

Complaints and Investigations under Wisconsin's Ethics Code and Lobbying Law

The Ethics Board may investigate possible violations of the Ethics Code and lobbying law whenever circumstances warrant and may file complaints alleging violations whenever it concludes there is probable cause to do so.

During the period January through December 2003, the Board completed investigations of six matters pertaining to possible violations of the statutorily prescribed standards of conduct for state officials, lobbyists, and principals.

STATE SENATOR IMPRISONED FOR FOUR YEARS. The Ethics Board found probable cause to believe that Senator Gary R. George unlawfully and intentionally:

- failed to identify sources of income on the Statements of Economic Interests that he filed with the Ethics Board in 2000, 2001, and 2002;
- directed the state to increase the salary of a Senate employee in order to cover the costs of a vehicle leased for Mr. George's personal use;
- arranged to have the Senate pay a salary bonus to an employee of the Senate to pay costs that the employee incurred traveling to the Virgin Islands to attend to Mr. George's personal business in the Caribbean;
- directed his Senate employees to work on matters related to Mr. George's law practice during hours the employees were paid by the state of Wisconsin to work for the Legislature;
- directed his Senate employees to perform campaign work related to George's gubernatorial campaign during hours the employees were paid by the state of Wisconsin to work for the Legislature; and
- directed his Senate employees to undertake personal services for Mr. George during hours the employees were paid by the state of Wisconsin to work for the Legislature.

The Ethics Board also recommended that criminal charges be brought against former Senate employee David Begel. The Ethics Board found probable cause to believe that Mr. Begel, had, unlawfully and intentionally:

- submitted false time reports and engaged in campaign activity on state time; and
- directed another Senate employee to engage in campaign activity on state time.

At the Ethics Board's insistence, the Legislature, by rule, in the fall of 2001, specifically banned the activities in which the Board alleges Begel engaged.

The Board recommended that the District Attorney for Dane County, Wisconsin initiate a criminal prosecution alleging that Gary R. George intentionally violated §§19.43 (1) and (2), 19.44 (1) (e), and 19.45 (2) and (5), *Wisconsin Statutes*, subject to the penalties in §19.58 (1) (a), *Wisconsin Statutes*.

The Board also recommended that the District Attorney for Dane County, Wisconsin initiate a criminal prosecution alleging that David Begel intentionally violated §§19.45 (5), *Wisconsin Statutes*, subject to the penalties in §19.58 (1) (a), *Wisconsin Statutes*.

[2002-SC-05]

Senator George pled guilty to a federal fraud charge and was sentenced to a four-year prison term.

GOVERNOR PAYS \$500 PENALTY FOR ACCEPTING A LOBBYING ORGANIZATION'S LOAN OF A BOAT. The Board investigated to determine if Governor Scott McCallum violated §19.45(2), *Wisconsin Statutes* by accepting for personal use a boat furnished by Mercury Marine, a lobbying principal, through Forward Wisconsin. Governor McCallum said that he was unaware that the boat was on loan from Mercury Marine. Nonetheless, he accepted responsibility and delivered to the Ethics Board a check for \$500 as a forfeiture.

[2002-SC-06]

GOVERNOR PAYS \$13,000 FOR USING STATE-OWNED AIRCRAFT FOR TRAVEL FROM A SOCCER TOURNAMENT. The Board investigated to determine if the Governor violated §19.45(2), 19.45(3m), or §19.45(5), *Wisconsin Statutes*. The Ethics Board found that there was probable cause to believe that Governor Scott McCallum violated §19.45(2), 19.45(3m), and §19.45(5), *Wisconsin Statutes*, by using his office to obtain a state airplane to fly from Madison to Colorado Springs to return him and his son back to Madison from a soccer tournament on July 1, 2001 without obtaining the approval of the Secretary of the Department of Administration and without payment of the costs associated with the operation of the aircraft in connection with the flight. As a result of the investigation, Governor McCallum acknowledged responsibility for improperly using a state owned aircraft during the summer of 2001 and made a payment to the Ethics Board for \$13,000 to reimburse the taxpayers.

[2002-SC-22]

CABINET SECRETARY'S TRAVEL COSTS INVESTIGATED. The Ethics Board reviewed whether a cabinet secretary's travel arrangements, including reimbursement requests and the use of state-owned aircraft, violated §19.45 (2), *Wisconsin Statutes*. The Ethics Board concluded that there was not a sufficient basis to warrant proceeding further in this matter at this time. The Board reserved the right to reopen this matter should additional information come to its attention.

[2003-SC-01]

ETHICS BOARD PROBES DISTRICT ATTORNEY'S MANAGEMENT OF "CRIME PREVENTION FUND"; WARNS ALL DAS. The Ethics Board found that former Outagamie County District Attorney Vince Biskupic did not personally profit from a crime prevention fund he administered; and was not affiliated with any private organization that received money from a deferred prosecution agreement or plea agreement that he negotiated. The Board also said there was not a sufficient basis to support an allegation either that the crime prevention fund's receipt of donations from businesses, lawyers, and law firms influenced the district attorney or rewarded him for earlier actions he had taken.

The Board directed a letter to the district attorneys of all of Wisconsin's counties telling them they should not control a crime prevention fund to which potential criminal defendants pay money. The Board also told district attorneys and legislators that the Ethics Board found considerable merit in proposals now before the Legislature that would, except with the approval of a circuit court, prohibit a district attorney to dismiss or amend a charge alleging a criminal offense or elect not to commence a criminal prosecution on condition that a person pay money, other than restitution, to any organization or agency. The Ethics Board urged prompt and deliberate action on the legislation.

[2003-SC-02]

ETHICS BOARD PENALIZES LOBBYIST \$100 FOR IMPROPER CAMPAIGN CONTRIBUTION. As part of a regular review of reported campaign contributions, the Ethics Board discovered that a lobbyist, Brett Thompson, furnished a \$100 contribution to Friends of Jeff Plale at a time not permitted under the lobbying law. The campaign committee returned the check to Mr. Thompson and Mr. Thompson paid a forfeiture of \$100 to the Ethics Board.

[2003-LL-01]

ETHICS BOARD SECURES PENALTIES FROM LEGISLATORS FOR DIRECTING STATE RESOURCES TO ENDORSE CANDIDATE. The Ethics Board began an inquiry into whether Representatives Michael Huebsch and Frank Lasee violated the Ethics Code and rules of the Legislature by using state resources to promote the candidacy of Senator Robert Welch to the U.S. Senate in press releases. Representatives Huebsch and Lasee each paid a forfeiture of \$50.

[QA-2003-007 and QA-2003-008]

In addition to investigations into possible violations of standards of conduct, the Ethics Board secured penalties for filing violations.

ETHICS BOARD COLLECTS \$150 IN PENALTIES FOR TARDY REPORTS OF LOBBYING ACTIVITY. The Wisconsin Humane Society and Fortis Insurance Company paid \$25.00 as penalties for late filing of their Statements of Lobbying Activities and Expenditures for the last half of 2002. Sokaogon Chippewa Community paid a \$100.00 penalty for late filing of its Statement of Lobbying Activities and Expenditures for the first half of 2003.

ETHICS BOARD ASSESSES \$1,400 IN PENALTIES FOR TARDY DISCLOSURE OF LOBBYING INTERESTS. These organizations paid penalties totaling \$1400 for failing to

identify the subject of their lobbying within 15 days of their initial communication on a topic with legislators or other state officials.

Alliance of American Insurers	\$	50
Aquatic Alliance	\$	25
City of Oak Creek	\$	50
CMC Heartland Partners	\$	25
Coalition for Lower Gas Prices Inc.	\$	25
Community Advocates Inc.	\$	25
Energy Center of Wisconsin	\$	25
Foth & Van Dyke & Associates, Inc.	\$	25
Independence First Inc.	\$	100
Kimberly-Clark	\$	25
Madison Area Builders Association	\$	25
McLeod USA	\$	50
Nestle Waters North America	\$	25
Northern States Power/Xcel Energy	\$	400
Northern WI Resource Group LLC	\$	25
Orphan Medical	\$	25
Riparian Owners & Marine Contractors	\$	50
Stonehenge Capital Corporation	\$	25
WI Chapter of American College of Emergency Physicians	\$	100
WI Commercial Fisheries Association	\$	25
WI Dairy Products Association	\$	150
WI Retired Educators Association	\$	25
WI Veterinary Medical Association	\$	50
WI/Badger State Cemetery Association	\$	50

LATE STATEMENTS OF ECONOMIC INTERESTS RESULT IN PENALTIES OF \$60.

Marcia Hochhalter, district board member of Northcentral Technical College, paid a \$10.00 forfeiture for late filing of her Statement of Economic Interests. Colleen James, Member of Marriage & Family Therapy, Professional Counseling & Social Work Examining Board, paid a \$50.00 forfeiture for late filing of her Statement of Economic Interests.

The Ethics Board deposits all forfeitures it collects in the state school fund.