



1997 ASSEMBLY BILL 950

March 24, 1998 - Introduced by Representatives BALDWIN, TURNER, R. POTTER, J. LEHMAN and COGGS, cosponsored by Senator RISSER. Referred to Committee on Campaign Finance Reform.

1 **AN ACT to repeal** 7.08 (2) (c) and (cm), 7.70 (3) (e) 1., 8.16 (5), 11.26 (9) (c) and (10),
2 11.31 (2) and (2m) and (3), 11.50, 14.58 (20), 20.855 (4) (b) and 71.10 (3); **to**
3 **renumber and amend** 20.510 (1) (q) and 25.17 (1) (ys); **to consolidate,**
4 **renumber and amend** 7.70 (3) (e) (intro.) and 2.; **to amend** 5.02 (18), 5.62 (1)
5 (a), 5.62 (3), 5.62 (5), 8.16 (1), 8.35 (4) (b), 10.02 (3) (b) 2m., 10.06 (1) (e), 10.06
6 (1) (i), 11.12 (2), 11.16 (2) and (3), 11.26 (1) (a), 11.26 (2) (a), 11.26 (13), 11.26 (17)
7 (a), 11.31 (title), 11.31 (1) (intro.), 11.31 (3m), 11.31 (6), 11.31 (7) (b) to (d), 11.31
8 (8), 11.31 (10), 11.33 (1) (a) (intro.) and 25.42; and **to create** 11.33 (4), 11.501
9 to 11.522, 20.575 (1) (r), 20.585 (1) (r), 71.025, 71.235 and 71.435 of the statutes;
10 **relating to:** campaign financing, imposing an income and franchise tax surtax,
11 making appropriations and providing penalties.

Analysis by the Legislative Reference Bureau

This bill makes numerous changes in the campaign finance law affecting campaigns for state offices. The bill abolishes the Wisconsin election campaign fund, under which eligible candidates for state offices (except district attorney, court of appeals judge and circuit judge) may receive public grants derived from state general

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purpose revenues derived from designations made by individuals filing state income tax returns, and replaces it with a democracy trust fund, under which eligible candidates for state offices (except district attorney, state superintendent of public instruction, justice of the supreme court, court of appeals judge and circuit judge) may receive public grants derived from an income tax and franchise tax surtax imposed at the rate of 0.5% of the tax.

Under the bill, a candidate may qualify for public financing from the democracy trust fund to finance a campaign in a primary or election by receiving a specified number of qualifying contributions of \$5 each made by electors of the jurisdiction or district in which the candidate seeks office. In addition, in order to receive funding for an election campaign, a candidate must receive a specified percentage of the vote in the primary election, if any, or must be the candidate of a political party whose candidate received at least a specified percentage of the vote for the office which the candidate seeks at the previous general election or, if the candidate is an independent candidate, must receive qualifying contributions at least equal to 150% of the number required of a party candidate for the same office which the candidate seeks. A candidate who accepts public financing may accept "seed money" contributions in amounts of \$100 or less, subject to aggregate limitations, and may contribute personal funds in specified amounts during specified periods. A candidate who accepts public financing may not accept any contributions other than qualifying and seed money contributions, contributions from personal funds and contributions from political party committees. Public financing benefits for eligible candidates in a primary election range from \$15,000 for a candidate for the office of representative to the assembly to \$750,000 for a candidate for the office of governor, and in a general election from \$30,000 for a candidate for the office of representative to the assembly to \$1,500,000 for a candidate for the office of governor, except that a candidate who is unopposed in a general or special election or in the primary election of his or her party may receive only 25% of the amount otherwise available for that election or primary election. These amounts are subject to a biennial cost of living adjustment. A candidate who accepts more than a specified amount of qualifying or seed money contributions has the excess deducted from his or her public financing benefit. In addition, if a candidate's opponent declines to accept public financing and makes expenditures in a total amount which exceeds by more than 5% the amount permitted for a candidate who accepts public financing, the candidate who accepts public financing receives additional funding equivalent to the excess expenditures made by his or her opponent, but not more than 200% of the amount of the public financing benefit for the office which the candidate seeks. A candidate also receives additional public financing equivalent to any independent expenditures made against the candidate or in support of his or her opponents if those expenditures exceed 20% of the amount of the public financing benefit for the office which the candidate seeks (but not more than 3 times the amount of that benefit), as well as additional financing equivalent to the cost of certain mass mailings made by an incumbent opponent using state funds.

Currently, a candidate for state office (except district attorney, court of appeals judge or circuit judge) may qualify to receive a grant from the Wisconsin election

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campaign fund for use in an election campaign only (no funding is provided for primary campaigns). A candidate for partisan office qualifies by receiving a specified percentage of the vote in the primary. A candidate for nonpartisan office qualifies by qualifying to appear on the spring election ballot. At a special election, a candidate qualifies by representing a party whose candidate for the same office which the candidate seeks received a specified percentage of the vote at the previous general election, or by actually receiving a specified percentage of the vote at the special election. In addition, a candidate for partisan office must receive a specified percentage of the candidate's spending limit from contributions made by individuals in amounts of \$100 or less. Grant amounts range from \$7,762.50 for a candidate for the office of representative to the assembly to \$485,190 for a candidate for the office of governor. These amounts are not subject to any cost of living adjustment. However, these amounts are reduced by the total amount of contributions received by a candidate from special interest committees. In addition, these amounts may not be fully funded in a particular year if there are not sufficient moneys in the Wisconsin election campaign fund to provide full financing for all qualifying candidates. A candidate must agree to abide by spending and self-contribution limits in order to receive a grant, but this agreement does not apply if the candidate has a major opponent who could have qualified for a grant but declines to do so and declines to file an affidavit of voluntary compliance with spending and self-contribution limits.

Currently, individuals and committees making political contributions to candidates for state office are subject to limitations on the amount or value of any contribution or contributions that may be made cumulatively to any candidate in a campaign. The limitations vary from \$10,000 in the case of an individual making contributions to a candidate for statewide office to \$500 in the case of an individual making contributions to a candidate for representative to the assembly, and from \$43,238 in the case of a committee making contributions to a candidate for governor to \$500 in the case of a committee making contributions to a candidate for representative to the assembly. This bill replaces all these limitations with a contribution limitation of \$1,000 applicable to an individual or committee making any contribution or contributions cumulatively to any candidate for state office who is eligible to qualify for a public financing benefit but who declines to accept one, per campaign, except that the bill retains the present contribution limitation of \$500 in the case of an individual or committee making contributions to a candidate for a representative to the assembly. The bill also prohibits any person from making contributions of more than \$500 per year to any state or local political party committee. No such prohibition exists currently. In addition, the bill prohibits a candidate who accepts public financing from accepting more than 5% of the public financing benefit available to the candidate, exclusive of any required additions or subtractions, from all political party committees. Currently, a candidate's aggregate contributions accepted from all committees and the Wisconsin election campaign fund (regardless of whether the candidate accepts public financing) may not exceed 65% of the statutory spending limit applicable to candidates for the same office which the candidate seeks who accept public financing.

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For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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

1 **SECTION 1.** 5.02 (18) of the statutes is amended to read:

2 5.02 (18) "September primary" means the primary held the 2nd Tuesday in
3 September to nominate candidates to be voted for at the general election, ~~and to~~
4 ~~determine which candidates for state offices other than district attorney may~~
5 ~~participate in the Wisconsin election campaign fund.~~

6 **SECTION 2.** 5.62 (1) (a) of the statutes is amended to read:

7 5.62 (1) (a) At September primaries, the following ballot shall be provided for
8 the nomination of candidates of recognized political parties for national, state and
9 county offices ~~and independent candidates for state office~~ in each ward, in the same
10 form as prescribed by the board under s. 7.08 (1) (a). The ballots shall be made up
11 of the several party tickets with each party entitled to participate in the primary
12 under par. (b) or sub. (2) having its own ballot. ~~The independent candidates for state~~
13 ~~office other than district attorney shall have a separate ballot for all such candidates~~
14 ~~as under s. 5.64 (1) (e).~~ The ballots shall be secured together at the bottom. The party
15 ballot of the party receiving the most votes for president or governor at the last
16 general election shall be on top with the other parties arranged in descending order
17 based on their vote for president or governor at the last general election. The ballots
18 of parties qualifying under sub. (2) shall be placed after the parties qualifying under
19 par. (b), in the same order in which the parties filed petitions with the board. ~~The~~
20 ~~ballot listing the independent candidates shall be placed at the bottom.~~ At polling
21 places where voting machines are used, each party ~~and the independent candidates~~

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1 shall be represented in one or more separate columns or rows on the ballot. At polling
2 places where an electronic voting system is used other than an electronic voting
3 machine, each party ~~and the independent candidates~~ may be represented in separate
4 columns or rows on the ballot.

5 **SECTION 3.** 5.62 (3) of the statutes is amended to read:

6 5.62 (3) The board shall designate the official primary ballot arrangement for
7 statewide offices and district attorney within each prosecutorial district by using the
8 same procedure as provided in s. 5.60 (1) (b). On each ballot and on each separate
9 column or row on the ballot, the candidates for office shall be listed together with the
10 offices which they seek in the following order whenever these offices appear on the
11 September primary ballot: governor, lieutenant governor, attorney general,
12 secretary of state, state treasurer, U.S. senator, U.S. representative in congress,
13 state senator, representative to the assembly, district attorney and the county offices.
14 ~~Below the names of the independent candidates shall appear the party or principle~~
15 ~~of the candidates, if any, in 5 words or less, as shown on their nomination papers.~~

16 **SECTION 4.** 5.62 (5) of the statutes is amended to read:

17 5.62 (5) At the September primary, an elector may vote for the candidates of
18 only one party, ~~or the elector may vote for any of the independent candidates for state~~
19 ~~office listed;~~ but the elector may not vote for more than one candidate for a single
20 office. A space shall be provided on the ballot for an elector to write in the name of
21 his or her choice as a party candidate for any office, ~~but no space shall be provided~~
22 ~~to write in the names of independent candidates.~~

23 **SECTION 5.** 7.08 (2) (c) and (cm) of the statutes are repealed.

24 **SECTION 6.** 7.70 (3) (e) (intro.) and 2. of the statutes, as affected by 1997
25 Wisconsin Act 27, are consolidated, renumbered 7.70 (3) (e) and amended to read:

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1 7.70 (3) (e) The chairperson of the board shall make a special statement to the
2 board as soon as possible after the canvass of the general election certifying: ~~2. After~~
3 ~~the general election~~, the name of each political party which receives at least one
4 percent of the vote cast in such that election for any statewide office.

5 **SECTION 7.** 7.70 (3) (e) 1. of the statutes is repealed.

6 **SECTION 8.** 8.16 (1) of the statutes is amended to read:

7 8.16 (1) Except as provided in sub. (2), the person who receives the greatest
8 number of votes for an office on a party ballot at any partisan primary, regardless of
9 whether the person's name appears on the ballot, shall be the party's candidate for
10 the office, and the person's name shall so appear on the official ballot at the next
11 election. ~~All independent candidates shall appear on the general election ballot~~
12 ~~regardless of the number of votes received by such candidates at the September~~
13 ~~primary.~~

14 **SECTION 9.** 8.16 (5) of the statutes is repealed.

15 **SECTION 10.** 8.35 (4) (b) of the statutes is amended to read:

16 8.35 (4) (b) Notwithstanding par. (a), any unspent and unencumbered moneys
17 received by a candidate from the ~~Wisconsin election campaign~~ democracy trust fund
18 shall be immediately transferred to any candidate who is appointed to replace such
19 candidate, ~~upon filing of a proper application therefor under s. 11.50 (2).~~ If there is
20 no candidate appointed or if no proper application is filed within 7 days of the date
21 on which the vacancy occurs, such moneys shall revert to the state as provided in s.
22 ~~11.50 (8).~~

23 **SECTION 11.** 10.02 (3) (b) 2m. of the statutes is amended to read:

24 10.02 (3) (b) 2m. At the September primary, the elector shall select the party
25 ballot of his or her choice ~~or the ballot containing the names of the independent~~

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1 candidates for state office, and make a cross (x) in the square at the right of or
2 depress the lever or button next to the candidate's name for each office for whom the
3 elector intends to vote or insert or write in the name of the elector's choice for a party
4 candidate, if any. In order to qualify for participation in the Wisconsin election
5 campaign fund, a candidate for state office at the September primary, other than a
6 candidate for district attorney, must receive at least 6% of all votes cast on all ballots
7 for the office for which he or she is a candidate, in addition to other requirements.

8 **SECTION 12.** 10.06 (1) (e) of the statutes is amended to read:

9 10.06 (1) (e) As soon as possible following the state canvass of the spring
10 primary vote, but no later than the first Tuesday in March, the board shall send a
11 type B notice certifying to each county clerk the list of candidates for the spring
12 election. When no primary is held, this notice shall be sent under par. (c). The board
13 shall also in any case send a certified list of candidates under s. 11.50 to the state
14 treasurer pursuant to s. 7.08 (2) (e). When there is a referendum, the board shall send
15 type A and C notices certifying each question to the county clerks as soon as possible,
16 but no later than the first Tuesday in March.

17 **SECTION 13.** 10.06 (1) (i) of the statutes is amended to read:

18 10.06 (1) (i) As soon as possible after the state canvass, but no later than the
19 4th Tuesday in September, the board shall send a type B notice certifying the list of
20 candidates and type A and C notices certifying each question for any referendum to
21 each county clerk for the general election and a certified list of candidates under s.
22 11.50 to the state treasurer pursuant to s. 7.08 (2) (e).

23 **SECTION 14.** 11.12 (2) of the statutes is amended to read:

24 11.12 (2) Any No registrant, except a candidate who receives public financing,
25 may accept an anonymous contribution exceeding \$10 received by a campaign or

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1 ~~committee treasurer or by an individual under s. 11.06 (7) may not be used or~~
2 ~~expended. The. An anonymous contribution exceeding \$10 shall be donated to the~~
3 ~~common school fund or to any charitable organization at the option of the registrant's~~
4 ~~treasurer.~~

5 **SECTION 15.** 11.16 (2) and (3) of the statutes are amended to read:

6 11.16 (2) LIMITATION ON CASH CONTRIBUTIONS. ~~Every~~ Except as provided in s.
7 11.506 (6), every contribution of money exceeding \$50 shall be made by negotiable
8 instrument or evidenced by an itemized credit card receipt bearing on the face the
9 name of the remitter. No treasurer may accept a contribution made in violation of
10 this subsection. The treasurer shall promptly return the contribution, or donate it
11 to the common school fund or to a charitable organization in the event that the donor
12 cannot be identified.

13 (3) FORM OF DISBURSEMENTS. ~~Every~~ Except as authorized under s. 11.511 (1),
14 every disbursement which is made by a registered individual or treasurer from the
15 campaign depository account shall be made by negotiable instrument. Such
16 instrument shall bear on the face the full name of the candidate, committee,
17 individual or group as it appears on the registration statement filed under s. 11.05
18 and where necessary, such additional words as are sufficient to clearly indicate the
19 political nature of the registrant or account of the registrant. The name of a political
20 party shall include the word "party". The instrument of each committee registered
21 with the board and designated under s. 11.05 (3) (c) as a special interest committee
22 shall bear the identification number assigned under s. 11.21 (12) on the face of the
23 instrument.

24 **SECTION 16.** 11.26 (1) (a) of the statutes is amended to read:

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1 11.26 (1) (a) Candidates for governor, lieutenant governor, secretary of state,
2 state treasurer, attorney general, state superintendent or justice, ~~\$10,000~~ \$1,000.

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

4 11.26 (2) (a) Candidates for governor, lieutenant governor, secretary of state,
5 state treasurer, attorney general, state superintendent or justice, ~~4% of the value of~~
6 ~~the disbursement level specified in the schedule under s. 11.31 (1)~~ \$1,000.

7 **SECTION 18.** 11.26 (9) (c) and (10) of the statutes are repealed.

8 **SECTION 19.** 11.26 (13) of the statutes is amended to read:

9 11.26 (13) ~~Except as provided in sub. (9),~~ contributions Public financing
10 benefits received from the ~~Wisconsin election campaign democracy trust~~ fund are not
11 subject to limitation by this section.

12 **SECTION 20.** 11.26 (17) (a) of the statutes is amended to read:

13 11.26 (17) (a) For purposes of application of the limitations imposed in subs.
14 (1), (2), and (9) ~~and (10)~~, the “campaign” of a candidate begins and ends at the times
15 specified in this subsection.

16 **SECTION 21.** 11.31 (title) of the statutes is amended to read:

17 **11.31 (title) Disbursement levels and limitations; calculation.**

18 **SECTION 22.** 11.31 (1) (intro.) of the statutes is amended to read:

19 11.31 (1) SCHEDULE. (intro.) The following levels of disbursements are
20 established with reference to the candidates listed below. ~~Except as provided in sub.~~
21 ~~(2), such~~ Such levels do not operate to restrict the total amount of disbursements
22 which are made or authorized to be made by any candidate in any primary or other
23 election.

24 **SECTION 23.** 11.31 (2) and (2m) and (3) of the statutes are repealed.

25 **SECTION 24.** 11.31 (3m) of the statutes is amended to read:

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1 11.31 **(3m)** UNOPPOSED CANDIDATES; EXCEPTION. Notwithstanding ~~subs.~~ sub. (1)
2 ~~and (2)~~, if all candidates for state senator or representative to the assembly in a
3 legislative district who are certified under s. 7.08 (2) (a) to appear on the September
4 primary ballot of all parties recognized under s. 5.62 (1) (b) or (2) have no opponent
5 who is certified to appear on the same primary ballot, or if no primary is required for
6 all candidates of parties recognized under s. 5.62 (1) (b) or (2) for state senator or
7 representative to the assembly in a legislative district who are certified under s. 8.50
8 (1) (d) to appear on a special partisan election ballot, then the separate ~~limitation~~
9 levels specified in sub. (1) for disbursements during the primary and election period
10 ~~does do not apply to candidates for that office in that primary and election, and the~~
11 ~~candidates are bound only by the total limitations specified for the primary and~~
12 ~~election.~~

13 **SECTION 25.** 11.31 (6) of the statutes, as affected by 1997 Wisconsin Act ...
14 (Assembly Bill 150), is amended to read:

15 11.31 **(6)** EXCLUSIONS. In computing the limitations levels under this section
16 an individual or campaign treasurer may exclude any contributions returned to the
17 contributor; any loan repayments made; any inaugural expenses paid from the
18 campaign depository account under s. 11.25 (2) (b); any expenses incurred as a result
19 of a recount; all federal, state or local taxes paid; any reimbursement made to a
20 candidate for the candidate's travel expenses; the gross receipts from the sale at an
21 auction of any materials contributed to a candidate and reported by the candidate
22 as a disbursement at the time the contribution is made; all refunds or deposits paid;
23 the cost of services and materials purchased from a service provider for the purpose
24 of compliance with the electronic filing requirement under s. 11.21 (16); and the cost
25 of facilities rental, entertainment expense, food and beverages (including the

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1 preparation and service thereof if contracted to an outside agency), if utilized for a
2 meal, sale, rally or similar fund raising effort or program which is intended for
3 political purposes. Any such exclusion ~~claimed~~ shall be reported to the appropriate
4 filing officer in such form as the board may require.

5 **SECTION 26.** 11.31 (7) (b) to (d) of the statutes are amended to read:

6 11.31 (7) (b) Disbursements which are made before a campaign period for goods
7 to be delivered or services to be rendered in connection with the campaign are
8 ~~charged against~~ included in the disbursement limitation level for that campaign.

9 (c) Disbursements which are made after a campaign to retire a debt incurred
10 in relation to a campaign are ~~charged against~~ included in the disbursement
11 limitation level for that campaign.

12 (d) Disbursements which are made outside a campaign period and to which par.
13 (b) or (c) does not apply are not ~~subject to~~ included in any disbursement limitation
14 level. Such disbursements are subject to s. 11.25 (2).

15 **SECTION 27.** 11.31 (8) of the statutes is amended to read:

16 11.31 (8) CERTAIN CONTRIBUTIONS EXCLUDED. ~~The limitations imposed levels~~
17 specified under this section do not apply to a gift of anything of value constituting
18 a contribution made directly to a registrant by another, but the limitations levels
19 shall apply to such gift when it is received and accepted by the recipient or if received
20 in the form of money, when disbursed.

21 **SECTION 28.** 11.31 (10) of the statutes is amended to read:

22 11.31 (10) SURPLUS MATERIALS EXCLUDED. Disbursements constituting surplus
23 materials acquired in connection with a previous campaign of a candidate are not
24 ~~subject to limitation by~~ included in the levels specified in this section, if the materials
25 were previously reported as a disbursement by that candidate.

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1 **SECTION 29.** 11.33 (1) (a) (intro.) of the statutes is amended to read:

2 11.33 (1) (a) (intro.) No Except as provided in sub. (4), no person elected to state
3 or local office who becomes a candidate for national, state or local office may use
4 public funds for the cost of materials or distribution for 50 or more pieces of
5 substantially identical material distributed after:

6 **SECTION 30.** 11.33 (4) of the statutes is created to read:

7 11.33 (4) This section does not apply to a candidate for state office at the general
8 election.

9 **SECTION 31.** 11.50 of the statutes is repealed.

10 **SECTION 32.** 11.501 to 11.522 of the statutes are created to read:

11 **11.501 Definitions.** In ss. 11.501 to 11.522:

12 (1) "Allowable contribution" means a qualifying contribution, seed money
13 contribution or personal contribution authorized under ss. 11.502 to 11.522.

14 (2) "Campaign" has the meaning given in s. 11.26 (17).

15 (3) "Election campaign period" means the period beginning on the day after the
16 primary election or the day on which a primary election would be held, if required,
17 and ending on the day of the succeeding general or special election.

18 (4) "Eligible candidate" means a candidate for a partisan state office, other
19 than district attorney, who qualifies for public financing by collecting the required
20 number of qualifying contributions, making all required reports and disclosures, and
21 being certified by the board as being in compliance with ss. 11.502 to 11.522.

22 (5) "Excess disbursement amount" means the amount of disbursements made
23 by a nonparticipating candidate in excess of the public financing benefit available to
24 an eligible candidate for the same office which the nonparticipating candidate seeks.

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1 **(6)** “Excess qualifying contribution amount” means the amount of qualifying
2 contributions accepted by a candidate beyond the number or dollar amount of
3 contributions required to qualify a candidate for public financing.

4 **(7)** “Exploratory period” means the period that begins after the date of a
5 general election and ends on the first day of the public financing qualifying period
6 for the next election for the same office.

7 **(8)** “Fair election debit card” means a debit card issued by the secretary of state
8 in accordance with s. 11.515 (2) entitling a candidate and agents of the candidate
9 designated by the candidate to draw money from an account maintained by the board
10 to make disbursements authorized by law.

11 **(9)** “Immediate family”, when used with reference to a candidate, includes the
12 candidate’s spouse and children.

13 **(10)** “Independent disbursement” means a disbursement by a person expressly
14 advocating the election or defeat of a clearly identified candidate which is made
15 without cooperation or consultation with a candidate, or any authorized committee
16 or agent of a candidate, and which is not made in concert with, or at the request or
17 suggestion of, any candidate, or any authorized committee or agent of a candidate.

18 **(11)** “Mass mailing” means a districtwide or statewide mailing of newsletters,
19 pamphlets, brochures or other similar items of more than 100 pieces in which the
20 content of the matter mailed is substantially identical. “Mass mailing” does not
21 include a mailing made in direct response to communications from persons to whom
22 the matter is mailed, a mailing to a federal, state or local government official or a
23 news release to communications media.

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1 **(12)** “Nonparticipating candidate” means a candidate who does not apply for
2 a public financing benefit or who otherwise is ineligible or fails to qualify for a public
3 financing benefit under ss. 11.502 to 11.522.

4 **(13)** “Personal funds” means funds contributed by a candidate or a member of
5 a candidate’s immediate family.

6 **(14)** “Primary election campaign period” means the period beginning 30 days
7 after the last day prescribed by law for filing nomination papers for an office and
8 ending on the day of the primary election for that office or the day on which the
9 primary election would be held, if required.

10 **(15)** “Public financing qualifying period” means the period beginning on the
11 first day of January of an even-numbered year or the day on which a special election
12 is ordered and ending on the day before the beginning of the primary election
13 campaign period.

14 **(16)** “Qualifying contribution” means a contribution of \$5 made to a candidate
15 made by an elector of the jurisdiction or district in which the candidate seeks office
16 during the public financing qualifying period, which is accompanied by a statement
17 signed by the contributor indicating that he or she understands the purpose of the
18 contribution and which is acknowledged by written receipt identifying the
19 contributor.

20 **(17)** “Seed money contribution” means a contribution in an amount not more
21 than \$100 made to a candidate by an individual or committee in which the candidate
22 seeks office during the exploratory period or the public financing qualifying period,
23 or a contribution made to a candidate consisting of personal funds of that candidate
24 in an amount not more than the amount authorized under s. 11.507 during the
25 exploratory period or the public financing qualifying period.

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1 **11.502 Qualification; certification.** (1) Before a candidate for the
2 nomination of a political party for an office in a primary election may be certified as
3 an eligible candidate to receive a public financing benefit for the primary election
4 campaign period, the candidate shall apply to the secretary of state for a public
5 financing benefit and file a sworn statement that the candidate has complied and will
6 comply with all requirements of ss. 11.502 to 11.522 throughout the applicable
7 campaign, which includes the primary and election for that office. A candidate shall
8 file the application and statement no later than the beginning of the primary election
9 campaign period for the office which the candidate seeks.

10 (2) A candidate shall be certified by the secretary of state as an eligible
11 candidate for receipt of full public financing for a primary election if the candidate
12 complies with sub. (1) and receives qualifying contributions before the close of the
13 public financing qualifying period equal to at least:

14 (a) Two hundred in the case of a candidate for representative to the assembly.

15 (b) Five hundred in the case of a candidate for state senator.

16 (c) One thousand in the case of a candidate for a statewide office other than
17 governor.

18 (d) Two thousand in the case of a candidate for governor.

19 (3) The secretary of state shall prescribe a form to be completed and signed by
20 the contributor of each qualifying contribution.

21 (4) The secretary of state shall verify a candidate's compliance with the
22 requirements of sub. (2) by such verification and sampling techniques as the
23 secretary of state considers appropriate.

24 (5) Each candidate shall:

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1 (a) Acknowledge each qualifying contribution by a receipt to the contributor
2 which contains the contributor's name and home address.

3 (b) No later than the 15th or the last day of the month which immediately
4 follows the date of receipt of a qualifying contribution, whichever comes first, file a
5 copy of the receipt under par. (a) with the secretary of state, except that during
6 January, February and March a copy need only be filed on the last day of the month.

7 (6) A qualifying contribution may be utilized only for the purpose of making
8 a disbursement authorized by law.

9 **11.503 Party candidates.** (1) Before a political party candidate may be
10 certified as eligible for full or proportional public financing for a general or special
11 election, the candidate shall apply to the secretary of state no later than the 7th day
12 after the date of the primary election or the day on which the primary election would
13 be held if required, for public financing for the general or special election, and file a
14 sworn statement that the candidate has fulfilled all the requirements of ss. 11.502
15 to 11.522 during the primary election campaign period and will comply with such
16 requirements during the election campaign period.

17 (2) The secretary of state shall certify a political party candidate as an eligible
18 candidate for receipt of full public financing for a general or special election if the
19 candidate complies with sub. (1) and:

20 (a) The candidate was an eligible candidate during the primary election
21 campaign period, and is the candidate of a political party for the office which the
22 candidate seeks.

23 (b) The political party which nominated the candidate meets at least one of the
24 following qualifications:

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1 1. If a primary election was held for the office which the candidate seeks, the
2 combined vote received by all candidates for the nomination of that party for that
3 office at the primary election was not less than 20% of the total votes cast for the
4 candidates of all parties for that office.

5 2. In the previous general election, the nominee of that party for the office
6 which the candidate seeks received the greatest or 2nd greatest number of votes cast
7 and at least 20% of the total votes cast for all candidates for that office.

8 **(3)** The secretary of state shall certify a political party candidate as an eligible
9 candidate for receipt of proportional public financing for a general or special election
10 if the candidate complies with sub. (1) and:

11 (a) The candidate was an eligible candidate during the primary election
12 campaign period, and is the candidate of a political party for the office which the
13 candidate seeks.

14 (b) The political party which nominated the candidate meets at least one of the
15 following qualifications:

16 1. If a primary election was held for the office which the candidate seeks, the
17 combined vote received by all candidates for the nomination of that party for that
18 office at the primary election was more than 5% but less than 20% of the total votes
19 cast for candidates of all parties for that office.

20 2. In the previous general election, the nominee of that party for the office
21 which the candidate seeks received at least 5% of the total votes cast for all
22 candidates for that office.

23 **11.504 Independent candidates.** (1) An independent candidate for an office
24 at a general or special election may qualify to receive a public financing benefit for
25 the election if the candidate receives at least 150% of the number of qualifying

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1 contributions required for a candidate seeking the nomination of a political party for
2 that office.

3 (2) An independent candidate who wishes to qualify for a public financing
4 benefit shall receive all qualifying contributions during the public financing
5 qualifying period.

6 **11.505 Agreement by candidate.** An eligible candidate who accepts a public
7 financing benefit under ss. 11.502 to 11.522 during the primary election campaign
8 period shall agree to comply with all requirements of ss. 11.502 to 11.522 throughout
9 the election campaign period during the same campaign as a precondition to receipt
10 of public financing. An eligible candidate who accepts a public financing benefit
11 during a primary election campaign period may not elect to accept private
12 contributions in violation of ss. 11.502 to 11.522 during the corresponding election
13 campaign period.

14 **11.506 Requirements imposed upon candidates.** (1) An eligible
15 candidate may not accept private contributions other than seed money contributions
16 and qualifying contributions which the candidate accepts during the exploratory
17 period and the public financing qualifying period.

18 (2) In addition to reports required to be filed under ss. 11.12 (5) and 11.20, a
19 candidate who receives a public financing benefit shall furnish complete financial
20 records, including records of seed money contributions, qualifying contributions and
21 disbursements, to the secretary of state on the 15th or the last day of the month which
22 immediately follows the receipt of the contribution or the making of the
23 disbursement, whichever comes first, except that during January, February and
24 March records need only be furnished on the last day of the month. Each such
25 candidate shall cooperate with any audit or examination by the secretary of state.

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1 **(3)** In addition to adhering to requirements imposed under ss. 11.06 (5) and
2 11.12 (3), a candidate who receives a public financing benefit shall maintain records
3 of all contributions received by the candidate of more than \$5 but less than \$50,
4 including seed money contributions and qualifying contributions, which shall
5 contain the full name of the contributor and the contributor's full home address. In
6 addition, if a contributor's aggregate contributions to any candidate exceed \$50 for
7 any campaign, the candidate shall also maintain a record of the contributor's
8 principal occupation and the name and business address of the contributor's place
9 of employment.

10 **(4)** The failure to record or provide the information specified in sub. (3)
11 disqualifies a contribution from counting as a qualifying contribution.

12 **(5)** No candidate and no person acting on a candidate's behalf may deposit any
13 contribution that is not recorded in accordance with sub. (3) in a candidate's
14 campaign depository account.

15 **(6)** No candidate who receives a public financing benefit may accept more than
16 \$25 in cash from the contributor of any seed money contribution and no such
17 candidate may accept cash from all sources in a total amount greater than one-tenth
18 of 1% of the public financing benefit for the office which the candidate seeks or \$500,
19 whichever is greater.

20 **11.507 Personal funds of candidates.** **(1)** The personal funds of a candidate
21 contributed as seed money contributions may not exceed an aggregate amount of
22 \$100 in an election for representative to the assembly, \$200 in an election for state
23 senator and \$1,000 in an election for statewide office.

24 **(2)** No candidate who receives public financing may make any disbursement
25 derived from personal funds after the close of the public financing qualifying period.

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1 **11.508 Seed money contributions.** (1) A candidate may accept seed money
2 contributions from any individual or committee prior to the end of the public
3 financing qualifying period, provided the total contributions from one contributor,
4 except personal funds and qualifying contributions otherwise permitted under ss.
5 11.502 to 11.522, do not exceed \$100, and the aggregate contributions, including
6 personal funds, but not including qualifying contributions, do not exceed \$2,000 in
7 an election for representative to the assembly, \$3,000 in an election for state senator,
8 \$5,000 in an election for a statewide office other than governor or \$10,000 in an
9 election for governor.

10 (2) A candidate may make disbursements derived from seed money
11 contributions only during the exploratory period and the public financing qualifying
12 period.

13 **11.509 Excess contributions.** If a candidate receives excess seed money
14 contributions or qualifying contributions on an aggregate basis, a candidate may
15 retain the contributions and make disbursements derived from the contributions, up
16 to the following limits: \$3,000 in an election for representative to the assembly,
17 \$6,000 in an election for state senator, \$15,000 in an election for a statewide office
18 other than governor and \$30,000 in an election for governor. An amount equivalent
19 to the excess contributions shall be deducted by the secretary of state from the
20 candidate's public financing benefit. A candidate shall return to the secretary of
21 state all seed money and qualifying contributions that exceed the limits prescribed
22 in this section within 48 hours after the end of the exploratory period. A candidate
23 shall also return to the secretary of state any seed money and qualifying
24 contributions that have not been encumbered or expended by the beginning of the

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1 primary election campaign period. The secretary of state shall deposit all
2 contributions returned under this section in the democracy trust fund.

3 **11.51 Certification by candidate; line of credit.** (1) To apply for a public
4 financing benefit, an eligible candidate shall certify to the secretary of state that the
5 candidate has complied and will comply, throughout the applicable campaign, with
6 all requirements of ss. 11.502 to 11.522 and that all disclosures required as of the
7 time of application have been made, and shall present evidence of the requisite
8 number of qualifying contributions received by the candidate. The candidate's
9 request for certification shall be signed by the candidate and the candidate's
10 campaign treasurer.

11 (2) The secretary of state shall distribute to each eligible candidate at the
12 primary election a line of credit for public financing promptly after the candidate
13 demonstrates his or her eligibility and, in any event, not later than 5 days after the
14 end of the public financing qualifying period; however, no candidate may utilize a line
15 of credit under this subsection until the beginning of the primary election campaign
16 period.

17 (3) Except as provided in sub. (4), the secretary of state shall distribute to each
18 eligible candidate at a general or special election a line of credit for public financing
19 not later than 48 hours after the date of the primary election, except that no
20 candidate for a particular office shall receive a line of credit until all candidates for
21 the same office who apply and qualify for a public financing benefit have been
22 certified as eligible candidates.

23 (4) An independent candidate who qualifies for public financing shall receive
24 that candidate's line of credit for public financing in a general or special election on
25 the first day of the election campaign period.

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1 (5) If any candidate who receives a public financing benefit violates the
2 requirements of ss. 11.502 to 11.522, the secretary of state shall require the candidate
3 to repay all public funds received by the candidate to the secretary of state.

4 **11.511 Public financing benefits.** (1) The secretary of state shall provide
5 to each candidate who qualifies to receive a public financing benefit for the primary
6 or election campaign period separate lines of credit for the primary and election
7 campaign periods in the amounts specified in this section, subject to any required
8 adjustment under s. 11.509, 11.512 (2), 11.513 (2) or 11.519 (2). A candidate may use
9 this credit to finance any lawful disbursements during the primary and election
10 campaign periods, to further the election of the candidate in that primary or election.
11 A candidate may not use this credit to repay any loan, or in violation of ss. 11.502 to
12 11.522 or any other applicable law.

13 (2) The public financing benefit for full public financing for a primary election
14 campaign period is:

15 (a) For a candidate for representative to the assembly, \$15,000.

16 (b) For a candidate for state senator, \$30,000.

17 (c) For a candidate for secretary of state, state treasurer or state
18 superintendent, \$75,000.

19 (d) For a candidate for attorney general, \$300,000.

20 (e) For a candidate for lieutenant governor, \$75,000.

21 (f) For a candidate for governor, \$750,000.

22 (3) The public financing benefit for full public financing for an election
23 campaign period is:

24 (a) For a candidate for representative to the assembly, \$30,000.

25 (b) For a candidate for state senator, \$60,000.

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1 (c) For a candidate for secretary of state, state treasurer or state
2 superintendent, \$200,000.

3 (d) For a candidate for attorney general, \$600,000.

4 (e) For a candidate for lieutenant governor, \$200,000.

5 (f) For a candidate for governor, \$1,500,000.

6 (4) A candidate of a political party who is eligible for proportional public
7 financing for the election campaign period shall receive a public financing benefit in
8 an amount equivalent to the ratio that the percentage of the total vote cast in the
9 primary or previous general election, whichever is higher, for all candidates of the
10 political party for the office which the candidate seeks bears to 33 1/3%.

11 (5) An independent candidate who qualifies to receive public financing shall
12 receive the full public financing benefit.

13 (6) An eligible candidate for an office at a general or special election in which
14 there are no other candidates whose names appear on the ballot for that office shall
15 receive a line of credit valued at 25% of the full public financing benefit for the
16 election campaign period.

17 (7) An eligible candidate for an office at a primary election at which there are
18 no other candidates whose names appear on the ballot of the same political party for
19 that office shall receive a line of credit valued at 25% of the full public financing
20 benefit for the primary election campaign period.

21 (8) Notwithstanding subs. (2) and (3), beginning on April 1, 2000, and every
22 2 years thereafter, the secretary of state shall modify the public financing benefits
23 provided for in subs. (2) and (3) to adjust for the change in the consumer price index,
24 all items, U.S. city average, published by the U.S. department of labor for the
25 preceding 2-year period ending on December 31.

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1 **11.512 Financial activity by nonparticipating candidates.** (1) In
2 addition to other reports required by law, a nonparticipating candidate for an office
3 at a primary or election who receives contributions or makes or obligates to make
4 disbursements in an amount more than 5% in excess of the full public financing
5 benefit applicable to an eligible candidate for the same office at the same primary or
6 election shall file a report with the board detailing the total contributions received
7 and disbursements made or obligated to be made by the candidate as of the date of
8 the report. The board shall transmit copies of the report to all candidates for the
9 same office at the same election. A nonparticipating candidate shall file additional
10 reports after the candidate receives each additional \$1,000 of contributions, or the
11 candidate makes or obligates to make each additional \$1,000 of disbursements. If
12 such contributions are received, or such disbursements are made or obligated to be
13 made, more than 6 weeks prior to the date of the primary election at which the name
14 of the candidate appears on the ballot, such reports shall be made at the next regular
15 reporting interval under s. 11.506. If such contributions are received, or such
16 disbursements made or obligated to be made, within 6 weeks prior to the date of the
17 primary election at which the name of the candidate appears on the ballot, such
18 reports shall be made within 24 hours after the end of each day on which a
19 nonparticipating candidate receives additional contributions of \$1,000 or more or
20 makes or obligates to make additional disbursements of \$1,000 or more.

21 (2) Upon receipt of such information, the board shall immediately credit an
22 opposing eligible candidate's account with an additional amount equivalent to the
23 total excess disbursements made or obligated to be made, but not to exceed 200% of
24 the full public financing benefit for the applicable office.

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1 **11.513 Independent disbursements.** (1) If any person makes, or becomes
2 obligated to make, by oral or written agreement, an independent disbursement in
3 excess of \$1,000 with respect to a candidate at a primary or election, such person
4 shall file with the board a notice of such disbursement or obligation to make such a
5 disbursement. Any such person shall file reports of such disbursements or
6 obligations to make such disbursements on the 15th or last day of the month which
7 immediately follows the date of the disbursement or the obligation to make the
8 disbursement, whichever comes first, except that, within 6 weeks prior to the date
9 of the primary election, the person shall file such reports within 24 hours after the
10 end of each day on which the person makes or obligates to make additional
11 disbursements of \$1,000 or more. Any such person shall file additional reports after
12 each day on which additional disbursements of \$1,000 or more are made or are
13 obligated to be made.

14 (2) When the aggregate independent disbursements against an eligible
15 candidate for an office or for the opponents of that candidate exceed 20% of the public
16 financing benefit for that office in any campaign, the board shall immediately credit
17 that candidate's account with an additional line of credit equivalent to the total
18 disbursements made or obligated to be made, but not to exceed 3 times the full public
19 financing benefit for the applicable office.

20 **11.514 Political party committees.** (1) In addition to reports required to
21 be filed under ss. 11.12 (5) and 11.20, each political party committee shall file reports
22 with the board of contributions received and disbursements made on a monthly
23 basis; however, for the 6-month period preceding a general election, a political party
24 committee shall file reports at the same times as are required for a candidate at that

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1 election. All campaign finance reports required by this subsection shall be submitted
2 on computer disk as directed by the board.

3 (2) No person may make contributions on an aggregate basis of more than \$500
4 per year to any state or local political party committee.

5 (3) No eligible candidate may accept from political party committees more than
6 the equivalent of 5% of the full public financing benefit for the office which the
7 candidate seeks.

8 (4) For purposes of sub. (3), an in-kind contribution by a political party
9 committee made on behalf of a group of the party's candidates is not considered to
10 be a contribution received by a candidate of that party, if the group includes at least
11 51% of the candidates whose name will appear on the primary or general election
12 ballot, whichever comes first, in a jurisdiction or district wholly or partly contained
13 within the jurisdiction or district represented by the political party committee
14 making the in-kind contribution.

15 (5) A political party committee making contributions authorized under this
16 section shall comply with the same requirements pertaining to record keeping that
17 apply to candidates under s. 11.506 (2).

18 **11.515 Democracy trust fund.** (1) The democracy trust fund shall be
19 administered by the state treasurer. The state treasurer shall contract with a debit
20 card issuer to permit eligible candidates and their agents to draw upon the fund
21 through an account with the issuer.

22 (2) Upon a determination of a candidate's eligibility for a public financing
23 benefit as provided for in s. 11.51 (1), the state treasurer shall issue to the eligible
24 candidate a debit card, which shall be known as the fair election debit card, entitling

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1 the candidate and agents of the candidate designated by the candidate to draw
2 money from an account to make disbursements on behalf of the candidate.

3 (3) No eligible candidate or agent of an eligible candidate may make any
4 disbursement by any other means other than through the use of the fair election
5 debit card. No such candidate or agent may utilize a fair election debit card to obtain
6 cash, except that cash amounts of \$100 or less may be drawn on the fair election debit
7 card and used to make disbursements of no more than \$25. A candidate shall
8 maintain records of all such disbursements and shall report such disbursements to
9 the board in accordance with s. 11.506.

10 **11.516 Administration.** Except as otherwise specifically provided in ss.
11 11.501 to 11.522, the duties of and authority for administering and enforcing ss.
12 11.501 to 11.522 are vested in the board.

13 **11.517 Penalties; enforcement.** (1) If an eligible candidate makes
14 disbursements which exceed the public financing benefit allocated to the candidate
15 for any campaign, the candidate may be required to forfeit not more than 10 times
16 the amount by which the disbursements exceeded the allocation.

17 (2) Any eligible candidate who accepts contributions in excess of any limitation
18 imposed under ss. 11.502 to 11.522 may be required to forfeit not more than 10 times
19 the amount by which the contributions exceed the applicable limitation.

20 (3) If the board finds that there is probable cause to believe that a candidate
21 has made excess disbursements or has accepted excess contributions contrary to sub.
22 (1) or (2), the board shall attempt for a period of not more than 14 days after its
23 finding to correct the matter by informal methods of conference and conciliation and
24 to enter into a settlement and conciliation agreement under s. 5.05 (1) (c) with the
25 person involved. A settlement and conciliation agreement made pursuant to this

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1 subsection shall be a matter of public record. Unless violated, a settlement and
2 conciliation agreement is a bar to any civil action under sub. (4).

3 (4) If the board has probable cause to believe that a candidate has made excess
4 disbursements or has accepted excess contributions and the board is unable to
5 correct the matter by informal methods within the time prescribed in sub. (3), the
6 board shall make a public finding of probable cause in the matter. After making a
7 public finding, the board shall bring an action in the circuit court for Dane County
8 or, in the case of a candidate for legislative office, in the circuit court for any county
9 any portion of which is contained within the district in which the candidate seeks
10 office, to impose a forfeiture under sub. (1) or (2).

11 (5) If an elector believes that a candidate has violated ss. 11.502 to 11.522 and
12 the elector is entitled to vote for or against the candidate in the election in connection
13 with which the violation is alleged to occur, the elector may file a complaint with the
14 board requesting it to take remedial action. If the board refuses to take remedial
15 action or, within 30 days after the filing of such a complaint, fails to take remedial
16 action, the elector may commence a civil action in the appropriate circuit court under
17 sub. (4) requesting the court to impose a forfeiture under sub. (1) or (2).

18 (6) If the board believes that a violation of ss. 11.502 to 11.522 by a member of
19 the legislature has occurred, the board may make a recommendation to the presiding
20 officer of the appropriate house concerning appropriate disciplinary action,
21 including expulsion, to be taken in light of the violation.

22 (7) The board and courts shall expedite all proceedings under ss. 11.502 to
23 11.522 so that all complaints brought prior to an election are resolved, to the extent
24 possible, before the election is held.

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1 (8) If a complaint brought under ss. 11.502 to 11.522 is resolved against the
2 complainant and is found to have been brought in bad faith and without reasonable
3 basis therefor, the board or court may assess costs, including reasonable attorney
4 fees, against the complainant.

5 **11.518 Prohibited acts.** (1) If a candidate or agent of a candidate knowingly
6 accepts more contributions than the candidate is entitled to receive, or makes
7 disbursements exceeding the amount of the public financing benefit received by the
8 candidate, the candidate or agent may be fined not more than \$25,000 or imprisoned
9 for not more than 5 years or both.

10 (2) If a candidate who receives a public financing benefit, or an agent of such
11 a candidate, knowingly makes a disbursement by means other than through use of
12 the fair election debit card, except as permitted under s. 11.515 (3), the candidate or
13 agent may be fined not more than \$25,000 or imprisoned for not more than 5 years
14 or both.

15 (3) If, in connection with the receipt or disbursement of a public financing
16 benefit for an election campaign, any person knowingly provides false information
17 to the board, or knowingly conceals or withholds information from the board, that
18 person may be fined not more than \$25,000 or imprisoned for not more than 5 years
19 or both.

20 **11.519 Mass mailings.** (1) No person may conduct any mass mailing using
21 state funds on behalf of any person who is a candidate for state office in the general
22 election during the period between July 1 and December 31 in the year of that
23 election.

24 (2) If any person uses state funds to conduct a mass mailing on behalf of any
25 person who is a candidate for state office at the general election during the period

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1 between March 1 and June 30 preceding that election, the board shall immediately
2 credit the accounts of all other eligible candidates for the same office sought by the
3 person on behalf of whom the mailing is conducted with an additional line of credit
4 equal to the cost of printing and mailing of that mass mailing, which may be used
5 solely to fund a mailing promoting the candidacy of the candidate who receives the
6 credit.

7 (3) A candidate for state office at the general election who plans to use state
8 funds for a mass mailing shall notify the board in writing of his or her intent to do
9 so no later than March 1 preceding the general election, and shall complete the
10 mailing by the following June 30.

11 (4) All mass mailings funded by the state on behalf of any person who is a
12 candidate for state office at the general election during the period between March 1
13 and June 30 preceding that election and all mass mailings authorized under sub. (2)
14 shall be issue-oriented and nonpolitical, shall not mention any of a candidate's
15 opponents by name and shall be reviewed and approved by the board for compliance
16 with such requirements in advance of the mailing.

17 (5) Except as permitted under sub. (2), no state funds may be used by any
18 incumbent elective state officer to conduct a mass mailing on behalf of a candidate
19 for state office at the general election after June 30 preceding that election.

20 **11.522 Contributions to nonparticipating candidates; attributions.** A
21 nonparticipating candidate may accept contributions from private sources without
22 limitation, except that no person may make any contribution or contributions to a
23 nonparticipating candidate exceeding a total of \$1,000 during any campaign.

24 **SECTION 33.** 14.58 (20) of the statutes is repealed.

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1 **SECTION 34.** 20.510 (1) (q) of the statutes is renumbered 20.585 (1) (q) and
2 amended to read:

3 20.585 (1) (q) (title) ~~Wisconsin election campaign~~ Democracy trust fund. As a
4 continuing appropriation, from the ~~Wisconsin election campaign~~ democracy trust
5 fund, the moneys determined under s. ~~11.50~~ ss. 11.501 to 11.522 to provide for
6 payments to eligible candidates ~~certified under s. 7.08 (2) (c)~~.

7 **SECTION 35.** 20.575 (1) (r) of the statutes is created to read:

8 20.575 (1) (r) *Democracy trust fund administration*. From the democracy trust
9 fund, a sum sufficient for the administration of ss. 11.501 to 11.522.

10 **SECTION 36.** 20.585 (1) (r) of the statutes is created to read:

11 20.585 (1) (r) *Democracy trust fund administration*. From the democracy trust
12 fund, a sum sufficient for the administration of ss. 11.501 to 11.522.

13 **SECTION 37.** 20.855 (4) (b) of the statutes is repealed.

14 **SECTION 38.** 25.17 (1) (ys) of the statutes is renumbered 25.17 (1) (cm) and
15 amended to read:

16 25.17 (1) (cm) ~~Wisconsin election campaign~~ Democracy trust fund (s. 25.42);

17 **SECTION 39.** 25.42 of the statutes is amended to read:

18 **25.42** (title) ~~Wisconsin election campaign~~ **Democracy trust fund**. All
19 moneys ~~appropriated under s. 20.855 (4) (b) together with all moneys reverting to the~~
20 ~~state under s. 11.50 (8) and all gifts, bequests and devises received under s. 11.50 (13)~~
21 ~~constitute the Wisconsin election campaign~~ that accrue to the state under ss. 71.025,
22 71.235 and 71.435 and all moneys deposited in the state treasury under s. 11.509
23 constitute the democracy trust fund, to be expended for the purposes of s. ~~11.50~~ ss.
24 11.501 to 11.522. All moneys in the fund not disbursed by the state treasurer shall
25 continue to accumulate indefinitely.

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1 **SECTION 40.** 71.025 of the statutes is created to read:

2 **71.025 Surtax. (1)** In this section, “income tax payable to this state” means
3 the tax as computed at the rates under s. 71.06 without reduction for any payments
4 or credits.

5 **(2)** There is imposed and there shall be collected and paid, in addition to and
6 in the same manner as the tax imposed under s. 71.02 (1), including those provisions
7 relating to refunds and overpayments, a surtax equal to 0.5% of the income tax
8 payable to this state. The surtax is part of the tax for determining any underpayment
9 or declaring estimated taxes.

10 **SECTION 41.** 71.10 (3) of the statutes is repealed.

11 **SECTION 42.** 71.235 of the statutes is created to read:

12 **71.235 Surtax. (1)** In this section, “income tax or franchise tax payable to this
13 state” means the taxes as computed at the rates under s. 71.27 without reduction for
14 any payments or credits.

15 **(2)** There is imposed and there shall be collected and paid, in addition to and
16 in the same manner as the taxes imposed under s. 71.23, including those provisions
17 relating to refunds and overpayments, a surtax equal to 0.5% of the income tax or
18 franchise tax payable to this state. The surtax is part of the tax for determining any
19 underpayment or declaring estimated taxes.

20 **SECTION 43.** 71.435 of the statutes is created to read:

21 **71.435 Surtax. (1)** In this section, “income tax or franchise tax payable to this
22 state” means the taxes as computed at the rates under s. 71.46 without reduction for
23 any payments or credits.

24 **(2)** There is imposed and there shall be collected and paid, in addition to and
25 in the same manner as the taxes imposed under s. 71.43, including those provisions

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1 relating to refunds and overpayments, a surtax equal to 0.5% of the income tax or
2 franchise tax payable to this state. The surtax is part of the tax for determining any
3 underpayment or declaring estimated taxes.

4 **SECTION 44. Initial applicability.**

5 (1) SURTAXES. The treatment of sections 71.025, 71.235 and 71.435 of the
6 statutes first applies to taxable years beginning on the January 1 after the effective
7 date of this subsection.

8 (END)