



1995 ASSEMBLY BILL 392

May 23, 1995 - Introduced by Representatives BOCK, BALDWIN, TRAVIS, BLACK, R. YOUNG, BALDUS, ROBSON, GROBSCHMIDT, REYNOLDS, BELL, ZIEGELBAUER, CULLEN, NOTESTEIN, BAUMGART, MEYER, KRUG, HANSON, LA FAVE, KREUSER, PLOMBON, BOYLE, RILEY and MURAT, cosponsored by Senators CLAUSING, CHVALA, MOEN and BURKE. Referred to Committee on Elections and Constitutional Law.

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 re-**
3 **number 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 op-
12 position to candidates for state and local offices, providing an exemption from
13 emergency rule procedures, granting rule-making authority and providing a
14 penalty.

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 the dollar amounts of the current prescribed expenditure levels, as follows:

<u>Office</u>	<u>Current</u> <u>Level</u>	<u>Proposed</u> <u>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 an offender liable for a forfeiture of treble the amount of the unlawful expenditure.

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 pur-
6 poses of ch. 11, the term does not include a legislative campaign committee ~~or a com-~~
7 ~~mittee 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 gov-
10 ernment can be maintained only if the electorate is citizens of the state are informed
11 and encouraged to participate in the election process as contributors, candidates and
12 electors. It further finds that excessive spending on campaigns for public office jeop-
13 ardizes, large contributions and independent campaign expenditures by special

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

20 (2) This chapter is intended to serve ~~the public purpose of stimulating the fol-~~
21 lowing purposes:

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

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

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

1 11.001 (2) (c) ~~This chapter is also intended to~~ To ensure fair and impartial elec-
2 tions by precluding officeholders from utilizing the perquisites of office at public ex-
3 pense in order to gain an advantage over nonincumbent candidates who have no per-
4 quisites 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 exces-
10 sive 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 sup-
16 port 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 disbursements or in-
21 curring obligations in an aggregate amount in excess of \$1,000 in a calendar year and
22 does not anticipate accepting any contribution or contributions from a single source,
23 other than contributions made by a candidate to his or her own campaign, exceeding
24 \$100 in that year may indicate on its registration statement that the person, commit-
25 tee or group will not accept contributions, incur obligations or make disbursements

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

1 ment may be made or obligation incurred by any committee at a time when there is
2 a 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 disbursement
5 may be made or obligation incurred by a person or committee, except within the
6 amount authorized under s. 11.05 (1) and (2), in support of or in opposition to any
7 specific candidate or candidates in an election, other than through the campaign
8 treasurer of the candidate or the candidate's opponent, ~~or by or through an individual~~
9 ~~or 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 com-
11 mittee treasurer ~~or by an individual under s. 11.06 (7)~~ may not be used or expended.
12 The contribution shall be donated to the common school fund or to any charitable or-
13 ganization at the option of the treasurer.

14 (3) All contributions, disbursements 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 partici-
18 pates. If a report is submitted under s. 11.19 (1), the records may be transferred to
19 a continuing committee or to the appropriate filing officer for retention. Records
20 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 disbursement may be made or obligation incurred by a candi-
23 date, or by any other person or committee to advocate the election or defeat of a clear-
24 ly identified candidate, ~~other than an individual who, or a committee which, has reg-~~
25 ~~istered 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 un-
2 der his or her authority.

3 (b) The treasurer of each committee and each individual who proposes to make
4 a disbursement to advocate the election or defeat of a clearly identified candidate
5 shall notify the treasurer or other agent designated under par. (a) of the candidate
6 who is supported or whose opponent is opposed and obtain the authorization of the
7 treasurer prior to making the disbursement. ~~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 per-
15 sonal 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 disbursement 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 disbursements which are to be used
3 to advocate the election or defeat of any clearly identified candidate in an 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 indi-~~
7 ~~vidual or committee under s. 11.06 (7) acting solely in support of such a candidate or~~
8 ~~solely in opposition to the candidate's opponent~~ to the extent of more than a total of
9 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 legis-
12 lative campaign committee may make any contribution or contributions to a candi-
13 date for election or nomination to any of the following offices ~~and to any individual~~
14 ~~or committee under s. 11.06 (7) acting solely in support of such a candidate or solely~~
15 ~~in opposition to the candidate's opponent~~ to the extent of more than a total of the
16 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 disbursement 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 disbursement level limitation for
24 candidates other than candidates challenging incumbent officeholders, as deter-
25 mined under s. 11.31 (1) and adjusted as provided under s. 11.31 (9), for the office for

1 which he or she is a candidate during any primary and election campaign combined
2 from all committees subject to a filing requirement, including political party and leg-
3 islative 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 disbursement level limitation for can-
6 didates other than candidates challenging incumbent officeholders, as determined
7 under s. 11.31 (1) and adjusted as provided under s. 11.31 (9), for the office for which
8 he or she is a candidate during any primary and election campaign combined from
9 all committees other than political party and legislative campaign committees sub-
10 ject 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 ap-
13 plication to receive a grant from the Wisconsin election campaign fund may make
14 contributions of more than 200% of the ~~amounts~~ amount specified in sub. (1) to the
15 candidate's own campaign from the candidate's personal funds or property or the per-
16 sonal funds or property which are owned jointly or as marital property with the can-
17 didate's spouse, unless the board determines that the candidate is not eligible to re-
18 ceive a grant, or the candidate withdraws his or her application under s. 11.50 (2) (h),
19 ~~or s. 11.50 (2) (i) applies.~~ For purposes of this subsection, any contribution received
20 by a candidate or his or her personal campaign committee from a committee which
21 is registered with the federal elections commission as the authorized committee of
22 the candidate under 2 USC 432 (e) shall be treated as a contribution made by the can-
23 didate to his or her own campaign. The contribution limit of sub. (4) applies to
24 amounts contributed by such a candidate personally to the candidate's own cam-
25 paign and to other campaigns, except that a candidate may exceed the limitation if

1 authorized under this subsection to contribute more than the amount specified to the
2 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 dis-
8 bursements from his or her campaign treasury in any campaign to the extent of more
9 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 superin-
15 tendent, ~~\$215,625~~ \$250,000.

16 (e) Candidates for state senator, ~~\$34,500 total in the primary and election, with~~
17 ~~disbursements 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 disbursements 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) DISBURSEMENT 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 disbursements 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 li-
4 mitations 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 com-
7 bine disbursement levels limitations under sub. (1) (a) and (b), adjusted as provided
8 under sub. (9), and sub. (1m) and reallocate the total level limitation between them.
9 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 disbursement 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 con-
21 sumer price index for the base period, calendar year 1993. The board shall increase
22 the disbursement limitations specified under sub. (1) by such amount each bien-
23 nium, 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 emer-
2 gency.

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 there-
9 of ~~or any individual under s. 11.06 (7)~~ may ask for or accept any special privilege from
10 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 re-
17 quired 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 applica-
19 tion shall contain a sworn statement that the candidate and his or her authorized
20 agents have complied with the contribution limitations prescribed in s. 11.26 and the
21 disbursement limitations prescribed under s. 11.31 at all times to which such limita-
22 tions have applied to his or her candidacy and will continue to comply with the limita-
23 tions at all times to which the limitations apply to his or her candidacy for the office
24 in contest, ~~unless the board determines that the candidate is not eligible to receive~~

1 a grant, the candidate withdraws his or her application under par. (h), or par. (i) ap-
2 plies.

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 prima-
12 ry will or would be held, if required, and 90 days preceding such date or the date a
13 special election is ordered, whichever is earlier, in the case of special election candi-
14 dates, which contributions are in the aggregate amount of \$100 or less, and which
15 are fully identified and itemized as to the exact source thereof. A contribution re-
16 ceived from a conduit which is identified by the conduit as originating from an indi-
17 vidual shall be considered a contribution made by the individual. Only the first \$100
18 of an aggregate contribution of more than \$100 may be counted toward the required
19 percentage. For a candidate at the spring or general election for an office identified
20 in s. 11.26 (1) (a) or a candidate at a special election, the required amount to qualify
21 for a grant is 5% of the candidate's authorized disbursement limitation for candi-
22 dates other than candidates challenging incumbent officeholders, as determined
23 under s. 11.31 (1) and adjusted as provided under s. 11.31 (9). For any other candidate
24 at the general election, the required amount to qualify for a grant is 10% of the candi-
25 date's authorized disbursement limitation for candidates other than candidates

1 challenging incumbent officeholders, as determined under s. 11.31 (1) and adjusted
2 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 accor-~~
10 ~~dance 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 candi-
15 date may not exceed that amount which, when added to all other contributions ac-
16 cepted from sources other than individuals, political party committees and legisla-
17 tive campaign committees, is equal to 45% of the disbursement 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 disbursement 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 disbursement or por-
10 tion thereof which is unlawfully disbursed.

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

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

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

1 (3) The Wisconsin election campaign fund system has lost popular support be-
2 cause 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, invali-
8 dated 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, in-
16 dependent expenditures that favor or oppose an identified candidate, and the use of
17 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 rea-
9 sonable 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 commu-
16 nication are often free or inexpensive: debates, call-in programs, local interviews,
17 and other voter connections that are not dependent on the power of money.

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

22 (15) Turning down the noise level of campaign communication, through rea-
23 sonable spending limits, increases the opportunity for newer and quieter voices to
24 be heard. It tends to increase the number, depth and diversity of ideas presented to
25 the public.

