

ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

1. Type of Estimate and Analysis <input checked="" type="checkbox"/> Original <input type="checkbox"/> Updated <input type="checkbox"/> Corrected	2. Date January 26, 2018
3. Administrative Rule Chapter, Title and Number (and Clearinghouse Number if applicable) ETH 16 - Lobbying	
4. Subject Reporting of lobbying activity	
5. Fund Sources Affected <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S	6. Chapter 20, Stats. Appropriations Affected N/A
7. Fiscal Effect of Implementing the Rule <input checked="" type="checkbox"/> No Fiscal Effect <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Indeterminate <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Could Absorb Within Agency's Budget	
8. The Rule Will Impact the Following (Check All That Apply) <input type="checkbox"/> State's Economy <input type="checkbox"/> Specific Businesses/Sectors <input type="checkbox"/> Local Government Units <input type="checkbox"/> Public Utility Rate Payers <input type="checkbox"/> Small Businesses (if checked, complete Attachment A)	
9. Estimate of Implementation and Compliance to Businesses, Local Governmental Units and Individuals, per s. 227.137(3)(b)(1). \$0	
10. Would Implementation and Compliance Costs Businesses, Local Governmental Units and Individuals Be \$10 Million or more Over Any 2-year Period, per s. 227.137(3)(b)(2)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
11. Policy Problem Addressed by the Rule The current ETH 16 requires a lobbying principal to provide all of the following information: (1) A succinct written statement sufficient to put the reader on notice of the communication's subject matter. (2) Whether the communication is an attempt to influence legislative or administrative action, or both. (3) With respect to an attempt to influence administrative action, if the lobbying communication relates to the subject of a scope statement published in the Wisconsin Administrative Register, the scope statement summary, together with the date of the register, and page number on which the scope statement occurs. Alternatively, if the proposed administrative rule has been assigned a clearinghouse rule number, the principal may provide that number. s. 13.625, Stats. prohibits a lobbyist from making a personal campaign contribution except after the legislature is no longer in session. In order to audit for such prohibited contributions, the Commission reviews the list of contributors provided by each candidate committee and attempts to match those names against a list of licensed lobbyists. Matching by name alone does not always result in a strong match as many individuals have the same or similar names.	
12. Summary of the Businesses, Business Sectors, Associations Representing Business, Local Governmental Units, and Individuals that may be Affected by the Proposed Rule that were Contacted for Comments. N/A	
13. Identify the Local Governmental Units that Participated in the Development of this EIA. N/A	
14. Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred) The Commission finds that the proposed rule will have no economic impact on small businesses.	
15. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule	

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The proposed rule seeks to promote consistency in reporting by requiring a lobbying principal to provide the specific subject matter of their communication and choose a general category for its lobbying communication from a list prescribed by the Commission. This would allow members of the public to easily identify lobbying principals operating within a general subject area without relying on all lobbying principals using the same keywords in their brief description of the lobbying communication. The alternative would be to continue to rely on lobbying principals to describe their communications and asking the public to continue to use a keyword search to identify lobbying principals communicating on a specific topic.

The proposed rule will also reduce the amount of information required to be provided by lobbying principals by removing the requirement to provide the scope statement summary, the date of the register, and the page number on which the scope statement occurs. Current technology allows the Commission to sufficiently identify a proposed administrative rule with only the agency name and a scope statement number. The alternative would be to continue to require lobbying principals to provide all of the currently required information.

Finally, allowing the Commission to request a lobbyist voluntarily provide their home address to facilitate the matching process would reduce the number of false positives identified in the audit.

16. Long Range Implications of Implementing the Rule

17. Compare With Approaches Being Used by Federal Government

At the federal level, the Lobbying Disclosure Act (LDA) requires that quarterly reports of lobbyists and registrants (lobbying organizations) must contain: to the maximum extent practicable, a list of specific issues, bill numbers and executive branch actions on which the registrant (lobbying firm) had lobbying activity. 2 U.S.C § 1604(b). The federal regulation is more extensive than the proposed changes to 16.03(1) and (4) due to the “maximum extent practicable” requirement. There is no existing or proposed federal regulation which discusses disclosure of the home address of a lobbyist.

18. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

Illinois: The Illinois Lobbying Registration Act requires lobbyists and lobbying organizations to choose from a list of categories that indicate the nature of the client’s business upon registration and must report any changes to that information when filing regular expenditure reports. 25 ILL. COMP. STAT. §§ 170/5 (c-6), 170/6 (b-1). The Act also requires that lobbyists provide a “permanent address” as a part of lobbyist registration but does not state what constitutes a “permanent address.” 25 ILL. COMP. STAT. § 170/5 (a).

Iowa: Lobbyists must file a registration statement with the Iowa General Assembly. Statute does not state if address is required, but the Iowa Lobbyist Database shows lobbyist addresses which seem to be both business and personal. IOWA CODE § 68B.36.

Michigan: The Michigan Department of State Bureau of Elections requires that lobbyists provide a residential address on the registration form if the lobbyist is an individual. MICH. COMP. LAWS § 4.417 (2b).

Minnesota: The Campaign Finance and Public Disclosure Board requires lobbyists to submit yearly a general description of the topics lobbied on, and have a published list of suggested lobbying subjects. MINN. STAT. § 10A.04 Subd. 4(e). Lobbyists are also required to include an address, but does not specify residential or business. MINN. STAT. § 10A.03 Subd. 2(1).

19. Contact Name

David P. Buerger

20. Contact Phone Number

(608) 267-0951

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ATTACHMENT A

1. Summary of Rule's Economic and Fiscal Impact on Small Businesses (Separately for each Small Business Sector, Include Implementation and Compliance Costs Expected to be Incurred)

2. Summary of the data sources used to measure the Rule's impact on Small Businesses

3. Did the agency consider the following methods to reduce the impact of the Rule on Small Businesses?

- Less Stringent Compliance or Reporting Requirements
- Less Stringent Schedules or Deadlines for Compliance or Reporting
- Consolidation or Simplification of Reporting Requirements
- Establishment of performance standards in lieu of Design or Operational Standards
- Exemption of Small Businesses from some or all requirements
- Other, describe:

4. Describe the methods incorporated into the Rule that will reduce its impact on Small Businesses

5. Describe the Rule's Enforcement Provisions

6. Did the Agency prepare a Cost Benefit Analysis (if Yes, attach to form)

- Yes No
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