribution statement, also known as a disclaimer, on materials containing express advocacy that are paid for by any contribution or disbursement.¹ Express advocacy paid for or reimbursed by a person, other than a committee, must also include an attribution statement if the cost of the communication exceeds \$2,500.² Express advocacy communications clearly identify a candidate and clearly advocate for the election or defeat of that candidate.³ Materials or communications made for the purpose of influencing the recall or retention in office of a state or local elected official must also include an attribution statement.⁴ Beginning on January 3, 2023, Wisconsin law will require an attribution statement on materials supporting or opposing a referendum.⁵

CONTENTS OF AN ATTRIBUTION STATEMENT

An attribution statement must include the words, “Paid for by” followed by the name of the committee making the payment or reimbursement, or assuming responsibility for the communication.⁶

INDEPENDENT EXPRESS ADVOCACY

Political action committees and independent expenditure committees who make independent expenditures⁷ in an aggregate amount in excess of \$2,500 during the 60 days prior to an election must include the words “Paid for by” followed by the name of the committee and the words “Not authorized by any candidate or candidate’s agent or committee.”⁸ Any person, other than a committee, making an independent expenditure costing more than \$2500 must include the words “Paid for by” followed by the name of the person.⁹ If the communication occurs within 60 days prior to an election, the attribution statement must also include “Not authorized by any candidate or candidate’s agent or committee.”¹⁰

READABLE, LEGIBLE, AND READILY ACCESSIBLE

An attribution must be readable, legible, and readily accessible.¹¹

- “Readable” means able to be read easily.¹²
- “Legible” means each individual letter or character is clearly printed so it can be easily understood.¹³
- “Readily accessible” means capable of being seen without much difficulty.¹⁴

¹ [WIS. STAT. § 11.1303\(2\)\(a\).](#)

² [WIS. STAT. § 11.1303\(2\)\(c\).](#)

³ [WIS. STAT. § 11.0101\(11\).](#)

⁴ [WIS. STAT. § 11.1303\(2\)\(em\).](#)

⁵ [2021 Wisconsin Act 265 § 99.](#)

⁶ [WIS. STAT. § 11.1303\(2\)\(b\).](#)

⁷ See [WIS. STAT. § 11.1203.](#) [WIS. STAT. § 11.0101\(16\).](#)

⁸ [WIS. STAT. § 11.1303\(2\)\(d\).](#)

⁹ [WIS. STAT. § 11.1303\(2\)\(c\).](#)

¹⁰ [WIS. STAT. § 11.1303\(2\)\(d\).](#)

¹¹ [WIS. STAT. § 11.1303\(2\)\(g\).](#)

¹² [WIS. ADMIN. CODE ETH 1.96\(1\)\(br\).](#)

¹³ [WIS. ADMIN. CODE ETH 1.96\(1\)\(b\).](#)

¹⁴ [WIS. ADMIN. CODE ETH 1.96\(1\)\(c\).](#)

An attribution in a written communication is presumed to be readable, legible, and readily accessible if it meets the following requirements¹⁵:

- a. It appears in a sans-serif font (e.g., Arial)
- b. It meets the following applicable minimum font size:
 1. An attribution on a written communication measuring no larger than 8.5 inches by 11 inches must be printed in at least 10-point font;
 2. An attribution on a written communication larger than 8.5 inches by 11 inches, but is not larger than 24 inches by 36 inches, must be printed in at least 12-point font; or
 3. An attribution on any other written communication must appear in letters that are at least four percent of the vertical height of the communication.
- c. It appears in black text on a white background, or the degree of contrast between the background color and the text color is at least as great as the degree of contrast between the background color and the color of the largest text in the communication.
- d. It remains visible for a period of at least four seconds.

TYPES OF COMMUNICATIONS THAT DO NOT REQUIRE ATTRIBUTION STATEMENTS

Communications printed on small items such as text messages, social media communications, and certain small advertisements on mobile phones on which the information required cannot be conveniently printed may not require an attribution statement.¹⁶ The Commission has authority to specify by administrative rule small items or other communications that are exempt from the attribution requirement.

The following do not require an attribution:¹⁷

- Business cards.
- Buttons.
- Pencils/Pens.
- Pins.
- Skywriting.
- Tickets.
- Small online ads and similar electronic communications where the language required could not conveniently be included, and that either link directly to a website that includes the required attribution, or provide an automatic display that includes the attribution.¹⁸

ADDITIONAL INFORMATION AND RESOURCES

This is a guideline adopted by the Wisconsin Ethics Commission. Guidelines are prepared to provide general information to the public concerning the laws within the Commission's jurisdiction. Guidelines are not the law. Legal authority can be found in Wisconsin Statutes, the Wisconsin Administrative Code, case law, and the Commission's advisory opinions. If you have additional questions, please contact the Wisconsin Ethics Commission staff by email at CampaignFinance@wi.gov, or by phone at (608) 266-8123. Advice sought from the Ethics Commission is confidential. For additional information, please visit the Ethics Commission website: <https://ethics.wi.gov>.

¹⁵ [WIS. ADMIN. CODE ETH 1.96\(3\)](#).

¹⁶ [WIS. STAT. § 11.1303\(2\)\(f\)](#).

¹⁷ [WIS. STAT. § 11.1303\(2\)\(f\)](#); [WIS. ADMIN CODE ETH 1.96\(5\)](#).

¹⁸ Additional requirements apply to this exception. See [WIS. ADMIN. CODE ETH 1.96\(5\)\(h\)](#).

Wisconsin Ethics Commission

For state candidate committees

Campaign Finance Report Filing Exemption

EXEMPTION

A candidate committee of a candidate for state office can claim an exemption from filing campaign finance reports for one calendar year in some circumstances. On January 3, 2023, the law relating to exemption will change. The following information is effective on that date.

ELIGIBILITY

A candidate committee of a candidate for state office is not eligible for exemption during the calendar year of an election in which the candidate is appearing on the ballot or participating as a write-in candidate. Otherwise, a state candidate committee can claim exemption if the committee does not anticipate accepting or making contributions, making disbursements, or incurring obligations in an aggregate amount exceeding \$2,500 in a calendar year.¹ A state candidate committee can exceed this threshold based on contributions, disbursements, obligations, or a combination of those transaction types. For example, a committee that receives \$1,600 in contributions and makes \$1000 in disbursements in a calendar year has exceeded the threshold.

CLAIMING EXEMPTION

A state candidate committee may claim the one-year exemption by filing an amended registration statement with the Commission. The amended registration statement must be filed by the following deadlines:

- To be exempt for the calendar year after the year that the candidate appeared on the ballot or participated as a write-in, the amended registration statement must be filed between the day after the election and the January 15th immediately after the election. (NOTE: The committee is still required to file the January Continuing Report that is due immediately after the election. This is required so that all campaign-related activity will be reported and publicly available.)
- For a subsequent year that the candidate does not appear on the ballot or participate as a write-in candidate, the amended registration statement must be filed no later than December 31 of the year preceding the year in which the exemption will apply.

If a state candidate committee does not file an amended registration statement before the applicable deadline, the committee is not eligible for exempt status. It will have to file required campaign finance reports for the following calendar year.

END OF ELIGIBILITY

A state candidate committee is no longer eligible for exemption when it:

- Exceeds the \$2,500 threshold in the calendar year;²

¹ [WIS. STAT. § 11.0104\(1\)\(a\).](#)

² [WIS. STAT. § 11.0104\(1\)\(c\).](#)

- Is dissolved;³ or
- Is voluntarily revoked by the committee.⁴

EXCEEDING THE THRESHOLD

If a state candidate committee is exempt from filing campaign finance reports and it receives a contribution that results in it exceeding the threshold, it has two options.⁵ First, the state candidate committee can immediately amend its registration statement to indicate it is no longer exempt.⁶ If it does this, it must file all required campaign finance reports for the remainder of that calendar year.⁷ The committee can claim exemption again the next calendar year.⁸ Second, the state candidate committee may return the contribution to the contributor or donate the contribution to the common school fund or a charitable organization.⁹ This must be done no later than 15 days from the date on which the contribution is received.¹⁰

WISCONSIN ETHICS COMMISSION'S DUTIES

Upon receipt of a properly executed registration statement or amended registration statement, the Commission shall suspend the requirement to file campaign finance reports.¹¹ If the Commission receives a registration statement or amended registration statement seeking to claim exemption, and the Commission knows the state candidate committee is not eligible for exemption, the Commission shall accept the registration statement.¹² The Commission shall then notify the committee within 10 business days that it is ineligible and is required to file campaign finance reports.¹³ Commission staff may request the committee to file a new amended registration statement that does not claim exempt status or may make changes in the campaign finance reporting website to indicate that the committee is not exempt from filing reports. A candidate whose committee improperly claims exempt status cannot be denied ballot placement if the registration statement or amended registration statement otherwise complies with the legal requirements.¹⁴

ADDITIONAL INFORMATION AND RESOURCES

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³ *Id.*

⁴ [WIS. STAT. § 11.0104\(3\)](#).

⁵ [WIS. STAT. § 11.0104\(5\)](#).

⁶ [WIS. STAT. § 11.0104\(5\)\(a\)](#).

⁷ *Id.*

⁸ *Id.*

⁹ [WIS. STAT. § 11.0104\(5\)\(b\)](#).

¹⁰ *Id.*

¹¹ [WIS. STAT. § 11.0104\(2\)](#).

¹² [WIS. STAT. § 11.0104\(1\)\(d\)](#).

¹³ *Id.*

¹⁴ [WIS. STAT. § 11.0104\(1\)\(e\)](#).

Wisconsin Ethics Commission

For local candidate committees

Campaign Finance Report Filing Exemption

EXEMPTION

A candidate committee of a candidate for local office can claim an exemption from filing campaign finance reports in some circumstances. On January 3, 2023, the law relating to exemption will change. The following information is effective on that date.

ELIGIBILITY

A local candidate committee can claim exemption if the committee does not anticipate accepting or making contributions, making disbursements, or incurring obligations in an aggregate amount exceeding \$2,500 in a calendar year.¹ A local candidate committee can exceed this threshold based on contributions, disbursements, obligations, or a combination of those transaction types. For example, a committee that receives \$1,600 in contributions and makes \$1,000 in disbursements in a calendar year has exceeded the threshold.

END OF ELIGIBILITY

A local candidate committee is no longer eligible for exemption when it:

- Exceeds the \$2,500 threshold;²
- Amends its registration statement to become a state candidate committee;³
- Is dissolved;⁴ or
- Is voluntarily revoked by the committee.⁵

EXCEEDING THE THRESHOLD

If a local candidate committee is exempt from filing campaign finance reports and it receives a contribution that results in it exceeding the threshold, it has two options.⁶ First, the local candidate committee can immediately amend its registration statement to indicate it is no longer exempt.⁷ If it does this, it must file all required campaign finance reports for the remainder of that calendar year.⁸ The committee can claim exemption again the next calendar year.⁹ Second, the local candidate committee may return the contribution to the contributor or donate the contribution to the common school fund or a charitable organization.¹⁰ This must be done no later than 15 days from the date on which the contribution is received.¹¹

¹ [WIS. STAT. § 11.0104\(1\)\(a\).](#)

² [WIS. STAT. § 11.0104\(1\)\(c\).](#)

³ *Id.*

⁴ *Id.*

⁵ [WIS. STAT. § 11.0104\(3\).](#)

⁶ [WIS. STAT. § 11.0104\(5\).](#)

⁷ [WIS. STAT. § 11.0104\(5\)\(a\).](#)

⁸ *Id.*

⁹ *Id.*

¹⁰ [WIS. STAT. § 11.0104\(5\)\(b\).](#)

¹¹ *Id.*

LOCAL FILING OFFICER DUTIES

Upon receipt of a properly executed registration statement or amended registration statement, the filing officer shall suspend the requirement to file campaign finance reports.¹² If a local filing officer receives a registration statement or amended registration statement seeking to claim exemption, and the filing officer knows the local candidate committee is not eligible for exemption, the local filing officer shall accept the registration statement.¹³ The local filing officer shall then notify the committee within 10 business days that it is ineligible and is required to file campaign finance reports.¹⁴ A candidate whose committee improperly claims exempt status cannot be denied ballot placement if the registration statement or amended registration statement otherwise complies with the legal requirements.¹⁵

ADDITIONAL INFORMATION AND RESOURCES

This is a guideline adopted by the Wisconsin Ethics Commission. Guidelines are prepared to provide general information to the public concerning the laws within the Commission's jurisdiction. Guidelines are not the law. Legal authority can be found in Wisconsin Statutes, the Wisconsin Administrative Code, case law, and the Commission's advisory opinions. If you have additional questions, please contact the Wisconsin Ethics Commission staff by email at CampaignFinance@wi.gov, or by phone at (608) 266-8123. Advice sought from the Ethics Commission is confidential. For additional information, please visit the Ethics Commission website: <https://ethics.wi.gov>.

¹² [WIS. STAT. § 11.0104\(2\)](#).

¹³ [WIS. STAT. § 11.0104\(1\)\(d\)](#).

¹⁴ *Id.*

¹⁵ [WIS. STAT. § 11.0104\(1\)\(e\)](#).



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DATE: For the Commission Meeting on December 13, 2022

TO: Members, Wisconsin Ethics Commission

FROM: Daniel A. Carlton, Jr., Administrator
Harry Broderick, Ethics Specialist

SUBJECT: Lobbying Audit Update and Guidance – Late 15-Day Report Audit

FOR COMMISSION ACTION

For this agenda item, the Commission may:

1. Request staff to resume conducting audits for late-filed 15-Day Reports as described herein; or
2. Take other action consistent with today's discussion.

Applicable Law

[WIS STAT. § 13.67\(1\)](#) states:

Except as authorized under s. [13.621](#), no person may engage in lobbying as a lobbyist on behalf of a principal and no principal may authorize a lobbyist to engage in lobbying on its behalf unless the principal reports to the commission, in such manner as the commission may prescribe, each legislative proposal, budget bill subject and proposed administrative rule number in connection with which the principal has made or intends to make a lobbying communication or, if the lobbying does not relate to a legislative proposal or proposed administrative rule that has been numbered or a budget bill subject, each topic of a lobbying communication made or intended to be made by the principal. A principal shall describe any topic of a lobbying communication with reasonable specificity, sufficient to identify the subject matter of the lobbying communication and whether the communication is an attempt to influence legislative or administrative action, or both. The principal shall file the report no later than the end of the 15th day after the date on which the principal makes a lobbying communication with respect to a legislative proposal, proposed administrative rule, budget bill subject or other topic not previously reported by the principal under this section during the biennial period for which the principal is registered. The report shall be made by a person who is identified by the principal under s. [13.64 \(1\) \(e\)](#).

This provision establishes the 15-Day Report¹ requirement. It requires that lobbying principals file a report with the Commission within 15 days of making a lobbying communication, which is

¹ It is also commonly referred to as the “Lobbying Interest Report.”

defined as an “oral or written communication with any agency official, elective state official or legislative employee that attempts to influence legislative or administrative action, unless exempted under s. [13.621](#).” [WIS. STAT. § 13.62\(10g\)](#). The reporting requirement applies to the first lobbying communications on legislative proposals, budget bill subjects, proposed administrative rules, and other topics.² While it is not as clear as it could be, the statute creates a due date that runs essentially from whenever the principal intends to make a communication through the 15th day after the covered communication occurs. So, a principal can file a 15-day report any time before the 16th day after the covered communication. These 15-Day Reports are filed online using the Commission’s lobbying reporting website ([lobbying.wi.gov](#)).

Previous Auditing Process

The Commission began auditing for late 15-day reports in 2016. However, Commission staff’s ability to conduct this audit was limited because the previous website did not collect the dates on which principals first communicated on a matter. It only collected the date that the report was filed. Since we did not have the first date of communication, staff were unable to audit for late reports that were filed within a reporting period. Instead, enforcement was limited to reports that were filed more than 15 days after the end of a filing period.

After the close of a reporting period, staff compiled a list of reports that had been filed more than 15 days after the last day of the reporting period. Staff would then send a “Notice of Potential Violation” to each principal identified in the audit. The notice provided the principal with additional information, including examples of several common reporting errors that, if fixed, may resolve the matter. Principals were given the opportunity to provide a written response to the notice.

Staff then prepared a memo for the Commission, which included the initial audit findings and any responses received from principals. In the absence of mitigating or aggravating factors, the Commission would typically issue settlements to principals following the standard settlement schedule for failure to timely file a 15-day report ([WIS. ADMIN. CODE ETH 26.03\(2\)](#)). The following is the standard settlement schedule:

Late Reports	Percent of Total Effort	Forfeiture
1st Occurrence of Late Reported Interest	< 10 percent	Warning
1st Occurrence of Late Reported Interest	>= 10 percent	\$25 Per Interest
2 nd Occurrence of Late Reported Interest	< 10 percent	\$50 Per Interest
2 nd Occurrence of Late Reported Interest	>= 10 percent	\$100 Per Interest
3 rd or Greater Occurrence of Late Reported Interest	Any	\$100 Per Interest

² In the context of topics and budget bill subjects, if they become a stand-alone bill or a numbered proposed rule, a 15-Day Report is also required within 15 days after the first lobbying communication on the bill or proposed rule.

Future Auditing

Staff have not conducted this audit since prior to the launch of the Commission’s new lobbying website. There are two reasons for this. First, staff wanted guidance from the Commission about how to conduct the audits. Second, our small staff was primarily focused on preparing the new lobbying website for launch.

The 15-day reporting section of the new website has several changes which will allow staff to collect additional information and more effectively audit for late reports. As part of the filing process, the website asks the principal if it has already communicated on a matter. Principals can indicate that they have not yet communicated on a matter but intend to do so. Principals can also indicate that they do not intend to communicate on a matter. This reporting option allows the principal to list its position on a matter while indicating that it does not intend to lobby on the matter. Lastly, principals can indicate that they have already communicated on a matter. When this option is selected, the principal is prompted to enter the date of its first communication for that matter. Staff will now be able to compare the date of first communication reported by the principal with the date the report is filed. Using this information and the date the report is filed, the Commission’s staff will be able to identify potential violations.

Staff is proposing to revise the audit process to account for the new capabilities. This new process will be substantially different for the members of the lobbying community. We will be able to identify late-filed 15-Day Reports throughout the entire reporting period; not just ones filed more than 15 days after the end of the reporting period. Staff would like to resume the late 15-day report audit in the 2023-2024 Legislative Session. However, staff would like to build in a time period where the audit is being done only for educational purposes, not for enforcement. This would occur during the first reporting period (January – June 2023). Staff would run the audit query and provide educational notices to assure that principals are familiar with their reporting requirements and have an opportunity to familiarize themselves with filing 15-Day Reports on the new website. This same process would be repeated after the reporting deadline for the first period of the 2023-2024 Legislative Session. If the Commission would like, staff can provide a report on the first reporting period at the meeting on September 12, 2023.

Beginning with the second reporting period (July – December 2023) of the session, staff will conduct the audit for enforcement. With the exception of using the communication date now collected by the new website, the audit will be conducted using the same process that was used in previous years. Staff will query the Commission’s lobbying database to identify reports filed more than 15 days after the date of first communication (if one exists) or the last day of the reporting period. Staff will send Notices of Potential Violations to principals, giving principals 30 days to fix any reporting errors or submit a response. Staff will then issue standard standards settlements and refer any principals with special circumstances or appeals to the Commission.



Wisconsin Ethics Commission

Campaign Finance | Lobbying | Ethics
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DATE: For the Commission Meeting on December 13, 2022

TO: Members, Wisconsin Ethics Commission

FROM: Daniel A. Carlton, Jr., Administrator

SUBJECT: Legislative Recommendations for the 2023-24 Legislative Session

FOR COMMISSION ACTION

For this agenda item, the Commission may:

1. Adopt the legislative recommendations contained herein and authorize staff to begin the process of drafting a bill(s) and seeking a sponsor;
2. Adopt additional or different recommendations, with a direction to begin drafting a bill(s) and seeking a sponsor; or
3. Take other action consistent with today's discussion.

Introduction

As the agency administering Wisconsin's campaign finance, lobbying, and ethics laws, the Commission is in a unique position to advise the Legislature in these areas. The Commission recommends changes to the statutes within its jurisdiction where necessary. It also recommends new laws as needed to address emerging issues. Between the Commission's inception and the 2021-2022 Legislative Session, the Commission adopted approximately three dozen legislative recommendations. The vast majority of those recommendations were technical or clarifying changes. During the 2021-2022 session, the Commission chose to focus only on matters that were technical or clarifying in nature. The Commission's legislative package focused solely on those items. Six other recommendations were not included in the package because they were policy calls. Those recommendations have not been withdrawn. Those pending recommendations are not addressed herein. However, they are publicly available beginning at page 13 of the Commission's [2022 Annual Agency Report](#).

This agenda item is to consider whether to recommend legislative changes for the upcoming legislative session and, if so, what those changes will be. The recommendations in this memo come from the Commission's experience administering the laws within its jurisdiction. It is important to note that this agenda item is for the Commission to set its legislative priorities and provide any substantive guidance concerning how to address those issues. The recommendations below are not the only ones that can be made. During consideration of this agenda item, or at any point in the future, the Commission may make additional recommendations.

Wisconsin Ethics Commissioners

Shauntay Nelson | Pat Strachota | Maryann Sumi | Timothy Van Akkeren | David Wambach | Andrew Weinger

Administrator

Daniel A. Carlton, Jr.

Below is an explanation of each potential recommendation which are categorized by type of recommendation or program area.

A. Campaign Finance

1. Require an Email Address and Telephone Number on the Registration Statement

Email is a vital communication tool for the Commission. The Commission notifies committees of upcoming filing deadlines, potential violations, and upcoming training opportunities via email. The statutes provide that the registration statement must have the name and mailing address of a committee, along with certain other information. *See e.g.*, [Wis. STAT. § 11.0203\(1\)](#). Committees are required to report any change in this required information within ten days following the change. *See e.g.*, [Wis. STAT. § 11.0203\(3\)\(a\)](#). However, the statutes do not require an email address be provided on a registration statement. Currently, this information is collected and is necessary to create an account in CFIS. It would also be helpful if the registration statement required a telephone number. If these items were required to be included in the registration statement, the Commission would have more reliable contact information, could more efficiently contact committees, and would have a basis for enforcement for failing to keep this information up to date. As will be discussed in the next recommendation, it is not unusual for committees to disappear while having unresolved potential violations. This will reduce the number of times that occurs.

2. Administrative Termination or Suspension of Inactive or Non-compliant Committees

Under the current version of Wisconsin's campaign finance laws, all registrants continue to exist in perpetuity until such time as the registrant chooses to request termination. Generally, this approach is good in that candidates and other registrants are not required to renew or re-register on a periodic basis. It eliminates the potentially unnecessary hurdle that incumbents re-register every year while they are in office.

While convenient for the committee, there are significant issues created by this system. There are a number of committees that have, for all intents and purposes, disappeared without termination. The easiest illustration of this point is the number of exempt committees that have not had any activity within CFIS for a long time. There are currently 1,762 committees that are exempt from filing reports. Approximately 450 of these have no "Amended Date" in CFIS. This means that they most likely have been exempt since before CFIS was created in 2008. Of the remaining approximately 1,312 exempt registrants, there are about 389 registrants that became exempt in 2020 or later. Of the current committees that are exempt, 1,373 have been exempt for more than three years. This means the Commission has likely had no communication with them for more than three years. Many of the individuals who created these committees have likely forgotten about these committees or mistakenly believe that they are terminated. Further, it would be surprising if many even knew their login and password. There should be a mechanism to terminate these stale committees. Keeping these exempt committees in CFIS also creates a distorted picture of who may be involved in campaign activities in Wisconsin.

Additionally, there are non-compliant registrants. While many of them respond and get into compliance, there are a number that do not. The most frequent scenario where this occurs is when a candidate runs for office and loses. Once they lose, it is not unusual for them to close the post office box they used for the campaign and then shut down or ignore their email account and website. During this time, the committee fails to file required reports. As a result, violations with significant penalties continue to accrue with virtually no way to get the committee back in compliance. The delinquent filers list that is published on the Commission's website is not sufficient to obtain compliance.

To address these issues, the Commission may want to recommend the Legislature create a statutory mechanism allowing the Commission to terminate certain committees and suspend others. The recommendation could include terminating any committee that has been exempt for more than 3 years. It could also include suspending any committee that fails to respond to notices after three attempts to notify the committee (with the last notice being sent by certified mail to the last address on file). A suspension could include locking the committee out of their account until they contact the Commission and get in compliance.

It is important to note that CFIS allows any terminated committee to be reinstated. So, an inactive committee that was terminated can easily be restored. In the case of a committee that was terminated for failing to file required reports, the provision could include reinstating a committee once all missing reports are filed and any outstanding settlements are paid. The Commission may also wish to include a recommendation that the Legislature toll the statute of limitations for violations by these non-responsive committees.

3. Valuation and Reporting of Joint Ads

It is not unusual for local candidates to work together to produce joint advertisements, mailers, and other campaign communications. While [WIS. STAT. § 11.1111](#) provides guidance on how to prorate and account for opinion poll results, there is no similar provision for joint advertising. There is no legislative guidance concerning whether these efforts are permissible, whether the total cost of the ad should be prorated amongst the candidates, the impact on contribution limits, and calculating whether the committee has exceeded the threshold for exemption. The Commission was able to provide guidance on some of these issues in [2022 ETH 01](#). The Commission may want to request the Legislature to confirm this interpretation and codify the holdings of that opinion.

4. Require a Separate Committee For Each Office Sought

[WIS. STAT. § 11.0202\(2\)\(d\)](#) allows a current officeholder to establish a second candidate committee for the purpose of pursuing a different state or local office. However, this is permissive in nature. The statutes do not prohibit an officeholder from running for a different office while operating out of one candidate committee and one checking account. Several issues arise from this scenario.

First, reporting may be confusing for the public and susceptible to otherwise avoidable mistakes. CFIS currently allows an official to designate one office per candidate committee. The statutes do not require, and the system does not allow, the candidate or treasurer to identify that a contribution or disbursement is for a particular race when using one committee. The only way to do that is to include a comment identifying which race the contribution or disbursement was for. Mistakes would be very easy to make.

Second, determining compliance with contribution limits is more difficult when a candidate runs two campaigns from one committee. It would be easy for the candidate or treasurer to make mistakes when calculating contribution limits. Each office has a different limit and the periods during which they apply may not be the same.

Third, this may allow an unintended advantage to an existing officeholder. An officeholder may not start with a zero balance. An officeholder likely has funds that were accumulated during prior contribution limit periods. These funds are the property of the candidate committee. If an officeholder set up a second committee to run for a different office and sought to transfer those funds from the first committee to the second, the contribution limits in [WIS. STAT. § 11.1101\(2\)](#) would apply. While the Legislature could have easily created an exception, there is no exception for contributions from a candidate's first committee to their second committee.¹ So, the second committee would only be able to receive up to the maximum limits from the first committee. However, if the officeholder does not create a second committee, there is nothing in the statutes that prohibits the committee from spending the funds from prior years. The committee gets to start off with a bigger war chest. It is important to note that there is a legitimate argument about whether a candidate should be allowed to transfer unlimited contributions from a candidate's first committee to their second committee. With what is currently in statutes, we have no evidence that that was intended to be permissible. In fact, to the contrary, the Legislature limited transfers from a donor between a first committee and a second committee. See [WIS. STAT. § 11.1114](#).

5. Disposal of Residual Conduit Funds

Recently, the Commission has considered several questions concerning conduits who were trying to terminate but were unable to identify the source of some of the remaining funds in the conduit account. The only provision that lets a conduit do anything with money where it is not directed to do so by the contributor is [WIS. STAT. § 11.0705](#). That provision allows redirection only under certain circumstances. If it is unable to identify the contributor, the conduit cannot possibly attempt to contact the contributor for consent to redirect the money to the sponsor. It also cannot identify a surviving spouse or executor for their consent. [WIS. STAT. 11.1302](#) allows any committee to donate to a charitable organization or the common school fund. However, a conduit is not a committee under the definition in [WIS. STAT. § 11.0101\(6\)](#). So, it cannot do so. This makes sense as, generally, contributors would only want to either give their money to a candidate or committee or get it back from the conduit. However, if after a good faith effort, the conduit cannot identify the source of money leftover when it terminates, it must have a mechanism to dispose of

¹ The only exception for a candidate is that he/she is free to contribute personal funds or funds co-owned with their spouse in unlimited amounts. [WIS. STAT. § 11.1104\(7\)](#).

that money; otherwise, the conduit will not be able to terminate. The Commission may want to recommend that the Legislature authorize a conduit to dispose of money by giving it to the common school fund or a charitable organization that does not have any nexus to the conduit when it cannot identify the source of excess funds at termination. The Commission may want to include that this option can not only be used where the source cannot be identified, but also can be used where the committee has made attempts to get consent to redirect but was unsuccessful.

6. Local Committees Registering and Reporting with the Commission

Currently, local candidate committees, local recall committees, and local referendum committees are required to register and report with their local filing officer. [WIS. STAT. § 11.0102\(1\)](#). In many jurisdictions, this is done entirely on paper. If the budget passes, the Commission will be working on creating a new campaign finance information system. This project presents a rare opportunity for the Commission to support local filing officers by offering them the option to use this new system for the registration and reporting of their local committees. While local filing officers would retain most of their present duties, allowing local committees to register and report using the Commission’s new system may alleviate some of the burden on local filing officers. It would also promote consistency and uniformity in registration and reporting. The use of the Commission’s system could be completely at the option of the filing officer.

B. Lobbying

1. Clarify that Local Special Elections Do Not Open the Lobbyist Contribution Window

Wisconsin’s lobbying laws create a window where personal contributions from lobbyists are permissible. The general rule is that a lobbyist or principal may make personal contributions to a partisan elective official, candidate for partisan elective state office, or candidate committee of the official or candidate “between the first day authorized by law for the circulation of nomination papers as a candidate at a general election or a special election and the day of the general election or special election.” [WIS. STAT. § 13.625\(1m\)\(b\)](#). It is more clearly restated as the window occurring: 1) between April 15 and the day of the general election, or 2) between the day the order for the special election is filed and the day of the special election. However, a contribution to a candidate for legislative office may only be made during that period if they legislature has concluded its final floorperiod and is not in special or extraordinary session.

Problems arise from the fact that there is a window for “special elections.” The lobbying law does not define “special election.” However, the lobbying law’s definitions of “candidate,” “candidate committee,” and “contribution” all cite to the definitions in campaign finance law. [WIS. STAT. § 11.0101\(29\)](#) states that, “‘special election’ means any election, other than [a general election, partisan primary, special primary, spring election, or spring primary] to fill vacancies or to conduct a referendum.” So, a “special election” is any election other than a general election, partisan primary

election, special primary election, spring election, or spring primary election. Nothing in the definition of “special election” excludes special elections for local offices. Special elections are conducted at all levels of Wisconsin’s government. So, applying the definition in campaign finance law, the window will open for every special election conducted regardless of whether it is occurring at the state level or the local level.

The window opening for special elections creates a few problems. The primary problem is that opening the window for every state and local special election would create an exception that swallows the general rule. It also would create a huge disparity in the number of days the window is open for non-legislative candidates when compared to legislative candidates. To illustrate these points, staff has examined the impact special elections would have on the window for 2016 through 2020. The attached tables show how inclusion of special elections impacts the window.² The tables show two things. First, it shows the difference that including all special elections has on the number of days lobbyists could make contributions each year. Second, it allows the opportunity to compare the disparate impact upon legislative candidates. Specifically, during the five-year period examined, non-legislative candidates would have an additional 586 days when all special elections are included. However, during that same period, legislative candidates would only have an additional 84 days. That is a difference of 502 additional days to collect lobbyist contributions for non-legislative candidates.

It appears clear that the concept of the general rule was that there would only be a window during an election year which runs from the first day to circulate nomination papers until the day of the election. However, by not excluding special elections, this does not happen. Further, the impact favors non-legislative candidates, especially in non-election years.

Another issue arises in how the Commission conducts its auditing. Originally, the audits only considered state elections and special elections for state office. However, if a special election for local office opens the window, the audit process gets significantly more labor-intensive. Staff would have to wait until after the year was over and then confirm with the Elections Commission and/or local clerks whether a special election occurred and, if so, when it occurred.

The Commission may want to recommend to the Legislature that the window, as applied to special elections, be clarified. Specifically, the Commission may want to recommend that the window only opens for special elections for state elective office. The Commission may further want to recommend that the window only opens for those participating in the special election.

² This review only considered the impact of candidate elections. Staff did not look for or include special elections whose only purpose was to vote concerning a referendum. However, a referendum on a special election ballot would most likely occur when there was already a special election involving candidates for office.

C. Ethics

1. Definition of Local Public Official

The Commission may want to recommend that the Legislature amend the definition of local public official to include all municipal and county attorneys, regardless of whether they are employees or independent contractors.

D. Administrative

By statute, certain records of the Commission are publicly available and certain records are specifically exempt from disclosure. [WIS. STAT. § 19.49\(1\)\(b\)](#) authorizes the Commission to settle certain violations. It also provides that a settlement must be reduced to writing which become a publicly available record. Pursuant to [WIS. STAT. § 19.50](#), most complaint-related records and information remains confidential. The penalties for violating this statute include up to a \$10,000 fine and up to 9 months in jail. [WIS. STAT. § 19.58\(4\)](#). However, [WIS. STAT. § 19.55](#) allows the Commission to disclose certain complaint-related records. Specifically, it allows disclosure of a record of the action of the Commission authorizing the filing of a civil complaint, a record of the action of the Commission referring a matter to a district attorney or other prosecutor for investigation or prosecution, a finding of no reasonable suspicion, or a finding of no probable cause. The Legislature did not specifically address certain aspects of confidentiality. These recommendations have not been specifically discussed since September 2018. While they might have been discussed before that time, staff believes it is appropriate for the Commission to consider them now. There are two potential legislative recommendations concerning confidentiality of records:

1. Records of Final Action

As a quasi-adjudicatory body tasked with enforcing the laws within its jurisdiction, the Commission has prosecutorial discretion concerning civil violations within its jurisdiction. The Commission can decide whether to dismiss a matter, offer a settlement, litigate, or refer violations for prosecution. The Commission may choose to settle potential actions which, in the opinion of the Commission, constitute a minor violation, a violation caused by excusable neglect, or for which for other good cause shown should not in the public interest be prosecuted. [WIS. STAT. § 19.49\(1\)\(b\)](#). In circumstances where no monetary penalty is sought, a written warning is more appropriate. For example, pursuant to WIS. ADMIN. CODE ETH 26, the standard settlement schedule for several types of late reports provides for a written warning. The warning functions as the Commission's final action on the matter. While it arguably a warning could be made public if made in the form of a settlement agreement, it would be best for there to be a specific exemption that allows the Commission to publicly disclose that it issued a written warning. The same rationale applies to situations where the Commission may want to find a reasonable suspicion or probable cause to believe a violation is occurring or has occurred but wants to take no further action. Therefore, the Commission may want to request that the statutes clearly provide that written warnings and decisions to take no further action are publicly available.

2. Audit Results

The Commission conducts certain universal audits for reports filed with it. Campaign finance reports, lobbying reports, and statements of economic interests are all audited to detect late filings. Additionally, campaign finance reports are audited to detect missing information, excess contributions, improper contribution sources, and inaccurate reporting of cash on hand. As audits are likely to lead to litigation if not settled and legal advice is often necessary to decide how to proceed, these matters are permissibly held in closed session. While staff is confident that consideration of audit results in closed session is appropriate under the existing law, it would be preferable if the statutes specifically addressed the confidentiality of audit results. The Commission could recommend that the Legislature specifically amend WIS. STAT. §§ [19.55](#) and [19.85](#) to address the confidentiality of audit results. Further, as described above, the Commission could recommend that the audit results are confidential until they reach a certain point in the process. For example, the Commission could specifically recommend that the statutes include that audit results are confidential unless the Commission issues a warning, orders litigation, refers the matter to an appropriate prosecutor, or the potential violation is settled.

Attachment: Impact of “Special Election” Including State and Local Special Elections on
Lobbyist Contribution Window Table

Impact of “Special Election” Including State and Local Special Elections on Lobbyist Contribution Window

Year	Normal Non-legislative Candidate Window	Non-Legislative Candidate Window with Special Elections	Total Additional Days Per Year due to Special Elections
2016	4/15- 11/8	4/15- 11/22	14
2017	N/A	3/29- 12/31	278
2018	4/15- 11/6	1/1-1/8; 4/15- 12/11	43
2019	N/A	2/14- 9/10	209
2020	4/15- 11/3	1/1-1/7; 4/15- 12/8	42
5 Year Total of Extra Days:			586

Year	Normal Legislative Candidate Window	Legislative Candidate Window with Special Elections	Total Additional Days Per Year due to Special Elections
2016	5/15- 11/8	5/15- 11/22	14
2017	N/A	N/A	0
2018	5/9- 11/6	5/9- 12/11	35
2019	N/A	N/A	0
2020	5/15- 11/3	5/15- 12/8	35
5 Year Total of Extra Days:			84



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DATE: For the Commission Meeting on December 13, 2022

TO: Members, Wisconsin Ethics Commission

FROM: Ethics Commission Staff

SUBJECT: Ethics Commission Staff Report

Commission Administration

Lobbying Website

Staff sent a survey to all users of the lobbying website to solicit feedback on the new website. The Commission received 82 responses. Overall, the vast majority of that feedback was positive. As with any website changes, there were a few users that just prefer the old ways of inputting certain information. As mentioned in the previous staff report, staff received some feedback requesting the old method of time reporting to be reinstated, at least as another time reporting option. This option allowed lobbyists to enter a month's worth of time by simply tabbing through fields on one page. We learned that some lobbyists do their time reporting entries close to the end of the period and that that method allowed them to enter a lot of entries faster. Our IT Contractor, Kavita Dornala, worked very hard to incorporate that functionality into the new website. As of December 1, 2022, that functionality has "gone live." Staff plans on surveying users again after the January 2023 SLAEs are filed. This will enable staff to incorporate any final user feedback. In the meantime, if anything occurs, staff will monitor and fix as appropriate.

Trainings

Since the last Commission meeting, staff has conducted a training for the Association of Wisconsin Lobbyists to demonstrate how to do lobbyist licensing, principal registration, and lobbyist authorization in the new system. Additionally, staff has done a training for the newly elected legislators that primarily covered the lobbying law and ethics laws. Finally, staff has done a training for members of the Deferred Compensation Board.

Staff has another training session for the Joint Retirement Boards meeting scheduled on December 8, 2022. Additionally, staff is planning on doing a training for local filing officers to discuss exempt status changes and discuss other developments. Staff will also be conducting a lobbying law basics training during the month of December. The date of these last two trainings has yet to be determined.

Administrative Rules

The scope statement for ETH 26 was approved by the Governor on September 6, 2022. The next step in the process is for Commission staff to draft the preliminary rule text and associated

documents. Commission staff will bring these drafts back to the Commission for review and approval before submitting them to the Legislative Council Administrative Rules Clearinghouse.

The final rule for ETH 21 was sent to the Legislature on September 8, 2022. As this proposed rule was received after the Legislature's final general business floorperiod, no action is expected on this rule until the next legislative session.

Campaign Finance

There were two campaign finance reports due since the last meeting: a September 2022 report and a Fall Pre-Election 2022 report.

The September 2022 report covered all activity from the date of their last report through August 31, 2022. It is required of all committees supporting or opposing candidates for the Fall 2022 Elections. This report is also required of all incumbents holding a partisan office, even if not up for election in 2022. This would include current legislators not seeking re-election, mid-term Senators not scheduled for re-election until 2024, and District Attorneys not scheduled for re-election until 2024. There were 353 candidates required to file this report, with 314 (88.95%) filing on time, 32 filing late, and 7 that have not yet filed. There were some technical issues with the website on the filing deadline, approximately 10:15 p.m., which prevented some committees from filing on time. There were 20 of the 32 late candidate reports were filed within 1 day of the filing deadline.

The Pre-Election Fall 2022 report covered all activity from September 1 through October 24, 2022. The report was due by October 31, 2022. This report is required for all candidates that ran in the Fall 2022 Primary or Election, as well as all committees supporting or opposing these candidates. There 289 candidates required to file, with 267 (92.4%) filing on time, 16 filing late, and 6 that have not yet filed.

The next report is the January Continuing 2023 report. This is a mandatory report for all committees not claiming the exemption. The report covers activity through December 31, 2022. The report is due January 17, 2023. All non-candidate committees with total disbursements in 2022 more than \$2,500 will be required to pay a \$100 annual filing fee. This fee can be paid by check, EFT (electronic funds transfer) or by debit/credit card, using a link on our website. The fee, if required, is due by January 17, 2023.

Lobbying

2021-2022 Legislative Session

The next SLAE covering July-December 2022 will be due on January 31, 2023.

As of December 1, 2022, there are 657 lobbyists licensed, 837 principals registered, and 1,672 lobbyist authorizations.

2023-2024 Legislative Session

Registration for the upcoming session is now available on the Commission's lobbying website.

Legislative Liaison Reporting

The next legislative liaison report will cover the last half of 2022 and is due by January 31, 2022.

Code of Ethics and Financial Disclosure

Statements of Economic Interests (SEIs)

One pending matter for the Commission to address is the standard settlement schedule for late-filed Final SEIs. The pending scope statement described above should be sufficient to allow the Commission to consider what the standard settlement schedule should be at the February meeting. Additionally, staff is working on a recommended policy concerning waivers for filers who leave one position required to file but who are taking a different position required to file. That will also be presented to the Commission in February, unless the Commission wants to allow more time to allow the Commission to gather more information about how common that situation is and how long of a lapse there is between positions required to file. If the Commission wants to allow more time, these matters can be brought to the Commission on a case-by-case basis.

Staff updated the SEI website on November 17, 2022. The site now allows staff to issue notices that final SEIs are due and track their filing. It also changes the 2023 SEI form to remove mutual funds and money market funds since they are no longer required. The 2022 form and previous years retain the previous format.

Candidates on the April 2023 ballot must file an SEI by January 6, 2023. Filing notices to incumbent Circuit Court candidates and all municipal judges will be sent out by December 2, 2022.

State of Wisconsin Investment Board Quarterly Reports

The 2022 third quarter reports were due by October 31, 2022. All SWIB filers filed within the grace period and staff referred the Quarterly Reports to the Legislative Audit Bureau. The next Quarterly Reports are due January 31, 2023.