



2001 SENATE BILL 137

April 11, 2001 - Introduced by Senator RISSER, cosponsored by Representatives POCAN, BERCEAU, BLACK, BOYLE, CARPENTER, COGGS, LA FAVE, MILLER, RYBA, SINICKI and TURNER. Referred to Committee on Judiciary, Consumer Affairs, and Campaign Finance Reform.

1 **AN ACT** *to repeal* 11.21 (15), 11.26 (9) (c), 11.26 (10) and (13), 11.31 (2) and (2m),
2 11.31 (3), 11.31 (3m), 11.31 (6), 11.50, 20.855 (4) (b), 25.17 (1) (ys) and 71.10 (3);
3 **to renumber and amend** 11.12 (6); **to amend** 5.02 (18), 5.62 (1) (a), 5.62 (3),
4 5.62 (5), 7.08 (2) (c) and (cm), 7.70 (3) (e) 1., 8.16 (1), 8.16 (5), 8.35 (4) (b), 8.50
5 (1) (d), 8.50 (3) (b), 10.02 (3) (b) 2m., 10.06 (1) (e), 10.06 (1) (i), 11.06 (1) (a), 11.06
6 (1) (g), 11.06 (1) (jm), 11.16 (5), 11.26 (2) (a), 11.26 (9) (a), 11.26 (9) (b), 11.26 (17)
7 (a), 11.31 (title), 11.31 (1) (intro.), 11.31 (4), 11.31 (7) (b), 11.31 (7) (c), 11.31 (8),
8 11.31 (10) and 14.58 (20); **to repeal and recreate** 20.510 (1) (q) and 25.42; and
9 **to create** 11.01 (4m) and (11m), 11.12 (6) (b), 11.31 (9), 11.51, 20.855 (4) (ba) and
10 25.17 (1) (aw) of the statutes; **relating to:** public financing of elections for
11 certain state offices, providing an exemption from emergency rule procedures,

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1 granting rule-making authority, providing a penalty, and making
2 appropriations.

Analysis by the Legislative Reference Bureau

Currently, a candidate for state office other than court of appeals judge, circuit judge, or district attorney may qualify to receive a grant from the Wisconsin election campaign fund for use in an election campaign only. No funding is provided for primary campaigns. In order to qualify for a grant, a candidate must qualify to have his or her name appear on the general or spring election ballot and must have an opponent who qualifies to have his or her name appear on that ballot. In addition, a candidate for a partisan office at the general election must receive at least six percent of the total vote cast on all ballots at the September primary election, and a candidate for a partisan office at a special election must either represent a political party whose candidate for the office that the candidate seeks received at least six percent of the total vote cast for that office at the most recent general election at which the office was contested or must receive at least six percent of the total vote cast for that office at the special election.

Currently, the maximum amount of a grant that a candidate may receive is 45% of the disbursement (spending) level or limit for the office that the candidate seeks. This amount is not subject to any cost of living adjustment. In addition, this amount is reduced by the total amount of contributions received by a candidate from committees other than political party or legislative campaign committees and this amount 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. Grants may only be used to purchase services from a communications medium, printing, graphic arts, or advertising services, office supplies, or postage. A candidate must agree to abide by disbursement and self-contribution limits in order to receive a grant, but this agreement does not apply if the candidate has an opponent who could have qualified for a grant but declines to do so and declines to file an affidavit of voluntary compliance with disbursement and self-contribution limits. Grant moneys that are not spent by a candidate after the date of an election must be returned by the candidate to the state.

This bill replaces the Wisconsin election campaign fund with a new fund called the clean elections fund. Under the bill, a candidate for the office of governor, state senator, or representative to the assembly may qualify to receive a grant from the clean elections fund. Separate grants are provided for primary and election campaigns. Candidates for other state offices are not eligible to receive grants. In order to qualify for a grant, a candidate must qualify to have his or her name appear on the ballot at a spring, September, or special primary or a spring, general, or special election for which the grant money will be used. In order to qualify for a grant at a general or special election, a candidate must also receive at least 5% of the total vote cast on all ballots for the office that the candidate seeks at the September primary, or at the special primary, if a special primary is held. In addition, a candidate must

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raise and deposit with the state treasurer a specified number of qualifying contributions in the amount of \$5 each. Each qualifying contribution must be received from an elector of this state and, in the case of a candidate for legislative office, an elector of the district in which the candidate seeks office, and the name and address of the contributor must be reported to the state elections board. The number of qualifying contributions ranges from 2,500 to 50, depending upon the office sought by the candidate.

Under the bill, the maximum amount of a grant that a candidate may receive ranges from \$500,000 in the primary and \$1,000,000 in the election to \$18,000 in the primary and \$36,000 in the election, depending upon the office sought by the candidate, except if a candidate has no opponent whose name is certified to appear on the ballot. Under the bill, an unopposed candidate at a primary election receives a grant equal to the average total disbursements made per candidate in primary elections for the office that the candidate seeks during the four-year period preceding the date of the primary election, and an unopposed candidate at a general or special election receives a grant equal to the average total disbursements made per candidate in general and special elections for the office that the candidate seeks during the four-year period preceding the date of the general or special election, except that a candidate for the office of governor receives a grant of \$100,000 for a primary election and \$200,000 for a general or special election. Grant amounts are subject to a biennial cost-of-living adjustment.

In order to receive a grant, a candidate must affirm that he or she has not accepted and agrees not to accept a contribution from any source other than qualifying contributions or seed money contributions, which may be accepted by a candidate before the candidate qualifies to receive a grant. The total seed money contributions accepted by a candidate from one contributor, including contributions by a candidate to his or her own campaign, may not exceed \$100. The total seed money contributions accepted by a candidate from all contributors range from \$50,000 to \$500, depending upon the office sought by the candidate. A candidate must deposit with the board any unencumbered seed money contributions held by the candidate on the day the candidate receives notification of qualification for a grant. If any person makes an expenditure independently of a candidate or incurs an obligation to make such an expenditure for the purpose of making a mass communication containing a reference to a candidate for the office of governor, state senator, or representative to the assembly within 60 days preceding a primary or election for that office, the person must report that expenditure or obligation to the board. Upon receipt of the report by the board, each candidate who accepts a grant qualifies to receive an additional grant equal to the amount of the independent expenditures and outstanding obligations made in opposition to that candidate or in support of his or her opponent. If a candidate who accepts a grant is opposed by a candidate who does not accept a grant or who violates his or her agreement, any complying candidate for the same office who accepts a grant qualifies to receive an additional grant equal to the amount by which disbursements by the other candidate exceed the original amount of the grant received by that candidate. The sum of all additional grants made to a single candidate may not exceed 2.5 times the original

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amount of a candidate's grant. The bill permits grants to be spent for any lawful purpose. To facilitate matching of independent disbursements made and obligations incurred in opposition to a candidate or in support of a candidate's opponent, the bill revises current requirements for individuals and committees making such disbursements to report disbursements exceeding \$20 cumulatively if they are made within 15 days of an election to require, instead, reporting of all independent disbursements and obligations to make such disbursements in support of or in opposition to a candidate for the office of governor, state senator or representative to the assembly if the disbursements are made or obligations incurred within 60 days of an election.

The bill also deletes the disbursement and self-contribution limitations currently applicable to candidates who accept grants from the Wisconsin election campaign fund, as well as the affidavit of voluntary compliance with those limitations. Under the bill, grant moneys that are not spent by a candidate on the day after an election must be returned by the candidate to the state.

The bill provides that if a candidate does not adhere to the agreement required to obtain a grant, the candidate is subject to a forfeiture (civil penalty) equivalent to the amount of the grant that the candidate received, and in addition may be fined not more than three times the amount of any contributions received by the candidate excluding the amount of any grant and any qualifying or seed money contributions that are permitted to be received under the bill.

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~~ the offices
5 of governor, state senator, and representative to the assembly may participate in the
6 ~~Wisconsin election campaign~~ receive grants from the clean elections fund.

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

8 5.62 (1) (a) At September primaries, the following ballot shall be provided for
9 the nomination of candidates of recognized political parties for national, state and
10 county offices and independent candidates for ~~state office~~ the office of governor, state

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1 senator, and representative to the assembly in each ward, in the same form as
2 prescribed by the board under s. 7.08 (1) (a), except as authorized in s. 5.655. The
3 ballots shall be made up of the several party tickets with each party entitled to
4 participate in the primary under par. (b) or sub. (2) having its own ballot, except as
5 authorized in s. 5.655. The independent candidates for ~~state office other than district~~
6 attorney the offices of governor, state senator, and representative to the assembly
7 shall have a separate ballot for all such candidates as under s. 5.64 (1) (e), except as
8 authorized in s. 5.655. The ballots shall be secured together at the bottom. The party
9 ballot of the party receiving the most votes for president or governor at the last
10 general election shall be on top with the other parties arranged in descending order
11 based on their vote for president or governor at the last general election. The ballots
12 of parties qualifying under sub. (2) shall be placed after the parties qualifying under
13 par. (b), in the same order in which the parties filed petitions with the board. Any
14 ballot required under par. (b) 2. shall be placed next in order. The ballot listing the
15 independent candidates shall be placed at the bottom. At polling places where voting
16 machines are used, each party and the independent candidates shall be represented
17 in one or more separate columns or rows on the ballot. At polling places where an
18 electronic voting system is used other than an electronic voting machine, each party
19 and the independent candidates may be represented in separate columns or rows on
20 the ballot.

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

22 5.62 (3) The board shall designate the official primary ballot arrangement for
23 statewide offices and district attorney within each prosecutorial district by using the
24 same procedure as provided in s. 5.60 (1) (b). On each ballot and on each separate
25 column or row on the ballot, the candidates for office shall be listed together with the

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1 offices which they seek in the following order whenever these offices appear on the
2 September primary ballot: governor, lieutenant governor, attorney general,
3 secretary of state, state treasurer, U.S. senator, U.S. representative in congress,
4 state senator, representative to the assembly, district attorney and the county offices.
5 Below the names of the independent candidates for the offices of governor, state
6 senator, and representative to the assembly shall appear the party or principle of the
7 candidates, if any, in 5 words or less, as shown on their nomination papers.

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

9 5.62 (5) At the September primary, an elector may vote for the candidates of
10 only one party, or the elector may vote for any of the independent candidates for ~~state~~
11 ~~office~~ the offices of governor, state senator, or representative to the assembly listed;
12 but the elector may not vote for more than one candidate for a single office. A space
13 shall be provided on the ballot for an elector to write in the name of his or her choice
14 as a party candidate for any office, including a party candidate of a recognized
15 political party whose name appears on the ballot, column or row designated for
16 independent candidates, as provided in sub. (1) (b) 2. or (2) (b), but no space shall be
17 provided to write in the names of independent candidates.

18 **SECTION 5.** 7.08 (2) (c) and (cm) of the statutes are amended to read:

19 7.08 (2) (c) As soon as possible after the canvass of the ~~spring and~~ September
20 primary ~~votes~~ vote, but no later than the first Tuesday in March and the 4th Tuesday
21 in September, transmit to the state treasurer a certified list of all eligible candidates
22 for state office who have filed applications under s. ~~11.50 (2)~~ 11.51 (7) and whom the
23 board determines to be eligible to receive ~~payments~~ grants from the Wisconsin
24 ~~election campaign~~ clean elections fund. The list shall contain each candidate's name,
25 the mailing address indicated upon the candidate's registration form, the office for

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1 which the individual is a candidate and the party or principle which he or she
2 represents, if any.

3 (cm) As soon as possible after the canvass of a special primary, or the date that
4 the primary would be held, if required, transmit to the state treasurer a certified list
5 of all eligible candidates for state office who have filed applications under s. 11.50 (2)
6 11.51 (7) and whom the board determines to be eligible to receive a grant from the
7 ~~Wisconsin election campaign~~ clean elections fund prior to the election. The board
8 shall also transmit a similar list of candidates, if any, who have filed applications
9 under s. 11.50 (2) and whom the board determines to be eligible to receive a grant
10 under s. 11.50 (1) (a) 2. after the special election. The list shall contain each
11 candidate's name, the mailing address indicated upon the candidate's registration
12 form, the office for which the individual is a candidate and the party or principle
13 which he or she represents, if any.

14 **SECTION 6.** 7.70 (3) (e) 1. of the statutes is amended to read:

15 7.70 (3) (e) 1. After each September primary and special primary for the office
16 of governor, state senator, or representative to the assembly, the name of each
17 candidate not defeated in the primary who receives at least 6% of the total vote cast
18 for all candidates on all ballots at the primary for each separate state office except
19 ~~district attorney~~ the office of governor, state senator, or representative to the
20 assembly, and the percentage of the total vote received by that candidate. Such
21 percentage shall be calculated within each district in the case of legislative
22 candidates.

23 **SECTION 7.** 8.16 (1) of the statutes is amended to read:

24 8.16 (1) Except as provided in sub. (2), the person who receives the greatest
25 number of votes for an office on a party ballot at any partisan primary, regardless of

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1 whether the person's name appears on the ballot, shall be the party's candidate for
2 the office, and the person's name shall so appear on the official ballot at the next
3 election. All independent candidates shall appear on the general election ballot or
4 on any special election ballot regardless of the number of votes received by such
5 candidates at the September or at any special primary.

6 **SECTION 8.** 8.16 (5) of the statutes is amended to read:

7 8.16 (5) Any candidate for ~~a partisan state~~ the office ~~except district attorney~~
8 ~~of governor, state senator, or representative to the assembly~~ may also qualify for
9 payments a grant under s. ~~11.50~~ 11.51 if the candidate meets the requirements
10 specified in s. ~~11.50~~ 11.51; however, a candidate who qualifies under this section for
11 placement on the official ballot at the general election or a special election shall
12 appear on such ballot regardless of whether he or she qualifies for payments a grant
13 under s. ~~11.50~~ 11.51.

14 **SECTION 9.** 8.35 (4) (b) of the statutes is amended to read:

15 8.35 (4) (b) Notwithstanding par. (a), any unspent and unencumbered moneys
16 received by a candidate from the ~~Wisconsin election campaign~~ clean elections fund
17 shall be immediately transferred to any candidate who is appointed to replace such
18 candidate, ~~upon filing of a proper application therefor under s. 11.50 (2).~~ If there is
19 no candidate appointed ~~or if no proper application is filed within 7 days of the date~~
20 ~~on which the vacancy occurs,~~ such moneys shall revert to the state as ~~provided in s.~~
21 ~~11.50 (8).~~

22 **SECTION 10.** 8.50 (1) (d) of the statutes is amended to read:

23 8.50 (1) (d) When the election concerns a national or state office, the board shall
24 transmit to each county clerk at least 22 days before the special primary a certified
25 list of all persons for whom nomination papers have been filed in its office. If no

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1 primary is required, the list shall be transmitted at least 42 days prior to the day of
2 the election. If a special primary for the office of state senator or representative to
3 the assembly is held, the board shall send a certified list of candidates who are
4 eligible to receive grants under s. 11.51 to the state treasurer pursuant to s. 7.08 (2)
5 (cm). Immediately upon receipt of the certified list of candidates from the board, the
6 county clerk shall prepare his or her ballots. For a county special election, the county
7 clerk shall certify the candidates and prepare the ballots. If there is a primary, the
8 county clerk shall publish one type B notice in a newspaper under ch. 10. When a
9 primary is held, as soon as possible after the primary, the county clerk shall certify
10 the candidates and prepare the ballots for the following special election. The clerk
11 shall publish one type B notice in a newspaper under ch. 10 for the election.

12 **SECTION 11.** 8.50 (3) (b) of the statutes is amended to read:

13 8.50 (3) (b) Except as otherwise provided in this section, the provisions for
14 September primaries under s. 8.15 are applicable to all partisan primaries held
15 under this section, and the provisions for spring primaries under s. 8.10 are
16 applicable to all nonpartisan primaries held under this section. In a special partisan
17 primary or election, the order of the parties on the ballot shall be the same as
18 provided under s. 5.62 (1) or 5.64 (1) (b). Independent candidates for ~~state office~~ the
19 office of governor, state senator, or representative to the assembly at a special
20 partisan election shall ~~not~~ appear on the primary ballot. No primary is required for
21 a nonpartisan election in which not more than 2 candidates for an office appear on
22 the ballot or for a partisan election in which not more than one candidate for an office
23 appears on the ballot of each recognized political party. In every special election
24 except a special election for nonpartisan state office where no candidate is certified

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1 to appear on the ballot, a space for write-in votes shall be provided on the ballot,
2 regardless of whether a special primary is held.

3 **SECTION 12.** 10.02 (3) (b) 2m. of the statutes is amended to read:

4 10.02 (3) (b) 2m. At the September primary, the elector shall select the party
5 ballot of his or her choice or the ballot containing the names of the independent
6 candidates for ~~state office~~, the office of governor, state senator, and representative
7 to the assembly, and make a cross (8) next to or depress the lever or button next to
8 the candidate's name for each office for whom the elector intends to vote or insert or
9 write in the name of the elector's choice for a party candidate, if any. In order to
10 qualify for ~~participation in the Wisconsin election campaign~~ a grant from the clean
11 elections fund, a candidate for ~~state office~~ the office of governor, state senator, or
12 representative to the assembly at the September primary, ~~other than a candidate for~~
13 ~~district attorney~~, or a special primary, if a special primary is held, must receive at
14 least ~~6%~~ 5% of all votes cast on all ballots for the office for which he or she is a
15 candidate, in addition to other requirements.

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

17 10.06 (1) (e) As soon as possible following the state canvass of the spring
18 primary vote, but no later than the first Tuesday in March, the board shall send a
19 type B notice certifying to each county clerk the list of candidates for the spring
20 election. When no primary is held, this notice shall be sent under par. (c). The board
21 shall also in any case send a certified list of candidates under s. ~~11.50~~ 11.51 to the
22 state treasurer pursuant to s. 7.08 (2) (c). When there is a referendum, the board
23 shall send type A and C notices certifying each question to the county clerks as soon
24 as possible, but no later than the first Tuesday in March.

25 **SECTION 14.** 10.06 (1) (i) of the statutes is amended to read:

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1 10.06 (1) (i) As soon as possible after the state canvass, but no later than the
2 4th Tuesday in September, the board shall send a type B notice certifying the list of
3 candidates and type A and C notices certifying each question for any referendum to
4 each county clerk for the general election and a certified list of candidates under s.
5 ~~11.50~~ 11.51 to the state treasurer pursuant to s. 7.08 (2) (c).

6 **SECTION 15.** 11.01 (4m) and (11m) of the statutes are created to read:

7 11.01 (4m) “Communication” means a message transmitted by means of a
8 printed advertisement, billboard, handbill, sample ballot, radio or television
9 advertisement, telephone call, or any medium that may be utilized for the purpose
10 of disseminating or broadcasting a message, but not including a poll conducted solely
11 for the purpose of identifying or collecting data concerning the attitudes or
12 preferences of electors.

13 (11m) “Independent expenditure” means an expenditure made for the purpose
14 of making a communication that is made during the 60-day period preceding any
15 September or special primary election for the office of governor, state senator,
16 representative to the assembly and the date of the general or special election
17 following that primary election, or if no special primary election for the office of state
18 senator or representative to the assembly is held, during the 60-day period
19 preceding a special election for one of those offices; that contains a reference to a
20 clearly identified candidate for the office of governor, state senator, or representative
21 to the assembly at that election; that is made without cooperation or consultation
22 with such a candidate, or any authorized committee or agent of such a candidate; and
23 that is not made in concert with, or at the request or suggestion of, such a candidate,
24 or any authorized committee or agent of such a candidate.

25 **SECTION 16.** 11.06 (1) (a) of the statutes is amended to read:

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1 11.06 (1) (a) ~~An~~ Except as required under s. 11.51 (2), an itemized statement
2 giving the date, full name and street address of each contributor who has made a
3 contribution in excess of \$20, or whose contribution if \$20 or less aggregates more
4 than \$20 for the calendar year, together with the amount of the contribution and the
5 cumulative total contributions made by that contributor for the calendar year.

6 **SECTION 17.** 11.06 (1) (g) of the statutes is amended to read:

7 11.06 (1) (g) ~~An~~ Except as required under s. 11.51 (9), an itemized statement
8 of every disbursement exceeding \$20 in amount or value, together with the name and
9 address of the person to whom the disbursement was made, and the date and specific
10 purpose for which the disbursement was made.

11 **SECTION 18.** 11.06 (1) (jm) of the statutes is amended to read:

12 11.06 (1) (jm) A copy of any separate schedule prepared or received pursuant
13 to an escrow agreement under s. 11.16 (5). ~~A candidate or personal campaign~~
14 ~~committee receiving contributions under such an agreement and attaching a~~
15 ~~separate schedule under this paragraph may indicate the percentage of the total~~
16 ~~contributions received, disbursements made and exclusions claimed under s. 11.31~~
17 ~~(6) without itemization, except that amounts received from any contributor pursuant~~
18 ~~to the agreement who makes any separate contribution to the candidate or personal~~
19 ~~campaign committee during the calendar year of receipt as indicated in the schedule~~
20 ~~shall be aggregated and itemized if required under par. (a) or (b).~~

21 **SECTION 19.** 11.12 (6) of the statutes is renumbered 11.12 (6) (a) and amended
22 to read:

23 11.12 (6) (a) If any disbursement of more than \$20 cumulatively is made to
24 advocate the election or defeat of a clearly identified candidate by an individual or
25 committee later than 15 days prior to a primary or election in which the candidate's

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1 name appears on the ballot without cooperation or consultation with a candidate or
2 agent or authorized committee of a candidate who is supported or opposed, and not
3 in concert with or at the request or suggestion of such a candidate, agent, or
4 committee, the individual or treasurer of the committee shall, within 24 hours of
5 making the disbursement, inform the appropriate filing officer of the information
6 required under s. 11.06 (1) in such manner as the board may prescribe. The
7 information shall also be included in the next regular report of the individual or
8 committee under s. 11.20. For purposes of this paragraph, disbursements cumulate
9 beginning with the day after the last date covered on the preprimary or preelection
10 report and ending with the day before the primary or election. Upon receipt of a
11 report under this paragraph, the filing officer shall, within 24 hours of receipt, mail
12 a copy of the report to all candidates for any office in support of or opposition to one
13 of whom a disbursement identified in the report is made. This paragraph does not
14 apply to any disbursement that is required to be reported as an independent
15 expenditure under par. (b).

16 **SECTION 20.** 11.12 (6) (b) of the statutes is created to read:

17 11.12 (6) (b) 1. If any person makes an independent expenditure or incurs an
18 obligation to make an independent expenditure, the person shall, within 24 hours
19 of making the independent expenditure or incurring the obligation to make the
20 independent expenditure, report to the board the information required under this
21 paragraph in such manner as the board may prescribe.

22 2. Each report under this paragraph shall contain the following information:

23 a. The name of each candidate who is identified in each communication
24 financed with the independent expenditure or obligation.

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1 b. A statement as to whether the communication is intended to support or
2 oppose that candidate.

3 c. The total amount or value of the independent expenditure or obligation and
4 the cumulative independent expenditures made and obligations to make
5 independent expenditures incurred by the person with respect to that election.

6 3. If the person is a registrant, the person shall also include the information
7 reported under subd. 2. in the next regular report of the person under s. 11.20. Upon
8 receipt of a report under this paragraph, the board shall, within 24 hours of receipt,
9 mail a copy of the report to all candidates for any office in support of or opposition
10 to one of whom an independent expenditure or obligation identified in the report is
11 made.

12 **SECTION 21.** 11.16 (5) of the statutes is amended to read:

13 11.16 (5) ESCROW AGREEMENTS. Any personal campaign committee, political
14 party committee or legislative campaign committee may, pursuant to a written
15 escrow agreement with more than one candidate, solicit contributions for and
16 conduct a joint fund raising effort or program on behalf of more than one named
17 candidate. The agreement shall specify the percentage of the proceeds to be
18 distributed to each candidate by the committee conducting the effort or program.
19 The committee shall include this information in all solicitations for the effort or
20 program. All contributions received and disbursements made by the committee in
21 connection with the effort or program shall be received and disbursed through a
22 separate depository account under s. 11.14 (1) that is identified in the agreement.
23 For purposes of s. 11.06 (1), the committee conducting the effort or program shall
24 prepare a schedule in the form prescribed by the board supplying all required
25 information under s. 11.06 (1) ~~and items qualifying for exclusion under s. 11.31 (6)~~

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1 for the effort or program, and shall transmit a copy of the schedule to each candidate
2 who receives any of the proceeds within the period prescribed in s. 11.06 (4) (c).

3 **SECTION 22.** 11.21 (15) of the statutes is repealed.

4 **SECTION 23.** 11.26 (2) (a) of the statutes is amended to read:

5 11.26 (2) (a) Candidates for governor, lieutenant governor, secretary of state,
6 state treasurer, attorney general, state superintendent or justice, 4% of the value of
7 the disbursement level specified in the schedule under s. 11.31 (1), as adjusted under
8 s. 11.31 (9).

9 **SECTION 24.** 11.26 (9) (a) of the statutes is amended to read:

10 11.26 (9) (a) No individual who is a candidate for state or local office may receive
11 and accept more than 65% of the value of the total disbursement level determined
12 under s. 11.31 (1), as adjusted under s. 11.31 (9), for the office for which he or she is
13 a candidate during any primary and election campaign combined from all
14 committees subject to a filing requirement, including political party and legislative
15 campaign committees.

16 **SECTION 25.** 11.26 (9) (b) of the statutes is amended to read:

17 11.26 (9) (b) No individual who is a candidate for state or local office may receive
18 and accept more than 45% of the value of the total disbursement level determined
19 under s. 11.31 (1), as adjusted under s. 11.31 (9), for the office for which he or she is
20 a candidate during any primary and election campaign combined from all
21 committees other than political party and legislative campaign committees subject
22 to a filing requirement.

23 **SECTION 26.** 11.26 (9) (c) of the statutes is repealed.

24 **SECTION 27.** 11.26 (10) and (13) of the statutes are repealed.

25 **SECTION 28.** 11.26 (17) (a) of the statutes is amended to read:

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

4 **SECTION 29.** 11.31 (title) of the statutes is amended to read:

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

6 **SECTION 30.** 11.31 (1) (intro.) of the statutes is amended to read:

7 11.31 (1) SCHEDULE. (intro.) The following levels of disbursements are
8 established with reference to the candidates listed below. ~~Except as provided in sub.~~
9 ~~(2), such~~ The levels are subject to adjustment under sub. (9). The levels do not
10 operate to restrict the total amount of disbursements which are made or authorized
11 to be made by any candidate in any primary or other election.

12 **SECTION 31.** 11.31 (2) and (2m) of the statutes are repealed.

13 **SECTION 32.** 11.31 (3) of the statutes is repealed.

14 **SECTION 33.** 11.31 (3m) of the statutes is repealed.

15 **SECTION 34.** 11.31 (4) of the statutes is amended to read:

16 11.31 (4) ALLOCATION. ~~Except as provided in sub. (3m), whenever~~ Whenever a
17 separate disbursement level is specified for a primary and election under sub. (1), a
18 candidate who disburses less than the authorized level in the primary may not
19 reallocate the balance to increase the level in the election. Whenever a separate
20 disbursement level is not specified for a primary and election under sub. (1), a
21 candidate may allocate disbursements between the primary and election campaign
22 within the total level of disbursements specified in sub. (1) in any proportion desired,
23 and may carry over unexpended contributions from a primary campaign to an
24 election campaign.

25 **SECTION 35.** 11.31 (6) of the statutes is repealed.

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1 **SECTION 36.** 11.31 (7) (b) of the statutes is amended to read:

2 11.31 (7) (b) Disbursements which are made before a campaign period for goods
3 to be delivered or services to be rendered in connection with the campaign are
4 charged against the disbursement ~~limitation~~ level for that campaign.

5 **SECTION 37.** 11.31 (7) (c) of the statutes is amended to read:

6 11.31 (7) (c) Disbursements which are made after a campaign to retire a debt
7 incurred in relation to a campaign are charged against the disbursement ~~limitation~~
8 level for that campaign.

9 **SECTION 38.** 11.31 (8) of the statutes is amended to read:

10 11.31 (8) CERTAIN CONTRIBUTIONS EXCLUDED. The ~~limitations imposed levels~~
11 specified under this section do not apply to a gift of anything of value constituting
12 a contribution made directly to a registrant by another, but the ~~limitations levels~~
13 shall apply to such gift when it is received and accepted by the recipient or, if received
14 in the form of money, when disbursed.

15 **SECTION 39.** 11.31 (9) of the statutes is created to read:

16 11.31 (9) ADJUSTMENT OF DISBURSEMENT LEVELS. (a) In this subsection,
17 “consumer price index” means the average of the consumer price index over each
18 12-month period, all items, U.S. city average, as determined by the bureau of labor
19 statistics of the U.S. department of labor.

20 (b) The dollar amounts of all disbursement levels specified in sub. (1) shall be
21 subject to a cost-of-living adjustment to be determined by rule of the board in
22 accordance with this paragraph. To determine the adjustment, the board shall
23 calculate the percentage difference between the consumer price index for the
24 12-month period ending on December 31 of each odd-numbered year and the
25 consumer price index for calendar year 2003. For each biennium, the board shall

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1 adjust the disbursement levels specified under sub. (1) by that percentage to the
2 extent required to reflect any difference, rounded to the nearest multiple of \$25 in
3 the case of amounts of \$1 or more, which amounts shall be in effect until a subsequent
4 rule is promulgated under this subsection. Notwithstanding s. 227.24 (1) (a), (2) (b),
5 and (3), determinations under this paragraph may be promulgated as an emergency
6 rule under s. 227.24 without providing evidence that the emergency rule is necessary
7 for the public peace, health, safety, or welfare, and without a finding of emergency.

8 **SECTION 40.** 11.31 (10) of the statutes is amended to read:

9 11.31 (10) SURPLUS MATERIALS EXCLUDED. Disbursements constituting surplus
10 materials acquired in connection with a previous campaign of a candidate are not
11 subject to limitation by included in the levels specified in this section, if the materials
12 were previously reported as a disbursement by that candidate.

13 **SECTION 41.** 11.50 of the statutes is repealed.

14 **SECTION 42.** 11.51 of the statutes is created to read:

15 **11.51 Clean elections fund grants.** (1) Any candidate for the office of
16 governor, state senator, or representative to the assembly may qualify to receive a
17 grant from the clean elections fund by fulfilling the requirements of this section.

18 (2) (a) In order to qualify to receive a grant from the clean elections fund, a
19 candidate shall obtain and deposit with the state treasurer the number of qualifying
20 contributions specified in this subsection, in the amount of \$5 each, each of which
21 shall be received from an elector of this state and, in the case of a candidate for
22 legislative office, an elector of the district in which the candidate seeks office. The
23 name and address of each elector making a qualifying contribution shall be identified
24 in a report filed with the board as provided in s. 11.06 (1) (a). The number of required
25 qualifying contributions for a candidate for each office is:

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1 1. Governor, 2,500.

2 2. State senator, 150.

3 3. Representative to the assembly, 50.

4 (b) In addition to the requirements imposed under par. (a), a candidate does not
5 qualify to receive a grant for a general or special election unless the candidate
6 receives at least 5% of the total vote cast for all candidates on all ballots for the same
7 office at the September primary, or at a special primary if a special primary is held.

8 **(3)** Prior to notification that a candidate has qualified to receive a grant from
9 the clean elections fund under sub. (7), a candidate may accept seed money
10 contributions from individuals. The total seed money contributions accepted by a
11 candidate from one contributor, including any seed money contributions made by a
12 candidate to his or her own campaign, may not exceed \$100. The total seed money
13 contributions accepted by a candidate during the candidate's campaign, as defined
14 in s. 11.26 (17), may not exceed, in the aggregate, the following amount for the office
15 sought by candidate:

16 (a) Governor, \$50,000.

17 (b) State senator, \$1,500.

18 (c) Representative to the assembly, \$500.

19 **(4)** A contributor who makes a qualifying contribution may also make a seed
20 money contribution in the full amount authorized under sub. (3).

21 **(5)** A candidate shall remit to the state treasurer all seed money contributions
22 received by the candidate that are unencumbered on the day the candidate receives
23 notification of qualification for a grant under sub. (7). The state treasurer shall
24 deposit all seed money contributions received under this subsection in the clean
25 elections fund.

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1 **(6)** No candidate who accepts a grant from the clean elections fund may accept
2 any seed money contribution under sub. (3) after receiving notification of
3 qualification for a grant under sub. (7).

4 **(7)** In order to qualify to receive a grant from the clean elections fund, a
5 candidate shall file an application with the board, no later than a time specified by
6 the board by rule, in which the candidate shall affirm that he or she has not accepted
7 and agrees not to accept a contribution from any source other than a contribution
8 required under sub. (2), a contribution authorized under sub. (3), and the candidate's
9 grant from the clean elections fund during the campaign of the candidate, as defined
10 in s. 11.31 (7). If the candidate desires to receive grant payments by electronic
11 transfer, the candidate shall include in his or her application sufficient information
12 and authorization for the state treasurer to transfer payments to his or her campaign
13 depository account. The board shall notify each candidate who qualifies to receive
14 a grant from the clean elections fund as promptly as possible following qualification.

15 **(8) (a)** The board shall distribute primary election grants from the clean
16 elections fund to each candidate who qualifies to receive a grant under this section
17 as soon as possible preceding the date that the primary election is held for the office
18 which the candidate seeks or the date on which the primary election would be held
19 if a primary election were required to be held.

20 **(b)** The board shall distribute grants for the general or for a special election
21 from the clean elections fund to each candidate who qualifies to receive a grant under
22 this section as soon as possible after the date of the primary election for the office
23 sought by the candidate, or the date on which the primary election would be held if
24 a primary election were required to be held, except that, in the case of a candidate
25 of a recognized political party for a partisan office, the board shall distribute a grant

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1 to a candidate for an office for which a primary election was held only if the candidate
2 was nominated at that election.

3 **(9)** A candidate who receives a grant from the clean elections fund shall file
4 with the board reports of all disbursements made in the manner provided under s.
5 11.06 (1) (g), without regard to the amounts thereof.

6 **(10)** (a) Except as provided in par. (b) and subs. (11) to (13), a candidate who
7 qualifies to receive a grant from the clean elections fund under this section shall
8 receive a grant in the following amount for the office sought by the candidate and for
9 the election specified, less the aggregate amount of contributions accepted by the
10 candidate under sub. (3):

	Primary	General or
Office	Election	Special Election
13 1. Governor	\$500,000	\$1,000,000
14 2. State senator	36,000	72,000
15 3. Representative to the assembly	18,000	36,000

16 (b) If a candidate does not have an opponent who has qualified to have his or
17 her name appear on the ballot at the election for which a grant is to be applied, the
18 candidate shall receive a grant for a primary election equal to the average total
19 disbursements made per candidate in primary election campaign periods, as
20 determined by the board from reports filed by or on behalf of those candidates in
21 accordance with s. 11.31 (5), for the office that the candidate seeks during the 4-year
22 period preceding the date of the primary election, or a grant for a general or special
23 election equal to the average total disbursements made per candidate in general and
24 special election campaign periods, as determined by the board from reports filed by
25 or on behalf of those candidates in accordance with s. 11.31 (5), for the office that the

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1 candidate seeks during the 4-year period preceding the date of the general or special
2 election, except that a candidate for the office of governor shall receive a grant of
3 \$100,000 for a primary election and a grant of \$200,000 for a general or special
4 election.

5 (11) (a) In this subsection, "consumer price index" means the average of the
6 consumer price index over each 12-month period, all items, U.S. city average, as
7 determined by the bureau of labor statistics of the U.S. department of labor.

8 (b) The dollar amounts of the grants specified in sub. (10) (a) and the grants
9 specified for the office of governor in sub. (10) (b) shall be subject to a cost-of-living
10 adjustment to be determined by rule of the board in accordance with this paragraph.
11 To determine the adjustment, the board shall calculate the percentage difference
12 between the consumer price index for the 12-month period ending on December 31
13 of each odd-numbered year and the consumer price index for calendar year 2003.
14 For each biennium, the board shall adjust the grant amounts specified in sub. (10)
15 by that percentage to the extent required to reflect any difference, rounded to the
16 nearest multiple of \$25 in the case of amounts of \$1 or more, which amounts shall
17 be in effect until a subsequent rule is promulgated under this subsection.
18 Notwithstanding s. 227.24 (1) (a), (2) (b), and (3), determinations under this
19 paragraph may be promulgated as an emergency rule under s. 227.24 without
20 providing evidence that the emergency rule is necessary for the public peace, health,
21 safety, or welfare, and without a finding of emergency.

22 (12) If any independent expenditure is made or any obligation to make an
23 independent expenditure is incurred by any person in opposition to a candidate who
24 receives a grant from the clean elections fund or in support of an opponent of such
25 a candidate whose name is certified to appear on the same ballot, then the candidate

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1 who receives a grant shall receive an additional grant in the total amount of the
2 obligations incurred and the independent expenditures made that were not
3 previously reported as obligations, as reported to the appropriate filing officer under
4 s. 11.12 (6) (b), but not to exceed, in combination with any additional grant payable
5 to that candidate under sub. (13), 2.5 times the amount payable to the candidate
6 under sub. (10), as adjusted under sub. (11).

7 **(13)** If a candidate who receives a grant from the clean elections fund is opposed
8 on a primary or election ballot by another candidate who does not receive a grant or
9 by another candidate who the board determines has violated his or her agreement
10 under sub. (7), the candidate who receives a grant shall receive an additional grant
11 in the amount by which the disbursements made by the other candidate exceed the
12 amount of the grant payable for the office sought by the candidate in that election
13 under sub. (10), as adjusted under sub. (11), but not to exceed, in combination with
14 any additional grant payable to that candidate under sub. (12), 2.5 times the amount
15 payable to the candidate under sub. (10), as adjusted under sub. (11). If a candidate
16 who receives a grant from the clean elections fund is opposed on a primary or election
17 ballot by more than one candidate who does not receive a grant or who the board
18 determines has violated his or her agreement under sub. (7), the amount of the grant
19 payable under this subsection is the largest amount that would be payable by reason
20 of any candidate's opposition.

21 **(14)** If a candidate who makes an agreement under sub. (7) does not adhere to
22 the agreement, the candidate shall forfeit an amount equivalent to any grant from
23 the clean elections fund that is provided to the candidate and the candidate may be
24 fined not more than 3 times the amount of any contributions received by the

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1 candidate in his or her campaign, as defined in s. 11.26 (17), exclusive of the amount
2 of any grant or any contributions deposited under sub. (2) or received under sub. (3).

3 **(15)** No later than December 1 of each even-numbered year, a candidate who
4 received a grant from the clean elections fund in that year or the preceding year shall
5 return to the state treasurer the amount of any grant remaining in the candidate's
6 campaign depository account.

7 **(16)** The board may promulgate rules required to implement this section.

8 **SECTION 43.** 14.58 (20) of the statutes is amended to read:

9 14.58 **(20)** ELECTION CAMPAIGN FUND. Make disbursements to each candidate
10 certified under s. 7.08 (2) (c) or (cm) by the elections board as eligible to receive
11 ~~moneys a grant from the Wisconsin election campaign~~ clean elections fund.

12 **SECTION 44.** 20.510 (1) (q) of the statutes is repealed and recreated to read:

13 20.510 **(1)** (q) *Clean elections fund grants.* From the clean elections fund, a sum
14 sufficient to make the grants to candidates required under s. 11.51.

15 **SECTION 45.** 20.855 (4) (b) of the statutes is repealed.

16 **SECTION 46.** 20.855 (4) (ba) of the statutes is created to read:

17 20.855 **(4)** (ba) *Clean elections fund supplement.* A sum sufficient equal to the
18 amounts required to make the grants to candidates required under s. 11.51, to be
19 transferred to the clean elections fund.

20 **SECTION 47.** 25.17 (1) (aw) of the statutes is created to read:

21 25.17 **(1)** (aw) Clean elections fund (s. 25.42);

22 **SECTION 48.** 25.17 (1) (ys) of the statutes is repealed.

23 **SECTION 49.** 25.42 of the statutes is repealed and recreated to read:

24 **25.42 Clean elections fund.** All moneys deposited with the state treasurer
25 under s. 11.51 (2) and (5) or returned to the state treasurer under s. 11.51 (15) and

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1 all moneys transferred to the clean elections fund under s. 20.855 (4) (ba) constitute
2 the clean elections fund.

3 **SECTION 50.** 71.10 (3) of the statutes is repealed.

4 **SECTION 51. Initial applicability.**

5 (1) The treatment of sections 11.31 (9) and 11.51 (11) of the statutes first applies
6 to adjustments for the biennium beginning on January 1, 2004.

7 (END)