## State of Wisconsin \ Government Accountability Board

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**KEVIN J. KENNEDY**Director and General Counsel

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**DATE:** April 17, 2015

**TO:** Kevin J. Kennedy, Director and General Counsel

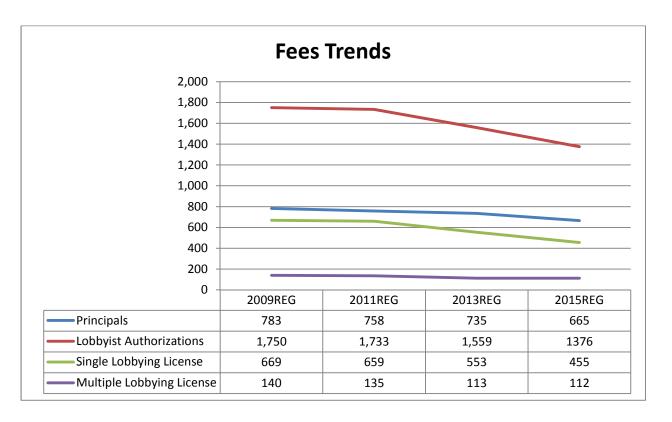
Jonathan Becker, Ethics & Accountability Division Administrator

**FROM:** Brian M. Bell, MPA, Elections and Ethics Specialist

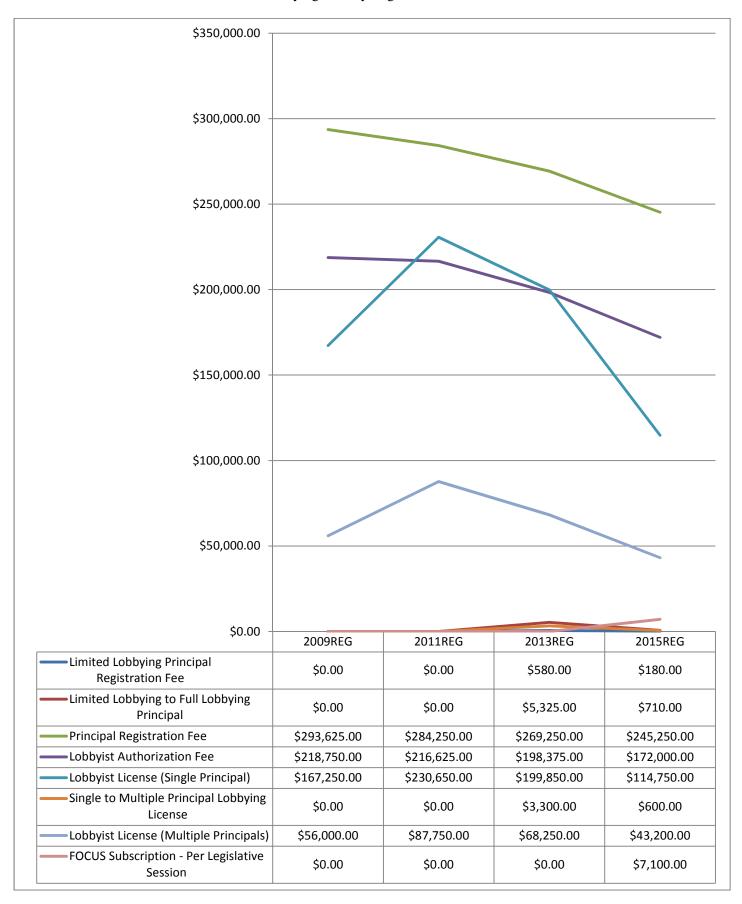
Molly Nagappala, Ethics & Accountability Specialist

**SUBJECT:** Lobbying fees, registration, licensing, and authorization trends

The following tables help to illustrate recent trends in lobbying registration, licensing, and lobbyist authorizations. Authorizations have declined most significantly over the last four legislative sessions. Single lobbyist license have also declined significantly. This reflects fewer principals hiring multiple lobbyists, a decline in using in-house lobbyists, and an increase in hiring contract lobbyists.



## Lobbying Fees by Legislative Session



## Fee Structures

The following table outlines the lobbying fees structure under the previously increased fee structure, the current fee structure, and a proposed increase fee structure to address the Ethics and Accountability Division's information technology needs.

Lobbying Fee Type	Previous	Current	Proposed
Limited Lobbying Principal Registration Fee	\$20.00	\$20.00	\$125.00
Limited Lobbying to Full Lobbying Principal Amendment	\$355.00	\$355.00	\$275.00
Principal Registration Fee	\$375.00	\$375.00	*\$400.00
Lobbyist Authorization Fee	\$125.00	\$125.00	\$125.00
Lobbyist License (Single Principal)	\$400.00	\$250.00	\$400.00
Single to Multiple Principal Lobbying License Amendment	\$250.00	\$150.00	\$250.00
Lobbyist License (Multiple Principals)	\$650.00	\$400.00	\$650.00
FOCUS Subscription - Per Legislative Session	N/A	\$100.00	\$100.00

<sup>\*</sup> Would also include state agencies with legislative liaisons

The estimated cost to contract an IT professional to support GAB's IT requirements is \$353,600 per biennium. Approximately 50 percent of that time (or \$176,400 over the biennium) would be for ongoing support of maintenance and enhancements to the Eye on Lobbying website. The remaining 50 percent would be to support the Campaign Finance Information System (CFIS) and Eye on Financial Relationships website, which is used to manage Statements of Economic Interests (SEIs), and for new projects: specifically, modernizing the tracking of state agency legislative liaisons, and developing electronic reporting of SEIs.

In order to address these IT requirements, we would recommend the following changes to the lobbying fees structure. First, return the lobbyist license fees to the levels of the temporary increase authorized by the Legislature in order to facilitate developing the new Eye on Lobbying website. This would return the fee for a lobbyist representing a single principal from \$250 to \$400, and the fee for those representing multiple principals from \$400 to \$650. This would generate an estimated \$38,500 (\$11,000 and \$27,500, respectively) per legislative session.

Second, we recommend revising the fee for limited lobbying principals (those that spend less than \$500 related to lobbying in a calendar year) from \$10 per year to \$125 per legislative session. This is the only lobbying fee that is currently based on calendar year instead of legislative session. This fee has not been updated in decades. While originally intended for individuals to register, in practice this is used by small organizations and non-profit groups. At \$125, this fee would be the same as the lobbyist authorization fee. This increase would generate an estimated \$2,100 per legislative session.

Third, we recommend increasing the fee for lobbying principal registration from \$375 to \$400, and requiring state agencies that are required to file a state agency legislative liaison report to also pay a \$400 fee per legislative session. The change in fees for lobbying principals would generate an estimated \$16,250 per legislative session. The fees from state agencies would generate an estimated \$39,600 per legislative session, which would provide for the IT support necessary to modernize the legislative liaisons reporting into an entirely electronic reporting system.

Fees Paid	2009REG	2011REG	2013REG	2015REG
Principals	783	758	735	665
Lobbyist Authorizations	1,750	1,733	1,559	1376
Single Lobbying License	669	659	553	455
Multiple Lobbying License	140	135	113	112

Fee Type	2009REG	2011REG	2013REG	2015REG
Limited Lobbying Principal Registration Fee	\$0.00	\$0.00	\$580.00	\$180.00
Limited Lobbying to Full Lobbying Principal	\$0.00	\$0.00	\$5,325.00	\$710.00
Principal Registration Fee	\$293,625.00	\$284,250.00	\$269,250.00	\$245,250.00
Lobbyist Authorization Fee	\$218,750.00	\$216,625.00	\$198,375.00	\$172,000.00
Lobbyist License (Single Principal)	\$167,250.00	\$230,650.00	\$199,850.00	\$114,750.00
Single to Multiple Principal Lobbying License	\$0.00	\$0.00	\$3,300.00	\$600.00
Lobbyist License (Multiple Principals)	\$56,000.00	\$87,750.00	\$68,250.00	\$43,200.00
FOCUS Subscription - Per Legislative Session	\$0.00	\$0.00	\$0.00	\$7,100.00
TOTAL	\$735,625.00	\$819,275.00	\$744,930.00	\$583,790.00