



Lobbying in Wisconsin: What Do Lobbyists Do and How Are They Regulated in Wisconsin?

WHAT IS LOBBYING?

“Lobbying” has many myths and negative connotations associated with it; however, it is an integral part of the democratic system and is founded on the principles of free speech. Lobbying is an extension of the right to “... petition the government for a redress of grievances,” as stated in the First Amendment to the U.S. Constitution. Lobbyists attempt to influence government by supplying information to lawmakers on behalf of certain groups. Wisconsin has a long history of lobbying activity, and the practice has been regulated by state law since 1858.

The term “lobbyist” has been around since the 19th century. When it first came into popular usage, the image of a lobbyist was usually that of a cigar-smoking backroom dealer lining the pockets of politicians to pass legislation that was favorable to the interests of big-business clients. Legislative reform and education have changed that perception, and today lobbyists come from all walks of life, representing not just big-business and corporate interests, but also unions, women, minorities, seniors, the handicapped, and many other groups that petition the government for change.

A basic definition of “lobbying” is an attempt by an individual or group to influence the legislative or administrative process by communicating with elected officials. But lobbying is much more than communication

with elected officials. It also involves time spent appearing at public hearings and meetings, keeping track of developments related to policy, forming coalitions with others to achieve a mutual goal, and educating the public on the impacts of current or proposed legislation and regulation. And while lobbying is still associated with the exchange of money or favors, today a lobbyist’s real currency is the respect and reputation he or she has built with lawmakers and administrators.

EXAMPLES OF LOBBYING

Lobbying can be as simple as a constituent contacting his or her legislator by phone to express an opinion on pending legislation. Lobbying becomes more complex when larger organizations with more resources hire professionals to lobby for them. Professional lobbyists may represent many clients and serve as advocates for or against certain issues, and are given the resources to get the attention of lawmakers.

A typical example of professional lobbying would be the music industry hiring representatives to advocate for laws against music downloading and file sharing. The lobbyists would examine current legislation and regulations, as well as talk to musicians and music store owners about how current laws on online music

sharing affect them. The lobbyists may also attend legislative hearings when new legislation on copyright law is discussed to tell lawmakers how the legislation would affect the music industry. They might also hold press conferences to inform the general public on the issue and to gain wider support for their goal.

HISTORY OF LOBBYING LAWS IN WISCONSIN

An 1858 legislative investigation uncovered that officials of the La Crosse and Milwaukee Railroad Company offered bribes to induce members of the Wisconsin Legislature to cast votes in their favor when assigning land from a federal land grant. The railroad gave money as “pecuniary compliments” to legislators who voted in the railroad’s favor when the land grant bill was passed. As a result of the ensuing scandal, chapter 145, laws of 1858, was enacted “to protect the people against corrupt and secret influences in matters of Legislation” (text of act).

Today, lobbying is regulated in chapter 13 of the Wisconsin Statutes. The text states the principles behind the regulations: “The legislature declares that the operation of an open and responsible government requires that the fullest opportunity be afforded to the people to petition their government for the redress of grievances and to freely express to any officials of the executive or legislative branch their opinions on



legislation, on pending administrative rules and other policy decisions by administrative agencies, and on current issues. ... In order to preserve and maintain the integrity of the process, the legislature determines that it is necessary to regulate and publicly disclose the identity, expenditures and activities of persons who hire others or are hired to engage in efforts to influence actions of the legislative and executive branches.” (Sec. 13.61, Wis. Stats.)

Wisconsin’s lobbying law has been revised several times since its creation in 1858. A brief history of the lobbying law follows:

1858: The state’s first lobbying law is enacted. Responsibilities for administering the law are placed under the Wisconsin Secretary of State.

1899: A lobbying registry is created for every person, corporation, or association that employs a lobbyist. The registry further identifies the subjects of lobbying efforts. It requires regular reporting of lobbying expenses.

1905: Personal, direct attempts by paid lobbyists to influence legislators are prohibited, other than through appearances at committee hearings, public addresses, or in widely distributed written statements.

1947: Lobbyists are required to obtain licenses. Attempts to influence votes through promises of support or opposition at future elections are prohibited, as is engaging in any practice that could discredit the practice of lobbying the legislature.

1965 and 1977: These laws again revise the regulations on the registration, licensing, reporting, and practice of lobbying.

1989: Responsibility for overseeing the lobbying law is transferred to the Wisconsin Ethics Board. The definition of lobbying activity is broadened and the expenditure reporting requirements are expanded.

1997: Lobbying principals are required to identify the bills and proposed rules in which they took an interest within 15 days of making their first communication on it. Reporting requirements regarding the time and money spent for certain lobbying activities are also established.

1999: The reporting requirements are extended to the topics of lobbying for unintroduced bills and proposed administrative rules.

HOW LOBBYING IN WISCONSIN IS REGULATED TODAY

The Wisconsin Ethics Board administers the lobbying law. For the 2003-2004 legislative session, the Ethics Board indicated in its *Lobbying Report* that lobbying-related expenditures totaled \$48.8 million; the average lobbying expenditure was \$69,000. According to the report, 707 organizations registered to lobby, while 677 lobbyists were licensed to lobby for one organization and 140 were licensed for multiple organizations.

Hours devoted to lobbying-related matters totaled 442,000. For the first six months of 2005, the Ethics Board has indicated that 658 lobbying organizations reported a record expenditure of \$16.2 million and 145,000 hours lobbying the legislature and state agencies.

By law, an organization that pays someone to try to influence legislation or agency rules is required to register with the state as a “lobbying principal,” unless that organization or its activities are specifically exempted from registration requirements. In addition, the law says that a person who works for a lobbying principal must obtain a lobby license before communicating with state officials. Both the lobbying principal and the lobbyist must pay a fee to register with the state.

With certain limited exceptions, no lobbying principal or lobbyist may give anything of monetary value to an elected state official, a candidate, an agency official, or a legislative employee. Items of monetary value include lodging, transportation, meals, and money. However, campaign contributions can be made to a candidate during the five months prior to the November elections. In addition, lobbyists cannot ask officials or candidates for money or employment dependent on whether a bill passes or fails.

Lobbying principals are required to report all bills and rules, established or proposed, and the topics on which it makes a lobbying communication. This must be done within 15 days of the first communication. The reports are sent to the Ethics Board. A daily itemized list of time and expenditures related to lobbying activity is required of both the lobbying principal and the lobbyist.

WHY REGULATION IS IMPORTANT

Lobbyists have done much to change the popular image of the profession over the last century, and many have earned the respect of policymakers. Working closely with lobbyists, Wisconsin lawmakers have regulated lobbying to make sure that no inappropriate lines are crossed when it comes to peddling influence. The laws attempt to ensure a level playing field for individuals who do not have many resources to lobby local or state officials. After all, lobbying is based on the idea that everyone has the right to address his or her government.

By Lauren Jackson, Publications Editor and Clark Radatz, Legislative Analyst
Published by the LRB, Madison WI
<http://www.legis.state.wi.us/lrb/GW>
No. 8, November 2005

Governing Wisconsin: "Lobbying in Wisconsin"

Study Questions

1	Who, or what, is a "lobbying principal"?	
2	What are the two main things the law requires lobbyists and lobbying principals to do?	
3	How does the U.S. Constitution protect the right of lobbyists to attempt to influence the legislature?	
4	Why did the state begin to regulate lobbying?	
5	Considering the trend in lobbying law in Wisconsin, what new laws might the legislature enact?	
6	Does the law go too far in prohibiting a lobbyist from purchasing a meal for a member of the legislature?	

Governing Wisconsin: “Lobbying in Wisconsin”

Study Questions in the Cognitive Domain

1	Who, or what, is a “lobbying principal”?	A person who or an organization that pays someone to influence legislation or the adoption of agency rules.	Cognition
2	What are the two main things the law requires lobbyists and lobbying principals to do?	Lobbyists must register with the Ethics Board*, and they must make periodic reports of their lobbying activity. (*In 2008, the Government Accountability Board replaced the Ethics Board.)	Comprehension
3	How does the U.S. Constitution protect the right of lobbyists to attempt to influence the legislature?	The First Amendment guarantees the right of the people to petition the government for a redress of grievances.	Application
4	Why did the state begin to regulate lobbying?	The legislature decided to regulate lobbying in 1858 to protect the people from corrupt and secret influences affecting legislation because of a scandal when a railroad company bribed legislators to vote for land grants that favored the railroad.	Analysis
5	Considering the trend in lobbying law in Wisconsin, what new laws might the legislature enact?	The law could be changed to require earlier and more thorough reporting of lobbying activity; the definitions of lobbying could be expanded to include other activities; and tighter restrictions on campaign contributions could be enacted.	Synthesis
6	Does the law go too far in prohibiting a lobbyist from purchasing a meal for a member of the legislature?	1. YES. Disclosure of the purchase is sufficient. The lobbyist and the legislator should be required to report the purchase. 2. NO. The prohibition keeps the playing field level for persons who do not have the resources to buy meals for legislators.	Evaluation