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State of Misconsin 2011 - 2012 LEGISLATURE



## **2011 ASSEMBLY BILL 676**

March 8, 2012 – Introduced by Representatives PASCH, ZAMARRIPA, RINGHAND and BEWLEY. Referred to Committee on Homeland Security and State Affairs.

1 AN ACT to create 11.386 of the statutes; relating to: contributions by state

contractors and their officers and substantial owners to candidates for state

office or their authorized committees.

## Analysis by the Legislative Reference Bureau

This bill prohibits any corporation or cooperative, and any individual who is an officer or substantial owner of a corporation or cooperative, that offers to enter or enters into a contract with any state agency from making a political contribution to a candidate for state office, during the period beginning on the date on which the contract is amended and ending on the date on which all obligations under the contract are executed in full. The bill defines a "substantial owner" as an individual who, alone or in combination with his or her immediate family, owns or controls more than 15 percent of the equity in a corporation or cooperative. The prohibition also applies to the personal campaign and authorized support committees of a candidate for state office.

Currently, a corporation or cooperative is prohibited from making political contributions in most cases. Current law does not address contributions by officers or substantial owners.

Violators of the prohibition created by the bill are subject to a forfeiture (civil penalty) of treble the amount or value of any unlawful contribution. Intentional

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violators are guilty of a misdemeanor and may be fined not more than \$1,000 or imprisoned for not more than six months or both.

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

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**SECTION 1.** 11.386 of the statutes is created to read:

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**11.386 Contributions by state contractors. (1)** In this section:

- (a) "Agency" has the meaning given under s. 16.70 (1e).
- 4 (b) "Authorized support committee" means a support committee under s. 11.18

5 that is authorized by a candidate to act on his or her behalf under s. 11.05 (3) (p).

(c) "Immediate family" has the meaning given in s. 19.42 (7).

7 (d) "Substantial owner" means an individual who, severally or jointly with the
8 individual's immediate family, owns or controls more than 15 percent of the
9 outstanding equity of a corporation or association identified in sub. (2).

10 (2) In addition to adhering to the restriction under s. 11.38 (1) (a) 1., no foreign 11 or domestic corporation, or association organized under ch. 185 or 193, and no 12individual who is an officer or a substantial owner of such a corporation or 13association, that offers to enter or enters into a contract with any agency may make a contribution to a candidate for state office or to the personal campaign or 1415authorized support committee of such a candidate during the period beginning on the 16date on which the contract is awarded and ending on the date on which all obligations 17under the contract are executed in full.

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(END)