

WISCONSIN STATE  
LEGISLATURE  
COMMITTEE HEARING  
RECORDS

1999-00

(session year)

Assembly

(Assembly, Senate or Joint)

Committee on  
Campaigns &  
Elections  
(AC-CE)

File Naming Example:

Record of Comm. Proceedings ... RCP

- > 05hr\_AC-Ed\_RCP\_pt01a
- > 05hr\_AC-Ed\_RCP\_pt01b
- > 05hr\_AC-Ed\_RCP\_pt02

*Published Documents*

> Committee Hearings ... CH (Public Hearing Announcements)

> \*\*

> Committee Reports ... CR

> \*\*

> Executive Sessions ... ES

> \*\*

> Record of Comm. Proceedings ... RCP

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*Information Collected For Or  
Against Proposal*

> Appointments ... Appt

> \*\*

> Clearinghouse Rules ... CRule

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> Hearing Records ... HR (bills and resolutions)

> **99hr\_ab0215\_AC-CE\_pt01**

> Miscellaneous ... Misc

> \*\*

# Vote Record

## Assembly Committee on Campaigns and Elections

Date: 3/17/99  
 Moved by: Suder      Seconded by: Freese  
 AB: 215      Clearinghouse Rule: \_\_\_\_\_  
 AB: \_\_\_\_\_      Appointment: \_\_\_\_\_  
 AJR: \_\_\_\_\_      SJR: \_\_\_\_\_      Other: \_\_\_\_\_  
 A: \_\_\_\_\_      SR: \_\_\_\_\_

A/S Amdt: \_\_\_\_\_  
 A/S Amdt: \_\_\_\_\_ to A/S Amdt: \_\_\_\_\_  
 A/S Sub Amdt: \_\_\_\_\_  
 A/S Amdt: \_\_\_\_\_ to A/S Sub Amdt: \_\_\_\_\_  
 A/S Amdt: \_\_\_\_\_ to A/S Amdt: \_\_\_\_\_ to A/S Sub Amdt: \_\_\_\_\_

Be recommended for:

- Passage
- Introduction
- Adoption
- Rejection

- Indefinite Postponement
- Tabling
- Concurrence
- Nonconcurrence
- Confirmation

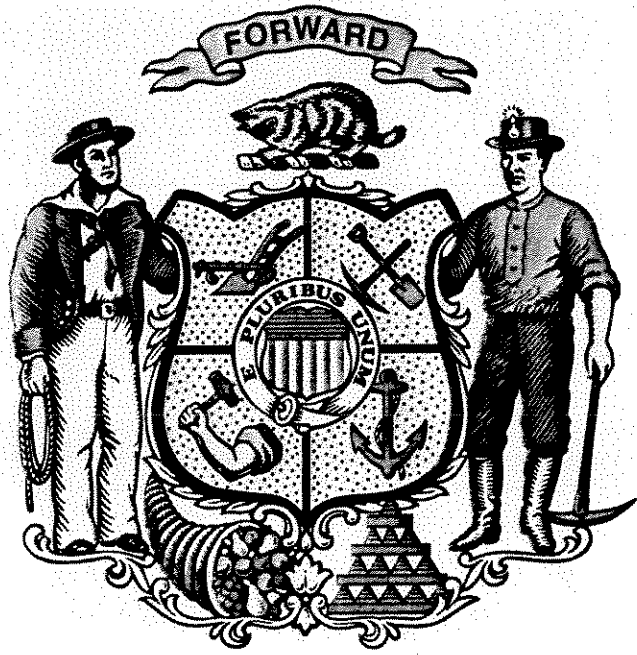
Committee Member

- Rep. Stephen Freese, Chair
- Rep. Scott Suder
- Rep. Scott Walker
- Rep. Phil Montgomery
- Rep. Bonnie Ladwig
- Rep. David Travis
- Rep. David Cullen
- Rep. Mark Miller
- Rep. Gary Sherman

	<u>Aye</u>	<u>No</u>	<u>Absent</u>	<u>Not Voting</u>
<del>Rep. Stephen Freese, Chair</del>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<del>Rep. Scott Suder</del>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<del>Rep. Scott Walker</del>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<del>Rep. Phil Montgomery</del>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<del>Rep. Bonnie Ladwig</del>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<del>Rep. David Travis</del>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<del>Rep. David Cullen</del>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<del>Rep. Mark Miller</del>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<del>Rep. Gary Sherman</del>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Totals: 9      0      \_\_\_\_\_      \_\_\_\_\_

Motion Carried       Motion Failed





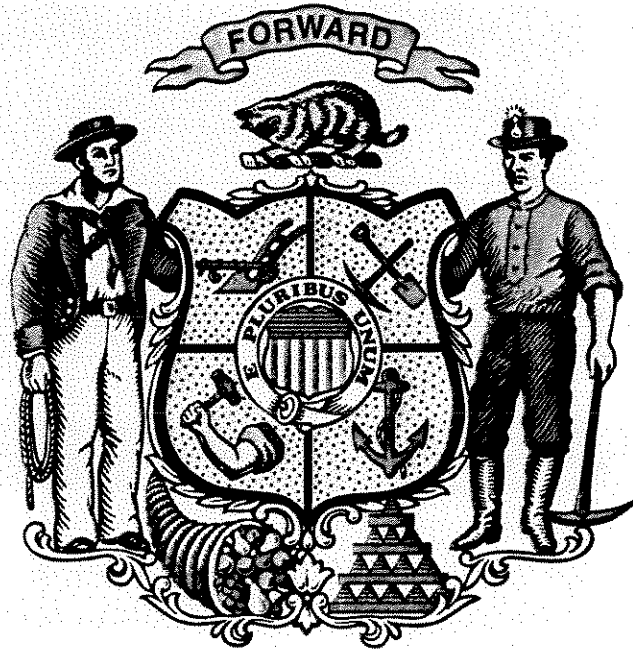
Wisconsin Speaker Pro Tempore  
**Representative Stephen J. Freese**

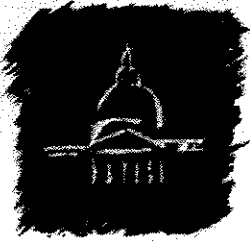
Testimony of Representative Stephen J. Freese  
Assembly Bill 215  
Committee on Campaigns and Elections  
March 17, 1999

- Last session this bill passed the Assembly 91-4, but never got out of the Senate
- Federal law prohibits any foreign contribution in connection with an election to ANY political office – USCS 441e. Unless California's CRI passed in 1997 there is no state counterpart because of the federal provisions seemingly all encompassing language.
- California worked on an initiative in 1997 known as the California Reform Initiative (CRI) that would have prohibited foreign money at the state level because they were unaware of the federal law's reach. They felt that CA law allowed a loophole because no state expressly forbids foreign contributions. I am uncertain as to whether it passed or not, but I have a call into the California Speaker's Office to get an answer.
- I think it is obvious why we need to pass this bill out of committee. We do not know what the scope of the federal law is and so I believe we need to create a law in Wisconsin that will protect our election process from foreign influence.
- THE REASON THIS BILL IS BROUGHT FORWARD IS BECAUSE IF A VIOLATION OF THE LAW OCCURRED IN A LEGISLATIVE OR MAYOR'S RACE, IT WOULD TAKE A U.S. DISTRICT ATTORNEY TO PROSECUTE. OUR BILL WOULD ALLOW THE STATE TO TAKE A CAUSE OF ACTION.

*Fifty-First Assembly District*

Capitol Office: P.O. Box 8952 • Madison, Wisconsin 53708-8952  
(608) 266-7502 • Toll-Free: (888) 534-0051 • Fax: (608) 261-9474 • Rep.Freese@legis.state.wi.us  
District: 310 E. North • Dodgeville, Wisconsin 53533 • (608) 935-3789





**SCOTT R. JENSEN**  
**ASSEMBLY SPEAKER**

- Route
- Steve
- Carrie
- NRN
- Brett
- Bert
- Chad
- Frm Ltr
- Jodie
- File

# Memo

**To:** BJH  
**From:** CRT  
**Date:** February 23, 1998  
**Re:** Foreign Contributions to State and Local Elections

*Shawn 7-0025  
 Haas 6 3370  
 2-25 → Getting back to me on Mon.  
 Let's draft*

Federal law prohibits any foreign contribution in connection with an election to any political office. (See 2 USCS 441e - attached). There is no state counter-part because of the federal provision's seemingly all encompassing language. California may be bringing this initiative because: (1) would help with enforcement at the state level, (2) the State is unaware of the Federal law's reach, or (3) the article is not providing all the details.

**Additional Information:**

I contacted the California Campaign Reform Initiative's press secretary, Kristy Khachigian, for more information regarding foreign contributions to state and local campaigns. She stated that they were aware of the Federal Law preventing such contributions, however, felt that CA law allowed a loophole because no state law expressly forbid such action. Ms. Khachigian further stated that the CA prohibition would simply reiterate the Federal Law within the CA code, thus, allowing violators to be charged under CA state law.

*Note: appears that Fed. law implicitly covers only federal elections. Draft would cover state + local elections.*

*Call LRB  
 Jeff Kuesel  
 6-6778 → is drafting*

with other contributions from the same contributor to the transferee principal campaign committee, exceeds the contribution limits set forth at 11 CFR 110.1 or 110.2, as appropriate; and (11) The candidate has not elected to receive funds under 26 U.S.C. 9006 or 9037 for either election; or

(6) [Reserved]

(7) The authorized committees of a candidate for more than one Federal office, or for a Federal office and a non-Federal office, shall follow the requirements for separate campaign organizations set forth at 11 CFR 110.8(d).

(4) Transfers from nonfederal to federal campaigns. Transfers of funds or assets from a candidate's campaign committee or account for a nonfederal election to his or her principal campaign committee or other authorized committee for a federal election are prohibited. However, at the option of the non-Federal committee, the nonfederal committee may refund contributions, and may coordinate arrangements with the candidate's principal campaign committee or other authorized committee for a solicitation by such committee(s) for the same contributors. The full cost of this solicitation shall be paid by the Federal committee.

154 FR 34110, Aug. 17, 1989, and 64 FR 48380, Nov. 24, 1999; 56 FR 3476, Jan. 8, 1993

§ 1104 Prohibited contributions (3) U.S.C. 441a, 441f, 441g, 4532(b)(3).

(a) Contributions or expenditures by foreign nationals. (1) A foreign national shall not directly or through any other person make a contribution, or an expenditure, or expressly or impliedly promise to make a contribution, or an expenditure, in connection with a convention, a caucus, or a primary, general, special, or runoff election in connection with any local, State, or Federal public office.

(2) No person shall solicit, accept, or receive a contribution as set out above from a foreign national.

(3) A foreign national shall not direct, dictate, control, or directly or indirectly participate in the decision-making process of any person, such as a corporation, labor organization, or political committee, with regard to such person's Federal or nonfederal election-related activities, such as de-

isions concerning the making of contributions or expenditures in connection with elections for any local, State, or Federal office or decisions concerning the administration of a political committee.

(4) For purposes of this section, foreign national means—

(1) A foreign principal, as defined in 22 U.S.C. 611(b); or

(2) An individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence, as defined in 8 U.S.C. 1101(a)(20);

(3) Except that foreign national shall not include any individual who is a citizen of the United States.

(b) Contributions in the name of another. (1) No person shall—

(i) Make a contribution in the name of another;

(ii) Knowingly permit his or her name to be used to effect that contribution;

(iii) Knowingly help or assist any person in making a contribution in the name of another; or

(iv) Knowingly accept a contribution made by one person in the name of another.

(2) Examples of contributions in the name of another include—

(i) Giving money or anything of value, all or part of which was provided to the contributor by another person (the true contributor) without disclosing the source of money or the thing of value to the recipient candidate or committee at the time the contribution is made, see 11 CFR 110.5; or

(ii) Making a contribution of money or anything of value and attributing as the source of the money or thing of value another person when in fact the contributor is the source.

(c) Cash contributions. (1) With respect to any campaign for nomination for election or election to Federal office, no person shall make contributions of currency of the United States, or of any foreign country, which in the aggregate exceed \$100.

(2) A candidate or committee receiving a cash contribution in excess of \$100 shall promptly return the amount over \$100 to the contributor.

(3) A candidate or committee receiving an anonymous cash contribution in

excess of \$50 shall promptly dispose of the amount over \$50. The amount over \$50 may be used for any lawful purpose unrelated to any Federal election, campaign, or candidate.

154 FR 34112, Aug. 17, 1989, and 64 FR 48380, Nov. 24, 1999, as amended at 64 FR 48382, Nov. 24, 1999; 56 FR 1189, Jan. 11, 1993

§ 1105 Annual contribution limitation for individuals (2 U.S.C. 441a(a)(3)).

(a) Scope. This section applies to all contributions made by any individual, except individuals prohibited from making contributions under 11 CFR 110.4 and 11 CFR part 116.

(b) Annual limitation. No individual shall make contributions in any calendar year which aggregate more than \$2,000.

(c) Contributions made in a nonelection year. (1) For the purposes of this section, nonelection year means a year other than the calendar year in which a particular election is held.

(2) For purposes of this section, any contribution to a candidate or his or her authorized committee with respect to a particular election made in a nonelection year shall be considered to be made during the calendar year in which such election is held.

(3) For purposes of this section, any contribution to an unauthorized committee which is made in a nonelection year shall not be considered to be made during the calendar year in which an election is held unless—

(i) The political committee is a single candidate committee which has supported or anticipates supporting the candidate; or

(ii) The contribution is earmarked by the contributor for a particular candidate with respect to a particular election.

(d) Independent expenditures. The annual limitation on contributions in this section applies to contributions made to persons, including political committees, making independent expenditures under 11 CFR part 109.

(e) Contributions to delegates and delegate committees. The annual limitation on contributions in this section applies to contributions to delegates and delegate committees under 11 CFR 110.14.

154 FR 34112, Aug. 17, 1989 and 64 FR 48380, Nov. 24, 1999

§ 1106 Earmarked contributions (2 U.S.C. 441a(a)(3)).

(a) General. All contributions by a person made on behalf of or to a candidate, including contributions which are in any way earmarked or otherwise directed to the candidate through an intermediary or conduit, are contributions from the person to the candidate.

(b) Definitions. (1) For purposes of this section, earmarked means a designation, instruction, or endorsement, whether direct or indirect, express or implied, oral or written, which results in all or any part of a contribution or expenditure being made to, or expended on behalf of, a clearly identified candidate or a candidate's authorized committee.

(2) For purposes of this section, conduit or intermediary means any person who receives and forwards an earmarked contribution to a candidate or a candidate's authorized committee, except as provided in paragraph (b)(2)(k) of this section.

(i) For purposes of this section, the following persons shall not be considered to be conduits or intermediaries:

(A) An individual who is an employee or a full-time volunteer working for the candidate's authorized committee, provided that the individual is not acting in his or her capacity as a representative of an entity prohibited from making contributions;

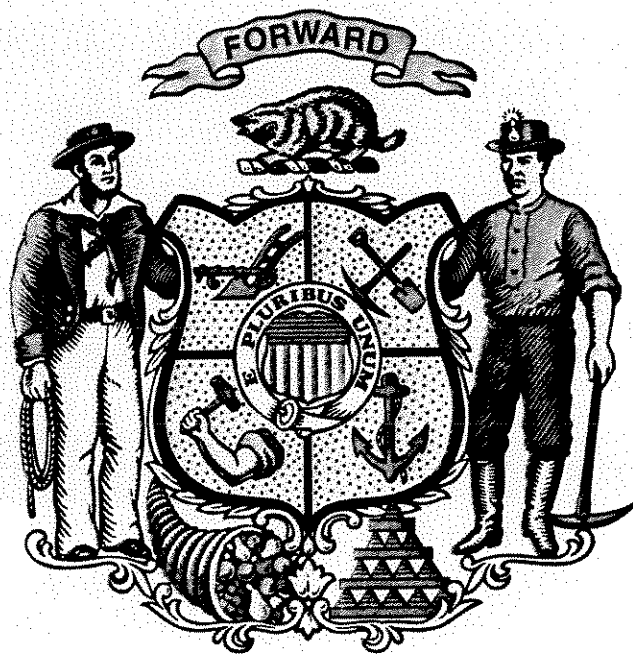
(B) A fundraising representative conducting joint fundraising with the candidate's authorized committee pursuant to 11 CFR 102.17 or 9034.8;

(C) An affiliated committee, as defined in 11 CFR 100.6(e);

(D) A commercial fundraising firm retained by the candidate or the candidate's authorized committee to assist in fundraising; and

(E) An individual who is expressly authorized by the candidate or the candidate's authorized committee to engage in fundraising, and who occupies a significant position within the candidate's campaign organization, provided that the individual is not acting in his or her capacity as a representative of an entity prohibited from making contributions.

(ii) Any person who is prohibited from making contributions or expenditures in connection with an election





## ***BILL MEMORANDUM***

March 19, 1996

To: Assembly Republican Legislators and Staff

From: R. J. Pirlot

Subject: Assembly Bill 925, prohibiting political contributions by foreign nationals.

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AB 925 prohibits foreign nationals from making contributions to any candidate for state or local office in this state or to any individual, committee or group who or which accepts contributions and makes expenditures for the purpose of influencing an election for state or local office or the outcome of a referendum in this state.

No state prohibition currently exists.

AB 925 was introduced by Rep. Jensen on March 17, 1998, and referred to the calendar.