

WISCONSIN STATE  
LEGISLATURE  
COMMITTEE HEARING  
RECORDS

2005-06

(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

> \*\*

*Information Collected For Or  
Against Proposal*

> Appointments ... Appt

> \*\*

> Clearinghouse Rules ... CRule

\*\*

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

> **05hr\_sb0001\_AC-CE\_pt01**

> Miscellaneous ... Misc

> \*\*

**Vote Record**  
**Committee on Campaigns and Elections**

Date: 3/2/06

Moved by: K

Seconded by: Eund

AB \_\_\_\_\_ SB 1 \_\_\_\_\_ Clearinghouse Rule \_\_\_\_\_  
 AJR \_\_\_\_\_ SJR \_\_\_\_\_ Appointment \_\_\_\_\_  
 AR \_\_\_\_\_ SR \_\_\_\_\_ Other \_\_\_\_\_

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     Adoption     Confirmation     Concurrence     Indefinite Postponement  
 Introduction     Rejection     Tabling     Nonconcurrency

*as amended*

| <u>Committee Member</u>                     | <u>Aye</u>                          | <u>No</u>                           | <u>Absent</u>            | <u>Not Voting</u>        |
|---|-------------------------------------|-------------------------------------|--------------------------|--------------------------|
| <b>Representative Stephen Freese, Chair</b> | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> |
| <b>Representative Mark Gundrum</b>          | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> |
| <b>Representative Jeffrey Wood</b>          | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> |
| <b>Representative Robin Vos</b>             | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <b>Representative David Travis</b>          | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> |
| <b>Representative Frederick Kessler</b>     | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> |
| <b>Totals:</b>                              | <u>5</u>                            | <u>1</u>                            | _____                    | _____                    |

Motion Carried       Motion Failed

Vote Record

30614/2

Committee on Campaigns and Elections

Date: 3/2/06

Moved by:

Seconded by:

UNANIMOUS

AB

SB 1

Clearinghouse Rule

AJR

SJR

Appointment

AR

SR

Other

by committee

A/S Amdt

A/S Amdt 5 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
- Adoption
- Confirmation
- Concurrence
- Indefinite Postponement
- Introduction
- Rejection
- Tabling
- Nonconcurrency

Committee Member

Representative Stephen Freese, Chair

Representative Mark Gundrum

Representative Jeffrey Wood

Representative Robin Vos

Representative David Travis

Representative Frederick Kessler

| Aye                                 | No                       | Absent                   | Not Voting               |
|-------------------------------------|--------------------------|--------------------------|--------------------------|
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Totals:



Motion Carried

Motion Failed

**Vote Record**  
**Committee on Campaigns and Elections**

*S 0614/D*

Date: 3/2/06  
 Moved by: K

Seconded by: Gun.

*\* modifications coming.*

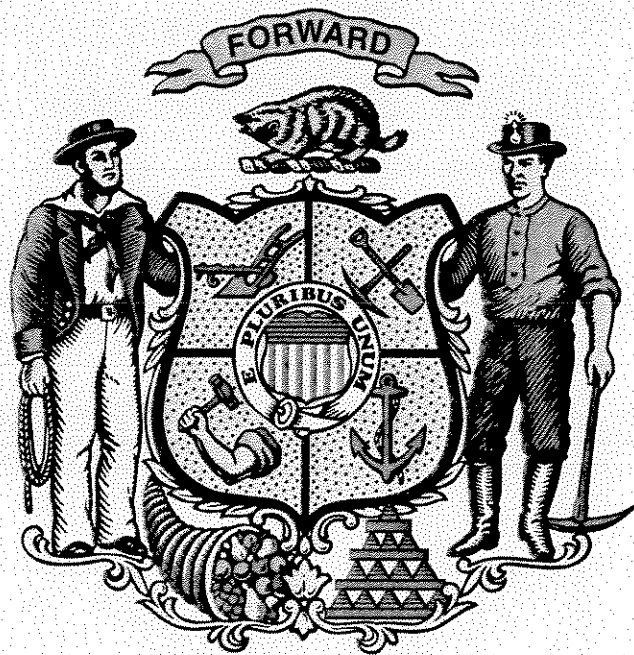
AB \_\_\_\_\_ SB 1 \_\_\_\_\_ Clearinghouse Rule \_\_\_\_\_  
 AJR \_\_\_\_\_ SJR \_\_\_\_\_ Appointment \_\_\_\_\_  
 AR \_\_\_\_\_ SR \_\_\_\_\_ Other \_\_\_\_\_

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- Be recommended for:
- Passage     Adoption     Confirmation     Concurrence     Indefinite Postponement
  - Introduction     Rejection     Tabling     Nonconcurrency

| <u>Committee Member</u>                     | <u>Aye</u>                          | <u>No</u>                           | <u>Absent</u>            | <u>Not Voting</u>        |
|---|-------------------------------------|-------------------------------------|--------------------------|--------------------------|
| <b>Representative Stephen Freese, Chair</b> | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> |
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| <b>Representative Frederick Kessler</b>     | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> |
| <b>Totals:</b>                              | <u>5</u>                            | <u>1</u>                            | _____                    | _____                    |

Motion Carried       Motion Failed



**Assembly Committee on Campaigns and Elections  
2005 Senate Bill 1**

Testimony of Kevin J. Kennedy  
Executive Director  
Wisconsin State Elections Board  
December 8, 2005

Chairman Freese and Committee Members:

Thank you for the opportunity to testify on 2005 Senate Bill 1. It is an honor to appear before the Committee. Senate Bill 1 was conceived to provide more enforcement resources for the state's campaign finance, election, ethics and lobby laws. In its current form, the legislation offers no more than lip service to this objective. In fact, in its current form the legislation will eviscerate the current level of enforcement carried out by the State Elections Board and the State Ethics Board.

In my written statement I will address the challenges presented by the legislation. The legislation creates an illusion of reform. This chimera is generated in part because the legislation merely shifts administrative responsibilities and creates an unfunded enforcement division, and in part because it is presented as redressing fundamental problems with the status quo. The legislation generates new administrative issues and ignores the expanded role election administration plays in the operations of the State Elections Board.

**Administrative Responsibilities**

The legislation combines the current statutory duties of the State Elections Board and the State Ethics Board under the umbrella of a single agency. These responsibilities are diverse. There is some, but very little, overlap in the regulated areas. The State Elections Board sets policy for the administration of elections, campaign finance disclosure, public financing of political campaigns and enforcement of election and campaign finance requirements. The State Ethics Board sets

policy for the administration of the state ethics code, personal financial disclosure, including conflict of interest, and lobbying regulation and disclosure.

This requires the new agency staff to provide information and advice on a broad range of regulations and requirements. The staff must collect and maintain required disclosure and ballot access documents in each of these disparate areas. All of this information is reviewed or audited to ensure compliance with applicable state law.

The legislation makes no change in any substantive disclosure requirement or limitation on regulated financial transactions. To the extent that the Legislature or the public believes that current regulations in this area are inadequate to ensure governmental accountability, this legislation fails to provide any reform.

The proposed structure of the new agency creates three independent silos of responsibility in the form of three administrative divisions: elections, ethics and enforcement. This mirrors the status quo. The combination of these diverse responsibilities will require the new agency to integrate several different recordkeeping and filing systems. The new agency will need the flexibility to shift its limited resources to best meet its statutory mission.

### **Lack of funding**

The single biggest problem with the legislation is its failure to appropriate any funding, much less the additional funding this endeavor requires. The legislation does not contain funding for the new agency. The existing budget authority for the soon to be former agencies is eliminated when they are merged into the new, unfunded agency. The new agency is given an additional four full time equivalent positions, but no funding to support the agency operations, much less the additional positions.

Anyone who supports this new agency without the funding to carry out current responsibilities cannot claim to support reform. The legislation demonstrates a lack of accountability if it does

not contain the funding necessary to enable the agency to operate effectively. This will require more than merely resurrecting the existing funding for the current agencies.

For the past three budgets, the State Elections Board has requested additional staff resources to enable it to meet its current audit and election administration responsibilities. In response, the staffing level has been reduced from 14 to 11 GPR funded positions. The State Elections Board has added several temporary federally funded positions to meet the implementation requirements of the Help America Vote Act of 2002 (HAVA). There is not sufficient federal funding to maintain the new HAVA related responsibilities of the State Elections Board.

The State Ethics Board has less than seven GPR funded positions.

It appears from public statements that the Legislative leadership and the Governor support this new agency with expanded enforcement resources. If that is the case, then there is no reason not to provide the necessary funding now rather than promise that it will be addressed after passage. The existing agencies have not been and are not now adequately funded. Where is the assurance that the new agency will be provided the necessary resources to ensure governmental accountability? For this reason alone, the legislation does not merit support.

### **Problems with status quo**

This legislation makes no substantive change in the areas of governmental accountability the agency is being created to administer. Part of this is because Wisconsin has some of the best disclosure and election laws in the country. If the Legislature believes that improvement in the substantive laws regulating campaigns, elections, lobbying and the conduct of public officials, it should look to recent legislation signed into law yesterday in Connecticut.

That legislation instituted significant public funding of political campaigns and more importantly infused \$2 million into the Connecticut Election Enforcement Commission for additional staffing and technology upgrades. What I find ironic in this widely heralded reform package is that it contains many elements that have been a part of Wisconsin law for more than 30 years. The



campaign disclosure reports will be filed with the agency that does the enforcement for late, incomplete and inaccurate reports. The new law creates a ban on contributions from lobbyists and imposes limits on PAC contributions. These have been basic elements of Wisconsin law for decades.

If we are limiting reform to enforcement, then the legislation should add three components. The legislation must have the necessary funding to carryout the contemplated enforcement. The legislation should extend enforcement responsibility to include enforcement against local public officials in the areas of campaign finance and standards of conduct. Disclosure should stay at the local level, but enforcement should be handled by the subject matter experts envisioned by the legislation. This is a model that works well in other states. The enforcement authority is independent of the public officials it is regulating.

Similarly, the legislation should create a series of civil penalties for election officials and individuals who violate the election law. The State Elections Board has compliance review authority over local election officials. However, the ability to impose civil sanctions on individuals who engage in falsifying ballot access documents, electioneering and other forms of election misconduct, such as voting twice, may lead to swifter enforcement because the burden of proof is lower and will be handled by staff with subject matter expertise. These civil penalties are in addition to existing criminal penalties.

#### **Ability of part-time citizens to master the subject matter**

The legislation creates a 4-member citizen Board. I do not believe that a group of part-time citizens, no matter how committed, will be able to acquire the subject matter expertise required to set policy in the areas of campaign finance, election administration, voter registration, public funding of political campaigns, standards of conduct, conflict of interest, personal financial disclosure and lobbying. The State Elections Board consists of nine members who serve two-year terms. They are nominated by partisan officials, except in the case of the nominee of the chief justice of the Supreme Court. As a result Board members represent a wide spectrum of the political process in Wisconsin.

The State Ethics Board consists of six nonpartisan members appointed by the Governor subject to confirmation by the Senate. They provide an independent source of counsel and regulation in the sensitive area of standards of conduct, personal financial disclosure and conflicts of interest.

For four citizens meeting once or twice a month to grasp all the complexities of the diverse areas of regulation will require a commitment that many private citizens will not have the time to offer. The Legislature and the Governor may want to consider a Commission structure rather than a Board structure. Three full-time commissioners may provide the subject matter expertise and the independence to ensure governmental accountability as contemplated by this legislation.

The commissioners would be independent of the regulated community and could provide policy direction to the agency staff. The state has existing models for a commission structure. The commissioners would have a level of personal accountability that is missing from part-time citizen boards.

### **Expanded role of election administration**

The legislation does not recognize the expanded role that election administration requires following the passage of HAVA and 2003 Wisconsin Act 265. The proposed changes in election administration recommended by the Legislative Council's Special Committee on Election Law Review and 2005 Assembly Bill 627 also contemplate an expanded state role in election administration that will require significant additional resources.

The Statewide Voter Registration System (SVRS) currently under development will require additional staffing and financial resources to provide services to local election officials and the public. This includes the infrastructure maintenance and support costs charged by the Department of Administration, the transaction costs for data base matching with the Department of Transportation, the Department of Corrections and the Department of Health and Family Services. The agency will need technical support staff, a help desk, election specialists to work

with local election officials, a training team and an administrator to oversee the area of voter registration.

In addition, the increasing complexity of voting equipment will require additional state staff to oversee vendor compliance and assist local election officials with purchasing, programming and maintenance of voting systems. The state will also have to maintain the increased level of assistance and training currently being provided to local election officials. This will require making the six HAVA funded project positions permanent.

One approach to addressing this expanded state role would be to separate the election and voter registration functions from the campaign finance, ethics and lobbying functions. I believe it is essential that the administration of elections continue to be conducted under a nonpartisan chief election official and a nonpartisan staff. The lessons learned from the abuses of partisan chief election officials in California, Ohio and Florida should be sufficient cause for maintaining nonpartisan control over election administration in Wisconsin.

This can be done by creating a separate agency responsible for election administration and voter registration. The agency head could be appointed by the new Board and there could be some sharing of resources particularly in the area of enforcement. In any event the proposed legislation does not adequately account for the increased election administration responsibilities that are now part of the duties of the State Elections Board.

## **Conclusion**

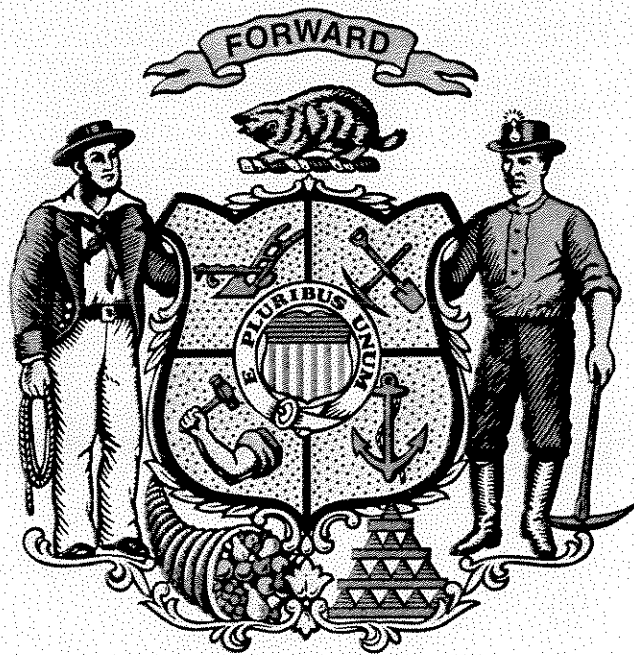
The proposed legislation is designed to restore public confidence in the accountability of government. In its current form it will not accomplish that objective. To label this legislation as reform is to deny the reality that the bill provides no additional resources and makes no substantive change in the areas of regulation under the existing independent agencies. The glare of public scrutiny on the conduct of public officials and elections in Wisconsin is a powerful catalyst for change. This requires a commitment of government resources that has not been

available to the State Elections Board or the State Ethics Board and is not available in the current legislation.

Respectfully submitted,

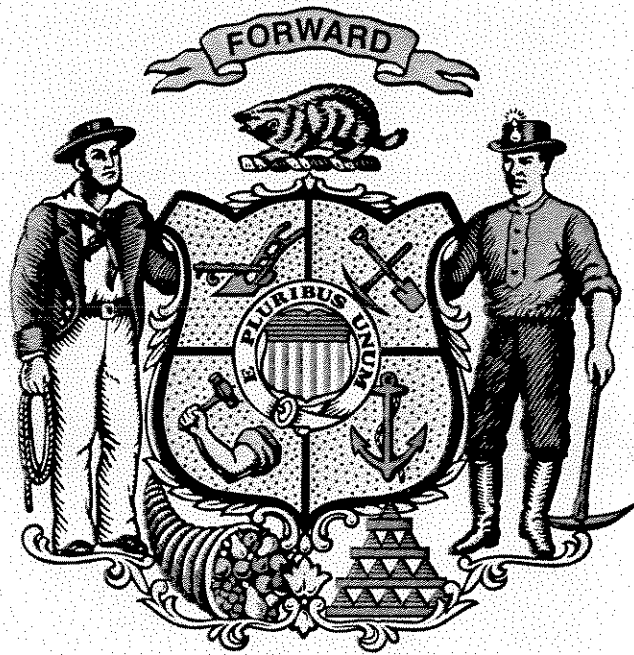
**Wisconsin State Elections Board**

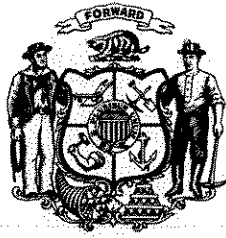
Kevin J. Kennedy  
Executive Director



### Ethics Reform Package (as of 1/03/06)

- Continued support for SB 1 – Merger of Elections and Ethics Board Bill (passed Senate 11/01/05 with various amendments).
- 1 year ban on legislators and their staff from lobbying. Under current law, former state public officials are not allowed to communicate with the officials' former agency as a paid representative for 12 months after leaving public office.  
This ban currently does not apply to legislators and legislative staffers. Under the Governor's proposal, this ban would apply to legislators and legislative staffers (i.e., former legislators and their staff would be barred from lobbying anyone in the legislature for 12 months after leaving public office).
- Expand the 1-year ban from lobbying to also prevent a former Governor and all gubernatorial political appointees that work at agencies from being able to lobby any cabinet agency, as well as a ban on lobbying anyone in the Governor's office. Under this proposal, a Governor and any political appointee of a Governor (i.e., Cabinet Secretaries, Commissioners, Deputy Secretaries, Executive Assistants, and Division Administrators) would be banned from lobbying cabinet agencies and the Governor's office for 12 months after leaving such state service.
- Ban on campaign contributions or state tax dollars from being used to pay for legal defense fees. This proposal would prevent campaign funds or state tax dollars from being used to pay for legal defense fees or costs of any official criminally charged with breaking ch. 11 (i.e., the campaign finance chapter) or ch. 19, subchapter III (i.e., the Ethics Code, including the pay to play statute).
- Ban on fundraising during the budget. Under the Governor's proposal there would be a ban on fundraising during the state budget process on incumbent partisan state officials and challengers to partisan state offices. The ban would go into effect from the date of introduction of the budget until enactment.
- 100% Public Funding derived for Supreme Court races who agree to limit their spending. This reform passed the Senate in the 1999-2000 legislative session as SB 181. SB 181 provided for a public financing grant of \$100,000 in the primary and \$300,000 in the general election, subject to a biennial cost of living adjustment, for certain qualifying candidates. A candidate who accepted public financing could not accept more than \$25 in cash from any contributor and no such candidate could accept cash from all sources in a total amount greater than one-tenth of 1% of the public financing grant or \$500, whichever was greater. For candidates that did not accept public financing, the bill provided for a contribution limitation of \$1,000 to any candidate for the Supreme Court. The bill also provided for a supplemental grant if a candidate's opponent declined to accept public financing and made expenditures that exceeded a certain threshold.





*Alcaldende@madison.com  
jross@ap.org  
255-3679*

Thursday, January 5, 2006

Contact: Anne Lupardus, Office of the Governor, 608-261-2162

## Governor Doyle Unveils Ethics Reform Package

Governor Jim Doyle today joined with Senators Mike Ellis and John Erpenbach, and Representatives Stephen Freese and Mark Pocan in announcing the most comprehensive ethics reform package to be introduced in Wisconsin in more than three decades.

"Throughout my career in law enforcement and government, one of my strongest beliefs has been in the importance of strengthening the ethics system in government," Governor Doyle said. "This bipartisan reform we are offering today will continue the important work begun by my administration to ensure that citizens can have confidence in government. It will tighten restrictions on lobbying, advance the cause of public financing, and address fundraising during the budget process. This bipartisan package is an important next step and I urge leaders in both parties to work with me to pass it into law. Inspiring confidence in government is vital for our state, our citizens and our future -- and we must not miss this opportunity."

"These are important reforms that will help to ensure public confidence in government, and I'm pleased that the Governor is supporting them," Senator Ellis said. "It's essential that any meaningful ethics reform be bipartisan and the Governor's support will go a long way toward that effort. I am hopeful that, with his backing, we can win strong support in the Legislature."

Highlights of the package include:

- Banning all fundraising during the budget process by state office incumbents and challengers alike, from the date of introduction of the budget until it is signed into law;
- Placing a one-year ban on lobbying their respective branches of government by legislators, legislative staffers, former Governors, and all gubernatorial political appointees once they leave office;
- Banning the use of campaign contributions or state tax dollars to pay for legal defense fees by someone who's been criminally charged with violating state ethics or campaign finance laws;
- Offering 100 percent of public funding for Supreme Court candidates who agree to limit their campaign spending; and
- Renewing the call for SB 1, which would merge the Wisconsin Elections and Ethics Boards. This bill passed the Senate November 1, 2005 with various amendments and if passed by the full legislature, would provide greater enforcement power over our elections and ethics laws.

- MORE -



"I'm pleased to be joined in this effort by strong bipartisan reformers like Senators Ellis and Erpenbach and Representatives Freese and Pocan," Governor Doyle said. "I hope that their support will give this package the momentum it needs to make it through the legislature."

"Governor Doyle's Ethics Reform Package is built upon solid legislation that my colleagues and I have introduced and passed in some form in previous legislative sessions," Representative Freese said. "I am pleased with the Governor's support of these initiatives, and I look forward to working with him to pass them into law."

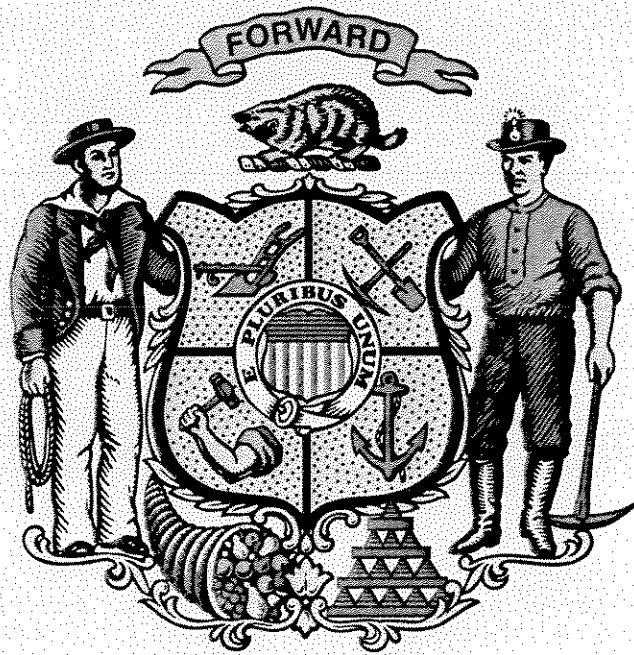
"We are working together on a bipartisan basis to make changes in Wisconsin, and I commend the Governor's leadership on this crucial issue," Senator Erpenbach said.

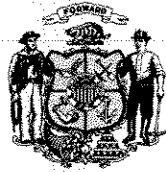
"State government is in need of serious reform," Representative Pocan said. "One of the best ways to do that is to ban fundraising during the state budget deliberations. As a first-term member of the Joint Finance Committee I saw first-hand the special interests that stalked the building during the budget. Banning the raising of campaign cash during the budget would go far to make state government cleaner and better."

In April, Governor Doyle also proposed a wide-ranging package of election reforms that included calls for early voting locations, prohibiting voter drives from paying individuals on a per voter or quota system, mandatory training for all election workers, additional safeguards to prevent ineligible felons from voting, and a merger of the State Ethics and Election boards. The merger of the Ethics and Election boards passed the State Senate in November, and Governor Doyle has called for the full legislature to get behind the proposal.

Read Governor Doyle's Ethics Reform Package:  
Read Governor Doyle's Election Reform Package:  
[www.wisgov.state.wi.us/journal\\_media\\_detail.asp?prid=1022&locid=19](http://www.wisgov.state.wi.us/journal_media_detail.asp?prid=1022&locid=19)

JULIE LUND  
CHANNEL 27  
669-3104





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

MEMO

TO: Members, Assembly Committee on Campaigns & Elections  
FROM: Rep. Steve Freese, Chair  
DATE: February 14, 2006  
RE: ASA 1 to SB 1

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Here is a copy of ASA 1 to SB 1. ASA 1 will be available on Folio this afternoon, but I do have the electronic version available upon request.

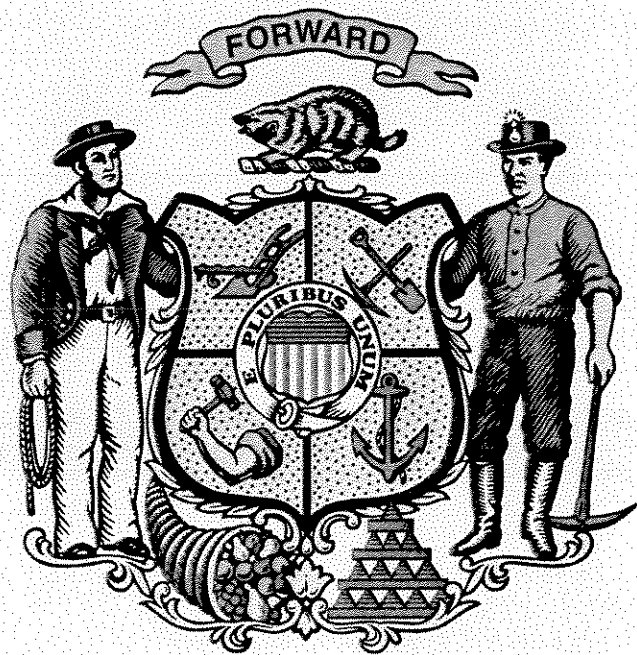
I have requested a Legislative Council Memo to explain the substitute amendment. It will be available as soon as possible before the hearing on Thursday.

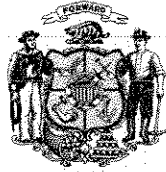
Please have any amendments to the bills noticed for executive session provided to our committee clerk as soon as possible for distribution to all committee members.

Thank you.

**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





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

MEMO

TO: Members, Assembly Committee on Campaigns & Elections

FROM: Rep. Steve Freese, Chair

DATE: February 15, 2006

RE: **ASA 1 to SB 1 CORRECTED VERSION. DISCARD a0514/1**

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Here is a corrected substitute amendment to SB 1. Please use this amendment a0514/2 as the new substitute amendment to SB 1.

You will also be receiving via email a substitute amendment to SB 1 offered by Rep. Gundrum. There will not be hard copies of the Gundrum amendment distributed at this time; please make copies from the pdf you receive in a separate email.

Thank you

**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