
1993 Wis Eth Bd 2
MEALS, LODGING, TRAVEL AND ENTERTAINMENT

The Department of Development may sponsor an anniversary celebration for a Wisconsin corporation if, but only if, the department determines that the event will benefit the State of Wisconsin and will promote business, economic development, or tourism. State and local public officials may accept food, drink, and lodging offered in connection with the celebration to the extent that the items are provided by the Department of Development.
OEB 93-2 (January 27, 1993)

Facts

[1] This opinion is based upon these understandings:

- a. A Wisconsin corporation is celebrating an important anniversary of its plant opening in Wisconsin.
- b. The corporation would like to hold an anniversary dinner celebration, preceded by plant tours and an economic development forum.
- c. It is proposed that approximately 800 guests be invited to the celebration, including state and local government officials from Wisconsin, and that overnight accommodations be provided out-of-town guests.
- d. The Department of Development is considering sponsoring and co-hosting the anniversary celebration and associated economic development forum.
- e. The corporation is prepared to reimburse the Department of Development for the full cost of the dinner and associated festivities.
- g. All the charges for the receptions, dinner celebration, and overnight lodging will be charged to the account of the Department of Development and reimbursed by the corporation.

Questions

[2] The Ethics Board understands your question to be:

What restrictions, if any, do statutes administered by the Ethics Board impose on the Department of Development

sponsoring the celebration and on state and local officials attending the event under the circumstances outlined?

Discussion

[3] Wisconsin's Ethics Code generally prohibits a state public official from soliciting or accepting any lodging, meals, food or beverage for personal benefit, offered for reasons related to holding public office.¹ In addition, the Ethics Code prohibits local public officials from accepting anything of substantial value for personal benefit if those items are offered because such individuals hold a public position.² Normally, these provisions would flatly prohibit state and local officials from attending a private business' anniversary dinner and celebration and accepting lodging, food, and drink offered by the business, unless the official paid the full cost of the items accepted.

[4] However, in 1991, the Legislature amended the Ethics Code to permit the Department of Development to "hos[t] individuals in order to promote business, economic development, tourism or conferences sponsored by multi-state, national, or international associations of governments or government officials' and, "on behalf of the state," to "solicit, receive, and retain anything of value for [that] purpose." Section 19.56(3)(e), *Wisconsin Statutes*. The Ethics Code also was amended to provide that "a state public official may receive and retain from the Department of Development anything of value which the Department of Development is authorized to provide under par. (e)." Section 19.56(3)(f), *Wisconsin Statutes*.

[5] The Ethics Board is not in a position to say whether the Department of Development should sponsor the celebration and solicit, accept, and make available items for the event. The answer depends on the department's programs and objectives. We recommend that you not allow any business or organization to use the department for its own ends; the statutes do not countenance your department's lending its authority to a business only to permit the business to accomplish what the statutes expressly forbid. If the department is not prepared to articulate how the event, or any part of it,

¹ Section 19.45(3m), *Wisconsin Statutes*, provides:

19.45(3m) No state public official may accept or retain any transportation, lodging, meals, food or beverage, or reimbursement therefor, except in accordance with s. 19.56(3).

² Section 19.59(1)(a), *Wisconsin Statutes*, provides:

19.59(1)(a) No local public official may use his or her public position or office to obtain financial gain or anything of substantial value for the private benefit of himself or herself or his or her immediate family, or for an organization with which he or she is associated. This paragraph does not prohibit a local public official from using the title or prestige of his or her office to obtain campaign contributions that are permitted and reported as required by ch. 11.

promotes business, economic development, or tourism it should not sponsor the event or any portions of the event that are not directly related to the department's program. On the other hand, your department may sponsor the event and invite state officials if it determines that the economic forum, and the associated festivities, are an important part of the department's program, and would advance one or more of the stated purposes of §19.56(3)(e) of promoting business, economic development, and tourism. In the ordinary course, the Ethics Board will not second-guess the department's decision to sponsor an event unless it clearly appears to be of a type that the statutes do not contemplate.

Advice

[6] The Ethics Board advises that the Department of Development may sponsor an anniversary celebration for a Wisconsin corporation if, but only if, the department determines that the event will benefit the State of Wisconsin and will promote business, economic development, or tourism. State and local public officials may accept food, drink, and lodging offered in connection with the celebration to the extent that the items are provided by the Department of Development.