

1999 DRAFTING REQUEST**Bill**Received: **02/16/99**Received By: **kuesejt**Wanted: **As time permits**

Identical to LRB:

For: **Peter Bock (608) 264-8522**By/Representing: **Roger Bybee-WCA**This file may be shown to any legislator: **NO**Drafter: **kuesejt**

May Contact:

Alt. Drafters:

Subject: **Elections - campaign finance**Extra Copies: **RJM - 1
JTK - 1****Pre Topic:**

No specific pre topic given

Topic:

Campaign finance changes - elections for justice

Instructions:

(See attached)

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
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/2	kuesejt 04/6/99	gilfokm 04/6/99	jfrantze 04/7/99	_____	lrb_docadmin 04/7/99		State
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1/3 kuesejt 4/27
 FE Sent For: 1/3 wlj 4/27
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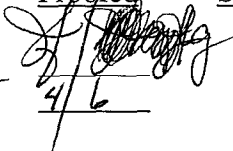
Topic:

Campaign finance changes

Instructions:

(See attached)

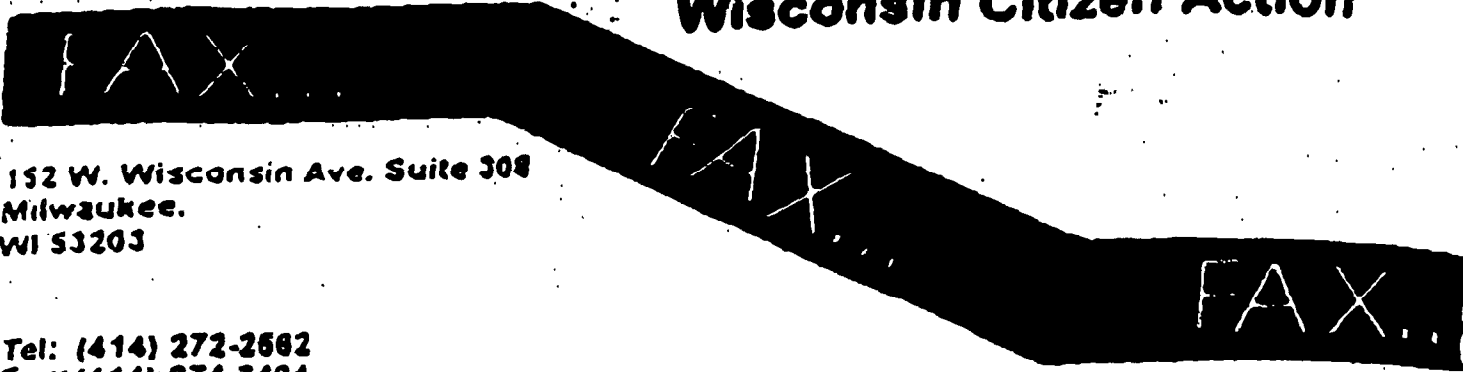
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				4/6			

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Wisconsin Citizen Action



152 W. Wisconsin Ave. Suite 308
Milwaukee.
WI 53203

Tel: (414) 272-2582
Fax: (414) 274-3494

To: Jeff Kiesel

Fax: 608/264-8522

From: Roger Bybee

Date:

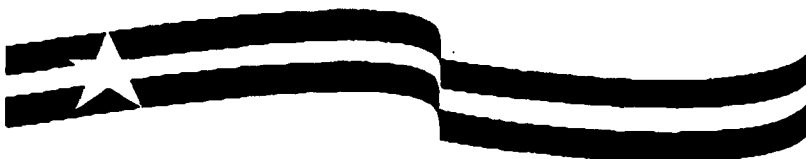
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Message

Total Number of Pages Including Cover: _____

If you do not receive this transmission in its entirety, please call us at the number above.

WISCONSIN CITIZEN ACTION



Wisconsin's Public-Interest Watchdog

TO: Jeff Kuesel
FROM: Roger Bybee
RE: Revisions of LRB-0269/2
Feb. 15, 1999

Jeff, you wrote this bill draft at the request of Tammy Baldwin. Now the chief sponsorship of the bill has been assumed by Peter Bock. I spoke with Peter about some revisions in the bill we'd like to see, and he suggested that I contact you directly. (If there are any problems with this arrangement, just call Peter.)

These are some changes which need to be made before the bill is introduced:

- ✓ 1. Offices covered by the bill would be changed to Supreme Court justices and Attorney General (Circuit and Appeals Courts would no longer be included)
- ✓ 2. Qualified Supreme Court candidates would be eligible for \$100,000 in primary elections and \$300,000 in general elections.
- ✓ 3. Qualified Attorney General candidates would be eligible for \$300,000 in primary elections and \$600,000 in general elections.
- ✓ 4. Administration would be centralized in the State Elections Board and would not involve the Secretary of State.
- ✓ 5. Funding would be derived from general purpose revenues, not the surtax as originally written.
- 6. We're grappling with a very tight time-frame in terms of candidates becoming ballot-certified, then becoming qualified for Impartial Justice funding, and taking part in the February primary.

In light of this, should we consider modifying the plan to allow candidates to use seed money and \$5 Qualifying Contributions raised before the ballot-certification, and then subtract this from the public grant?

cc. Rep. Peter Bock

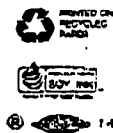
Timeframe on re-draft: Of course, the sooner the better. We need to begin circulating this for legislative endorsers ASAP.

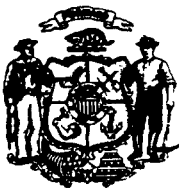
MILWAUKEE
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RACINE / KENOSHA
 ★ 1840 Sycamore Ave., #1
 ★ Racine, WI 53406
 ★ (414) 632-5567





Wanted soon

1997 BILL

WPO: Please proof
all amended stats.
w/ stats.

WPO: Inserts are
out of order.

Reger

1 AN ACT to repeal 11.31 (1) (dm) and (fm) and 11.50 (3) (a) 2.; to amend 8.35 (4)

2 (b), 11.12 (2), 11.16 (2) and (3), 11.26 (1) (a), 11.26 (1) (cc), 11.26 (1) (cg), 11.26

3 (1) (cn), 11.26 (1) (cw), 11.26 (2) (a), 11.26 (2) (cc), 11.26 (2) (cg), 11.26 (2) (cn),

4 11.26 (2) (cw), 11.26 (13), 11.31 (1) (d), 11.31 (1) (g) 2., 11.33 (1) (a) (intro.), 11.50

5 (1) (a) 1. and 11.50 (3) (b); and to create 11.26 (1) (am), 11.26 (2) (am), 11.33 (4),

6 11.501 to 11.522, 20.575 (1) (r), 20.585 (1) (q), 20.585 (1) (r), 25.17 (1) (cm),

7 25.421, 71.025, 71.235 and 71.435 of the statutes; relating to: campaign

8 financing affecting state judicial offices, imposing an income and franchise tax

9 surtax, making appropriations and providing penalties.

← the offices of attorney general and
Analysis by the Legislative Reference Bureau

This bill makes numerous changes in the campaign finance law affecting campaigns for state judicial offices (justice of the supreme court, court of appeals judge and circuit judge). The bill limits the application of 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 from state general purpose revenues derived from designations made by individuals filing state income tax returns, to partisan state offices. To finance state judicial elections,

other than the offices of attorney general and justice of the supreme court

For the offices of attorney general and justice of the supreme court

BILL

for the office of attorney general or justice of the supreme court

the bill creates a democracy trust fund, under which eligible candidates for state ~~judicial~~ offices may receive public grants derived from ~~an income tax and franchise tax surtax imposed at the rate of 0.5% of the tax~~ *general purpose revenues*

these

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~~ *five dollars* each made by electors of the jurisdiction or district in which the candidate seeks office. 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 and contributions from personal funds, subject to specified limitations. Public financing benefits for eligible candidates are, ~~\$7,500 for a candidate for the office of circuit judge, \$37,500 for a candidate for the office of court of appeals judge and \$500,000 for candidates for the office of justice of the supreme court.~~ These amounts are available for the primary campaign. If a candidate qualifies to appear on the spring election ballot, the same amounts are available for that campaign. The benefits 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 ~~50%~~ *five percent* 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 ~~2~~ *three* times 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~~ *three* 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.

\$300,000 in the primary election and \$600,000 in the general election for candidates for the office of attorney general and \$100,000 in the primary election and \$300,000 in the general election for

or general

Currently, a candidate for the office of justice of the supreme court 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). A candidate qualifies for a grant by qualifying to appear on the spring election ballot. ~~A candidate for the office of court of appeals judge or circuit judge may not qualify to receive a grant.~~ The maximum amount of a grant that a candidate may receive is \$97,031. 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 special interest 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. 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 an opponent who could have qualified for a grant but

attorney general or

for the office of justice of the supreme court

In order to qualify for a grant, a candidate must have an opponent whose name appears on the ballot. A candidate for the office of attorney general at the general election qualifies for a grant by qualifying to appear on the general election ballot, by receiving at least 10% of the vote cast for that office at the September primary election and by raising a specified amount of qualifying contributions from individuals in amounts of \$100 or less.

six percent

BILL

the office of a attorney general or justice of the supreme court

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 judicial 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 are \$10,000 in the case of an individual making a contribution to a candidate, ~~for justice of the supreme court, \$2,500 to \$3,000 in the case of an individual making a contribution to a candidate for court of appeals judge and \$1,000 to \$3,000 in the case of an individual making a contribution to a candidate for circuit judge,~~ and \$8,625 in the case of a committee making a contribution to a candidate for justice of the supreme court ~~\$2,500 to \$3,000 in the case of a committee making a contribution to a candidate for court of appeals judge and \$1,000 to \$3,000 in the case of a committee making a contribution to a candidate for circuit judge.~~ 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 judicial office, who is eligible to qualify for a public financing benefit but who declines to accept one, per campaign.

for either office, B 21,560 in the case of a committee making a contribution to a candidate for attorney general

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

attorney general or justice of the supreme court

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

1 **SECTION 1.** 8.35 (4) (b) [✓] of the statutes is amended to read:

2 8.35 (4) (b) Notwithstanding par. (a), any unspent and unencumbered moneys

3 received by a candidate from the Wisconsin election campaign fund shall be

4 immediately transferred to any candidate who is appointed to replace such

5 candidate, upon filing of a proper application therefor under s. 11.50 (2). If there is

6 no candidate appointed or if no proper application is filed within 7 days of the date

7 on which the vacancy occurs, such moneys shall revert to the state as provided in s.

8 11.50 (8). Notwithstanding par. (a), any unspent and unencumbered moneys

9 received by a candidate from the democracy trust fund shall be immediately

10 transferred to any candidate who is appointed to replace such candidate. If there is

11 no candidate appointed, ^{the} such moneys shall revert to the state.

11

12 **SECTION 2.** 11.12 (2) [✓] of the statutes is amended to read:

BILL

1 11.12 (2) ~~Any No registrant, except a candidate who receives a public financing~~
2 ~~benefit from the democracy trust fund, may accept an~~ anonymous contribution
3 ~~exceeding \$10 received by a campaign or committee treasurer or by an individual~~
4 ~~under s. 11.06 (7) may not be used or expended. The, No candidate who receives a~~
5 ~~public financing benefit from the democracy trust fund may accept an anonymous~~
6 ~~contribution exceeding \$5. Any anonymous contribution that may not be accepted~~
7 ~~under this subsection~~ shall be donated to the common school fund or to any charitable
8 organization at the option of the registrant's treasurer.

9 SECTION 3. 11.16 (2)[✓] and (3)[✓] of the statutes are amended to read:

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

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

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1 shall bear the identification number assigned under s. 11.21 (12) on the face of the
2 instrument.

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

4 11.26 (1) (a) Candidates for governor, lieutenant governor, secretary of state,
5 state treasurer, ~~attorney general, or~~ state superintendent or justice, \$10,000.

6 **SECTION 5.** 11.26 (1) (am) of the statutes is created to read:

7 11.26 (1) (am) Candidates for ^{attorney general or} justice, \$1,000.

8 **SECTION 6.** 11.26 (1) (cc) of the statutes is amended to read:

9 11.26 (1) (cc) Candidates for court of appeals judge in districts which contain
10 a county having a population of more than 500,000, ~~\$3,000~~ \$1,000.

11 **SECTION 7.** 11.26 (1) (cg) of the statutes is amended to read:

12 11.26 (1) (cg) Candidates for court of appeals judge in other districts, ~~\$2,500~~
13 \$1,000.

14 **SECTION 8.** 11.26 (1) (cn) of the statutes is amended to read:

15 11.26 (1) (cn) Candidates for ~~circuit judge in circuits having a population of~~
16 ~~more than 300,000, or candidates for district attorney in prosecutorial units having~~
17 a population of more than 300,000, \$3,000.

18 **SECTION 9.** 11.26 (1) (cw) of the statutes is amended to read:

19 11.26 (1) (cw) Candidates for circuit judge in ~~other circuits~~ or candidates for
20 district attorney in ~~other prosecutorial units~~, \$1,000.

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

22 11.26 (2) (a) Candidates for governor, lieutenant governor, secretary of state,
23 state treasurer, ~~attorney general, or~~ state superintendent or justice, 4% of the value
24 of the disbursement level specified in the schedule under s. 11.31 (1).

25 **SECTION 11.** 11.26 (2) (am) of the statutes is created to read:

BILL

attorney general or
~~attorney general or~~

1

11.26 (2) (am) Candidates for justice, \$1,000.

2

~~SECTION 12. 11.26 (2) (cc) of the statutes is amended to read:~~

3

~~11.26 (2) (cc) Candidates for court of appeals judge in districts which contain a county having a population of more than 500,000, \$3,000 \$1,000.~~

4

5

~~SECTION 13. 11.26 (2) (cg) of the statutes is amended to read:~~

6

~~11.26 (2) (cg) Candidates for court of appeals judge in other districts, \$2,500 \$1,000.~~

7

8

~~SECTION 14. 11.26 (2) (cn) of the statutes is amended to read:~~

9

~~11.26 (2) (cn) Candidates for circuit judge in circuits having a population of more than 300,000, or candidates for district attorney in prosecutorial units having a population of more than 300,000, \$3,000.~~

10

11

12

~~SECTION 15. 11.26 (2) (cw) of the statutes is amended to read:~~

13

~~11.26 (2) (cw) Candidates for circuit judge in other circuits or candidates for district attorney in other prosecutorial units, \$1,000.~~

14

SECTION 16. 11.26 (13) of the statutes is amended to read:

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

SECTION 17. 11.31 (1) (d) of the statutes is amended to read:

11.31 (1) (d) Candidates for secretary of state, state treasurer, justice or state superintendent, \$215,625.

~~SECTION 18. 11.31 (1) (dm) and (fm) of the statutes are repealed~~

~~SECTION 19. 11.31 (1) (g) 2. of the statutes is amended to read:~~

~~11.31 (1) (g) 2. Candidates for any countywide elective office not specified in sub. (dm) or (fm) or subd. 1., \$107,825.~~

*FW S
6-14*

BILL

1 **SECTION 20.** 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 21.** 11.33 (4)[✓] of the statutes is created to read:

7 11.33 (4) This section does not apply to a candidate for the office of justice, ^{attorney general or}
8 ~~of appeals judge or circuit judge~~ _{court}

9 **SECTION 22.** 11.50 (1) (a) 1.[✓] of the statutes is amended to read:

10 11.50 (1) (a) 1. With respect to a spring or general election, any individual who
11 is certified under s. 7.08 (2) (a) as a candidate in the spring election for justice or state
12 superintendent, or an individual who receives at least 6% of the vote cast for all
13 candidates on all ballots for any state office, except ^{attorney general or} district attorney, for which the
14 individual is a candidate at the September primary and who is certified under s. 7.08
15 (2) (a) as a candidate for that office in the general election, or an individual who has
16 been lawfully appointed and certified to replace either such individual on the ballot
17 at the spring or general election; and who has qualified for a grant under sub. (2).

18 ~~**SECTION 23.** 11.50 (3) (a) 2. of the statutes is repealed~~

19 **SECTION 24.** 11.50 (3) (b)[✓] of the statutes is amended to read:

20 11.50 (3) (b) If a vacancy occurs in the office of state superintendent or justice
21 after August 15 in any year and an election is scheduled to fill the vacancy at the
22 spring election in the following year, the state treasurer shall transfer an amount not
23 exceeding 8% of the moneys transferred to the fund on the preceding August 15 to
24 the superintendency account for the office in which the vacancy occurs, such moneys

JWS
7-17
✓

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1 to be drawn from any account within the accounts created under sub. (4) in the
2 amount or amounts specified by the board.

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3 SECTION 25. 11.501 to 11.522 of the statutes are created to read:

4 11.501 Definitions. In ss. 11.501 to 11.522:

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

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

8 (3) "Election campaign period" means the period beginning on the day after the
9 spring primary election or the day on which a primary election would be held, if

10 required, and ending on the day of the succeeding spring election.

(b) In the case of a candidate for attorney general, the period beginning on the day after the

11 (4) "Eligible candidate" means a candidate for the office of justice, court of
12 ~~appeals judge or circuit judge~~ ^{attorney general or} who qualifies for public financing by collecting the
13 required number of qualifying contributions, making all required reports and
14 disclosures, and being certified by the board as being in compliance with ss. 11.502
15 to 11.522.

the primary election and ending on the day of the succeeding general election.

16 (5) "Excess disbursement amount" means the amount of disbursements made
17 by a noncomplying candidate in excess of the public financing benefit available to an
18 eligible candidate for the same office ^{that} which the noncomplying candidate seeks.

19 (6) "Excess qualifying contribution amount" means the amount of qualifying
20 contributions accepted by a candidate beyond the number or dollar amount of
21 contributions required to qualify a candidate for a public financing benefit.

22 (7) "Exploratory period" means the period that begins after the date of a spring
23 election and ends on the first day of the public financing qualifying period for the next
24 election for ^{justice} the same office.

(b) In the case of a candidate for attorney general, the period that begins after the date of a general election and ends on the first day of the public financing qualifying period for the next election for attorney general.

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(8) "Fair election debit card" means a debit card issued by the ^{board}~~secretary of state~~ in accordance with s. 11.515 (2) entitling a candidate and agents of the candidate designated by the candidate to draw money from an account maintained by the board to make disbursements authorized by law.

5

(9) "Immediate family", when used with reference to a candidate, includes the candidate's spouse and children.

7

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

12

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

18

(12) "Noncomplying candidate" means a candidate for the office of ~~justice, court of appeals judge or circuit judge~~ ^{or attorney general or} who does not apply for a public financing benefit or who otherwise is ineligible or fails to qualify for a public financing benefit under ss. 11.502[√] to 11.522[√].

22

(13) "Personal funds" means funds contributed by a candidate or a member of a candidate's immediate family.

24

(14) "Primary election campaign period" means ^{(a) In the case of a candidate for justice,} the period beginning 30 days after the last day prescribed by law for filing nomination papers for ^{that} an office and

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SECTION 25

1 ending on the day of the spring primary election for that office or the day on which
2 the primary election would be held, if required.

3 (15) "Public financing qualifying period" means the period beginning on the
4 first day of July of any year and ending on the day before the beginning of the primary
5 election campaign period.

6 (16) "Qualifying contribution" means a contribution of \$5 made to a candidate
7 made by an elector of the jurisdiction or district in which the candidate seeks office

8 during the public financing qualifying period, which is acknowledged by written
9 receipt identifying the contributor.

10 (17) "Seed money contribution" means a contribution in an amount
11 than \$100 made to a candidate by an elector of the jurisdiction or district in which
12 the candidate seeks office during the exploratory period or the public financing
13 qualifying period, or a contribution made to a candidate consisting of personal funds
14 of that candidate in an amount not more than the amount authorized under s. 11.507
15 during the exploratory period or the public financing qualifying period.

16 **11.502 Qualification; certification.** (1) Before a candidate for an office in
17 the spring primary election may be certified as an eligible candidate to receive a
18 public financing benefit for the primary election campaign period, the candidate
19 shall apply to the secretary of state for a public financing benefit and file a sworn
20 statement that the candidate has complied and will comply with all requirements of
21 ss. 11.502 to 11.522 throughout the applicable campaign, which includes the primary
22 and election for that office. A candidate shall file the application and statement no
23 later than the beginning of the primary election campaign period for the office which that
24 the candidate seeks.

beginning of the primary election campaign period for that office

(b) In the case of a candidate for attorney general, the period beginning 30 days after the last day presented by law for filing nomination papers for that office and ending on the day of the September primary election

(a) In the case of a candidate for justice, the period for that office

(b) In the case of a candidate for attorney general, the period for that office

justice or attorney general

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(2) A candidate shall be certified by the ~~secretary of state~~^{board} as an eligible candidate for receipt of public financing for a ~~spring~~^{primary} election if the candidate complies with sub. (1) and receives ~~qualifying contributions~~^{at least 1,000} before the close of the public financing qualifying period ~~equal to at least~~^{1,000}.

(a) ~~Two hundred in the case of a candidate for the office of circuit judge.~~
(b) ~~Five hundred in the case of a candidate for the office of court of appeals judge.~~
(c) ~~One thousand in the case of a candidate for the office of justice.~~

(3) The ~~secretary of state~~^{board} shall verify a candidate's compliance with the requirements of sub. (2) by such verification and sampling techniques as the ~~secretary of state~~^{board} considers appropriate.

(4) Each candidate shall:

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

(b) No later than the 15th or the last day of the month which immediately follows the date of receipt of a qualifying contribution, whichever comes first, file a copy of the receipt under par. (a) with the ~~secretary of state~~^{board}, except that during July, August and September a copy need only be filed on the last day of the month.

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

11.503 Time of application. (1) Before a candidate may be certified as eligible for ~~public financing~~^{receipt of} for a ~~spring~~^{or general} election, the candidate shall apply to the ~~secretary of state~~^{board} no later than the 7th day after the date of the primary election or the day on which the primary election would be held if required, ~~for public financing~~^{for the spring election}, and file a sworn statement that the candidate has fulfilled all

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1 the requirements of ss. 11.502 to 11.522[✓] during the primary election campaign period[✓]
 2 and will comply with such requirements during the election campaign period. ✓
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3 (2) The ~~secretary of state~~^{board} shall certify a candidate as an eligible candidate for
 4 receipt of public financing for a spring^{or general} election if the candidate complies with sub.
 5 (1)[✓] and the candidate was an eligible candidate during the primary election
 6 campaign period.

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

15 **11.506[✓] Requirements imposed upon candidates.** (1) An eligible
 16 candidate may not accept private contributions other than seed money contributions
 17 and qualifying contributions ^{that} which the candidate accepts during the exploratory
 18 period and the public financing qualifying period.

19 (2) In addition to reports required to be filed under ss. 11.12 (5)[✓] and 11.20,[✓] a
 20 candidate who receives a public financing benefit shall furnish complete financial
 21 records, including records of seed money contributions, qualifying contributions and
 22 disbursements, to the ~~secretary of state~~^{board} on the 15th or the last day of the month ^{which} that
 23 immediately follows the receipt of the contribution or the making of the
 24 disbursement, whichever comes first, except that during July, August and

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1 September records need only be furnished on the last day of the month. Each such
2 candidate shall cooperate with any audit or examination by the secretary of state.

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

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

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

17 (6) No eligible candidate may accept more than \$25 in cash from any
18 contributor and no such candidate may accept cash from all sources in a total amount
19 greater than one-tenth of 1% of the public financing benefit for the office ^{that} which the
20 candidate seeks or \$500, whichever is greater.

21 **11.507 Personal funds of candidates.** (1) The personal funds of a candidate
22 contributed as seed money contributions may not exceed an aggregate amount of
23 ~~\$500 in an election for the office of circuit judge, \$1,000 in an election for the office~~
24 ~~of court of appeals judge and \$5,000 in an election for the office of justice.~~

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1 (2) No eligible candidate may make any disbursement derived from personal
2 funds after the close of the public financing qualifying period.

3 **11.508[✓] Seed money contributions.** (1) An eligible candidate may accept
4 seed money contributions from any individual or committee prior to the end of the
5 public financing qualifying period, provided the total contributions from one
6 contributor, except personal funds and qualifying contributions otherwise permitted
7 under ss. 11.502[✓] to 11.522[✓], do not exceed \$100, and the aggregate contributions,
8 including personal funds, but not including qualifying contributions, do not exceed
9 ~~\$1,000 in an election for the office of circuit judge, \$2,000 in an election for the office~~
10 ~~of court appeals judge and \$5,000 in an election for the office of justice.~~

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

14 **11.509[✓] Excess contributions.** If an eligible candidate receives excess seed
15 money contributions or qualifying contributions on an aggregate basis, the
16 candidate may retain the contributions and make disbursements derived from the
17 contributions, ^{in an amount not exceeding \$15,000} ~~up to the following limits: \$9,000 in an election for the office of circuit~~
18 ~~judge, \$6,000 in an election for the office of court of appeals judge and \$15,000 in an~~
19 ~~election for the office of justice.~~ An amount equivalent to the excess contributions
20 shall be deducted by the ~~secretary of state~~ ^{board} from the candidate's public financing
21 benefit. A candidate shall return to the ~~secretary of state~~ ^{board} all seed money and
22 qualifying contributions that exceed the limits prescribed in this section within 48
23 hours after the end of the exploratory period. A candidate shall also return to the
24 ~~secretary of state~~ ^{board} any seed money and qualifying contributions that have not been
25 encumbered or expended by the beginning of the primary election campaign period.

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1 The ~~secretary of state~~^{board} shall deposit all contributions returned under this section in
2 the democracy trust fund.

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

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

17 (3) The ~~secretary of state~~^{board} shall distribute to each eligible candidate^{for justice} at a spring
18 election a line of credit for public financing not later than 48 hours after the date of
19 the primary election, ~~except that~~^{the primary election would be held if a primary were required} no candidate for a particular office shall receive a
20 line of credit until all candidates for the same office who apply and qualify for a public ~~shall~~^{board}
21 financing benefit have been certified as eligible candidates. ^{the board shall distribute to each eligible candidate for attorney general at a general election}

22 (4) If any candidate who receives a public financing benefit violates the ~~general~~^{board} election
23 requirements of ss. 11.502 to 11.522[✓], the ~~secretary of state~~^{board} shall require the candidate
24 to repay all public funds received by the candidate to the ~~secretary of state~~^{board}. The ~~for~~^{board}

public financing not later than 48 hours after the date of the ~~September~~^{September} primary election. However,

for the office of justice, on the date that the primary election would be held if a primary were required

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board
secretary of state shall deposit all repayments received under this subsection in the
democracy trust fund.

3

11.511 Public financing benefits. (1) The *board* secretary of state shall provide

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to each eligible candidate who qualifies to receive a public financing benefit for the

5

primary or election campaign period separate lines of credit for the primary and

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election campaign periods in the amounts specified in this section, subject to any

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required adjustment under s. 11.509, 11.512 (2), 11.513 (2) or 11.519 (2). An eligible

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candidate may use this credit to finance any lawful disbursements during the

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primary and election campaign periods, to further the election of the candidate in

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that primary or election. *An eligible* candidate may not use this credit to repay any loan, or

11

in violation of ss. 11.502 to 11.522 or any other applicable law.

12

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

13

(a) For a candidate for ~~circuit judge, \$7,500~~ *attorney general, \$300,000*

14

~~(b) For a candidate for court of appeals judge, \$37,500.~~

15

~~(c) For a candidate for justice, \$500,000~~ *\$100,000*

16

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

17

(a) For a candidate for ~~circuit judge, \$7,500~~ *attorney general, \$600,000*

18

(b) For a candidate for court of appeals judge, \$37,500.

19

(c) For a candidate for justice; ~~\$500,000~~ *\$300,000*

20

(4) An eligible candidate in a spring *of general* election in which there are no other candidates whose names appear on the ballot shall receive a line of credit valued at 25% of the public financing benefit for the election campaign period.

23

(5) An eligible candidate for an office for which there are no other candidates,

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other than write-in candidates, who have received contributions of more than \$1,000

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1 in the aggregate, ^{as of the day preceding the beginning of the campaign period for the primary} shall receive a line of credit valued at 25% of the public financing benefit for the primary election campaign period. ^{election in which the eligible candidate}

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

11.512 Financial activity by noncomplying candidates. (1) In addition

9 to other reports required by law, a noncomplying candidate for an office at ^{the spring a} primary or election who receives contributions or makes or obligates to make ^{greater than} disbursements in an amount more than 5% ^{in excess of} the public financing benefit applicable to an eligible candidate for the same office at the same primary or election shall file a report with the board ^{itemizing} detailing the total contributions received and disbursements made or obligated to be made by the candidate as of the date of the report. The board shall transmit copies of the report to all candidates for the same office at the same election. A noncomplying candidate shall file additional reports after the candidate receives each additional \$1,000 of contributions, or the candidate makes or obligates to make each additional \$1,000 of disbursements. If such contributions are received, or such disbursements are made or obligated to be made, more than 6 weeks prior to the date of the ^{spring} primary election at which the name of the candidate ^{or, in the case of a candidate for justice prior to the date} appears on the ballot, such reports shall be made at the next regular reporting interval under s. 11.506. If such contributions are received, or such ^{that} disbursements made or obligated to be made, ^{the} within 6 weeks prior to the date of the ^{primary} election ^{would} at which the name of the candidate appears on the ballot, ^{be} held, ^{if} a primary were required,

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1 *or in the case of a candidate for justice within 6 weeks prior to the date*
such reports shall be made within 24 hours after each instance in which such *that*

2 contributions are received, or such disbursements are made or obligated to be made. *the primary election would be held, if a primary were required,*

3 (2) Upon receipt of such information, the board shall immediately credit an
4 opposing eligible candidate's account with an additional amount equivalent to the
5 total excess disbursements made or obligated to be made, but not to exceed 3 times
6 the public financing benefit for the applicable office.

7 **11.513¹ Independent disbursements.** (1) If any person makes, or becomes
8 obligated to make, by oral or written agreement, an independent disbursement in

9 excess of \$1,000 with respect to a candidate for the office of justice, ~~court of appeals~~
10 ~~judge or circuit judge~~ *or with respect to a candidate for attorney general at a September* *primary*
at a spring primary or election, ~~such~~ *that* person shall file with the *or general election, that*

11 board a notice of such disbursement or obligation to make such a disbursement. Any
12 such person shall file reports of such disbursements or obligations to make such
13 disbursements on the 15th or last day of the month ~~which~~ *that* immediately follows the

14 date of the disbursement or the obligation to make the disbursement, whichever
15 comes first, except that, within 6 weeks prior to the date of the spring *or September* primary

16 election, the person shall file such reports within 24 hours after each independent
17 disbursement is made or obligated to be made. Any such person shall file additional
18 reports after each additional \$1,000 of disbursements are made or obligated to be
19 made.

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

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1 **11.515[√] Democracy trust fund.** (1) The democracy trust fund shall be
2 administered by the state treasurer. The state treasurer shall contract with a debit
3 card issuer to permit eligible candidates and their agents to draw upon the fund
4 through an account with the issuer.

5 (2) Upon a determination of a candidate's eligibility for a public financing
6 benefit as provided for in s. 11.51 (1)[√], the state treasurer shall issue to the eligible
7 candidate a debit card, which shall be known as the fair election debit card, entitling
8 the candidate and agents of the candidate designated by the candidate to draw
9 money from an account to make disbursements on behalf of the candidate.

10 (3) No eligible candidate or agent of an eligible candidate may make any
11 disbursement by any other means other than through the use of the fair election
12 debit card. No such candidate or agent may utilize a fair election debit card to obtain
13 cash, except that cash amounts of \$100 or less may be drawn on the fair election debit
14 card and used to make disbursements of no more than \$25. A candidate shall
15 maintain records of all such disbursements and shall report such disbursements to
16 the board in accordance with s. 11.506.[√]

17 **11.516[√] Administration.** Except as otherwise specifically provided in ss.
18 11.501[√] to 11.522[√], the duties of and authority for administering and enforcing ss.
19 11.501[√] to 11.522[√] are vested in the board.

20 **11.517[√] Penalties; enforcement.** (1) If an eligible candidate makes
21 disbursements ^{that} which exceed the public financing benefit allocated to the candidate
22 for any campaign, the candidate may be required to forfeit not more than 10 times
23 the amount by which the disbursements exceeded the allocation.

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

4 (3) If the board finds that there is probable cause to believe that a candidate
5 has made excess disbursements or has accepted excess contributions contrary to sub.
6 (1)[✓] or (2)[✓], the board shall attempt for a period of not more than 14 days after its
7 finding to correct the matter by informal methods of conference and conciliation and
8 to enter into a settlement and conciliation agreement under s. 5.05 (1) (c)[✓] with the
9 person involved. A settlement and conciliation agreement made pursuant to this
10 subsection shall be a matter of public record. Unless violated, a settlement and
11 conciliation agreement is a bar to any civil action under sub. (4)[✓].

12 (4) If the board has probable cause to believe that a candidate has made excess
13 disbursements or has accepted excess contributions and the board is unable to
14 correct the matter by informal methods within the time prescribed in sub. (3), the
15 board shall make a public finding of probable cause in the matter. After making a
16 public finding, the board shall bring an action in the circuit court for Dane County
17 ~~or, in the case of a candidate for court of appeals judge or circuit judge, in the circuit~~
18 ~~court for any county any portion of which is contained within the district or circuit~~
19 ~~in which the candidate seeks office, to impose a forfeiture under sub. (1)[✓] or (2)[✓].~~

20 (5) If an elector believes that a candidate has violated ss. 11.502[✓] to 11.522[✓] and
21 the elector is entitled to vote for or against the candidate in the election in connection
22 with which the violation is alleged to occur, the elector may file a complaint with the
23 board requesting it to take remedial action. If the board refuses to take remedial
24 action or, within 30 days after the filing of such a complaint, fails to take remedial

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1 action, the elector may commence a civil action in the appropriate circuit court under
2 sub. (4) requesting the court to impose a forfeiture under sub. (1) or (2).

3 (6) The board and courts shall expedite all proceedings under ss. 11.502 to
4 11.522 so that all complaints brought prior to an election are resolved, to the extent
5 possible, before the election is held.

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

10 **11.518 Prohibited acts.** (1) If a candidate or agent of a candidate knowingly
11 accepts more contributions than the candidate is entitled to receive, or makes
12 disbursements exceeding the amount of the public financing benefit received by the
13 candidate, the candidate or agent may be fined not more than \$25,000 or imprisoned
14 for not more than 5 years or both.

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

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

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11.519 Mass mailings. (1) ^(a) No person may conduct any mass mailing using state funds on behalf of any person who is a candidate for the office of justice, ~~court of appeals judge or circuit judge~~ ^{at} in the spring election during the period between December 1 preceding that election and May 31 following that election.

(2) If any person uses state funds to conduct a mass mailing on behalf of any person who is a candidate for the office of justice, ~~court of appeals judge or circuit judge~~ at the spring election during the period between September 1 and November 30 preceding that election, ^{or if any person uses state funds to conduct a mass mailing on behalf of any person who is a candidate for the office of a attorney general at the general election during the period between September 1 and November 30 preceding that election,} the board shall immediately credit the accounts of all other eligible candidates for the same office sought by the person on behalf of whom the mailing is conducted with an additional line of credit equal to the cost of printing and mailing of that mass mailing, ^{(a) The additional line of credit,} which may be used solely to fund a mailing promoting the candidacy of the candidate who receives the credit.

(3) ^(a) A candidate for the office of justice, ~~court of appeals judge or circuit judge~~ at the spring election who plans to use state funds for a mass mailing shall notify the board in writing of his or her intent to do so no later than September 1 preceding the spring election, and shall complete the mailing ^{no later than} the following November 30.

(4) All mass mailings funded by the state on behalf of any person who is a candidate for the office of justice, ~~court of appeals judge or circuit judge~~ at the spring election during the period between September 1 and November 30 preceding that election, ^{or on behalf of any person who is a candidate for attorney general at the general election during the period between April 1 and June 30 preceding that election,} and all mass mailings authorized under sub. (2) shall be issue oriented and nonpolitical, shall not mention any of a candidate's opponents by name and shall be reviewed and approved by the board for compliance with such requirements in advance of the mailing.

(5) ^(a) Except as permitted under sub. (2), no state funds may be used by any incumbent ^{individual holding the office of} justice, ~~court of appeals judge or circuit judge~~ to conduct a mass mailing

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who is a candidate for the office of a attorney general at the general election during the period between September 1 and November 30 preceding that election,

at the general election during the period between April 1 and June 30 preceding that election

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on behalf of a candidate for ~~any such~~ ^{that} office at the spring election after November 30 preceding that election.

11.522 Contributions to noncomplying candidates; attributions. (1) A

noncomplying candidate may accept contributions from private sources without limitation, except that no person may make any contribution or contributions to a noncomplying candidate exceeding a total of \$1,000 during any campaign.

(2) Any electronic or print communication paid for or authorized by a noncomplying candidate shall contain the following sentence: "This communication is paid for with money raised from private sources. This candidate has not agreed to abide by campaign contribution and spending limits."

SECTION 26. ^{20.510} ~~20.575~~ (1) (r) of the statutes is created to read:

^{20.510} ~~20.575~~ (1) (r) *Democracy trust fund administration.* From the democracy trust fund, a sum sufficient for the administration of ss. 11.501 to 11.522.

SECTION 27. 20.585 (1) (q) of the statutes is created to read:

20.585 (1) (q) *Democracy trust fund.* As a continuing appropriation, from the democracy trust fund, the moneys determined under ss. 11.501 to 11.522 to provide for payments to eligible candidates.

SECTION 28. 20.585 (1) (r) of the statutes is created to read:

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

SECTION 29. 25.17 (1) (cm) of the statutes is created to read:

25.17 (1) (cm) *Democracy trust fund* (s. 25.421);

SECTION 30. 25.421 of the statutes is created to read:

25.421 Democracy trust fund. All moneys ^{appropriated under s. 20.855} that accrue to the state under ss. ^{(4) (b)}

71.025, 71.235 and 71.435 and all moneys deposited in the state treasury under ss. ^{and all moneys}

PWS
23-2

11
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PWS
23-20

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25

BILL

1 11.509[√] and 11.51 (4)[√] constitute the democracy trust fund, to be expended for the
2 purposes of ss. 11.501[√] to 11.522[√].

3 **SECTION 31.** 71.025 of the statutes is created to read:

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

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

12 **SECTION 32.** 71.235 of the statutes is created to read:

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

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

21 **SECTION 33.** 71.435 of the statutes is created to read:

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

BILL

1 (2) There is imposed and there shall be collected and paid, in addition to and
2 in the same manner as the taxes imposed under s. 71.43, including those provisions
3 relating to refunds and overpayments, a surtax equal to 0.5% of the income tax or
4 franchise tax payable to this state. The surtax is part of the tax for determining any
5 underpayment or declaring estimated taxes.

6 **SECTION 34. Initial applicability.**

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

10

(END)

1156-14 : 1

Section #. 11.26 (9) (a) of the statutes is amended to read:

Except as provided in par. (ba), no

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

History: 1973 c. 334; 1975 c. 93-ss. 89 to 95, 119 (1); 1975 c. 200; 1977 c. 107, 187; 1977 c. 427 s. 132; 1979 c. 263, 328; 1979 c. 355 s. 32; 1983 a. 183, 186; 1985 a. 303 ss. 44 to 55m, 86; 1987 a. 27, 370; 1989 a. 31, 192; 1995 a. 27 s. 9145 (1); 1995 a. 219, 225.



ANS-14:2

Section #. 11.26 (9) (b) of the statutes is amended to read:

Except as provided in par. (ba), no

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

History: 1973-c: 334; 1975 c. 93 ss. 89 to 95; 119 (1); 1975 c. 200; 1977 c. 107, 187; 1977 c. 427 s. 132; 1979 c. 263, 328; 1979-c: 355 s. 32; 1983 a. 183, 186; 1985 a. 303 ss. 44 to 55m, 86; 1987 a. 27, 370; 1989 a. 31, 192; 1995 a. 27 s. 9145 (1); 1995 a. 219, 225.

Supp. ch. 11.26 (9) (ba)

11.26 (9) (ba) Paragraphs (a) and (b) do not apply to a candidate who receives a public financing benefit from the democracy trust fund.

FWS 7-17 ✓

Section #. 11.50 (1) (a) 2. of the statutes is amended to read:

11.50 (1) (a) 2. With respect to a special election, an individual who is certified under s. 8.50 (1) (d) as a candidate in a special election for state superintendent, or an individual who is certified under s. 8.50 (1) (d) as a candidate in a special election for any state office, except attorney general or district attorney, on the ballot or column of a party whose candidate for the same office at the preceding general election received at least 6% of the vote cast for all candidates on all ballots for the office, or an individual who has been lawfully appointed and certified to replace either such individual on the ballot at a special election, or an individual who receives at least 6% of the vote cast for all candidates on all ballots for any state office, except attorney general or district attorney, at a partisan special election; and who qualifies for a grant under sub. (2). Where the boundaries of a district in which an individual seeks office have been changed since the preceding general election such that it is not possible to calculate the exact number of votes that are needed by that individual to qualify as an eligible candidate prior to an election under this subdivision, the number of votes cast for all candidates for the office at the preceding general election in each ward, combination of wards or municipality which is wholly contained within the boundaries of the newly formed district shall be calculated. If the candidate of the political party on whose ballot or column the individual appears in the newly formed district obtained at least 6% of the number of votes calculated, the individual is deemed to qualify as an eligible candidate prior to the election under this subdivision.

~~History: 1977 c. 107, 272; 1979 c. 328; 1983 a. 51; 1983 a. 484 s. 174; 1985 a. 303 ss. 73 to 79, 86; 1987 a. 370, 391, 403; 1989 a. 31; 1989 a. 192 s. 75.~~

PLS 8-2

Section #. 11.50 (4) (b) 1. ^{1 and 2!} ~~to 5.~~ of the statutes are amended to read:

11.50 (4) (b) 1. ¹ ~~Sixty-seven~~ ^{Eighty} percent to be apportioned between all eligible candidates for governor.

2. ¹ ~~Eight~~ ^{Ten} percent to be apportioned between all eligible candidates for lieutenant governor.

~~3. Seventeen percent to be apportioned between all eligible candidates for attorney general.~~
SECTION A AM; 11.50 (4) (b) 4! and 5.!

11.50(4)(b) 4. ² ~~Four~~ percent to be apportioned between all eligible candidates for state treasurer.

5. ~~Four~~ ^{Five} ~~percent~~ ^{Five} to be apportioned between all eligible candidates for secretary of state.

History: 1977 c. 107, 272; 1979 c. 328; 1983 a. 51; 1983 a. 484 s. 174; 1985 a. 303 ss. 73 to 79, 86; 1987 a. 370, 391, 403; 1989 a. 31; 1989 a. 192 s. 75.

1999-2000 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-2224/lins
JTK.....

INSERT 12-2

~~ff~~ In the case of a candidate for justice, the application shall be filed no later than the 7th day after the date of the spring primary election or the day on which the primary election would be held if a primary were required. In the case of a candidate for attorney general, the application shall be filed no later than the 7th day after the date of the September primary election.

INSERT 22-4

~~ff~~ (b) No person may conduct any mass mailing using state funds on behalf of any person who is a candidate for the office of attorney general at the general election during the period between July 1 preceding that election and December 31 following that election.

INSERT 22-16

~~ff~~ (b) A candidate for attorney general at the general election who plans to use state funds for a mass mailing shall notify the board in writing of his or her intent to do so no later than January 1 preceding the general election, and shall complete the mailing no later than the following March 31.

INSERT 23-2

~~ff~~ (b) Except as permitted under sub. (2),[✓] no state funds may be used by any incumbent individual holding the office of attorney general to conduct a mass mailing on behalf of a candidate for that office at the general election after July 1 preceding that election.

FWS 23-20

DRB-2636/1
JTK:cmh:km
SECTION 71

10 SECTION ~~M.~~ 20.855 (4) (bb) of the statutes is created to read:
11 20.855 (4) (bb) ~~Wisconsin election campaign fund transfer.~~ ^{Democracy trust} A sum sufficient
12 equal to the amounts required to make full payment of grants ~~which~~ ^{provide lines of credit that} candidates
13 qualify to receive from the ~~Wisconsin election campaign fund,~~ ^{democracy trust} to be transferred from
14 the general fund to the ~~Wisconsin election campaign~~ ^{democracy trust} fund no later than the time
15 required to make payments of grants under s. ~~11.50(5)~~ ^{11.51(2) and (3)}

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-2224/1dn

JTK...l:....

WJ

1. Concerning the period for use of a public financing benefit in the spring primary campaign, you are correct that under proposed ss. 11.501 (14) and 11.51 (2), this period is tight; in fact, it could be as little as two weeks. Please let me know if you would like to see a change in this provision.

~~LRB 0077/P2dn~~

~~JTK/JS:mg:arm~~

2. ^{STEF} In *McIntyre v. Ohio Elections Commission*, 115 S.Ct. 1151 (1995), the U.S. Supreme Court found unconstitutional, under the first amendment, a statute ^{STEF} which prohibited publication or distribution of any material designed to promote the nomination or election of a candidate or the adoption or defeat of any issue or to influence the voters at any election without identification of the name and address of the person who publishes or distributes the material. The court, however, indicated that a state's interest in preventing fraud might justify a more limited disclosure requirement (115 S.Ct. at 1522). Further, the court indicated that it still approved of requirements to disclose independent expenditures, which it upheld in *Buckley v. Valeo*, et. al., 96 S.Ct. 612, 661-662 (1976), (*McIntyre*, 115 S.Ct. at 1523). In view of this opinion, the constitutionality of disclosure statutes such as proposed s. 11.095, relating to persuasive telephoning, is not clear at this point. We will have to await further decisions from the court before we know the exact limits of a state's ability to regulate in this field. ^{that}

s. 11.522, relating to labeling of certain political communications by candidates for the office of attorney general or justice of the supreme court who fail to qualify for a public financing benefit

SS. 11.512(2) and 11.513(2)

Financing benefit available

make disbursements exceeding a specified level

3. Proposed ~~s. 11.50 (9) (b) and (ba)~~, which increase the public grant payable to a candidate when independent disbursements are made against the candidate or for his or her opponents, or when the candidate's opponents raise more than a specified level of contributions from certain sources or spend amounts exceeding the disbursement limitations for the office which the candidate seeks, and proposed s. 11.51 (3a) which increases disbursement limitations by an amount equal to any grant received under proposed ~~s. 11.50 (9) (b) or (ba)~~, may result in an abridgement of the First Amendment rights of the persons making the disbursements. See *Day v. Holahan*, 34 F.3d 1356 (8th Cir., 1994), in which a Minnesota law that included provisions similar to proposed s. 11.31 (3p) was voided. ~~While this case expressly involved only~~

LRB-2636/1dn
JTK:cmh:km

~~independent expenditures, since this case and other federal cases hold that the making of a contribution is a protected First Amendment right, the same issue could be raised in the context of contributions. It should be noted that there are viable arguments to be made on both sides of this issue, this case is not binding in Wisconsin because it did not arise in the circuit that includes Wisconsin and the U.S. Supreme Court has not yet spoken on this issue.~~

STET

4. ~~I also want to note briefly that a few of the provisions of this draft are innovative, and we do not yet have, to my knowledge, specific guidance from the federal courts concerning the enforceability of provisions of these types. It is well possible that a court may find a rational basis for these provisions that would permit them to be upheld. However, because of the concerns expressed by the U.S. Supreme Court in *Buckley v. Valeo*, et al., 96 S. Ct. 612 (1976), and certain other cases that attempts to regulate campaign financing activities may, in some instances, impermissibly intrude upon freedom of speech or association, or equal protection guarantees, it is possible that enforceability problems with these provisions may occur.~~

For the office of attorney general or Justice of the Supreme Court

Who fail to qualify for a public financing benefit under the U.S.C. may raise an equal protection issue under the 14th Amendment to the Constitution

JTK

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-2224/1dn
JTK:wlj:jf

April 2, 1999

1. Concerning the period for use of a public financing benefit in the spring primary campaign, you are correct that under proposed ss. 11.501 (14) and 11.51 (2), this period is tight; in fact, it could be as little as two weeks. Please let me know if you would like to see a change in this provision.

2. In *McIntyre v. Ohio Elections Commission*, 115 S.Ct. 1151 (1995), the U.S. Supreme Court found unconstitutional, under the First Amendment, a statute that prohibited publication or distribution of any material designed to promote the nomination or election of a candidate or the adoption or defeat of any issue or to influence the voters at any election without identification of the name and address of the person who publishes or distributes the material. The court, however, indicated that a state's interest in preventing fraud might justify a more limited disclosure requirement (115 S.Ct. at 1522). Further, the court indicated that it still approved of requirements to disclose independent expenditures, which it upheld in *Buckley v. Valeo*, et. al., 96 S.Ct. 612, 661-662 (1976), (*McIntyre*, 115 S.Ct. at 1523). In view of this opinion, the constitutionality of disclosure statutes such as proposed s. 11.522, relating to labeling of certain political communications by candidates for the office of attorney general or justice of the supreme court who fail to qualify for a public financing benefit is not clear at this point. We will have to await further decisions from the court before we know the exact limits of a state's ability to regulate in this field.

3. Proposed ss. 11.512 (2) and 11.513 (2), which increase the public financing benefit available to a candidate when independent disbursements are made against the candidate or for his or her opponents, or when the candidate's opponents make disbursements exceeding a specified level, may result in an abridgement of the First Amendment rights of the persons making the disbursements. See *Day v. Holahan*, 34F.3d 1356 (8th Cir., 1994), in which a Minnesota law that included provisions similar to proposed s. 11.31 (3p) was voided. It should be noted that there are viable arguments to be made on both sides of this issue, this case is not binding in Wisconsin because it did not arise in the circuit that includes Wisconsin and the U.S. Supreme Court has not yet spoken on this issue.

4. Proposed s. 11.512 (1), which imposes additional reporting requirements upon candidates for the office of attorney general or justice of the supreme court who fail to qualify for a public financing benefit, may raise an equal protection issue under the 14th Amendment to the U.S. Constitution.

Jeffery T. Kuesel
Managing Attorney
Phone: (608) 266-6778



(DUBOIS)
State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-2224/4 ✓
JTK:wlj:jf
↑
Stays

Wanted Wed 4/7 - AM
1999 BILL

1 *Gen. Cat.*
2 **AN ACT to repeal** 11.31 (1) (c) and 11.50 (4) (b) 3.; **to amend** 8.35 (4) (b), 11.12
3 (2), 11.16 (2) and (3), 11.26 (1) (a), 11.26 (2) (a), 11.26 (9) (a), 11.26 (9) (b), 11.26
4 (13), 11.31 (1) (d), 11.33 (1) (a) (intro.), 11.50 (1) (a) 1., 11.50 (1) (a) 2., 11.50 (3)
5 (b), 11.50 (4) (b) 1. and 2. and 11.50 (4) (b) 4. and 5.; and **to create** 11.26 (1) (am),
6 11.26 (2) (am), 11.26 (9) (ba), 11.33 (4), 11.501 to 11.522, 20.510 (1) (r), 20.585
7 (1) (q), 20.585 (1) (r), 20.855 (4) (bb), 25.17 (1) (cm) and 25.421 of the statutes;
8 **relating to:** campaign financing with respect to the offices of attorney general
9 and justice of the supreme court, making appropriations and providing
penalties.

Analysis by the Legislative Reference Bureau

This bill makes numerous changes in the campaign finance law affecting campaigns for the offices of attorney general and justice of the supreme court. The bill limits the application of 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 from state general purpose revenues derived from designations made by individuals filing state income tax returns, to state offices other than the offices of attorney general and justice of the supreme

BILL

court. To finance elections for the offices of attorney general and justice of the supreme court, the bill creates a democracy trust fund, under which eligible candidates for these offices may receive public grants derived from general purpose revenues.

Under the bill, a candidate for the office of attorney general or justice of the supreme court 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 five dollars each made by electors of the jurisdiction or district in which the candidate seeks office. 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 and contributions from personal funds, subject to specified limitations. Public financing benefits for eligible candidates are \$300,000 in the primary election and \$600,000 in the general election for candidates for the office of attorney general and \$100,000 in the primary election and \$300,000 in the general election for candidates for the office of justice of the supreme court. ~~These amounts are available for the primary campaign. If a candidate qualifies to appear on the spring or general election ballot, the same amounts are available for that campaign.~~ The benefits 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 that exceeds by more than five percent 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 three times the amount of the public financing benefit for the office that 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 that the candidate seeks (but not more than three 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 the office of attorney general or justice of the supreme court 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 have an opponent whose name appears on the ballot. A candidate for the office of attorney general at the general election qualifies for a grant by qualifying to appear on the general election ballot, by receiving at least six percent of the vote cast for that office at the September primary election and by raising a specified amount of qualifying contributions from individuals in amounts of \$100 or less. A candidate for the office of justice of the supreme court qualifies for a grant by qualifying to appear on the spring election ballot. The maximum amount of a grant that a candidate may receive is \$97,031.

BILL

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 special interest 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. 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 an 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 the office of attorney general or justice of the supreme court 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 are \$10,000 in the case of an individual making a contribution to a candidate for either office, \$21,560 in the case of a committee making a contribution to a candidate for attorney general and \$8,625 in the case of a committee making a contribution to a candidate for justice of the supreme court. 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 attorney general or justice of the supreme court who is eligible to qualify for a public financing benefit but who declines to accept one, per campaign. of
The
office
of

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.** 8.35 (4) (b) of the statutes is amended to read:
- 2 8.35 (4) (b) Notwithstanding par. (a), any unspent and unencumbered moneys
- 3 received by a candidate from the Wisconsin election campaign fund shall be
- 4 immediately transferred to any candidate who is appointed to replace such
- 5 candidate, upon filing of a proper application therefor under s. 11.50 (2). If there is
- 6 no candidate appointed or if no proper application is filed within 7 days of the date
- 7 on which the vacancy occurs, such moneys shall revert to the state as provided in s.
- 8 11.50 (8). Notwithstanding par. (a), any unspent and unencumbered moneys
- 9 received by a candidate from the democracy trust fund shall be immediately

BILL**SECTION 1**

1 transferred to any candidate who is appointed to replace such candidate. If there is
2 no candidate appointed, the moneys shall revert to the state.

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

4 11.12 (2) Any No registrant, except a candidate who receives a public financing
5 benefit from the democracy trust fund, may accept an anonymous contribution
6 exceeding \$10 received by a campaign or committee treasurer or by an individual
7 under s. 11.06 (7) may not be used or expended. The. No candidate who receives a
8 public financing benefit from the democracy trust fund may accept an anonymous
9 contribution exceeding \$5. Any anonymous contribution that may not be accepted
10 under this subsection shall be donated to the common school fund or to any charitable
11 organization at the option of the registrant's treasurer.

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

13 11.16 (2) LIMITATION ON CASH CONTRIBUTIONS. Every Except as provided in s.
14 11.506 (6), every contribution of money exceeding \$50 shall be made by negotiable
15 instrument or evidenced by an itemized credit card receipt bearing on the face the
16 name of the remitter. No treasurer may accept a contribution made in violation of
17 this subsection. The treasurer shall promptly return the contribution, or donate it
18 to the common school fund or to a charitable organization in the event that the donor
19 cannot be identified.

20 (3) FORM OF DISBURSEMENTS. Every Except as authorized under s. 11.511 (1),
21 every disbursement which is made by a registered individual or treasurer from the
22 campaign depository account shall be made by negotiable instrument. Such
23 instrument shall bear on the face the full name of the candidate, committee,
24 individual or group as it appears on the registration statement filed under s. 11.05
25 and where necessary, such additional words as are sufficient to clearly indicate the

BILL

1 political nature of the registrant or account of the registrant. The name of a political
2 party shall include the word “party”. The instrument of each committee registered
3 with the board and designated under s. 11.05 (3) (c) as a special interest committee
4 shall bear the identification number assigned under s. 11.21 (12) on the face of the
5 instrument.

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

7 11.26 (1) (a) Candidates for governor, lieutenant governor, secretary of state,
8 state treasurer, ~~attorney general, or~~ state superintendent ~~or justice~~, \$10,000.

9 **SECTION 5.** 11.26 (1) (am) of the statutes is created to read:

10 11.26 (1) (am) Candidates for attorney general or justice, \$1,000.

11 **SECTION 6.** 11.26 (2) (a) of the statutes is amended to read:

12 11.26 (2) (a) Candidates for governor, lieutenant governor, secretary of state,
13 state treasurer, ~~attorney general, or~~ state superintendent ~~or justice~~, 4% of the value
14 of the disbursement level specified in the schedule under s. 11.31 (1).

15 **SECTION 7.** 11.26 (2) (am) of the statutes is created to read:

16 11.26 (2) (am) Candidates for attorney general or justice, \$1,000.

17 **SECTION 8.** 11.26 (9) (a) of the statutes is amended to read:

18 11.26 (9) (a) ~~No~~ Except as provided in par. (ba), no individual who is a candidate
19 for state or local office may receive and accept more than 65% of the value of the total
20 disbursement level determined under s. 11.31 for the office for which he or she is a
21 candidate during any primary and election campaign combined from all committees
22 subject to a filing requirement, including political party and legislative campaign
23 committees.

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

BILL

1 11.26 (9) (b) ~~No~~ Except as provided in par. (ba), no individual who is a candidate
2 for state or local office may receive and accept more than 45% of the value of the total
3 disbursement level determined under s. 11.31 for the office for which he or she is a
4 candidate during any primary and election campaign combined from all committees
5 other than political party and legislative campaign committees subject to a filing
6 requirement.

7 **SECTION 10.** 11.26 (9) (ba) of the statutes is created to read:

8 11.26 (9) (ba) Paragraphs (a) and (b) do not apply to a candidate who receives
9 a public financing benefit from the democracy trust fund.

10 **SECTION 11.** 11.26 (13) of the statutes is amended to read:

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

14 **SECTION 12.** 11.31 (1) (c) of the statutes is repealed.

15 **SECTION 13.** 11.31 (1) (d) of the statutes is amended to read:

16 11.31 (1) (d) Candidates for secretary of state, state treasurer, justice or state
17 superintendent, \$215,625.

18 **SECTION 14.** 11.33 (1) (a) (intro.) of the statutes is amended to read:

19 11.33 (1) (a) (intro.) ~~No~~ Except as provided in sub. (4), no person elected to state
20 or local office who becomes a candidate for national, state or local office may use
21 public funds for the cost of materials or distribution for 50 or more pieces of
22 substantially identical material distributed after:

23 **SECTION 15.** 11.33 (4) of the statutes is created to read:

24 11.33 (4) This section does not apply to a candidate for the office of attorney
25 general or justice.

BILL

1 **SECTION 16.** 11.50 (1) (a) 1. of the statutes is amended to read:

2 11.50 (1) (a) 1. With respect to a spring or general election, any individual who
3 is certified under s. 7.08 (2) (a) as a candidate in the spring election for justice or state
4 superintendent, or an individual who receives at least 6% of the vote cast for all
5 candidates on all ballots for any state office, except attorney general or district
6 attorney, for which the individual is a candidate at the September primary and who
7 is certified under s. 7.08 (2) (a) as a candidate for that office in the general election,
8 or an individual who has been lawfully appointed and certified to replace either such
9 individual on the ballot at the spring or general election; and who has qualified for
10 a grant under sub. (2).

11 **SECTION 17.** 11.50 (1) (a) 2. of the statutes is amended to read:

12 11.50 (1) (a) 2. With respect to a special election, an individual who is certified
13 under s. 8.50 (1) (d) as a candidate in a special election for state superintendent, or
14 an individual who is certified under s. 8.50 (1) (d) as a candidate in a special election
15 for any state office, except attorney general or district attorney, on the ballot or
16 column of a party whose candidate for the same office at the preceding general
17 election received at least 6% of the vote cast for all candidates on all ballots for the
18 office, or an individual who has been lawfully appointed and certified to replace
19 either such individual on the ballot at a special election, or an individual who receives
20 at least 6% of the vote cast for all candidates on all ballots for any state office, except
21 attorney general or district attorney, at a partisan special election; and who qualifies
22 for a grant under sub. (2). Where the boundaries of a district in which an individual
23 seeks office have been changed since the preceding general election such that it is not
24 possible to calculate the exact number of votes that are needed by that individual to
25 qualify as an eligible candidate prior to an election under this subdivision, the

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1 number of votes cast for all candidates for the office at the preceding general election
2 in each ward, combination of wards or municipality which is wholly contained within
3 the boundaries of the newly formed district shall be calculated. If the candidate of
4 the political party on whose ballot or column the individual appears in the newly
5 formed district obtained at least 6% of the number of votes calculated, the individual
6 is deemed to qualify as an eligible candidate prior to the election under this
7 subdivision.

8 **SECTION 18.** 11.50 (3) (b) of the statutes is amended to read:

9 11.50 (3) (b) If a vacancy occurs in the office of state superintendent ~~or justice~~
10 after August 15 in any year and an election is scheduled to fill the vacancy at the
11 spring election in the following year, the state treasurer shall transfer an amount not
12 exceeding 8% of the moneys transferred to the fund on the preceding August 15 to
13 the superintendency account ~~for the office in which the vacancy occurs~~, such moneys
14 to be drawn from any account within the accounts created under sub. (4) in the
15 amount or amounts specified by the board.

16 **SECTION 19.** 11.50 (4) (b) 1. and 2. of the statutes are amended to read:

17 11.50 (4) (b) 1. ~~Sixty-seven~~ Eighty percent to be apportioned between all
18 eligible candidates for governor.

19 2. ~~Eight~~ Ten percent to be apportioned between all eligible candidates for
20 lieutenant governor.

21 **SECTION 20.** 11.50 (4) (b) 3. of the statutes is repealed.

22 **SECTION 21.** 11.50 (4) (b) 4. and 5. of the statutes are amended to read:

23 11.50 (4) (b) 4. ~~Four~~ Five percent to be apportioned between all eligible
24 candidates for state treasurer.

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1 5. ~~Four~~ Five percent to be apportioned between all eligible candidates for
2 secretary of state.

3 **SECTION 22.** 11.501 to 11.522 of the statutes are created to read:

4 **11.501 Definitions.** In ss. 11.501 to 11.522:

5 (1) “Allowable contribution” means a qualifying contribution, seed money
6 contribution or personal contribution authorized under ss. 11.502 to 11.522.

7 (2) “Campaign” has the meaning given in s. 11.26 (17).

8 (3) “Election campaign period” means:

9 (a) In the case of a candidate for justice, the period beginning on the day after
10 the spring primary election or the day on which a primary election would be held, if
11 required, and ending on the day of the succeeding spring election.

12 (b) In the case of a candidate for attorney general, the period beginning on the
13 day after the September primary election and ending on the day of the succeeding
14 general election.

15 (4) “Eligible candidate” means a candidate for the office of attorney general or
16 justice who qualifies for public financing by collecting the required number of
17 qualifying contributions, making all required reports and disclosures, and being
18 certified by the board as being in compliance with ss. 11.502 to 11.522.

19 (5) “Excess disbursement amount” means the amount of disbursements made
20 by a noncomplying candidate in excess of the public financing benefit available to an
21 eligible candidate for the same office that the noncomplying candidate seeks.

22 (6) “Excess qualifying contribution amount” means the amount of qualifying
23 contributions accepted by a candidate beyond the number or dollar amount of
24 contributions required to qualify a candidate for a public financing benefit.

25 (7) “Exploratory period” means:

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1 (a) In the case of a candidate for justice, the period that begins after the date
2 of a spring election and ends on the first day of the public financing qualifying period
3 for the next election for justice.

4 (b) In the case of a candidate for attorney general, the period that begins after
5 the date of a general election and ends on the first day of the public financing
6 qualifying period for the next election for attorney general.

7 (8) “Fair election debit card” means a debit card issued by the board in
8 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) “Noncomplying candidate” means a candidate for the office of attorney
2 general or justice who does not apply for a public financing benefit or who otherwise
3 is ineligible or fails to qualify for a public 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:

7 (a) In the case of a candidate for justice, the period beginning 30 days after the
8 last day prescribed by law for filing nomination papers for that office and ending on
9 the day of the spring primary election for that office or the day on which the primary
10 election would be held, if required.

11 (b) In the case of a candidate for attorney general, the period beginning 30 days
12 after the last day prescribed by law for filing nomination papers for that office and
13 ending on the day of the September primary election.

14 (15) “Public financing qualifying period” means:

15 (a) In the case of a candidate for justice, the period beginning on the first day
16 of July of any year and ending on the day before the beginning of the primary election
17 campaign period for that office.

18 (b) In the case of a candidate for attorney general, the period beginning on the
19 first day of January of any year and ending on the day before the beginning of the
20 primary election campaign period for that office.

21 (16) “Qualifying contribution” means a contribution of \$5 made to a candidate
22 made by an elector of the jurisdiction or district in which the candidate seeks office
23 during the public financing qualifying period, which is acknowledged by written
24 receipt identifying the contributor.

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1 (17) “Seed money contribution” means a contribution in an amount of not more
2 than \$100 made to a candidate by an elector of the jurisdiction or district in which
3 the candidate seeks office during the exploratory period or the public financing
4 qualifying period, or a contribution made to a candidate consisting of personal funds
5 of that candidate in an amount not more than the amount authorized under s. 11.507
6 during the exploratory period or the public financing qualifying period.

7 **11.502 Qualification; certification.** (1) Before a candidate for justice or
8 attorney general in the primary election may be certified as an eligible candidate to
9 receive a public financing benefit for the primary election campaign period, the
10 candidate shall apply to the board for a public financing benefit and file a sworn
11 statement that the candidate has complied and will comply with all requirements of
12 ss. 11.502 to 11.522 throughout the applicable campaign, which includes the primary
13 and election for that office. A candidate shall file the application and statement no
14 later than the beginning of the primary election campaign period for the office that
15 the candidate seeks.

16 (2) A candidate shall be certified by the board as an eligible candidate for
17 receipt of public financing for a primary election if the candidate complies with sub.
18 (1) and receives at least 1,000 qualifying contributions before the close of the public
19 financing qualifying period.

20 (3) The board shall verify a candidate’s compliance with the requirements of
21 sub. (2) by such verification and sampling techniques as the board considers
22 appropriate.

23 (4) Each candidate shall:

24 (a) Acknowledge each qualifying contribution by a receipt to the contributor
25 which contains the contributor’s name and home address.

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1 (b) No later than the 15th or the last day of the month which immediately
2 follows the date of receipt of a qualifying contribution, whichever comes first, file a
3 copy of the receipt under par. (a) with the board, except that during July, August and
4 September a copy need only be filed on the last day of the month.

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

7 **11.503 Time of application.** (1) Before a candidate may be certified as
8 eligible for receipt of public financing for a spring or general election, the candidate
9 shall apply to the board and file a sworn statement that the candidate has fulfilled
10 all the requirements of ss. 11.502 to 11.522 during the primary election campaign
11 period and will comply with such requirements during the election campaign period.
12 In the case of a candidate for justice, the application shall be filed no later than the
13 7th day after the date of the spring primary election or the day on which the primary
14 election would be held if a primary were required. In the case of a candidate for
15 attorney general, the application shall be filed no later than the 7th day after the date
16 of the September primary election.

17 (2) The board shall certify a candidate as an eligible candidate for receipt of
18 public financing for a spring or general election if the candidate complies with sub.
19 (1) and the candidate was an eligible candidate during the primary election
20 campaign period.

21 **11.505 Agreement by candidate.** An eligible candidate who accepts a public
22 financing benefit under ss. 11.502 to 11.522 during the primary election campaign
23 period shall agree to comply with all requirements of ss. 11.502 to 11.522 throughout
24 the election campaign period during the same campaign as a precondition to receipt
25 of public financing. An eligible candidate who accepts a public financing benefit

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1 during a primary election campaign period may not elect to accept private
2 contributions in violation of ss. 11.502 to 11.522 during the corresponding election
3 campaign period.

4 **11.506 Requirements imposed upon candidates.** (1) An eligible
5 candidate may not accept private contributions other than seed money contributions
6 and qualifying contributions that the candidate accepts during the exploratory
7 period and the public financing qualifying period.

8 (2) In addition to reports required to be filed under ss. 11.12 (5) and 11.20, a
9 candidate who receives a public financing benefit shall furnish complete financial
10 records, including records of seed money contributions, qualifying contributions and
11 disbursements, to the board on the 15th or the last day of the month that
12 immediately follows the receipt of the contribution or the making of the
13 disbursement, whichever comes first, except that during July, August and
14 September records need only be furnished on the last day of the month. Each such
15 candidate shall cooperate with any audit or examination by the secretary of state.

16 (3) In addition to adhering to requirements imposed under ss. 11.06 (5) and
17 11.12 (3), a candidate who receives a public financing benefit shall maintain records
18 of all contributions received by the candidate of more than \$5 but less than \$50,
19 including seed money contributions and qualifying contributions, which shall
20 contain the full name of the contributor and the contributor's full home address. In
21 addition, if a contributor's aggregate contributions to any candidate exceed \$50 for
22 any campaign, the candidate shall also maintain a record of the contributor's
23 principal occupation and the name and business address of the contributor's place
24 of employment.

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

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

6 (6) No eligible candidate may accept more than \$25 in cash from any
7 contributor and no such candidate may accept cash from all sources in a total amount
8 greater than one-tenth of 1% of the public financing benefit for the office that the
9 candidate seeks or \$500, whichever is greater.

10 **11.507 Personal funds of candidates.** (1) The personal funds of a candidate
11 contributed as seed money contributions may not exceed an aggregate amount of
12 \$5,000.

13 (2) No eligible candidate may make any disbursement derived from personal
14 funds after the close of the public financing qualifying period.

15 **11.508 Seed money contributions.** (1) An eligible candidate may accept
16 seed money contributions from any individual or committee prior to the end of the
17 public financing qualifying period, provided the total contributions from one
18 contributor, except personal funds and qualifying contributions otherwise permitted
19 under ss. 11.502 to 11.522, do not exceed \$100, and the aggregate contributions,
20 including personal funds, but not including qualifying contributions, do not exceed
21 \$5,000.

22 (2) An eligible candidate may make disbursements derived from seed money
23 contributions only during the exploratory period and the public financing qualifying
24 period.

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1 **11.509 Excess contributions.** If an eligible candidate receives excess seed
2 money contributions or qualifying contributions on an aggregate basis, the
3 candidate may retain the contributions and make disbursements derived from the
4 contributions, in an amount not exceeding \$15,000. An amount equivalent to the
5 excess contributions shall be deducted by the board from the candidate's public
6 financing benefit. A candidate shall return to the board all seed money and
7 qualifying contributions that exceed the limits prescribed in this section within 48
8 hours after the end of the exploratory period. A candidate shall also return to the
9 board any seed money and qualifying contributions that have not been encumbered
10 or expended by the beginning of the primary election campaign period. The board
11 shall deposit all contributions returned under this section in the democracy trust
12 fund.

13 **11.51 Certification by candidate; line of credit.** (1) To apply for a public
14 financing benefit, a candidate shall certify to the board that the candidate has
15 complied and will comply, throughout the applicable campaign, with all
16 requirements of ss. 11.502 to 11.522 and that all disclosures required as of the time
17 of application have been made, and shall present evidence of the requisite number
18 of qualifying contributions received by the candidate. The candidate's request for
19 certification shall be signed by the candidate and the candidate's campaign
20 treasurer.

21 (2) The board shall distribute to each eligible candidate at the spring or
22 September primary election a line of credit for public financing promptly after the
23 candidate demonstrates his or her eligibility and, in any event, not later than 5 days
24 after the end of the public financing qualifying period; however, no candidate may

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1 utilize a line of credit under this subsection until the beginning of the primary
2 election campaign period.

3 (3) The board shall distribute to each eligible candidate for justice at a spring
4 election a line of credit for public financing not later than 48 hours after the date of
5 the spring primary election for the office of justice, or the date that the primary
6 election would be held if a primary were required. The board shall distribute to each
7 eligible candidate for attorney general at a general election a line of credit for public
8 financing not later than 48 hours after the date of the September primary election.
9 However, no candidate for a particular office shall receive a line of credit until all
10 candidates for the same office who apply and qualify for a public financing benefit
11 have been certified as eligible candidates.

12 (4) If any candidate who receives a public financing benefit violates the
13 requirements of ss. 11.502 to 11.522, the board shall require the candidate to repay
14 all public funds received by the candidate to the board. The board shall deposit all
15 repayments received under this subsection in the democracy trust fund.

16 **11.511 Public financing benefits.** (1) The board shall provide to each
17 eligible candidate who qualifies to receive a public financing benefit for the primary
18 or election campaign period separate lines of credit for the primary and election
19 campaign periods in the amounts specified in this section, subject to any required
20 adjustment under s. 11.509, 11.512(2), 11.513(2) or 11.519(2). An eligible candidate
21 may use this credit to finance any lawful disbursements during the primary and
22 election campaign periods to further the election of the candidate in that primary or
23 election. An eligible candidate may not use this credit to repay any loan, or in
24 violation of ss. 11.502 to 11.522 or any other applicable law.

25 (2) The public financing benefit for a primary election campaign period is:

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

2 (b) For a candidate for justice, \$100,000.

3 **(3)** The public financing benefit for an election campaign period is:

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

5 (b) For a candidate for court of appeals judge, \$37,500.

6 (c) For a candidate for justice, \$300,000.

7 **(4)** An eligible candidate in a spring or general election in which there are no
8 other candidates whose names appear on the ballot shall receive a line of credit
9 valued at 25% of the public financing benefit for the election campaign period.

10 **(5)** An eligible candidate for an office for which there are no other candidates,
11 other than write-in candidates, who have received contributions of more than \$1,000
12 in the aggregate, as of the day preceding the beginning of the campaign period for
13 the primary or election in which the eligible candidate seeks office, shall receive a
14 line of credit valued at 25% of the public financing benefit for the primary election
15 campaign period.

16 **(6)** Notwithstanding subs. (2) and (3), beginning on April 1, 2000, and every
17 2 years thereafter, the board shall modify the public financing benefits provided for
18 in subs. (2) and (3) to adjust for the change in the consumer price index, all items,
19 U.S. city average, published by the U.S. department of labor for the preceding 2-year
20 period ending on December 31.

21 **11.512 Financial activity by noncomplying candidates.** (1) In addition
22 to other reports required by law, a noncomplying candidate for an office at a primary
23 or election who receives contributions or makes or obligates to make disbursements
24 in an amount more than 5% greater than the public financing benefit applicable to
25 an eligible candidate for the same office at the same primary or election shall file a

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1 report with the board itemizing the total contributions received and disbursements
2 made or obligated to be made by the candidate as of the date of the report. The board
3 shall transmit copies of the report to all candidates for the same office at the same
4 election. A noncomplying candidate shall file additional reports after the candidate
5 receives each additional \$1,000 of contributions, or the candidate makes or obligates
6 to make each additional \$1,000 of disbursements. If such contributions are received
7 or such disbursements are made or obligated to be made more than 6 weeks prior to
8 the date of the primary election at which the name of the candidate appears on the
9 ballot, or in the case of a candidate for justice prior to the date that the primary
10 election would be held, if a primary were required, such reports shall be made at the
11 next regular reporting interval under s. 11.506. If such contributions are received
12 or such disbursements made or obligated to be made within 6 weeks prior to the date
13 of the primary election at which the name of the candidate appears on the ballot, or
14 in the case of a candidate for justice within 6 weeks prior to the date that the primary
15 election would be held, if a primary were required, such reports shall be made within
16 24 hours after each instance in which such contributions are received, or such
17 disbursements are made or obligated to be made.

18 (2) Upon receipt of such information, the board shall immediately credit an
19 opposing eligible candidate's account with an additional amount equivalent to the
20 total excess disbursements made or obligated to be made, but not to exceed 3 times
21 the public financing benefit for the applicable office.

22 **11.513 Independent disbursements.** (1) If any person makes, or becomes
23 obligated to make, by oral or written agreement, an independent disbursement in
24 excess of \$1,000 with respect to a candidate for the office of justice at a spring primary
25 or election, or with respect to a candidate for attorney general at a September

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1 primary or general election, that person shall file with the board a notice of such
2 disbursement or obligation to make such a disbursement. Any such person shall file
3 reports of such disbursements or obligations to make such disbursements on the 15th
4 or last day of the month that immediately follows the date of the disbursement or the
5 obligation to make the disbursement, whichever comes first, except that, within 6
6 weeks prior to the date of the spring or September primary election, the person shall
7 file such reports within 24 hours after each independent disbursement is made or
8 obligated to be made. Any such person shall file additional reports after each
9 additional \$1,000 of disbursements are made or obligated to be made.

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

16 **11.515 Democracy trust fund.** (1) The democracy trust fund shall be
17 administered by the state treasurer. The state treasurer shall contract with a debit
18 card issuer to permit eligible candidates and their agents to draw upon the fund
19 through an account with the issuer.

20 (2) Upon a determination of a candidate's eligibility for a public financing
21 benefit as provided for in s. 11.51 (1), the state treasurer shall issue to the eligible
22 candidate a debit card, which shall be known as the fair election debit card, entitling
23 the candidate and agents of the candidate designated by the candidate to draw
24 money from an account to make disbursements on behalf of the candidate.

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

8 **11.516 Administration.** Except as otherwise specifically provided in ss.
9 11.501 to 11.522, the duties of and authority for administering and enforcing ss.
10 11.501 to 11.522 are vested in the board.

11 **11.517 Penalties; enforcement.** (1) If an eligible candidate makes
12 disbursements that exceed the public financing benefit allocated to the candidate for
13 any campaign, the candidate may be required to forfeit not more than 10 times the
14 amount by which the disbursements exceeded the allocation.

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

18 (3) If the board finds that there is probable cause to believe that a candidate
19 has made excess disbursements or has accepted excess contributions contrary to sub.
20 (1) or (2), the board shall attempt for a period of not more than 14 days after its
21 finding to correct the matter by informal methods of conference and conciliation and
22 to enter into a settlement and conciliation agreement under s. 5.05 (1) (c) with the
23 person involved. A settlement and conciliation agreement made pursuant to this
24 subsection shall be a matter of public record. Unless violated, a settlement and
25 conciliation agreement is a bar to any civil action under sub. (4).

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

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

14 (6) The board and courts shall expedite all proceedings under ss. 11.502 to
15 11.522 so that all complaints brought prior to an election are resolved, to the extent
16 possible, before the election is held.

17 (7) If a complaint brought under ss. 11.502 to 11.522 is resolved against the
18 complainant and is found to have been brought in bad faith and without reasonable
19 basis therefor, the board or court may assess costs, including reasonable attorney
20 fees, against the complainant.

21 **11.518 Prohibited acts.** (1) If a candidate or agent of a candidate knowingly
22 accepts more contributions than the candidate is entitled to receive, or makes
23 disbursements exceeding the amount of the public financing benefit received by the
24 candidate, the candidate or agent may be fined not more than \$25,000 or imprisoned
25 for not more than 5 years or both.

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

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

11 **11.519 Mass mailings.** (1) (a) No person may conduct any mass mailing using
12 state funds on behalf of any person who is a candidate for the office of justice at the
13 spring election during the period between December 1 preceding that election and
14 May 31 following that election.

15 (b) No person may conduct any mass mailing using state funds on behalf of any
16 person who is a candidate for the office of attorney general at the general election
17 during the period between July 1 preceding that election and December 31 following
18 that election.

19 (2) If any person uses state funds to conduct a mass mailing on behalf of any
20 person who is a candidate for the office of justice at the spring election during the
21 period between September 1 and November 30 preceding that election, or if any
22 person uses state funds to conduct a mass mailing on behalf of any person who is a
23 candidate for the office of attorney general at the general election during the period
24 between September 1 and November 30 preceding that election, the board shall
25 immediately credit the accounts of all other eligible candidates for the same office

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1 sought by the person on behalf of whom the mailing is conducted with an additional
2 line of credit equal to the cost of printing and mailing of that mass mailing. The
3 additional line of credit may be used solely to fund a mailing promoting the candidacy
4 of the candidate who receives the credit.

5 (3) (a) A candidate for justice at the spring election who plans to use state funds
6 for a mass mailing shall notify the board in writing of his or her intent to do so no later
7 than September 1 preceding the spring election, and shall complete the mailing no
8 later than the following November 30.

9 (b) A candidate for attorney general at the general election who plans to use
10 state funds for a mass mailing shall notify the board in writing of his or her intent
11 to do so no later than January 1 preceding the general election, and shall complete
12 the mailing no later than the following March 31.

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

21 (5) (a) Except as permitted under sub. (2), no state funds may be used by any
22 incumbent individual holding the office of justice to conduct a mass mailing on behalf
23 of a candidate for that office at the spring election after November 30 preceding that
24 election.

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1 (b) Except as permitted under sub. (2), no state funds may be used by any
2 incumbent individual holding the office of attorney general to conduct a mass
3 mailing on behalf of a candidate for that office at the general election after July 1
4 preceding that election.

5 **11.522 Contributions to noncomplying candidates; attributions.** (1) A
6 noncomplying candidate may accept contributions from private sources without
7 limitation, except that no person may make any contribution or contributions to a
8 noncomplying candidate exceeding a total of \$1,000 during any campaign.

9 (2) Any electronic or print communication paid for or authorized by a
10 noncomplying candidate shall contain the following sentence: "This communication
11 is paid for with money raised from private sources. This candidate has not agreed
12 to abide by campaign contribution and spending limits."

13 **SECTION 23.** 20.510 (1) (r) of the statutes is created to read:

14 20.510 (1) (r) *Democracy trust fund administration.* From the democracy trust
15 fund, a sum sufficient for the administration of ss. 11.501 to 11.522.

16 **SECTION 24.** 20.585 (1) (q) of the statutes is created to read:

17 20.585 (1) (q) *Democracy trust fund.* As a continuing appropriation, from the
18 democracy trust fund, the moneys determined under ss. 11.501 to 11.522 to provide
19 for payments to eligible candidates.

20 **SECTION 25.** 20.585 (1) (r) of the statutes is created to read:

21 20.585 (1) (r) *Democracy trust fund administration.* From the democracy trust
22 fund, a sum sufficient for the administration of ss. 11.501 to 11.522.

23 **SECTION 26.** 20.855 (4) (bb) of the statutes is created to read:

24 20.855 (4) (bb) *Democracy trust fund transfer.* A sum sufficient equal to the
25 amounts required to provide lines of credit that candidates qualify to receive from

BILL

1 the democracy trust fund, to be transferred from the general fund to the democracy
2 trust fund no later than the time required to make payments of grants under s. 11.51
3 (2) and (3).

4 **SECTION 27.** 25.17 (1) (cm) of the statutes is created to read:

5 25.17 (1) (cm) Democracy trust fund (s. 25.421);

6 **SECTION 28.** 25.421 of the statutes is created to read:

7 **25.421 Democracy trust fund.** All moneys appropriated under s. 20.855 (4)
8 (bb) and all moneys deposited in the state treasury under ss. 11.509 and 11.51 (4)
9 constitute the democracy trust fund, to be expended for the purposes of ss. 11.501 to
10 11.522.

11

(END)

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-2224/1dn ^{2dn}

JTK:wlj:jf

Stop

April 2, 1999

1. Concerning the period for use of a public financing benefit in the spring primary campaign, you are correct that under proposed ss. 11.501 (14) and 11.51 (2), this period is tight; in fact, it could be as little as two weeks. Please let me know if you would like to see a change in this provision.

2. In *McIntyre v. Ohio Elections Commission*, 115 S.Ct. 1151 (1995), the U.S. Supreme Court found unconstitutional, under the First Amendment, a statute that prohibited publication or distribution of any material designed to promote the nomination or election of a candidate or the adoption or defeat of any issue or to influence the voters at any election without identification of the name and address of the person who publishes or distributes the material. The court, however, indicated that a state's interest in preventing fraud might justify a more limited disclosure requirement (115 S.Ct. at 1522). Further, the court indicated that it still approved of requirements to disclose independent expenditures, which it upheld in *Buckley v. Valeo*, et. al., 96 S.Ct. 612, 661-662 (1976), (*McIntyre*, 115 S.Ct. at 1523). In view of this opinion, the constitutionality of disclosure statutes such as proposed s. 11.522, relating to labeling of certain political communications by candidates for the office of attorney general or justice of the supreme court who fail to qualify for a public financing benefit is not clear at this point. We will have to await further decisions from the court before we know the exact limits of a state's ability to regulate in this field.

3. Proposed ss. 11.512 (2) and 11.513 (2), which increase the public financing benefit available to a candidate when independent disbursements are made against the candidate or for his or her opponents, or when the candidate's opponents make disbursements exceeding a specified level, may result in an abridgement of the First Amendment rights of the persons making the disbursements. See *Day v. Holahan*, 34F.3d 1356 (8th Cir., 1994), in which a Minnesota law that included provisions similar to proposed s. 11.513 (2) was voided. It should be noted that there are viable arguments to be made on both sides of this issue, this case is not binding in Wisconsin because it did not arise in the circuit that includes Wisconsin and the U.S. Supreme Court has not yet spoken on this issue.

4. Proposed s. 11.512 (1), which imposes additional reporting requirements upon candidates for the office of attorney general or justice of the supreme court who fail to qualify for a public financing benefit, may raise an equal protection issue under the 14th Amendment to the U.S. Constitution.

Jeffery T. Kuesel
Managing Attorney
Phone: (608) 266-6778

Set comma

*SS.
11.512
(2) and
11.513(2)*

or



DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-2224/2dn
JTK:wlj:jf

April 7, 1999

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2. In *McIntyre v. Ohio Elections Commission*, 115 S.Ct. 1151 (1995), the U.S. Supreme Court found unconstitutional, under the First Amendment, a statute that prohibited publication or distribution of any material designed to promote the nomination or election of a candidate or the adoption or defeat of any issue or to influence the voters at any election without identification of the name and address of the person who publishes or distributes the material. The court, however, indicated that a state's interest in preventing fraud might justify a more limited disclosure requirement (115 S.Ct. at 1522). Further, the court indicated that it still approved of requirements to disclose independent expenditures, which it upheld in *Buckley v. Valeo*, et. al., 96 S.Ct. 612, 661-662 (1976), (*McIntyre*, 115 S.Ct. at 1523). In view of this opinion, the constitutionality of disclosure statutes such as proposed s. 11.522, relating to labeling of certain political communications by candidates for the office of attorney general or justice of the supreme court who fail to qualify for a public financing benefit is not clear at this point. We will have to await further decisions from the court before we know the exact limits of a state's ability to regulate in this field.

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4. Proposed s. 11.512 (1), which imposes additional reporting requirements upon candidates for the office of attorney general or justice of the supreme court who fail to qualify for a public financing benefit, may raise an equal protection issue under the 14th Amendment to the U.S. Constitution.

Jeffery T. Kuesel
Managing Attorney
Phone: (608) 266-6778

Kuesel, Jeffery

From: Austin, David
Sent: Tuesday, April 27, 1999 10:31 AM
To: Kuesel, Jeffery
Subject: Rep. Bock request re LRB 2224

Mr. Kuesel:

I am writing on behalf of Representative Bock and in regards to LRB 2224. Representative Bock would like to change the bill to eliminate the office of the Attorney General from the requirements of the bill.

Further, he wonders if it is at all possible to have these changes done by tomorrow (Wednesday morning)? I know this is late notice, so if not, that is understandable.

Please let me know. And thanks for your help.

David Austin
Legislative Aide to Representative Bock
6-8580



1999 BILL

wanted wed 4/28-10AM

(regenerate)

1 AN ACT ~~to repeal~~ 11.31(1)(c) and 11.50(4)(b) 3.; ~~to amend~~ 8.35(4)(b), 11.12

2 ~~(2), 11.16(2) and (3), 11.26(1)(a), 11.26(2)(a), 11.26(9)(a), 11.26(9)(b), 11.26~~

3 ~~(13), 11.31(1)(d), 11.33(1)(a) (intro.), 11.50(1)(a) 1., 11.50(1)(a) 2., 11.50(3)~~

4 ~~(b), 11.50(4)(b) 1. and 2. and 11.50(4)(b) 4. and 5.; and to create~~ 11.26(1)(am),

5 11.26(2)(am), 11.26(9)(ba), 11.33(4), 11.501 to 11.522, 20.510(1)-(r), 20.585

6 (1)(q), 20.585(1)-(r), 20.855(4)(bb), 25.17(1)(cm) and 25.421 of the statutes;

7 **relating to:** campaign financing with respect to the offices ~~of~~ attorney general

8 ~~and~~ ^{of} justice of the supreme court, making appropriations and providing

9 penalties.

Analysis by the Legislative Reference Bureau

This bill makes numerous changes in the ^{of} campaign finance law affecting campaigns for the offices ~~of attorney general and~~ justice of the supreme court. The bill limits the application of 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 from state general purpose revenues derived from designations made by individuals filing state income tax returns, to state offices other than the offices ~~of attorney general and~~ justice of the supreme _{of}

BILL

court. To finance elections for the offices of ~~attorney general and~~ ^{of} justice of the supreme court, the bill creates a democracy trust fund, under which eligible candidates for ~~these offices~~ ^{the office} may receive public grants derived from general purpose revenues.

Under the bill, a candidate for the office of ~~attorney general or~~ justice of the supreme court 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 five dollars each made by electors of the ~~jurisdiction or~~ ^{state} district in which the candidate seeks office. 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 and contributions from personal funds, subject to specified limitations. Public financing benefits for eligible candidates are ~~\$300,000 in the primary election and \$600,000 in the general election for candidates for the office of attorney general and \$100,000 in the primary election and \$300,000 in the general election for candidates for the office of justice of the supreme court.~~ The benefits 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 that exceeds by more than five percent 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 three times the amount of the public financing benefit for the office that 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 that the candidate seeks (but not more than three 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 the office of ~~attorney general or~~ justice of the supreme court 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 ~~have an opponent whose name appears on the ballot. A candidate for the office of attorney general at the general election qualifies for a grant by qualifying to appear on the general election ballot, by receiving at least six percent of the vote cast for that office at the September primary election and by raising a specified amount of qualifying contributions from individuals in amounts of \$100 or less. A candidate for the office of justice of the supreme court qualifies for a grant by qualifying to appear on the spring election ballot.~~ The maximum amount of a grant that a candidate may receive is \$97,031.

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 special

and must have an opponent who qualifies to have his or her name appear on that ballot

qualify to have his or her name

BILL

interest 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. 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 an 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 the office of ~~attorney general or~~ justice of the supreme court 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 are \$10,000 in the case of an individual making a contribution to a candidate for either office, ~~\$21,560 in the case of a committee making a contribution to a candidate for attorney general and \$8,625 in the case of a committee making a contribution to a candidate for justice of the supreme court.~~ This bill replaces ~~all of~~ 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 the office of ~~attorney general or~~ justice of the supreme court who is eligible to qualify for a public financing benefit but who declines to accept one, per campaign.

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

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

BILL**SECTION 2**

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

2 11.12 (2) ~~Any No registrant, except a candidate who receives a public financing~~
3 ~~benefit from the democracy trust fund, may accept an~~ anonymous contribution
4 ~~exceeding \$10 received by a campaign or committee treasurer or by an individual~~
5 ~~under s. 11.06 (7) may not be used or expended. The, No candidate who receives a~~
6 ~~public financing benefit from the democracy trust fund may accept an anonymous~~
7 ~~contribution exceeding \$5. Any anonymous contribution that may not be accepted~~
8 ~~under this subsection~~ shall be donated to the common school fund or to any charitable
9 organization at the option of the registrant's treasurer.

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

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

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

BILL

1 with the board and designated under s. 11.05 (3) (c) as a special interest committee
2 shall bear the identification number assigned under s. 11.21 (12) on the face of the
3 instrument.

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

5 11.26 (1) (a) Candidates for governor, lieutenant governor, secretary of state,
6 state treasurer, ~~attorney general,~~ ^{Keep Stricken comma} or state superintendent or justice, \$10,000.

7 **SECTION 5.** 11.26 (1) (am) of the statutes is created to read:

8 11.26 (1) (am) Candidates for ~~attorney general,~~ or justice, \$1,000.

9 **SECTION 6.** 11.26 (2) (a) of the statutes is amended to read:

10 11.26 (2) (a) Candidates for governor, lieutenant governor, secretary of state,
11 state treasurer, ~~attorney general,~~ ^{Keep Stricken comma} or state superintendent or justice, 4% of the value
12 of the disbursement level specified in the schedule under s. 11.31 (1).

13 **SECTION 7.** 11.26 (2) (am) of the statutes is created to read:

14 11.26 (2) (am) Candidates for ~~attorney general,~~ or justice, \$1,000.

15 **SECTION 8.** 11.26 (9) (a) of the statutes is amended to read:

16 11.26 (9) (a) ~~No~~ Except as provided in par. (ba), no individual who is a candidate
17 for state or local office may receive and accept more than 65% of the value of the total
18 disbursement level determined under s. 11.31 for the office for which he or she is a
19 candidate during any primary and election campaign combined from all committees
20 subject to a filing requirement, including political party and legislative campaign
21 committees.

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

23 11.26 (9) (b) ~~No~~ Except as provided in par. (ba), no individual who is a candidate
24 for state or local office may receive and accept more than 45% of the value of the total
25 disbursement level determined under s. 11.31 for the office for which he or she is a

Restate plain

BILL**SECTION 9**

1 candidate during any primary and election campaign combined from all committees
2 other than political party and legislative campaign committees subject to a filing
3 requirement.

4 **SECTION 10.** 11.26 (9) (ba) of the statutes is created to read:

5 11.26 (9) (ba) Paragraphs (a) and (b) do not apply to a candidate who receives
6 a public financing benefit from the democracy trust fund.

7 **SECTION 11.** 11.26 (13) of the statutes is amended to read:

8 11.26 (13) Except as provided in sub. (9), contributions received from the
9 Wisconsin election campaign fund and public financing benefits received from the
10 democracy trust fund are not subject to limitation by this section.

11 ~~**SECTION 12.** 11.31 (1) (c) of the statutes is repealed.~~

12 **SECTION 13.** 11.31 (1) (d) of the statutes is amended to read:

13 11.31 (1) (d) Candidates for secretary of state, state treasurer, justice or state
14 superintendent, \$215,625.

15 **SECTION 14.** 11.33 (1) (a) (intro.) of the statutes is amended to read:

16 11.33 (1) (a) (intro.) ~~No~~ Except as provided in sub. (4), no person elected to state
17 or local office who becomes a candidate for national, state or local office may use
18 public funds for the cost of materials or distribution for 50 or more pieces of
19 substantially identical material distributed after:

20 **SECTION 15.** 11.33 (4) of the statutes is created to read:

21 11.33 (4) This section does not apply to a candidate for the office of attorney
22 general of justice. *Man*

23 **SECTION 16.** 11.50 (1) (a) 1. of the statutes is amended to read:

24 11.50 (1) (a) 1. With respect to a spring or general election, any individual who
25 is certified under s. 7.08 (2) (a) as a candidate in the spring election for justice or state

BILL

1 superintendent, or an individual who receives at least 6% of the vote cast for all
2 candidates on all ballots for any state office, except ~~attorney general or~~ district
3 attorney, for which the individual is a candidate at the September primary and who
4 is certified under s. 7.08 (2) (a) as a candidate for that office in the general election,
5 or an individual who has been lawfully appointed and certified to replace either such
6 individual on the ballot at the spring or general election; and who has qualified for
7 a grant under sub. (2).

8 **SECTION 17.** 11.50 (1) (a) 2. of the statutes is amended to read:

9 11.50 (1) (a) 2. With respect to a special election, an individual who is certified
10 under s. 8.50 (1) (d) as a candidate in a special election for state superintendent, or
11 an individual who is certified under s. 8.50 (1) (d) as a candidate in a special election
12 for any state office, except ~~attorney general or~~ district attorney, on the ballot or
13 column of a party whose candidate for the same office at the preceding general
14 election received at least 6% of the vote cast for all candidates on all ballots for the
15 office, or an individual who has been lawfully appointed and certified to replace
16 either such individual on the ballot at a special election, or an individual who receives
17 at least 6% of the vote cast for all candidates on all ballots for any state office, except
18 ~~attorney general or~~ district attorney, at a partisan special election; and who qualifies
19 for a grant under sub. (2). Where the boundaries of a district in which an individual
20 seeks office have been changed since the preceding general election such that it is not
21 possible to calculate the exact number of votes that are needed by that individual to
22 qualify as an eligible candidate prior to an election under this subdivision, the
23 number of votes cast for all candidates for the office at the preceding general election
24 in each ward, combination of wards or municipality which is wholly contained within
25 the boundaries of the newly formed district shall be calculated. If the candidate of

BILL**SECTION 17**

1 the political party on whose ballot or column the individual appears in the newly
2 formed district obtained at least 6% of the number of votes calculated, the individual
3 is deemed to qualify as an eligible candidate prior to the election under this
4 subdivision.

5 **SECTION 18.** 11.50 (3) (b) of the statutes is amended to read:

6 11.50 (3) (b) If a vacancy occurs in the office of state superintendent or justice
7 after August 15 in any year and an election is scheduled to fill the vacancy at the
8 spring election in the following year, the state treasurer shall transfer an amount not
9 exceeding 8% of the moneys transferred to the fund on the preceding August 15 to
10 the superintendency account for the office in which the vacancy occurs, such moneys
11 to be drawn from any account within the accounts created under sub. (4) in the
12 amount or amounts specified by the board.

13 **SECTION 19.** 11.50 (4) (b) 1. and 2. of the statutes are amended to read:

14 11.50 (4) (b) 1. ~~Sixty-seven~~ Eighty percent to be apportioned between all
15 eligible candidates for governor.

16 2. ~~Eight~~ Ten percent to be apportioned between all eligible candidates for
17 lieutenant governor.

18 **SECTION 20.** 11.50 (4) (b) 3. of the statutes is repealed.

19 **SECTION 21.** 11.50 (4) (b) 4. and 5. of the statutes are amended to read:

20 11.50 (4) (b) 4. ~~Four~~ Five percent to be apportioned between all eligible
21 candidates for state treasurer.

22 5. ~~Four~~ Five percent to be apportioned between all eligible candidates for
23 secretary of state.

24 **SECTION 22.** 11.501 to 11.522 of the statutes are created to read:

25 **11.501 Definitions.** In ss. 11.501 to 11.522:

BILL

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

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

4 (3) "Election campaign period" means

5 (a) In the case of a candidate for justice, the period beginning on the day after
6 the spring primary election or the day on which a primary election would be held, if
7 required, and ending on the day of the succeeding spring election.

8 (b) In the case of a candidate for attorney general, the period beginning on the
9 day after the September primary election and ending on the day of the succeeding
10 general election.

11 (4) "Eligible candidate" means a candidate for the office of attorney general or
12 justice who qualifies for public financing by collecting the required number of
13 qualifying contributions, making all required reports and disclosures, and being
14 certified by the board as being in compliance with ss. 11.502 to 11.522.

15 (5) "Excess disbursement amount" means the amount of disbursements made
16 by a noncomplying candidate in excess of the public financing benefit available to an
17 eligible candidate for the same office that the noncomplying candidate seeks.

18 (6) "Excess qualifying contribution amount" means the amount of qualifying
19 contributions accepted by a candidate beyond the number or dollar amount of
20 contributions required to qualify a candidate for a public financing benefit.

21 (7) "Exploratory period" means

22 (a) In the case of a candidate for justice, the period that begins after the date
23 of a spring election and ends on the first day of the public financing qualifying period
24 for the next election for justice.

BILL**SECTION 22**

1 (b) In the case of a candidate for attorney general, the period that begins after
2 the date of a general election and ends on the first day of the public financing
3 qualifying period for the next election for attorney general.

4 (8) "Fair election debit card" means a debit card issued by the board in
5 accordance with s. 11.515 (2) entitling a candidate and agents of the candidate
6 designated by the candidate to draw money from an account maintained by the board
7 to make disbursements authorized by law.

8 (9) "Immediate family", when used with reference to a candidate, includes the
9 candidate's spouse and children.

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

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

21 (12) "Noncomplying candidate" means a candidate for the office of attorney
22 general or justice who does not apply for a public financing benefit or who otherwise
23 is ineligible or fails to qualify for a public financing benefit under ss. 11.502 to 11.522.

24 (13) "Personal funds" means funds contributed by a candidate or a member of
25 a candidate's immediate family.

BILL

1 (14) "Primary election campaign period" means:

2 ~~(a) In the case of a candidate for justice, the period beginning 30 days after the~~
3 last day prescribed by law for filing nomination papers for that office and ending on
4 the day of the spring primary election for that office or the day on which the primary
5 election would be held, if required.

6 (b) In the case of a candidate for attorney general, the period beginning 30 days
7 after the last day prescribed by law for filing nomination papers for that office and
8 ending on the day of the September primary election.

9 (15) "Public financing qualifying period" means:

10 ~~(a) In the case of a candidate for justice, the period beginning on the first day~~
11 of July of any year and ending on the day before the beginning of the primary election
12 campaign period for that office.

13 (b) In the case of a candidate for attorney general, the period beginning on the
14 first day of January of any year and ending on the day before the beginning of the
15 primary election campaign period for that office.

16 (16) "Qualifying contribution" means a contribution of \$5 made to a candidate
17 made by an elector of the jurisdiction or district in which the candidate seeks office
18 during the public financing qualifying period, which is acknowledged by written
19 receipt identifying the contributor.

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

BILL**SECTION 22**

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

10 (2) A candidate shall be certified by the board as an eligible candidate for
11 receipt of public financing for a primary election if the candidate complies with sub.
12 (1) and receives at least 1,000 qualifying contributions before the close of the public
13 financing qualifying period.

14 (3) The board shall verify a candidate's compliance with the requirements of
15 sub. (2) by such verification and sampling techniques as the board considers
16 appropriate.

17 (4) Each candidate shall:

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

20 (b) No later than the 15th or the last day of the month which immediately
21 follows the date of receipt of a qualifying contribution, whichever comes first, file a
22 copy of the receipt under par. (a) with the board, except that during July, August and
23 September a copy need only be filed on the last day of the month.

24 (5) A qualifying contribution may be utilized only for the purpose of making
25 a disbursement authorized by law.

BILL

1 **11.503 Time of application.** (1) Before a candidate may be certified as
2 eligible for receipt of public financing for a spring ~~or general~~ election, the candidate
3 shall apply to the board and file a sworn statement that the candidate has fulfilled
4 all the requirements of ss. 11.502 to 11.522 during the primary election campaign
5 period and will comply with such requirements during the election campaign period.

6 ~~In the case of a candidate for justice, the application shall be filed no later than the~~
7 7th day after the date of the spring primary election or the day on which the primary
8 election would be held if a primary were required. ~~In the case of a candidate for~~
9 ~~attorney general, the application shall be filed no later than the 7th day after the date~~
10 ~~of the September primary election.~~

11 (2) The board shall certify a candidate as an eligible candidate for receipt of
12 public financing for a spring ~~or general~~ election if the candidate complies with sub.
13 (1) and the candidate was an eligible candidate during the primary election
14 campaign period.

15 **11.505 Agreement by candidate.** An eligible candidate who accepts a public
16 financing benefit under ss. 11.502 to 11.522 during the primary election campaign
17 period shall agree to comply with all requirements of ss. 11.502 to 11.522 throughout
18 the election campaign period during the same campaign as a precondition to receipt
19 of public financing. An eligible candidate who accepts a public financing benefit
20 during a primary election campaign period may not elect to accept private
21 contributions in violation of ss. 11.502 to 11.522 during the corresponding election
22 campaign period.

23 **11.506 Requirements imposed upon candidates.** (1) An eligible
24 candidate may not accept private contributions other than seed money contributions

BILL**SECTION 22**

1 and qualifying contributions that the candidate accepts during the exploratory
2 period and the public financing qualifying period.

3 (2) In addition to reports required to be filed under ss. 11.12 (5) and 11.20, a
4 candidate who receives a public financing benefit shall furnish complete financial
5 records, including records of seed money contributions, qualifying contributions and
6 disbursements, to the board on the 15th or the last day of the month that
7 immediately follows the receipt of the contribution or the making of the
8 disbursement, whichever comes first, except that during July, August and
9 September records need only be furnished on the last day of the month. Each such
10 candidate shall cooperate with any audit or examination by the secretary of state.

11 (3) In addition to adhering to requirements imposed under ss. 11.06 (5) and
12 11.12 (3), a candidate who receives a public financing benefit shall maintain records
13 of all contributions received by the candidate of more than \$5 but less than \$50,
14 including seed money contributions and qualifying contributions, which shall
15 contain the full name of the contributor and the contributor's full home address. In
16 addition, if a contributor's aggregate contributions to any candidate exceed \$50 for
17 any campaign, the candidate shall also maintain a record of the contributor's
18 principal occupation and the name and business address of the contributor's place
19 of employment.

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

22 (5) No eligible candidate and no person acting on a candidate's behalf may
23 deposit any contribution that is not recorded in accordance with sub. (3) in a
24 candidate's campaign depository account.

BILL

1 (6) No eligible candidate may accept more than \$25 in cash from any
2 contributor and no such candidate may accept cash from all sources in a total amount
3 greater than one-tenth of 1% of the public financing benefit for the office that the
4 candidate seeks or \$500, whichever is greater.

5 **11.507 Personal funds of candidates.** (1) The personal funds of a candidate
6 contributed as seed money contributions may not exceed an aggregate amount of
7 \$5,000.

8 (2) No eligible candidate may make any disbursement derived from personal
9 funds after the close of the public financing qualifying period.

10 **11.508 Seed money contributions.** (1) An eligible candidate may accept
11 seed money contributions from any individual or committee prior to the end of the
12 public financing qualifying period, provided the total contributions from one
13 contributor, except personal funds and qualifying contributions otherwise permitted
14 under ss. 11.502 to 11.522, do not exceed \$100, and the aggregate contributions,
15 including personal funds, but not including qualifying contributions, do not exceed
16 \$5,000.

17 (2) An eligible candidate may make disbursements derived from seed money
18 contributions only during the exploratory period and the public financing qualifying
19 period.

20 **11.509 Excess contributions.** If an eligible candidate receives excess seed
21 money contributions or qualifying contributions on an aggregate basis, the
22 candidate may retain the contributions and make disbursements derived from the
23 contributions, in an amount not exceeding \$15,000. An amount equivalent to the
24 excess contributions shall be deducted by the board from the candidate's public
25 financing benefit. A candidate shall return to the board all seed money and

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1 qualifying contributions that exceed the limits prescribed in this section within 48
2 hours after the end of the exploratory period. A candidate shall also return to the
3 board any seed money and qualifying contributions that have not been encumbered
4 or expended by the beginning of the primary election campaign period. The board
5 shall deposit all contributions returned under this section in the democracy trust
6 fund.

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

15 (2) The board shall distribute to each eligible candidate at the spring ~~or~~
16 ~~September~~ primary election a line of credit for public financing promptly after the
17 candidate demonstrates his or her eligibility and, in any event, not later than 5 days
18 after the end of the public financing qualifying period; however, no candidate may
19 utilize a line of credit under this subsection until the beginning of the primary
20 election campaign period.

21 (3) The board shall distribute to each eligible candidate for justice at a spring
22 election a line of credit for public financing not later than 48 hours after the date of
23 the spring primary election for the office of justice, or the date that the primary
24 election would be held if a primary were required. ~~The board shall distribute to each~~
25 ~~eligible candidate for attorney general at a general election a line of credit for public~~

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1 ~~financing not later than 48 hours after the date of the September primary election.~~

2 However, no candidate for a particular office shall receive a line of credit until all
3 candidates for the same office who apply and qualify for a public financing benefit
4 have been certified as eligible candidates.

5 (4) If any candidate who receives a public financing benefit violates the
6 requirements of ss. 11.502 to 11.522, the board shall require the candidate to repay
7 all public funds received by the candidate to the board. The board shall deposit all
8 repayments received under this subsection in the democracy trust fund.

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

18 (2) The public financing benefit for a primary election campaign period is:

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

20 (b) For a candidate for justice, \$100,000.

21 (3) The public financing benefit for an election campaign period is:

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

23 (b) For a candidate for court of appeals judge, \$37,500.

24 (c) For a candidate for justice, \$300,000.

BILL**SECTION 22**

① (4) An eligible candidate in a spring ~~or general~~ election in which there are no
2 other candidates whose names appear on the ballot shall receive a line of credit
3 valued at 25% of the public financing benefit for the election campaign period.

4 (5) An eligible candidate for an office for which there are no other candidates,
5 other than write-in candidates, who have received contributions of more than \$1,000
6 in the aggregate, as of the day preceding the beginning of the campaign period for
7 the primary or election in which the eligible candidate seeks office, shall receive a
8 line of credit valued at 25% of the public financing benefit for the primary election
9 campaign period.

10 (6) Notwithstanding subs. (2) and (3), beginning on April 1, 2000, and every
11 2 years thereafter, the board shall modify the public financing benefits provided for
12 in subs. (2) and (3) to adjust for the change in the consumer price index, all items,
13 U.S. city average, published by the U.S. department of labor for the preceding 2-year
14 period ending on December 31.

15 **11.512 Financial activity by noncomplying candidates.** (1) In addition
16 to other reports required by law, a noncomplying candidate for an office at a primary
17 or election who receives contributions or makes or obligates to make disbursements
18 in an amount more than 5% greater than the public financing benefit applicable to
19 an eligible candidate for the same office at the same primary or election shall file a
20 report with the board itemizing the total contributions received and disbursements
21 made or obligated to be made by the candidate as of the date of the report. The board
22 shall transmit copies of the report to all candidates for the same office at the same
23 election. A noncomplying candidate shall file additional reports after the candidate
24 receives each additional \$1,000 of contributions, or the candidate makes or obligates
25 to make each additional \$1,000 of disbursements. If such contributions are received

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1 or such disbursements are made or obligated to be made more than 6 weeks prior to
2 the date of the primary election at which the name of the candidate appears on the
3 ballot, or ~~in the case of a candidate for justice~~ prior to the date that the primary
4 election would be held, if a primary were required, such reports shall be made at the
5 next regular reporting interval under s. 11.506. If such contributions are received
6 or such disbursements made or obligated to be made within 6 weeks prior to the date
7 of the primary election at which the name of the candidate appears on the ballot, or
8 ~~in the case of a candidate for justice~~ within 6 weeks prior to the date that the primary
9 election would be held, if a primary were required, such reports shall be made within
10 24 hours after each instance in which such contributions are received, or such
11 disbursements are made or obligated to be made.

12 (2) Upon receipt of such information, the board shall immediately credit an
13 opposing eligible candidate's account with an additional amount equivalent to the
14 total excess disbursements made or obligated to be made, but not to exceed 3 times
15 the public financing benefit for the applicable office.

16 **11.513 Independent disbursements.** (1) If any person makes, or becomes
17 obligated to make, by oral or written agreement, an independent disbursement in
18 excess of \$1,000 with respect to a candidate for the office of justice at a spring primary
19 or election, or ~~with respect to a candidate for attorney general at a September~~
20 ~~primary or general election,~~ that person shall file with the board a notice of such
21 disbursement or obligation to make such a disbursement. Any such person shall file
22 reports of such disbursements or obligations to make such disbursements on the 15th
23 or last day of the month that immediately follows the date of the disbursement or the
24 obligation to make the disbursement, whichever comes first, except that, within 6
25 weeks prior to the date of the spring ~~or September~~ primary election, the person shall

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1 file such reports within 24 hours after each independent disbursement is made or
2 obligated to be made. Any such person shall file additional reports after each
3 additional \$1,000 of disbursements are made or obligated to be made.

4 (2) When the aggregate independent disbursements against an eligible
5 candidate for an office or for the opponents of that candidate exceed 20% of the public
6 financing benefit for that office in any campaign, the board shall immediately credit
7 that candidate's account with an additional line of credit equivalent to the total
8 disbursements made or obligated to be made, but not to exceed 3 times the public
9 financing benefit for the applicable office.

10 **11.515 Democracy trust fund.** (1) The democracy trust fund shall be
11 administered by the state treasurer. The state treasurer shall contract with a debit
12 card issuer to permit eligible candidates and their agents to draw upon the fund
13 through an account with the issuer.

14 (2) Upon a determination of a candidate's eligibility for a public financing
15 benefit as provided for in s. 11.51 (1), the state treasurer shall issue to the eligible
16 candidate a debit card, which shall be known as the fair election debit card, entitling
17 the candidate and agents of the candidate designated by the candidate to draw
18 money from an account to make disbursements on behalf of the candidate.

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

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1 **11.516 Administration.** Except as otherwise specifically provided in ss.
2 11.501 to 11.522, the duties of and authority for administering and enforcing ss.
3 11.501 to 11.522 are vested in the board.

4 **11.517 Penalties; enforcement.** (1) If an eligible candidate makes
5 disbursements that exceed the public financing benefit allocated to the candidate for
6 any campaign, the candidate may be required to forfeit not more than 10 times the
7 amount by which the disbursements exceeded the allocation.

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

11 (3) If the board finds that there is probable cause to believe that a candidate
12 has made excess disbursements or has accepted excess contributions contrary to sub.
13 (1) or (2), the board shall attempt for a period of not more than 14 days after its
14 finding to correct the matter by informal methods of conference and conciliation and
15 to enter into a settlement and conciliation agreement under s. 5.05 (1) (c) with the
16 person involved. A settlement and conciliation agreement made pursuant to this
17 subsection shall be a matter of public record. Unless violated, a settlement and
18 conciliation agreement is a bar to any civil action under sub. (4).

19 (4) If the board has probable cause to believe that a candidate has made excess
20 disbursements or has accepted excess contributions and the board is unable to
21 correct the matter by informal methods within the time prescribed in sub. (3), the
22 board shall make a public finding of probable cause in the matter. After making a
23 public finding, the board shall bring an action in the circuit court for Dane County
24 to impose a forfeiture under sub. (1) or (2).

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

8 (6) The board and courts shall expedite all proceedings under ss. 11.502 to
9 11.522 so that all complaints brought prior to an election are resolved, to the extent
10 possible, before the election is held.

11 (7) If a complaint brought under ss. 11.502 to 11.522 is resolved against the
12 complainant and is found to have been brought in bad faith and without reasonable
13 basis therefor, the board or court may assess costs, including reasonable attorney
14 fees, against the complainant.

15 **11.518 Prohibited acts.** (1) If a candidate or agent of a candidate knowingly
16 accepts more contributions than the candidate is entitled to receive, or makes
17 disbursements exceeding the amount of the public financing benefit received by the
18 candidate, the candidate or agent may be fined not more than \$25,000 or imprisoned
19 for not more than 5 years or both.

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

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

6 **11.519 Mass mailings.** (1) (a) No person may conduct any mass mailing using
7 state funds on behalf of any person who is a candidate for the office of justice at the
8 spring election during the period between December 1 preceding that election and
9 May 31 following that election.

10 (b) No person may conduct any mass mailing using state funds on behalf of any
11 person who is a candidate for the office of attorney general at the general election
12 during the period between July 1 preceding that election and December 31 following
13 that election.

14 (2) If any person uses state funds to conduct a mass mailing on behalf of any
15 person who is a candidate for the office of justice at the spring election during the
16 period between September 1 and November 30 preceding that election, ~~or if any~~
17 ~~person uses state funds to conduct a mass mailing on behalf of any person who is a~~
18 ~~candidate for the office of attorney general at the general election during the period~~
19 ~~between September 1 and November 30 preceding that election,~~ the board shall
20 immediately credit the accounts of all other eligible candidates for ^{justice} ~~the same office~~
21 ~~sought by the person~~ on behalf of whom the mailing is conducted with an additional
22 line of credit equal to the cost of printing and mailing of that mass mailing. The
23 additional line of credit may be used solely to fund a mailing promoting the candidacy
24 of the candidate who receives the credit.

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1 (3) A candidate for justice at the spring election who plans to use state funds
2 for a mass mailing shall notify the board in writing of his or her intent to do so no later
3 than September 1 preceding the spring election, and shall complete the mailing no
4 later than the following November 30.

5 ~~(b) A candidate for attorney general at the general election who plans to use~~
6 ~~state funds for a mass mailing shall notify the board in writing of his or her intent~~
7 ~~to do so no later than January 1 preceding the general election, and shall complete~~
8 ~~the mailing no later than the following March 31.~~

9 (4) All mass mailings funded by the state on behalf of any person who is a
10 candidate for justice at the spring election during the period between September 1
11 and November 30 preceding that election ~~or on behalf of any person who is a~~
12 ~~candidate for attorney general at the general election during the period between~~
13 ~~April 1 and June 30 preceding that election~~ and all mass mailings authorized under
14 sub. (2) shall be issue oriented and nonpolitical, shall not mention any of a
15 candidate's opponents by name and shall be reviewed and approved by the board for
16 compliance 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 individual holding the office of justice to conduct a mass mailing on behalf
19 of a candidate for that office at the spring election after November 30 preceding that
20 election.

21 ~~(b) Except as permitted under sub. (2), no state funds may be used by any~~
22 ~~incumbent individual holding the office of attorney general to conduct a mass~~
23 ~~mailing on behalf of a candidate for that office at the general election after July 1~~
24 ~~preceding that election.~~

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1 **11.522 Contributions to noncomplying candidates; attributions.** (1) A
2 noncomplying candidate may accept contributions from private sources without
3 limitation, except that no person may make any contribution or contributions to a
4 noncomplying candidate exceeding a total of \$1,000 during any campaign.

5 (2) Any electronic or print communication paid for or authorized by a
6 noncomplying candidate shall contain the following sentence: “This communication
7 is paid for with money raised from private sources. This candidate has not agreed
8 to abide by campaign contribution and spending limits.”

9 **SECTION 23.** 20.510 (1) (r) of the statutes is created to read:

10 20.510 (1) (r) *Democracy trust fund administration.* From the democracy trust
11 fund, a sum sufficient for the administration of ss. 11.501 to 11.522.

12 **SECTION 24.** 20.585 (1) (q) of the statutes is created to read:

13 20.585 (1) (q) *Democracy trust fund.* As a continuing appropriation, from the
14 democracy trust fund, the moneys determined under ss. 11.501 to 11.522 to provide
15 for payments to eligible candidates.

16 **SECTION 25.** 20.585 (1) (r) of the statutes is created to read:

17 20.585 (1) (r) *Democracy trust fund administration.* From the democracy trust
18 fund, a sum sufficient for the administration of ss. 11.501 to 11.522.

19 **SECTION 26.** 20.855 (4) (bb) of the statutes is created to read:

20 20.855 (4) (bb) *Democracy trust fund transfer.* A sum sufficient equal to the
21 amounts required to provide lines of credit that candidates qualify to receive from
22 the democracy trust fund, to be transferred from the general fund to the democracy
23 trust fund no later than the time required to make payments of grants under s. 11.51
24 (2) and (3).

25 **SECTION 27.** 25.17 (1) (cm) of the statutes is created to read:

Kuesel, Jeffery

From: Austin, David
Sent: Tuesday, May 04, 1999 11:33 AM
To: Kuesel, Jeffery
Subject: Rep. Bock question re LRB 2224

Jeff:

In looking over the last draft of LRB 2224 (the one that eliminated the office of the attorney general from the proposed campaign financing structure), we noticed that there re still references to the office of the attorney general.

Those references occur on page 15, lines 7 and 9. There is also a reference to a candidate for court of appeals, also on page 15 at line 10.

Should those references be taken out?

If so, could you please make those changes and send us the new version of the draft?

Thanks again for your help.

David Austin
Legislative Aide to Representative Bock
6-8580



(1) NOTES
State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-2224/8
JTK:wlj:jf

wanted med s/s

1999 BILL

Reger

1 **AN ACT to amend** 8.35 (4) (b), 11.12 (2), 11.16 (2) and (3), 11.26 (1) (a), 11.26 (2)
2 (a), 11.26 (9) (a), 11.26 (9) (b), 11.26 (13), 11.31 (1) (d), 11.33 (1) (a) (intro.), 11.50
3 (1) (a) 1. and 11.50 (3) (b); and **to create** 11.26 (1) (am), 11.26 (2) (am), 11.26 (9)
4 (ba), 11.33 (4), 11.501 to 11.522, 20.510 (1) (r), 20.585 (1) (q), 20.585 (1) (r),
5 20.855 (4) (bb), 25.17 (1) (cm) and 25.421 of the statutes; **relating to:** campaign
6 financing with respect to the office of justice of the supreme court, making
7 appropriations and providing penalties.

Analysis by the Legislative Reference Bureau

This bill makes numerous changes in the campaign finance law affecting campaigns for the office of justice of the supreme court. The bill limits the application of 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 from state general purpose revenues derived from designations made by individuals filing state income tax returns, to state offices other than the office of justice of the supreme court. To finance elections for the office of justice of the supreme court, the bill creates a democracy trust fund, under which eligible candidates for this office may receive public grants derived from general purpose revenues.

Under the bill, a candidate for the office of justice of the supreme court may qualify for public financing from the democracy trust fund to finance a campaign in

BILL

a primary or election by receiving a specified number of qualifying contributions of five dollars each made by electors of the state. 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 and contributions from personal funds, subject to specified limitations. Public financing benefits for eligible candidates are \$100,000 in the primary election and \$300,000 in the general election. The benefits 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 that exceeds by more than five percent 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 three times the amount of the public financing benefit for the office that 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 that the candidate seeks (but not more than three 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 the office of justice of the supreme court 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 spring election ballot and must have an opponent who qualifies to have his or her name appear on that ballot. The maximum amount of a grant that a candidate may receive is \$97,031. 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 special interest 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. 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 an 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 the office of justice of the supreme court 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 are \$10,000 in the case of an individual making a contribution to a candidate and \$8,625 in the case of a committee making a contribution to a candidate. This bill replaces these limitations with a contribution limitation of \$1,000 applicable to an individual or committee

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making any contribution or contributions cumulatively to any candidate for the office of justice of the supreme court who is eligible to qualify for a public financing benefit but who declines to accept one, per campaign.

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

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

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

13 11.12 (2) Any No registrant, except a candidate who receives a public financing
14 benefit from the democracy trust fund, may accept an anonymous contribution
15 exceeding \$10 received by a campaign or committee treasurer or by an individual
16 under s. 11.06 (7) may not be used or expended. The, No candidate who receives a
17 public financing benefit from the democracy trust fund may accept an anonymous
18 contribution exceeding \$5. Any anonymous contribution that may not be accepted

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1 under this subsection shall be donated to the common school fund or to any charitable
2 organization at the option of the registrant's treasurer.

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

4 11.16 (2) LIMITATION ON CASH CONTRIBUTIONS. ~~Every~~ Except as provided in s.
5 11.506 (6), every contribution of money exceeding \$50 shall be made by negotiable
6 instrument or evidenced by an itemized credit card receipt bearing on the face the
7 name of the remitter. No treasurer may accept a contribution made in violation of
8 this subsection. The treasurer shall promptly return the contribution, or donate it
9 to the common school fund or to a charitable organization in the event that the donor
10 cannot be identified.

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

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

23 11.26 (1) (a) Candidates for governor, lieutenant governor, secretary of state,
24 state treasurer, attorney general, or state superintendent ~~or justice~~, \$10,000.

25 **SECTION 5.** 11.26 (1) (am) of the statutes is created to read:

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1 11.26 (1) (am) Candidates for justice, \$1,000.

2 **SECTION 6.** 11.26 (2) (a) of the statutes is amended to read:

3 11.26 (2) (a) Candidates for governor, lieutenant governor, secretary of state,
4 state treasurer, attorney general, or state superintendent ~~or justice~~, 4% of the value
5 of the disbursement level specified in the schedule under s. 11.31 (1).

6 **SECTION 7.** 11.26 (2) (am) of the statutes is created to read:

7 11.26 (2) (am) Candidates for justice, \$1,000.

8 **SECTION 8.** 11.26 (9) (a) of the statutes is amended to read:

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

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

16 11.26 (9) (b) ~~No~~ Except as provided in par. (ba), no individual who is a candidate
17 for state or local office may receive and accept more than 45% of the value of the total
18 disbursement level determined under s. 11.31 for the office for which he or she is a
19 candidate during any primary and election campaign combined from all committees
20 other than political party and legislative campaign committees subject to a filing
21 requirement.

22 **SECTION 10.** 11.26 (9) (ba) of the statutes is created to read:

23 11.26 (9) (ba) Paragraphs (a) and (b) do not apply to a candidate who receives
24 a public financing benefit from the democracy trust fund.

25 **SECTION 11.** 11.26 (13) of the statutes is amended to read:

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1 11.26 (13) Except as provided in sub. (9), contributions received from the
2 Wisconsin election campaign fund and public financing benefits received from the
3 democracy trust fund are not subject to limitation by this section.

4 **SECTION 12.** 11.31 (1) (d) of the statutes is amended to read:

5 11.31 (1) (d) Candidates for secretary of state, state treasurer, justice or state
6 superintendent, \$215,625.

7 **SECTION 13.** 11.33 (1) (a) (intro.) of the statutes is amended to read:

8 11.33 (1) (a) (intro.) ~~No~~ Except as provided in sub. (4), no person elected to state
9 or local office who becomes a candidate for national, state or local office may use
10 public funds for the cost of materials or distribution for 50 or more pieces of
11 substantially identical material distributed after:

12 **SECTION 14.** 11.33 (4) of the statutes is created to read:

13 11.33 (4) This section does not apply to a candidate for the office of justice.

14 **SECTION 15.** 11.50 (1) (a) 1. of the statutes is amended to read:

15 11.50 (1) (a) 1. With respect to a spring or general election, any individual who
16 is certified under s. 7.08 (2) (a) as a candidate in the spring election for justice or state
17 superintendent, or an individual who receives at least 6% of the vote cast for all
18 candidates on all ballots for any state office, except district attorney, for which the
19 individual is a candidate at the September primary and who is certified under s. 7.08
20 (2) (a) as a candidate for that office in the general election, or an individual who has
21 been lawfully appointed and certified to replace either such individual on the ballot
22 at the spring or general election; and who has qualified for a grant under sub. (2).

23 **SECTION 16.** 11.50 (3) (b) of the statutes is amended to read:

24 11.50 (3) (b) If a vacancy occurs in the office of state superintendent or justice
25 after August 15 in any year and an election is scheduled to fill the vacancy at the

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1 spring election in the following year, the state treasurer shall transfer an amount not
2 exceeding 8% of the moneys transferred to the fund on the preceding August 15 to
3 the superintendency account ~~for the office in which the vacancy occurs~~, such moneys
4 to be drawn from any account within the accounts created under sub. (4) in the
5 amount or amounts specified by the board.

6 **SECTION 17.** 11.501 to 11.522 of the statutes are created to read:

7 **11.501 Definitions.** In ss. 11.501 to 11.522:

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

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

11 (3) "Election campaign period" means the period beginning on the day after the
12 spring primary election or the day on which a primary election would be held, if
13 required, and ending on the day of the succeeding spring election.

14 (4) "Eligible candidate" means a candidate for the office of justice who qualifies
15 for public financing by collecting the required number of qualifying contributions,
16 making all required reports and disclosures, and being certified by the board as being
17 in compliance with ss. 11.502 to 11.522.

18 (5) "Excess disbursement amount" means the amount of disbursements made
19 by a noncomplying candidate in excess of the public financing benefit available to an
20 eligible candidate for the same office that the noncomplying candidate seeks.

21 (6) "Excess qualifying contribution amount" means the amount of qualifying
22 contributions accepted by a candidate beyond the number or dollar amount of
23 contributions required to qualify a candidate for a public financing benefit.

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1 (7) “Exploratory period” means the period that begins after the date of a spring
2 election and ends on the first day of the public financing qualifying period for the next
3 election for justice.

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

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

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

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

21 (12) “Noncomplying candidate” means a candidate for the office of justice who
22 does not apply for a public financing benefit or who otherwise is ineligible or fails to
23 qualify for a public financing benefit under ss. 11.502 to 11.522.

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

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1 (14) “Primary election campaign period” means the period beginning 30 days
2 after the last day prescribed by law for filing nomination papers for that office and
3 ending on the day of the spring primary election for that office or the day on which
4 the primary election would be held, if required.

5 (15) “Public financing qualifying period” means the period beginning on the
6 first day of July of any year and ending on the day before the beginning of the primary
7 election campaign period for that office.

8 (16) “Qualifying contribution” means a contribution of \$5 made to a candidate
9 made by an elector of the jurisdiction or district in which the candidate seeks office
10 during the public financing qualifying period, which is acknowledged by written
11 receipt identifying the contributor.

12 (17) “Seed money contribution” means a contribution in an amount of not more
13 than \$100 made to a candidate by an elector of the jurisdiction or district in which
14 the candidate seeks office during the exploratory period or the public financing
15 qualifying period, or a contribution made to a candidate consisting of personal funds
16 of that candidate in an amount not more than the amount authorized under s. 11.507
17 during the exploratory period or the public financing qualifying period.

18 **11.502 Qualification; certification.** (1) Before a candidate for justice in the
19 primary election may be certified as an eligible candidate to receive a public
20 financing benefit for the primary election campaign period, the candidate shall apply
21 to the board for a public financing benefit and file a sworn statement that the
22 candidate has complied and will comply with all requirements of ss. 11.502 to 11.522
23 throughout the applicable campaign, which includes the primary and election for
24 that office. A candidate shall file the application and statement no later than the

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1 beginning of the primary election campaign period for the office that the candidate
2 seeks.

3 (2) A candidate shall be certified by the board as an eligible candidate for
4 receipt of public financing for a primary election if the candidate complies with sub.
5 (1) and receives at least 1,000 qualifying contributions before the close of the public
6 financing qualifying period.

7 (3) The board shall verify a candidate's compliance with the requirements of
8 sub. (2) by such verification and sampling techniques as the board considers
9 appropriate.

10 (4) Each candidate shall:

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

13 (b) No later than the 15th or the last day of the month which immediately
14 follows the date of receipt of a qualifying contribution, whichever comes first, file a
15 copy of the receipt under par. (a) with the board, except that during July, August and
16 September a copy need only be filed on the last day of the month.

17 (5) A qualifying contribution may be utilized only for the purpose of making
18 a disbursement authorized by law.

19 **11.503 Time of application.** (1) Before a candidate may be certified as
20 eligible for receipt of public financing for a spring election, the candidate shall apply
21 to the board and file a sworn statement that the candidate has fulfilled all the
22 requirements of ss. 11.502 to 11.522 during the primary election campaign period
23 and will comply with such requirements during the election campaign period. The
24 application shall be filed no later than the 7th day after the date of the spring primary

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1 election or the day on which the primary election would be held if a primary were
2 required.

3 (2) The board shall certify a candidate as an eligible candidate for receipt of
4 public financing for a spring election if the candidate complies with sub. (1) and the
5 candidate was an eligible candidate during the primary election campaign 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 that 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 board on the 15th or the last day of the month that
22 immediately follows the receipt of the contribution or the making of the
23 disbursement, whichever comes first, except that during July, August and
24 September 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 eligible candidate and no person acting on a candidate's behalf may
13 deposit any contribution that is not recorded in accordance with sub. (3) in a
14 candidate's campaign depository account.

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

19 **11.507 Personal funds of candidates.** (1) The personal funds of a candidate
20 contributed as seed money contributions may not exceed an aggregate amount of
21 \$5,000.

22 (2) No eligible candidate may make any disbursement derived from personal
23 funds after the close of the public financing qualifying period.

24 **11.508 Seed money contributions.** (1) An eligible candidate may accept
25 seed money contributions from any individual or committee prior to the end of the

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1 public financing qualifying period, provided the total contributions from one
2 contributor, except personal funds and qualifying contributions otherwise permitted
3 under ss. 11.502 to 11.522, do not exceed \$100, and the aggregate contributions,
4 including personal funds, but not including qualifying contributions, do not exceed
5 \$5,000.

6 (2) An eligible candidate may make disbursements derived from seed money
7 contributions only during the exploratory period and the public financing qualifying
8 period.

9 **11.509 Excess contributions.** If an eligible candidate receives excess seed
10 money contributions or qualifying contributions on an aggregate basis, the
11 candidate may retain the contributions and make disbursements derived from the
12 contributions, in an amount not exceeding \$15,000. An amount equivalent to the
13 excess contributions shall be deducted by the board from the candidate's public
14 financing benefit. A candidate shall return to the board all seed money and
15 qualifying contributions that exceed the limits prescribed in this section within 48
16 hours after the end of the exploratory period. A candidate shall also return to the
17 board any seed money and qualifying contributions that have not been encumbered
18 or expended by the beginning of the primary election campaign period. The board
19 shall deposit all contributions returned under this section in the democracy trust
20 fund.

21 **11.51 Certification by candidate; line of credit.** (1) To apply for a public
22 financing benefit, a candidate shall certify to the board that the candidate has
23 complied and will comply, throughout the applicable campaign, with all
24 requirements of ss. 11.502 to 11.522 and that all disclosures required as of the time
25 of application have been made, and shall present evidence of the requisite number

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1 of qualifying contributions received by the candidate. The candidate's request for
2 certification shall be signed by the candidate and the candidate's campaign
3 treasurer.

4 (2) The board shall distribute to each eligible candidate at the spring primary
5 election a line of credit for public financing promptly after the candidate
6 demonstrates his or her eligibility and, in any event, not later than 5 days after the
7 end of the public financing qualifying period; however, no candidate may utilize a line
8 of credit under this subsection until the beginning of the primary election campaign
9 period.

10 (3) The board shall distribute to each eligible candidate for justice at a spring^s
11 election a line of credit for public financing not later than 48 hours after the date of
12 the spring primary election for the office of justice, or the date that the primary
13 election would be held if a primary were required. However, no candidate for a
14 particular office shall receive a line of credit until all candidates for the same office
15 who apply and qualify for a public financing benefit have been certified as eligible
16 candidates.

17 (4) If any candidate who receives a public financing benefit violates the
18 requirements of ss. 11.502 to 11.522, the board shall require the candidate to repay
19 all public funds received by the candidate to the board. The board shall deposit all
20 repayments received under this subsection in the democracy trust fund.

21 **11.511 Public financing benefits.** (1) The board shall provide to each
22 eligible candidate who qualifies to receive a public financing benefit for the primary
23 or election campaign period separate lines of credit for the primary and election
24 campaign periods in the amounts specified in this section, subject to any required
25 adjustment under s. 11.509, 11.512 (2), 11.513 (2) or 11.519 (2). An eligible candidate

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1 may use this credit to finance any lawful disbursements during the primary and
2 election campaign periods to further the election of the candidate in that primary or
3 election. An eligible candidate may not use this credit to repay any loan, or in
4 violation of ss. 11.502 to 11.522 or any other applicable law.

5 (2) The public financing benefit for a primary election campaign period is

6 ~~(a) For a candidate for attorney general, \$300,000.~~

7 ~~(b) For a candidate for justice, \$100,000.~~

8 (3) The public financing benefit for an election campaign period is

9 ~~(a) For a candidate for attorney general, \$600,000.~~

10 ~~(b) For a candidate for court of appeals judge, \$37,500.~~

11 ~~(c) For a candidate for justice, \$300,000.~~

12 (5) An eligible candidate in a ^{an} spring election in which there are no other
13 candidates whose names appear on the ballot shall receive a line of credit valued at
14 25% of the public financing benefit for the election campaign period.

15 (4) (5) An eligible candidate for an office ^{in an election in} for which there are no other candidates,
16 other than write-in candidates, who have received contributions of more than \$1,000
17 in the aggregate, as of the day preceding the beginning of the ^{primary election} campaign period for
18 the ~~primary or~~ election in which the eligible candidate seeks office, shall receive a
19 line of credit valued at 25% of the public financing benefit for the primary election
20 campaign period.

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

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

22 (2) Upon receipt of such information, the board shall immediately credit an
23 opposing eligible candidate's account with an additional amount equivalent to the
24 total excess disbursements made or obligated to be made, but not to exceed 3 times
25 the 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 for the office of justice at a spring primary
4 or election, that person shall file with the board a notice of such disbursement or
5 obligation to make such a disbursement. Any such person shall file reports of such
6 disbursements or obligations to make such disbursements on the 15th or last day of
7 the month that immediately follows the date of the disbursement or the obligation
8 to make the disbursement, whichever comes first, except that, within 6 weeks prior
9 to the date of the spring primary election, the person shall file such reports within
10 24 hours after each independent disbursement is made or obligated to be made. Any
11 such person shall file additional reports after each additional \$1,000 of
12 disbursements are made or obligated to be made.

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

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

23 (2) Upon a determination of a candidate's eligibility for a public financing
24 benefit as provided for in s. 11.51 (1), the state treasurer shall issue to the eligible
25 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 that exceed the public financing benefit allocated to the candidate for
15 any campaign, the candidate may be required to forfeit not more than 10 times the
16 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 to impose a forfeiture under sub. (1) or (2).

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

16 (6) The board and courts shall expedite all proceedings under ss. 11.502 to
17 11.522 so that all complaints brought prior to an election are resolved, to the extent
18 possible, before the election is held.

19 (7) If a complaint brought under ss. 11.502 to 11.522 is resolved against the
20 complainant and is found to have been brought in bad faith and without reasonable
21 basis therefor, the board or court may assess costs, including reasonable attorney
22 fees, against the complainant.

23 **11.518 Prohibited acts.** (1) If a candidate or agent of a candidate knowingly
24 accepts more contributions than the candidate is entitled to receive, or makes
25 disbursements exceeding the amount of the public financing benefit received by the

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1 candidate, the candidate or agent may be fined not more than \$25,000 or imprisoned
2 for not more than 5 years or both.

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

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

13 **11.519 Mass mailings.** (1) No person may conduct any mass mailing using
14 state funds on behalf of any person who is a candidate for the office of justice at the
15 spring election during the period between December 1 preceding that election and
16 May 31 following that election.

17 (2) If any person uses state funds to conduct a mass mailing on behalf of any
18 person who is a candidate for the office of justice at the spring election during the
19 period between September 1 and November 30 preceding that election, the board
20 shall immediately credit the accounts of all other eligible candidates for justice on
21 behalf of whom the mailing is conducted with an additional line of credit equal to the
22 cost of printing and mailing of that mass mailing. The additional line of credit may
23 be used solely to fund a mailing promoting the candidacy of the candidate who
24 receives the credit.

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1 **(3)** A candidate for justice at the spring election who plans to use state funds
2 for a mass mailing shall notify the board in writing of his or her intent to do so no later
3 than September 1 preceding the spring election, and shall complete the mailing no
4 later than the following November 30.

5 **(4)** All mass mailings funded by the state on behalf of any person who is a
6 candidate for justice at the spring election during the period between September 1
7 and November 30 preceding that election and all mass mailings authorized under
8 sub. (2) shall be issue oriented and nonpolitical, shall not mention any of a
9 candidate's opponents by name and shall be reviewed and approved by the board for
10 compliance with such requirements in advance of the mailing.

11 **(5)** Except as permitted under sub. (2), no state funds may be used by any
12 incumbent individual holding the office of justice to conduct a mass mailing on behalf
13 of a candidate for that office at the spring election after November 30 preceding that
14 election.

15 **11.522 Contributions to noncomplying candidates; attributions.** **(1)** A
16 noncomplying candidate may accept contributions from private sources without
17 limitation, except that no person may make any contribution or contributions to a
18 noncomplying candidate exceeding a total of \$1,000 during any campaign.

19 **(2)** Any electronic or print communication paid for or authorized by a
20 noncomplying candidate shall contain the following sentence: "This communication
21 is paid for with money raised from private sources. This candidate has not agreed
22 to abide by campaign contribution and spending limits."

23 **SECTION 18.** 20.510 (1) (r) of the statutes is created to read:

24 20.510 (1) (r) *Democracy trust fund administration.* From the democracy trust
25 fund, a sum sufficient for the administration of ss. 11.501 to 11.522.

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1 **SECTION 19.** 20.585 (1) (q) of the statutes is created to read:

2 20.585 (1) (q) *Democracy trust fund.* As a continuing appropriation, from the
3 democracy trust fund, the moneys determined under ss. 11.501 to 11.522 to provide
4 for payments to eligible candidates.

5 **SECTION 20.** 20.585 (1) (r) of the statutes is created to read:

6 20.585 (1) (r) *Democracy trust fund administration.* From the democracy trust
7 fund, a sum sufficient for the administration of ss. 11.501 to 11.522.

8 **SECTION 21.** 20.855 (4) (bb) of the statutes is created to read:

9 20.855 (4) (bb) *Democracy trust fund transfer.* A sum sufficient equal to the
10 amounts required to provide lines of credit that candidates qualify to receive from
11 the democracy trust fund, to be transferred from the general fund to the democracy
12 trust fund no later than the time required to make payments of grants under s. 11.51
13 (2) and (3).

14 **SECTION 22.** 25.17 (1) (cm) of the statutes is created to read:

15 25.17 (1) (cm) *Democracy trust fund* (s. 25.421);

16 **SECTION 23.** 25.421 of the statutes is created to read:

17 **25.421 Democracy trust fund.** All moneys appropriated under s. 20.855 (4)
18 (bb) and all moneys deposited in the state treasury under ss. 11.509 and 11.51 (4)
19 constitute the democracy trust fund, to be expended for the purposes of ss. 11.501 to
20 11.522.

21

(END)



DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-2224/4dn

JTK.....

Wlj

In addition to the corrections you requested in proposed s. 11.511 (2) and (3),[✓] this draft makes minor revisions to, and reverses the order of, proposed s. 11.511 (4) and (5).[✓]

Jeffery T. Kuesel
Managing Attorney
Phone: (608) 266-6778

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-2224/4dn
JTK:wlj:jf

May 5, 1999

In addition to the corrections you requested in proposed s. 11.511 (2) and (3), this draft makes minor revisions to, and reverses the order of, proposed s. 11.511 (4) and (5).

Jeffery T. Kuesel
Managing Attorney
Phone: (608) 266-6778

**SUBMITTAL
FORM**

**LEGISLATIVE REFERENCE BUREAU
Legal Section Telephone: 266-3561
5th Floor, 100 N. Hamilton Street**

The attached draft is submitted for your inspection. Please check each part carefully, proofread each word, and sign on the appropriate line(s) below.

Date: 5/5/99

To: Representative Bock

Relating to LRB drafting number: LRB-2224

Topic

Campaign finance changes - elections for justice

Subject(s)

Elections - campaign finance

1. **JACKET** the draft for introduction _____

Peter Bock

in the **Senate** _____ or the **Assembly** (check only one). Only the requester under whose name the drafting request is entered in the LRB's drafting records may authorize the draft to be submitted. Please allow one day for the preparation of the required copies.

2. **REDRAFT.** See the changes indicated or attached _____.

A revised draft will be submitted for your approval with changes incorporated.

3. Obtain **FISCAL ESTIMATE NOW**, prior to introduction _____.

If the analysis indicates that a fiscal estimate is required because the proposal makes an appropriation or increases or decreases existing appropriations or state or general local government fiscal liability or revenues, you have the option to request the fiscal estimate prior to introduction. If you choose to introduce the proposal without the fiscal estimate, the fiscal estimate will be requested automatically upon introduction. It takes about 10 days to obtain a fiscal estimate. Requesting the fiscal estimate prior to introduction retains your flexibility for possible redrafting of the proposal.

If you have any questions regarding the above procedures, please call 266-3561. If you have any questions relating to the attached draft, please feel free to call me.

Jeffery T. Kuesel, Managing Attorney
Telephone: (608) 266-6778