



2001 SENATE BILL 2

January 12, 2001 - Introduced by JOINT COMMITTEE FOR REVIEW OF ADMINISTRATIVE RULES. Referred to Committee on Judiciary, Consumer Affairs, and Campaign Finance Reform.

1 **AN ACT** *to repeal* 11.06 (3) (b); *to amend* 11.06 (1) (intro.), 11.06 (2) and 11.12
2 (4); and *to create* 11.01 (13) and (20) and 11.01 (16) (a) 3. of the statutes;
3 **relating to:** the scope of regulation and reporting of information by
4 nonresident registrants under the campaign finance law.

Analysis by the Legislative Reference Bureau

This bill is introduced as required by s. 227.19 (5) (e), stats., in support of the objections of the assembly committee on campaigns and elections on February 16, 2000, and of the senate committee on economic development, housing and government operations on February 14, 2000, and the objection of the joint committee for review of administrative rules on April 14, 2000, to the issuance of clearinghouse rule number 99-150 by the elections board. The proposed rule relates to the subject of disclosure and record-keeping requirements under the campaign finance law.

Currently, individuals who accept contributions, organizations which make or accept contributions, or individuals who or organizations which incur obligations or make disbursements for the purpose of influencing an election for state or local office are generally required to register with the appropriate filing officer and to file financial reports with that officer, regardless of whether they act in conjunction with or independently of any candidate who is supported or opposed.

With certain exceptions, this bill imposes registration and reporting requirements, in addition, upon any individual who or organization that, within 60 days of an election and by means of a newspaper, periodical, commercial billboard,

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radio station, television station, mass mailing, or telephone bank operator, makes a communication which includes the name or likeness of a candidate at that election, an office to be filled at that election, or a political party. The bill, however, does not require registration and reporting if the communication is made by a corporation, cooperative, or nonpolitical voluntary association and is limited to the corporation's, cooperative's, or association's members, shareholders, or subscribers.

Currently, with certain exceptions, registrants under the campaign finance law are required to file regular reports with the appropriate filing officer or agency. The reports must identify contributors of more than \$20 cumulatively within a calendar year; the occupation and principal place of employment, if any, of each contributor whose cumulative contributions within a calendar year exceed \$100; the registrants from whom or to whom funds are transferred; other income exceeding \$20; contributions donated to a charitable organization or the common school fund; loans exceeding \$20 together with the identity of the lenders and guarantors, if any; disbursements (expenditures) and obligations exceeding \$20; and certain information from registrants making disbursements independently of candidates. However, if a registrant does not maintain an office or street address within this state, the registrant need only identify contributions, transfers, loans, and other income received from sources in this state and disbursements and obligations incurred with respect to elections for state or local office in this state.

This bill deletes the exception for registrants who or which do not maintain an office or street address within this state, so that these registrants are required to report the same information as other registrants.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 11.01 (13) and (20) of the statutes are created to read:

2 11.01 **(13)** "Mass mailing" means the distribution of 50 or more pieces of
3 substantially identical material.

4 **(20)** "Telephone bank operator" means any person who places or directs the
5 placement of telephone calls to individuals.

6 **SECTION 2.** 11.01 (16) (a) 3. of the statutes is created to read:

7 11.01 **(16)** (a) 3. A communication that is made by means of one or more
8 communications media or a mass mailing, or through a telephone bank operator,
9 other than a communication that is exempt from reporting under s. 11.29, that is

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1 made during the period beginning on the 60th day preceding an election and ending
2 on the date of that election and that includes a name or likeness of a candidate whose
3 name is certified under s. 7.08 (2) (a) or 8.50 (1) (d) to appear on the ballot at that
4 election, the name of an office to be filled at that election, or the name of a political
5 party.

6 **SECTION 3.** 11.06 (1) (intro.) of the statutes is amended to read:

7 11.06 (1) CONTENTS OF REPORT. (intro.) Except as provided in subs. (2),~~(3)~~ and
8 (3m) and ss. 11.05 (2r) and 11.19 (2), each registrant under s. 11.05 shall make full
9 reports, upon a form prescribed by the board and signed by the appropriate
10 individual under sub. (5), of all contributions received, contributions or
11 disbursements made, and obligations incurred. Each report shall contain the
12 following information, covering the period since the last date covered on the previous
13 report, unless otherwise provided:

14 **SECTION 4.** 11.06 (2) of the statutes is amended to read:

15 11.06 (2) DISCLOSURE OF CERTAIN INDIRECT DISBURSEMENTS. Notwithstanding
16 sub. (1), if a disbursement is made or obligation incurred by an individual other than
17 a candidate or by a committee or group which is not primarily organized for political
18 purposes, and the disbursement does not constitute a contribution to any candidate
19 or other individual, committee or group, the disbursement or obligation is required
20 to be reported only if the purpose is to expressly advocate the election or defeat of a
21 clearly identified candidate or the adoption or rejection of a referendum or if the
22 disbursement is made or the obligation incurred to make a communication that is
23 specified in s. 11.01 (16) (a) 3. The exemption provided by this subsection shall in no
24 case be construed to apply to a political party, legislative campaign, personal
25 campaign or support committee.

