



## 1995 SENATE BILL 26

January 24, 1995 - Introduced by Senator HELBACH, cosponsored by Representative BOCK. Referred to Committee on State Government Operations and Corrections.

1     **AN ACT to repeal** 11.06 (1) (j), 11.06 (7) and (7m), 11.21 (9), 11.22 (10), 11.30 (2)  
2           (d), 11.31 (2) and (2m), 11.31 (3m) and (4), 11.50 (2) (g) and 11.50 (2) (i); **to**  
3     **renumber and amend** 11.001 (2); **to amend** 5.02 (13), 11.001 (1), 11.01 (12s),  
4           11.05 (2r) and (3) (p), 11.10 (3), 11.12 (1) (a), (2) and (3), 11.16 (1) (a) and (b), 11.18  
5           (6), 11.21 (15), 11.26 (1) (intro.), 11.26 (2) (intro.), 11.26 (2) (a), 11.26 (9) (a) and  
6           (b), 11.26 (10), 11.31 (title), 11.31 (1) (a) to (d), (e) and (f), 11.31 (3), 11.40 (2) and  
7           (3), 11.50 (2) (a), 11.50 (2) (b) 5., 11.50 (2) (h), 11.50 (9), 11.50 (11) (e) and 11.60  
8           (3); **to repeal and recreate** 11.31 (1) (intro.); and **to create** 11.001 (2) (d) to (g),  
9           11.25 (1m), 11.31 (1m) and 11.31 (9) of the statutes; **relating to:** limitation of  
10          campaign disbursements by candidates for state and local offices, prohibition  
11          of independent disbursements by committees or individuals in support of or  
12          opposition to candidates for state and local offices, providing an exemption from  
13          emergency rule procedures, granting rule-making authority and providing a  
14          penalty.

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### *Analysis by the Legislative Reference Bureau*

Under current law, expenditure levels are specified for candidates for various state and local offices. These levels become a binding limitation upon any candidate for state office who accepts a state grant from the Wisconsin election campaign fund

or who agrees to be bound by the limitation, unless the candidate is opposed by a major opponent who could have qualified for a grant but declines to accept one. Additionally, the expenditure levels specified for candidates for the offices of state senator and representative to the assembly are subdivided between the primary and election campaign periods in such a way that only about 60% of the total applicable expenditure level for either office may be allocated by a candidate to either the primary or the election campaign period. A candidate for state office who accepts a grant from the Wisconsin election campaign fund and who agrees to be bound by the expenditure limit applicable to the office which the candidate seeks may receive a grant equal to 45% of that expenditure limit, less certain committee contributions accepted by the candidate, if there are sufficient moneys in the fund to finance the full amounts of grants for which candidates qualify.

This bill changes the current expenditure levels to limits and prohibits any candidate for state or local office from exceeding the limit applicable to the office which the candidate seeks regardless of whether the candidate accepts a grant from the Wisconsin election campaign fund. The bill also revises current prescribed expenditure levels, as follows:

<u>Office</u>	<u>Current Level</u>	<u>Proposed Limit</u>
Governor	\$1,078,200	\$2,000,000
Lieutenant governor	323,475	250,000
Attorney general	539,300	700,000
Secretary of state	215,625	250,000
State treasurer	215,625	250,000
Supreme court justice	215,625	250,000
State superintendent	215,625	250,000
State senator	34,500	80,000
Representative to the assembly	17,250	40,000

The dollar amounts of the expenditure levels for local offices (which are limits under the bill) are not affected by the bill.

Under the bill, the subdivided expenditure levels which limit the portion of the total level that a candidate for the office of state senator or representative to the assembly may allocate to either the primary or election campaign period are eliminated.

The bill also permits a candidate who is challenging an incumbent officeholder to spend up to 125% of the statutory expenditure limit. This additional authorization does not increase the maximum grant which a candidate may receive from the Wisconsin election campaign fund.

Under the bill, the statutory expenditure limits are adjusted biennially, beginning in 1997, in accordance with a formula tied to the "consumer price index" determined by the U.S. department of labor.

Current law also imposes registration and financial reporting requirements on committees and individuals making expenditures independently of a candidate in support of or opposition to a candidate for a state or local office (independent expenditures).

The bill prohibits such independent expenditures. Under the bill, a committee which or individual who desires to make any expenditure in support of or in opposition to a candidate for state or local office must first obtain the permission of the candidate who is supported and that candidate must report the expenditure as a contribution and expenditure. The contribution and expenditure is subject to applicable limitations.

Under current law, any person who makes an expenditure in violation of the campaign finance law is subject to a forfeiture (civil penalty) of not more than \$500 for each violation. The bill makes such offenders liable for a forfeiture of treble the amount of the unlawful expenditure.

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

1           **SECTION 1.** 5.02 (13) of the statutes is amended to read:

2           5.02 (13) "Political party" or "party" means a state committee registered under  
3 s. 11.05 organized exclusively for political purposes under whose name candidates  
4 appear on a ballot at any election, and all county, congressional, legislative, local and  
5 other affiliated committees authorized to operate under the same name. For  
6 purposes of ch. 11, the term does not include a legislative campaign committee or a  
7 committee filing an oath under s. 11.06 (7).

8           **SECTION 2.** 11.001 (1) of the statutes is amended to read:

9           11.001 (1) The legislature finds and declares that our democratic system of  
10 government can be maintained only if the electorate is citizens of the state are  
11 informed and encouraged to participate in the election process as contributors,  
12 candidates and electors. It further finds that excessive spending on campaigns for  
13 public office jeopardizes, large contributions and independent campaign  
14 expenditures by special interests jeopardize the integrity of elections and discourage  
15 the participation of citizens in election campaigns. It is desirable to encourage the

1 broadest possible participation ~~in financing campaigns~~ by all citizens of the state, to  
2 reduce the influence of special interests, to encourage the election of candidates who  
3 have a broad and diverse base of support and to enable candidates to have an equal  
4 opportunity to present their programs to the voters. ~~One of the most important~~  
5 ~~sources of information to the voters is available through the campaign finance~~  
6 ~~reporting system. Campaign reports provide information which aids the public in~~  
7 ~~fully understanding the public positions taken by a candidate or political~~  
8 ~~organization.~~ When the true source of support or extent of support for a candidate  
9 is not fully disclosed, ~~or~~ when a candidate becomes overly dependent upon large  
10 private contributors, or when special interests unduly influence a campaign either  
11 through contributions or independent expenditures in support of or opposition to a  
12 candidate, the democratic process is subjected to ~~a~~ potential corrupting influence  
13 influences. The legislature therefore finds that the state has a compelling interest  
14 in designing a system for fully disclosing contributions and expenditures made on  
15 behalf of every candidate for public office, and in placing reasonable limitations on  
16 such activities. ~~Such a system must make readily available to the voters complete~~  
17 ~~information as to who is supporting or opposing which candidate or cause and to~~  
18 ~~what extent, whether directly or indirectly.~~

19 (2) This chapter is intended to serve ~~the public purpose of stimulating the~~  
20 following purposes:

21 (a) To stimulate vigorous campaigns on a fair and equal basis ~~and to~~,

22 (b) To provide for a better informed electorate.

23 **SECTION 3.** 11.001 (2) of the statutes is renumbered 11.001 (2) (c) and amended  
24 to read:

1           11.001 (2) (c) ~~This chapter is also intended to~~ To ensure fair and impartial  
2 elections by precluding officeholders from utilizing the perquisites of office at public  
3 expense in order to gain an advantage over nonincumbent candidates who have no  
4 perquisites available to them.

5           **SECTION 4.** 11.001 (2) (d) to (g) of the statutes are created to read:

6           11.001 (2) (d) To maintain the integrity of the democratic system in this state,  
7 and public confidence in it.

8           (e) To promote full and free campaign discussion and debate.

9           (f) To relieve candidates for elective office and elective officeholders from  
10 excessive fund-raising impediments to purposive political conduct and discourse.

11           (g) To control corruption and undue influence, or the appearance thereof, in the  
12 financing of state election campaigns.

13           **SECTION 5.** 11.01 (12s) of the statutes is amended to read:

14           11.01 (12s) "Legislative campaign committee" means a committee ~~which does~~  
15 ~~not file an oath under s. 11.06 (7)~~ organized in either house of the legislature to  
16 support candidates of a political party for legislative office.

17           **SECTION 6.** 11.05 (2r) and (3) (p) of the statutes are amended to read:

18           11.05 (2r) GENERAL REPORTING EXEMPTIONS. Any person, committee or group,  
19 ~~other than a committee or individual required to file an oath under s. 11.06 (7),~~ who  
20 or which does not anticipate accepting contributions, making expenditures or  
21 incurring obligations in an aggregate amount in excess of \$1,000 in a calendar year  
22 and does not anticipate accepting any contribution or contributions from a single  
23 source, other than contributions made by a candidate to his or her own campaign,  
24 exceeding \$100 in that year may indicate on its registration statement that the  
25 person, committee or group will not accept contributions, incur obligations or make

1 expenditures in the aggregate in excess of \$1,000 in any calendar year and will not  
2 accept any contribution or contributions from a single source, other than  
3 contributions made by a candidate to his or her own campaign, exceeding \$100 in  
4 such year. Any registrant making such an indication is not subject to any filing  
5 requirement if the statement is true. The registrant need not file a termination  
6 report. A registrant not making such an indication on a registration statement is  
7 subject to a filing requirement. The indication may be revoked and the registrant  
8 is then subject to a filing requirement as of the date of revocation, or the date that  
9 aggregate contributions, expenditures or obligations for the calendar year exceed  
10 \$1,000, or the date on which the registrant accepts any contribution or contributions  
11 exceeding \$100 from a single source, other than contributions made by a candidate  
12 to his or her own campaign, during that year, whichever is earlier. If the revocation  
13 is not timely, the registrant violates s. 11.27 (1).

14 **(3) (p)** In the case of a support committee, a statement signed by the individual  
15 on whose behalf the committee intends to operate affirming that the committee is the  
16 only committee authorized to operate on his or her behalf, ~~unless the committee files~~  
17 ~~a statement under s. 11.06 (7).~~

18 **SECTION 7.** 11.06 (1) (j) of the statutes is repealed.

19 **SECTION 8.** 11.06 (7) and (7m) of the statutes are repealed.

20 **SECTION 9.** 11.10 (3) of the statutes is amended to read:

21 11.10 **(3)** Every committee shall appoint a treasurer. ~~Every individual under~~  
22 ~~s. 11.06 (7) shall be deemed his or her own treasurer.~~ No expenditure may be made  
23 or obligation incurred by or on behalf of a committee without the authorization of the  
24 treasurer or designated agents. No contribution may be accepted and no expenditure

1 may be made or obligation incurred by any committee at a time when there is a  
2 vacancy in the office of treasurer.

3 **SECTION 10.** 11.12 (1) (a), (2) and (3) of the statutes are amended to read:

4 11.12 (1) (a) No contribution may be made or received and no expenditure may  
5 be made or obligation incurred by a person or committee, except within the amount  
6 authorized under s. 11.05 (1) and (2), in support of or in opposition to any specific  
7 candidate or candidates in an election, other than through the campaign treasurer  
8 of the candidate or the candidate's opponent, ~~or by or through an individual or~~  
9 ~~committee registered under s. 11.05 and filing a statement under s. 11.06 (7).~~

10 (2) Any anonymous contribution exceeding \$10 received by a campaign or  
11 committee treasurer ~~or by an individual under s. 11.06 (7)~~ may not be used or  
12 expended. The contribution shall be donated to the common school fund or to any  
13 charitable organization at the option of the treasurer.

14 (3) All contributions, expenditures and incurred obligations exceeding \$10  
15 shall be recorded by the campaign or committee treasurer ~~or the individual under s.~~  
16 ~~11.06 (7)~~. He or she shall maintain such records in an organized and legible manner,  
17 for not less than 3 years after the date of an election in which the registrant  
18 participates. If a report is submitted under s. 11.19 (1), the records may be  
19 transferred to a continuing committee or to the appropriate filing officer for  
20 retention. Records shall include the information required under s. 11.06 (1).

21 **SECTION 11.** 11.16 (1) (a) and (b) of the statutes are amended to read:

22 11.16 (1) (a) No expenditure may be made or obligation incurred by a candidate,  
23 or by any other person or committee to advocate the election or defeat of a clearly  
24 identified candidate, ~~other than an individual who, or a committee which, has~~  
25 ~~registered under s. 11.05 and filed an oath under s. 11.06 (7)~~, except by the campaign

1 treasurer of the candidate or other agent designated by the candidate and acting  
2 under his or her authority.

3 (b) The treasurer of each committee and each individual who proposes to make  
4 a expenditure to advocate the election or defeat of a clearly identified candidate shall  
5 notify the treasurer or other agent designated under par. (a) of the candidate who is  
6 supported or whose opponent is opposed and obtain the authorization of the  
7 treasurer prior to making the expenditure. ~~This paragraph does not apply to an  
8 individual or committee filing an oath under s. 11.06 (7) with respect to the candidate  
9 who is supported or opposed.~~

10 **SECTION 12.** 11.18 (6) of the statutes is amended to read:

11 11.18 (6) If an individual on whose behalf a support committee is authorized  
12 to operate under s. 11.05 (3) (p) becomes a candidate, the committee shall be adopted  
13 by the candidate as his or her personal campaign committee. ~~A support committee  
14 which files a statement under s. 11.06 (7) may not be adopted by a candidate as a  
15 personal campaign committee.~~

16 **SECTION 13.** 11.21 (9) of the statutes is repealed.

17 **SECTION 14.** 11.21 (15) of the statutes is amended to read:

18 11.21 (15) Inform each candidate who files an application to become eligible to  
19 receive a grant from the Wisconsin election campaign fund of the dollar amount of  
20 the applicable expenditure limitation under s. 11.31 (1), adjusted as provided under  
21 s. 11.31 (9), or under s. 11.31 (1m) which applies to the office for which such person  
22 is a that candidate. Failure to receive the notice required by this subsection does not  
23 constitute a defense to a violation of s. 11.27 (1) or 11.31.

24 **SECTION 15.** 11.22 (10) of the statutes is repealed.

25 **SECTION 16.** 11.25 (1m) of the statutes is created to read:

1           11.25 **(1m)** No individual, other than a candidate, and no committee, other  
2 than a personal campaign committee, may make expenditures which are to be used  
3 to advocate the election or defeat of any clearly identified candidate in any election.

4           **SECTION 17.** 11.26 (1) (intro.) of the statutes is amended to read:

5           11.26 **(1)** (intro.) No individual may make any contribution or contributions to  
6 a candidate for election or nomination to any of the following offices ~~and to any~~  
7 ~~individual or committee under s. 11.06 (7) acting solely in support of such a candidate~~  
8 ~~or solely in opposition to the candidate's opponent~~ to the extent of more than a total  
9 of the amounts specified per candidate:

10          **SECTION 18.** 11.26 (2) (intro.) of the statutes is amended to read:

11          11.26 **(2)** (intro.) No committee other than a political party committee or  
12 legislative campaign committee may make any contribution or contributions to a  
13 candidate for election or nomination to any of the following offices ~~and to any~~  
14 ~~individual or committee under s. 11.06 (7) acting solely in support of such a candidate~~  
15 ~~or solely in opposition to the candidate's opponent~~ to the extent of more than a total  
16 of the amounts specified per candidate:

17          **SECTION 19.** 11.26 (2) (a) of the statutes is amended to read:

18          11.26 **(2)** (a) Candidates for governor, lieutenant governor, secretary of state,  
19 state treasurer, attorney general, state superintendent or justice, 4% of the value of  
20 the expenditure level limitation specified in the schedule under s. 11.31 (1).

21          **SECTION 20.** 11.26 (9) (a) and (b) of the statutes are amended to read:

22          11.26 **(9)** (a) No individual who is a candidate for state or local office may receive  
23 and accept more than 65% of the value of the total expenditure level limitation for  
24 candidates other than candidates challenging incumbent officeholders, as  
25 determined under s. 11.31 (1) and adjusted as provided under s. 11.31 (9), for the

1 office for which he or she is a candidate during any primary and election campaign  
2 combined from all committees subject to a filing requirement, including political  
3 party and legislative campaign committees.

4 (b) No individual who is a candidate for state or local office may receive and  
5 accept more than 45% of the value of the total expenditure level limitation for  
6 candidates other than candidates challenging incumbent officeholders, as  
7 determined under s. 11.31 (1) and adjusted as provided under s. 11.31 (9), for the  
8 office for which he or she is a candidate during any primary and election campaign  
9 combined from all committees other than political party and legislative campaign  
10 committees subject to a filing requirement.

11 **SECTION 21.** 11.26 (10) of the statutes is amended to read:

12 11.26 (10) No candidate for state office who files a sworn statement and  
13 application to receive a grant from the Wisconsin election campaign fund may make  
14 contributions of more than 200% of the amounts specified in sub. (1) to the  
15 candidate's own campaign from the candidate's personal funds or property or the  
16 personal funds or property which are owned jointly or as marital property with the  
17 candidate's spouse, unless the board determines that the candidate is not eligible to  
18 receive a grant, or the candidate withdraws his or her application under s. 11.50 (2)  
19 (h), ~~or s. 11.50 (2) (i) applies.~~ For purposes of this subsection, any contribution  
20 received by a candidate or his or her personal campaign committee from a committee  
21 which is registered with the federal elections commission as the authorized  
22 committee of the candidate under 2 USC 432 (e) shall be treated as a contribution  
23 made by the candidate to his or her own campaign. The contribution limit of sub. (4)  
24 applies to amounts contributed by such a candidate personally to the candidate's own  
25 campaign and to other campaigns, except that a candidate may exceed the limitation

1 if authorized under this subsection to contribute more than the amount specified to  
2 the candidate's own campaign, up to the amount of the limitation.

3 **SECTION 22.** 11.30 (2) (d) of the statutes is repealed.

4 **SECTION 23.** 11.31 (title) of the statutes is amended to read:

5 **11.31 (title) Disbursement levels and limitations; calculation.**

6 **SECTION 24.** 11.31 (1) (intro.) of the statutes is repealed and recreated to read:

7 **11.31 (1) SCHEDULE.** (intro.) No candidate may make or authorize total  
8 expenditures from his or her campaign treasury in any campaign to the extent of  
9 more than the following amount for each of the offices indicated:

10 **SECTION 25.** 11.31 (1) (a) to (d), (e) and (f) of the statutes are amended to read:

11 **11.31 (1) (a)** Candidates for governor, ~~\$1,078,200~~ \$2,000,000.

12 (b) Candidates for lieutenant governor, ~~\$323,475~~ \$250,000.

13 (c) Candidates for attorney general, ~~\$539,000~~ \$700,000.

14 (d) Candidates for secretary of state, state treasurer, justice or state  
15 superintendent, ~~\$215,625~~ \$250,000.

16 (e) Candidates for state senator, ~~\$34,500 total in the primary and election, with~~  
17 ~~expenditures not exceeding \$21,575 for either the primary or the election~~ \$80,000.

18 (f) Candidates for representative to the assembly, ~~\$17,250 total in the primary~~  
19 ~~and election, with expenditures not exceeding \$10,775 for either the primary or the~~  
20 ~~election~~ \$40,000.

21 **SECTION 26.** 11.31 (1m) of the statutes is created to read:

22 **11.31 (1m) EXPENDITURE LIMITATIONS FOR CHALLENGERS.** Notwithstanding sub.  
23 (1), if an incumbent officeholder seeks reelection, any other candidate for the same  
24 office may make or authorize total expenditures not exceeding 125% of the amount  
25 specified in sub. (1), adjusted as provided under sub. (9).

1           **SECTION 27.** 11.31 (2) and (2m) of the statutes are repealed.

2           **SECTION 28.** 11.31 (3) of the statutes is amended to read:

3           11.31 **(3)** GUBERNATORIAL CAMPAIGNS. For purposes of compliance with the  
4 limitations imposed under sub. ~~(2)~~ (1), adjusted as provided under sub. (9), and sub.  
5 (1m), candidates for governor and lieutenant governor of the same political party  
6 ~~who both accept grants from the Wisconsin election campaign fund~~ may agree to  
7 combine expenditure levels limitations under sub. (1) (a) and (b), adjusted as  
8 provided under sub. (9), and sub. (1m) and reallocate the total level limitation  
9 between them. The candidates shall each inform the board of any such agreement.

10          **SECTION 29.** 11.31 (3m) and (4) of the statutes are repealed.

11          **SECTION 30.** 11.31 (9) of the statutes is created to read:

12          11.31 **(9)** COST-OF-LIVING ADJUSTMENT. (a) In this subsection, “consumer price  
13 index” means the average of the consumer price index over each 12-month period,  
14 all items, U.S. city average, as determined by the bureau of labor statistics of the U.S.  
15 department of labor.

16          (b) The dollar amounts of all expenditure limitations specified in sub. (1) shall  
17 be subject to a biennial cost-of-living adjustment to be determined by rule of the  
18 board in accordance with this subsection. To determine the adjustment, the board  
19 shall calculate the percentage difference between the consumer price index for the  
20 12-month period ending on December 31 of each odd-numbered year and the  
21 consumer price index for the base period, calendar year 1993. The board shall  
22 increase the expenditure limitations specified under sub. (1) by such amount each  
23 biennium, rounded to the nearest multiple of \$25 in the case of amounts of \$1 or more,  
24 which amount shall be in effect until a subsequent rule is promulgated under this  
25 subsection. Notwithstanding s. 227.24 (3), determinations under this subsection

1 may be promulgated as an emergency rule under s. 227.24 without a finding of  
2 emergency.

3 **SECTION 31.** 11.40 (2) and (3) of the statutes are amended to read:

4 11.40 (2) No public utility or anyone connected therewith may offer or give any  
5 special privilege to any candidate for public office or any committee or its members  
6 or employes, ~~or any individual under s. 11.06 (7),~~ or to any 3rd party at the request  
7 of or for the advantage of any of them.

8 (3) No candidate for public office or any committee or member or employe  
9 thereof ~~or any individual under s. 11.06 (7)~~ may ask for or accept any special privilege  
10 from any public utility.

11 **SECTION 32.** 11.50 (2) (a) of the statutes is amended to read:

12 11.50 (2) (a) Any individual who desires to qualify as an eligible candidate may  
13 file an application with the board requesting approval to participate in the fund. The  
14 application shall be filed no later than the applicable deadline for filing nomination  
15 papers under s. 8.10 (2) (a), 8.15 (1), 8.20 (8) (a) or 8.50 (3) (a), no later than 4:30 p.m.  
16 on the 7th day after the primary or date on which the primary would be held if  
17 required in the case of write-in candidates, or no later than 4:30 p.m. on the 7th day  
18 after appointment in the case of candidates appointed to fill vacancies. The  
19 application shall contain a sworn statement that the candidate and his or her  
20 authorized agents have complied with the contribution limitations prescribed in s.  
21 11.26 and the expenditure limitations prescribed under s. 11.31 at all times to which  
22 such limitations have applied to his or her candidacy and will continue to comply  
23 with the limitations at all times to which the limitations apply to his or her candidacy  
24 for the office in contest, ~~unless the board determines that the candidate is not eligible~~

1 ~~to receive a grant, the candidate withdraws his or her application under par. (h), or~~  
2 ~~par. (i) applies.~~

3 **SECTION 33.** 11.50 (2) (b) 5. of the statutes is amended to read:

4 11.50 (2) (b) 5. The financial reports filed by or on behalf of the candidate as  
5 of the date of the spring or September primary, or the date that the special primary  
6 is or would be held, if required, indicate that the candidate has received at least the  
7 amount provided in this subdivision, from contributions of money, other than loans,  
8 made by individuals, which have been received during the period ending on the date  
9 of the spring primary and July 1 preceding such date in the case of candidates at the  
10 spring election, or the date of the September primary and January 1 preceding such  
11 date in the case of candidates at the general election, or the date that a special  
12 primary will or would be held, if required, and 90 days preceding such date or the  
13 date a special election is ordered, whichever is earlier, in the case of special election  
14 candidates, which contributions are in the aggregate amount of \$100 or less, and  
15 which are fully identified and itemized as to the exact source thereof. A contribution  
16 received from a conduit which is identified by the conduit as originating from an  
17 individual shall be considered a contribution made by the individual. Only the first  
18 \$100 of an aggregate contribution of more than \$100 may be counted toward the  
19 required percentage. For a candidate at the spring or general election for an office  
20 identified in s. 11.26 (1) (a) or a candidate at a special election, the required amount  
21 to qualify for a grant is 5% of the candidate's authorized expenditure limitation for  
22 candidates other than candidates challenging incumbent officeholders, as  
23 determined under s. 11.31 (1) and adjusted as provided under s. 11.31 (9). For any  
24 other candidate at the general election, the required amount to qualify for a grant  
25 is 10% of the ~~candidate's~~ authorized expenditure limitation for candidates other than

1 candidates challenging incumbent officeholders, as determined under s. 11.31 (1)  
2 and adjusted as provided under s. 11.31 (9).

3 **SECTION 34.** 11.50 (2) (g) of the statutes is repealed.

4 **SECTION 35.** 11.50 (2) (h) of the statutes is amended to read:

5 11.50 (2) (h) An eligible candidate who files an application under par. (a) may  
6 file a written withdrawal of the application. A withdrawal of an application may be  
7 filed with the board no later than the 7th day after the day of the primary in which  
8 the person withdrawing the application is a candidate or the 7th day after the date  
9 that the primary would be held, if required. ~~If an application is withdrawn in~~  
10 ~~accordance with this paragraph, the person withdrawing the application is no longer~~  
11 ~~bound by the statement filed under par. (a) after the date of the withdrawal.~~

12 **SECTION 36.** 11.50 (2) (i) of the statutes is repealed.

13 **SECTION 37.** 11.50 (9) of the statutes is amended to read:

14 11.50 (9) LIMITATION ON GRANTS. The total grant available to an eligible  
15 candidate may not exceed that amount which, when added to all other contributions  
16 accepted from sources other than individuals, political party committees and  
17 legislative campaign committees, is equal to 45% of the expenditure level limitation  
18 specified for the applicable office for candidates other than candidates challenging  
19 incumbent officeholders, as determined under s. 11.31 (1) and adjusted as provided  
20 under s. 11.31 (9). The board shall scrutinize accounts and reports and records kept  
21 under this chapter to assure that applicable limitations under ss. 11.26 (9) and 11.31  
22 are not exceeded and any violation is reported. No candidate or campaign treasurer  
23 may accept grants exceeding the amount authorized by this subsection.

24 **SECTION 38.** 11.50 (11) (e) of the statutes is amended to read:

1           11.50 (11) (e) No candidate may expend, authorize the expenditure of or incur  
2 any obligation to expend any grant if he or she violates the pledge required under  
3 sub. (2) (a) as a precondition to receipt of a grant, ~~except as authorized in sub. (2) (h)~~  
4 ~~or (i).~~

5           **SECTION 39.** 11.60 (3) of the statutes is amended to read:

6           11.60 (3) Notwithstanding sub. (1), any person, including any committee or  
7 group, who makes any contribution or expenditure in violation of this chapter may  
8 be required to forfeit treble the amount of the contribution or portion thereof which  
9 is ~~illegally~~ unlawfully contributed or treble the amount of the expenditure or portion  
10 thereof which is unlawfully disbursed.

11           **SECTION 40. Nonstatutory provisions legislative findings.** The  
12 legislature, drawing on its collective experience with campaigns for public office and  
13 on the independent evidence presented to it by qualified analysts, finds and declares  
14 that:

15           (1) Wisconsin has historically experienced a high level of civic participation in  
16 responsible government, which however is now in decline as the direct result of  
17 campaign financing arrangements that have the clear tendency to distance voters  
18 from the electoral process, and that cannot be successfully corrected under  
19 applicable rulings of the U.S. supreme court.

20           (2) Current campaign financing arrangements, with their perceived  
21 preferential access to lawmakers for special interests that are capable of  
22 contributing sizeable sums to lawmakers' campaigns, have provoked public  
23 disaffection with elective government, as manifested by declines in voting  
24 percentages and in Wisconsin election campaign fund participation.

1           (3) The Wisconsin election campaign fund system has lost popular support  
2 because it does not diminish the perceived preferential access of the special interests  
3 and is therefore judged to be ineffective.

4           (4) Before 1976, Wisconsin in company with 33 other states had these matters  
5 under regulatory control through a system of mandatory spending limits applicable  
6 to all candidates for state elective office.

7           (5) In 1976, the U.S. supreme court, in Buckley v. Valeo, 424 U.S. 1,  
8 invalidated all such spending limits while approving campaign contribution limits.

9           (6) Since that time campaign expenditures have risen steeply, doubling in  
10 Wisconsin legislative races since 1980. The addition has been made up principally  
11 by contributions from special interests.

12           (7) Contribution limits are inadequate by themselves to check this trend. So  
13 long as spending is effectively unrestrained, contributions will find ways to protect  
14 favored candidates from being outspent.

15           (8) Among such ways have been personal spending by wealthy candidates,  
16 independent expenditures that favor or oppose an identified candidate, and the use  
17 of political parties as conduits for the support of selected candidates.

18           (9) Experience shows in particular that so-called “independent” support —  
19 whether by individuals, committees, or other entities — can be coordinated with a  
20 candidate’s campaign, by means of informal “understandings”, without losing its  
21 professedly independent character. Likewise, contributions to a political party for  
22 ostensible “party-building” purposes can be and are routed, by design, to the support  
23 of identified candidates.

24           (10) Public financing cannot cure the problem so long as spending limits are  
25 so readily evadable. After 15 years of experience with the present law, and a 42%

1 decline in Wisconsin election campaign fund designations, it has become evident that  
2 Wisconsin voters await some successful repair of the campaign finance system before  
3 they will give it their financial support.

4 (11) The legislature agrees with the 1992 finding of the California commission  
5 on campaign financing, made after 8 years of study, that an effective remedy to this  
6 problem requires the reconsideration of *Buckley v. Valeo*. The legislature believes  
7 with that commission that it is “strongly desirable to present the [Supreme] Court  
8 with carefully researched data and arguments so that it can consider upholding  
9 reasonable spending limitations.” This act is a step in that direction.

10 (12) The supreme court based its *Buckley* decision on a concern that spending  
11 limits could restrict political speech, “by reducing the number of issues discussed, the  
12 depth of their exploration, and the size of the audience reached.” The experience of  
13 those engaged in the electoral process is otherwise. It is unlimited expenditure that  
14 can drown or distort political discourse, in a flood of distractive repetition.

15 (13) The least distorted and most instructive channels of campaign  
16 communication are often free or inexpensive: debates, call-in programs, local  
17 interviews, and other voter connections that are not dependent on the power of  
18 money.

19 (14) The expanded use of such low-cost channels, stimulated by the adoption  
20 of sensible spending limits, would benefit political discourse by drawing candidates  
21 out of the packaged world of media advertisements and into the real world of voter  
22 engagement and accountability.

23 (15) Turning down the noise level of campaign communication, through  
24 reasonable spending limits, increases the opportunity for newer and quieter voices

1 to be heard. It tends to increase the number, depth and diversity of ideas presented  
2 to the public.

3 (16) Finally, a reasonable limit on campaign spending relieves candidates and  
4 officeholders alike from the constant necessity of engaging in defensive fund raising,  
5 arising as this does from the continual risk of massively financed opposition  
6 challenges to everything they may say or do. The conduct both of campaigns and of  
7 office will be thereby improved.

8 **SECTION 41. Nonstatutory provisions; nonseverability.**

9 (1) This act shall be considered a unit and its provisions inseparable.  
10 Notwithstanding section 990.001 (11) of the statutes, if any provision of the statutes,  
11 as affected by this act, is declared unconstitutional, the entire act is void.

12 **SECTION 42. Initial applicability.**

13 (1) The treatment of section 11.31 (9) of the statutes first applies to adjustment  
14 of expenditure limitations for the biennium beginning on January 1, 1997.

15 **SECTION 43. Effective date.**

16 (1) This act takes effect on January 1, 1997.

17 (END)