## 1999 DRAFTING REQUEST

### Senate Amendment (SA-SB190)

Receive	Received: 09/22/1999				Received By: kuesejt			
Wanted	: Today				Identical to LRB:  By/Representing: <b>Doug Burnett</b>			
For: Ch	arles Chvala (	(608) 266-9170	1					
This file may be shown to any legislator: <b>NO</b> May Contact:					Drafter: kuesejt			
				Alt. Drafters:				
Subject: Elections - campaign finance				Extra Copies: RJM - 1				
Pre To	pic:							
No spec	cific pre topic gi	ven						
Topic:	<u></u>							
SA to S	В 190							
Instruc	tions:							
See Atta	ached.							
Draftin	ng History:			1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1				
Vers.	Drafted	Reviewed	Typed	Proofed	Submitted	Jacketed	Required	
/?	kuesejt 09/22/1999	gilfokm 09/22/1999						
/1			hhagen 09/22/199	99	lrb_docadmin 09/23/1999	lrb_docadm 09/23/1999		
/2	kuesejt 09/29/1999	gilfokm 09/29/1999	kfollet 09/29/199	99	lrb_docadmin 09/29/1999	lrb_docadm 09/29/1999		
FE Sent	For:				+			

<**END>** 

#### 1999 DRAFTING REQUEST

## Senate Amendment (SA-SB190)

Received: 09/22/1999			Received By: kuesejt						
Wanted	: Today				Identical to LRB:				
For: Ch	arles Chvala (	(608) 266-9170			By/Representing: Doug Burnett				
This file may be shown to any legislator: <b>NO</b> May Contact:				Drafter: kuesejt					
				Alt. Drafters:					
Subject: Elections - campaign finance			Extra Copies: RJM - 1						
Pre Top	pic:								
No spec	ific pre topic gi	ven							
Topic:	<u> </u>						· · · · · · · · · · · · · · · · · · ·		
SA to Sl	B 190								
Instruc	tions:	The state of the s			·		· · · · · · · · · · · · · · · · · · ·		
See Atta	nched.			•					
 Draftin	g History:			······································					
Vers.	Drafted	Reviewed	Typed	Proofed	Submitted	<u>Jacketed</u>	Required		
/?	kuesejt 09/22/1999	gilfokm 09/22/1999				•			
/1 / z FE Sent	/zuese)~	(2-9-29-99 Kmg	hhagen 09/22/199  G+ 9 29	1.	lrb_docadmin 09/23/1999	lrb_docadm 09/23/1999	in		

FE Sent For:

## 1999 DRAFTING REQUEST

### Senate Amendment (SA-SB190)

Received: 09/22/1999	Received By: kuesejt				
Wanted: Today	Identical to LRB	:			
For: Charles Chvala (608) 266-9170	By/Representing: <b>Doug Burnett</b> Drafter: <b>kuesejt</b> Alt. Drafters:				
This file may be shown to any legislator: NO					
May Contact:					
Subject: Elections - campaign finance	Extra Copies:	<b>RJM - 1</b>			
Pre Topic:		·	<del></del> .		
No specific pre topic given					
Topic:					
SA to SB 190					
Instructions:					
See Attached.					
Drafting History:			-		
Vers. Drafted Reviewed Typed Proofed  No. 1.   No. 1.	Submitted	<u>Jacketed</u>	<u>Required</u>		

<END>

From:

Burnett, Douglas

Sent:

Tuesday, September 14, 1999 10:33 AM Wenzel, Bill; Kuesel, Jeffery

To:

Cc:

Clausing, Alice

Subject:

Simple amendment to SB 190

Please draft a simple amendment to SB 190 as follows:

Eliminate the ability of any candidate committee to accept PAC or conduit money if they accept the grant; 1.

Reduce the spending limits for Senate to \$70,000 and the grant amount to \$40,000; Assembly to \$35,000 and the 2. grant amount to \$20,000;

Reduce the grant amount for governor to \$1.2 million; increase the the grant amount in the bill for attorney 3. general from \$150,000 to \$350,000; reduce the grant amount for secretary of state, state treasurer, or superintendent of public instruction from \$150,000 to \$115,000.

Make the advance reporting requirement for independent expenditures severable from the rest of the bill. 4.

These are the changes I have from the meeting we had Bill.

From:

Wenzel, Bill

Sent:

Tuesday, September 14, 1999 12:32 PM

To:

Burnett, Douglas; Kuesel, Jeffery

Cc:

Clausing, Alice

Subject:

RE: Simple amendment to SB 190

Gentlemen and Distinguished Senator (I got into trouble with my salutation in the past);

My notes reflect a couple of other changes and a clarification:

- 1. Clarification that if the 21 day reporting requirement was found unconstitutional on the basis of "prior restraint" the contemporaneous reporting requirements coupled with a requirement for immediate disbursement for "matches" over spending limits caps by opponents/independents would remain in place.
- Lobbying Tax there would be a "severability clause" pertaining to this provision. We would also amend to exclude "non-profits" from this requirement

I do have a question - how do we treat contributions made to political parties? Should they be treated in the same fashion as LCCs?

Bill

----Original Message-----

From:

**Burnett, Douglas** 

Sent:

Tuesday, September 14, 1999 10:33 AM

To:

Wenzel, Bill; Kuesel, Jeffery

Cc:

Clausing, Alice

Subject:

Simple amendment to SB 190

Please draft a simple amendment to SB 190 as follows:

- Eliminate the ability of any candidate committee to accept PAC or conduit money if they accept the grant;
- 2. Reduce the spending limits for Senate to \$70,000 and the grant amount to \$40,000; Assembly to \$35,000 and the grant amount to \$20,000;
- 3. Reduce the grant amount for governor to \$1.2 million; increase the the grant amount in the bill for attorney general from \$150,000 to \$350,000; reduce the grant amount for secretary of state, state treasurer, or superintendent of public instruction from \$150,000 to \$115,000.
- 4. Make the advance reporting requirement for independent expenditures severable from the rest of the bill.

These are the changes I have from the meeting we had Bill.

From:

Burnett, Douglas

Sent:

Tuesday, September 14, 1999 1:20 PM

To:

Wenzel, Bill; Kuesel, Jeffery

Cc:

Clausing, Alice

Subject:

RE: Simple amendment to SB 190

You are correct on those severability issues.

My undertsanind is that contributions to parties are treated the same as LCCs under current law.

From:

----Original Message-----Wenzel, Bill

Sent:

Tuesday, September 14, 1999 12:32 PM

To:

Burnett, Douglas; Kuesel, Jeffery

Cc:

Clausing, Alice

Subject:

RE: Simple amendment to SB 190

Gentlemen and Distinguished Senator (I got into trouble with my salutation in the past);

My notes reflect a couple of other changes and a clarification:

- 1. Clarification that if the 21 day reporting requirement was found unconstitutional on the basis of "prior restraint" the contemporaneous reporting requirements coupled with a requirement for immediate disbursement for "matches" over spending limits caps by opponents/independents would remain in
- 2. Lobbying Tax there would be a "severability clause" pertaining to this provision. We would also amend to exclude "non-profits" from this requirement

I do have a question - how do we treat contributions made to political parties? Should they be treated in the same fashion as LCCs?

Bill

----Original Message-----

From:

**Burnett, Douglas** 

Sent:

Tuesday, September 14, 1999 10:33 AM

To:

Wenzel, Bill; Kuesel, Jeffery

Cc:

Clausing, Alice

Subject:

Simple amendment to SB 190

Please draft a simple amendment to SB 190 as follows:

- Eliminate the ability of any candidate committee to accept PAC or conduit money if they accept 1. the grant;
- Reduce the spending limits for Senate to \$70,000 and the grant amount to \$40,000; Assembly to 2. \$35,000 and the grant amount to \$20,000;
- Reduce the grant amount for governor to \$1.2 million; increase the the grant amount in the bill for 3. attorney general from \$150,000 to \$350,000; reduce the grant amount for secretary of state, state treasurer, or superintendent of public instruction from \$150,000 to \$115,000.
- Make the advance reporting requirement for independent expenditures severable from the rest of 4. the bill.

These are the changes I have from the meeting we had Bill.

From:

Wenzel, Bill

Sent:

Tuesday, September 14, 1999 5:49 PM Kuesel, Jeffery

To:

Subject:

SB 190 Amendments

Jeff - -

There is one more modification that Doug & I overlooked. In the section regarding Qualifying Grants we had originally proposed that 1000 signatures be required as a precondition for the award. Please modify that to 800.

Thanks, Bill

# 1999 DRAFTING REQUEST

## Senate Amendment (SA-SB190)

For: Charles Chvala (608) 266-9170  By/R  This file may be shown to any legislator: NO  Draft  May Contact:  Alt. I	ical to LRB:  epresenting: Doug Burnett  er: kuesejt  Drafters:  Copies: RJM - 1
This file may be shown to any legislator: NO  Draft  May Contact:  Alt. I	er: <b>kuesejt</b> Orafters:
May Contact: Alt. I	Drafters:
Cubicate Ellerth.	Copies: RJM - 1
Subject: Elections - campaign finance Extra	
Pre Topic:	
No specific pre topic given	
Topic:	
AA to SB-190	
Instructions:	
See Attached.	
Drafting History:	· · · · · · · · · · · · · · · · · · ·
<u>Vers. Drafted Reviewed Typed Proofed Sul</u>	omitted Jacketed Required
/? kuesejt gilfokm 09/16/1999 09/16/1999	
	_docadmin
FE Sent For: <end></end>	Og. 22.99 Jacket

FE Sent For:

### 1999 DRAFTING REQUEST

## Senate Amendment (SA-SB190)

Received: 09/14/1999	Received By: kuesej	t ;			
Wanted: Soon	Identical to LRB:				
For: Charles Chvala (608) 266-9170	By/Representing: Doug Burnett  Drafter: kuesejt				
This file may be shown to any legislator: NO					
May Contact:	Alt. Drafters:				
Subject: Elections - campaign finance	Extra Copies:	RJM - 1			
Pre Topic:	<del> </del>				
No specific pre topic given					
Topic:  AA to SB-190					
Instructions: See Attached.					
Drafting History:  Vers. Drafted Reviewed Typed Proofed  1?   kuesejt 9 16/1-9-16-99   69 17   9  17	Submitted	Jacketed Required			

<END>

# STATE OF WISCONSIN - LEGISLATIVE REFERENCE BUREAU - LEGAL SECTION (608-266-3561)

File transferred to LNB 90636.	
file transferred to 40090086.	
Theref	~~~~~~~~
J. Everel 9/22/99	······································
	THE STATE OF THE S
	<b>4</b>
	•••••••••••••••••••••••••••••••••••••••
	***************************************
	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~
	*
	·
,	
	······································

1999 Date (tin	ne) Mov 9/20	-AM LRB a	05.98,1
AMENDMENT	DNORS		1 : KmG:
See form AMENDMENTS —	COMPONENTS &	ITEMS.	
	S A AMENI	)MENT	
TO S A AME	re amendmen		
TO 1999 SB SJR SI	R AB AJR A	R 170 (LRI	3- /-)
At the locations indicated, an	nend me	grossed" or "as a	as follows:
#. Page 21., line			
#. Page, line .6.:			
#. Page . 2.5., line			
#. Page, line !!! :	delete 1182	5,000 and	escost to
#. Page 25., line !! 6	delele "812	580" and 508	5544 te
• * (		r	.ma 1000DE04/5 V

[rev: 6/2/98 1999DF04(fm)]

# **AMENDMENTS**

LRB	405	98	_/_	
_	SIK.		:	

#### **AMENDMENT ITEM**

See form	AMENDMENTS -	COMPONENTS	& ITEMS
See form		COMPONENTS	OC LITHING.

#. Page 30., line G.: deléte "\$100,000" and substitute
11 \$70,000".

1 #. Page 30, line 9. delete "#50,000" and substitute

("#35,000".

V #. Page 34, line 7: Deletenthe material boyinning with 11,000" and ending with "2,000" willing 8 and substitute "800, nor more than 1,600".

V. #. Page .3.4, line 10: detete that line and substitute 400 nor more than 800 electors.".

#. Page ..., line! 8: Selete "#80,000" and selest the

V #. Page 35, line 19. ddete "# 24,000" and substitute
"# 55,999".

# **AMENDMENTS**

LRB	Q	0	7	9	8	/	1
	JA	C	:		:		

#### **AMENDMENT ITEM**

See form AMENDMENTS — COMPONENTS & ITEMS.

V #. Page? S., line? delete "\$ 8,000" and subsht

/ #. Page..., line?3: delete "\*4,000" and substite
"# 2,133".

/#. Page 35, line 24 delete "# 2,000" and substite
11#1,066".

V#. Page???, line?!! delete "#1,500,000" and substitute
1181,200,000".

#. Page 37, line 21: delete "#150,000" and substitute
"#350,000".

#. Page 37., line 24: dete 12,50,000 and substite

A A

# **AMENDMENTS**

LRB	20	598,	
	Mr.	:	•

#### AMENDMENT ITEM

See form	AMENDMENTS —	COMPONENTS &	ITEMS.
----------	--------------	--------------	--------

A	V #. Page 3.7., line 2.1: detete 1 \$ ,50,000 and	south	5
Ma	1/2/15,000"		

#. Page 3.7, line 25: Selete "\$75,000" and substite

/ #. Page 38., line...: Selete "#37,500" and substitute
"#70,000".

(End)

**#.** Page . . . , line . . . :

#. Page ...., line ....:

**#.** Page . . . . , line . . . . :

# DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRBa0598/1dn JTK...:,..../m//

#### Concerning your instructions:

- 1. Under proposed s. 11.24 (1w), a candidate who accepts a grant is precluded from receiving contributions from special interest (political action) or political party committees. Under the bill, conduits are treated the same as special interest (political action) committees; they have no separate identity. Therefore, I have made no changes to the treatment of PAC's and conduits under the bill.
- 2. Since you decrease the maximum grants available to candidates for certain offices, I have increased the maximum aggregate individual contributions that candidates for these offices may receive under proposed s. 11.26 (1m), because otherwise there would be no way the candidates could raise sufficient revenue to reach their disbursement (spending) limits.
- 3. In order to maintain the proportions that the required qualifying contributions under proposed s. 11.50 (2) (b) 5. a. to f. bear to the maximum grants available to candidates for the corresponding offices, I have adjusted the amounts of the qualifying contributions. You may wish to consider rounding these amounts.
- 4. Under s. 990.001 (11), stats., all Wisconsin Statutes are severable to the extent it is possible to sever them. Since we can't affect severability beyond what the statutes already provide, we don't draft severability clauses in Wisconsin.
- 5. The instruction to draft alternative provisions in the event that the 21-day advance notification requirement for independent disbursements and obligations under proposed s. 11.12 (6) (c) is found to be unconstitutional than not been included in this draft pending clarification from Bill Wenzel. As I discussed with Bill, while it is possible to do this, it has never been done before in this state to my knowledge and it is possible that the courts may view this as an invalid delegation of lawmaking power to the judicial branch.
- 6. Concerning the lobbying expenditure tax, under proposed s. 77.9971, charitable organizations and governmental units are exempt from the tax. I could go beyond this to exempt all nonprofit organizations but since trade associations are generally organized on a nonprofit basis, if we were to do this most lobbying expenditures would be exempt from the tax. I have therefore made no change in this provision at this time.
- 7. Concerning the instruction to decrease the number of qualifying signatures required for a candidate to obtain a public grant from 1,000 to 800, I assumed this had

checke

.that

/

reference to candidates for state senator; I assumed you wanted the maximum signatures to be decreased from 2,000 to 1,600; and I also assumed you wanted to make 20% reductions in the corresponding maximum and minimum signatures required for qualification of candidates for the office of representative to the assembly.

If any of the material that I have included or excluded does not conform to your, intent, please let me know.

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

(number of

# DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRBa0598/1dn JTK:kmg;jf

September 17, 1999

#### Concerning your instructions:

- 1. Under proposed s. 11.24 (1w), a candidate who accepts a grant is precluded from receiving contributions from special interest (political action) or political party committees. Under the bill, conduits are treated the same as special interest (political action) committees; they have no separate identity. Therefore, I have made no changes to the treatment of PACs and conduits under the bill.
- 2. Since you decrease the maximum grants available to candidates for certain offices, I have increased the maximum aggregate individual contributions that candidates for these offices may receive under proposed s. 11.26 (1m), because otherwise there would be no way that the candidates could raise sufficient revenue to reach their disbursement (spending) limits.
- 3. In order to maintain the proportions that the required qualifying contributions under proposed s. 11.50 (2) (b) 5. a. to f. bear to the maximum grants available to candidates for the corresponding offices, I have adjusted the amounts of the qualifying contributions. You may wish to consider rounding these amounts.
- 4. Under s. 990.001 (11), stats., all Wisconsin Statutes are severable to the extent that it is possible to sever them. Since we can't affect severability beyond what the statutes already provide, we don't draft severability clauses in Wisconsin.
- 5. Alternative provisions, in the event that the 21-day advance notification requirement for independent disbursements and obligations under proposed s. 11.12 (6) (c) is found to be unconstitutional have not been included in this draft pending clarification from Bill Wenzel. As I discussed with Bill, while it is possible to do this, it has never been done before in this state to my knowledge and it is possible that the courts may view this as an invalid delegation of lawmaking power to the judicial branch.
- 6. Concerning the lobbying expenditure tax, under proposed s. 77.9971, charitable organizations and governmental units are exempt from the tax. I could go beyond this to exempt all nonprofit organizations but since trade associations are generally organized on a nonprofit basis, if we were to do this, most lobbying expenditures would be exempt from the tax. I have therefore made no change in this provision at this time.
- 7. Concerning the instruction to decrease from 1,000 to 800 the number of qualifying signatures required for a candidate to obtain a public grant, I assumed this had

reference to candidates for state senator; I assumed that you wanted the maximum number of signatures to be decreased from 2,000 to 1,600; and I also assumed that you wanted to make 20% reductions in the corresponding maximum and minimum number of signatures required for qualification of candidates for the office of representative to the assembly.

If any of the material that I have included or excluded does not conform to your intent, please let me know.

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

From:

Wenzel, Bill

Sent:

Thursday, September 16, 1999 12:21 PM

To:

Kuesel, Jeffery

Subject:

**CFR** 

Jeff - -

I haven't spoken with Doug yet, but I got to thinking about the issue we discussed earlier. Don't we provide in other areas of SB 190 that there will be "contemporaneous reporting" of expenditures by candidates and independents coupled with a requirement that for matching if spending limits by opponents and/or independents exceeded spending caps? If that is the case and we have a stand alone provision regarding the necessity of submitting campaign plans in advance which also provides for a match when spending limits are exceeded, do we still have a problem? My sense would be that if the workplan provision is invalidated by the courts on the basis of "prior restraint" we automatically have the "fallback" to the contemporaneous reporting. If I'm wrong on this let me know and I will recommend to Doug when I talk to him that we scrap the idea of an "advance plan" to avoid the constitutional issue since we get essentially the same remedy by utilizing a contemporaneous reporting/disbursement approach.

Thanks, Bill

From:

Burnett, Douglas

Sent:

Friday, September 17, 1999 4:07 PM

To:

Wenzel, Bill; Kuesel, Jeffery

Subject:

RE: Supplemental grants for independent spending

I have reviewed the draft, and on point 3 of the drafters note, I believe the intent was to not adjust the qualifying contribution amounts downward, but just to retain the amounts in the bill: e.g. \$4,000 from within Wisconsin.

----Original Message-----Wenzel, Bill

From: Sent:

Friday, September 17, 1999 1:22 PM

To:

Kuesel, Jefferv

Cc: Subject: Burnett, Douglas RE: Supplemental grants for independent spending

Thanks Jeff. I just received your draft Amendment together with the Drafter's Note. I will take a close look at it this afternoon.

Bill

----Original Message-----From:

Kuesel, Jefferv

Sent:

Friday, September 17, 1999 11:04 AM

To:

Wenzel, Bill Burnett, Douglas

Cc: Subject:

Supplemental grants for independent spending

Bill, you are correct that in SB-190 we retain the current law requiring special reports of late independent disbursements over \$20 cumulatively. However, the supplemental grants under proposed s. 11.50 (9) (b) are tied to the reports of proposed disbursements and obligations under proposed s. 11.12. (6) (c). My first draft of your amendment (LRBa0598/1) has gone out, but I suggest you consider changing it to supplement for either proposed or actual disbursements or obligations reported under s. 11.12 (6). That way, if proposed s. 11.12 (6) (c) is voided by the courts, you'll still have the supplemental grants, although the candidates will get them later than they would have if they were paid out under proposed s. 11.12 (6) (c).

However, before we do this, why don't you go over the d note to the amendment so we can pick up any other changes you may need at the same time.

Jeffery Kuesel Managing Attorney Wisconsin Legislative Reference Bureau P.O. Box 2037 Madison WI 53701-2037 (608)266-6778

From:

Burnett, Douglas

Sent:

Tuesday, September 21, 1999 8:31 AM

To:

Kuesel, Jeffery; Wenzel, Bill

Subject:

RE: LRBa0598/1 - SA to AB 190

I agree: supplemental grants for both proposed and actual disbursements.

Doug Burnett Office of Senate Majority Leader Chuck Chvala 608-266-9170

----Original Message----

From:

Kuesel, Jeffery

Sent:

Tuesday, September 21, 1999 8:28 AM

To:

Subject:

Burnett, Douglas; Wenzel, Bill RE: LRBa0598/1 - SA to AB 190

Doug and Bill:

A quick reply before I leave for 2 appointments. I think it is unprecedented and problematical to tell the courts, in effect, here's two versions of the law: the preferred version and the fallback version. The courts resist attempts to in effect put legislative decisions in their hands. However, we could easily pay supplemental grants for both proposed and actual disbursements and obligations, making sure not to double count the same disbursements and obligations. I think also it does help somewhat to be able to pay supplemental grants based on actual obligations, since it's sometimes necessary to obligate early and it gives the opponent some advance warning. Not to complicate things but just a reminder that the whole matching grant concept is up in the air constitutionally. The lower federal courts threw it out in Minnesota and Kentucky but the U.S. Supreme Court hasn't yet spoken.

I would recommend for now that we go with supplemental grants for both proposed and actual disbursements and obligations.

----Original Message-----

From:

Burnett, Douglas

Sent:

Monday, September 20, 1999 1:08 PM

To: Wenzel, Bill; Kuesel, Jeffery

Subject:

RE: LRBa0598/1 - SA to AB 190

Over to you Jeff. Is it doable to have both available for the SEB, with the advance reporting requirements and disbursements to candidates in place, which could then be replaced by the contemporaneous process if the advance requirments are found unconstitutional?

----Original Message-----

From:

Wenzel, Bill

Sent:

Monday, September 20, 1999 12:32 PM

To:

Burnett, Douglas; Kuesel, Jeffery

Subject:

RE: LRBa0598/1 - SA to AB 190

Doug - -

If this is doable I think it's great! My concern was that if the workplan with disbursements tied to proposed expenditures was overturned on constitutional grounds we would not be able to require that disbursements be made on the basis of actual expenditures from the contemporaneous reporting requirements since those provisions do not deal with "disbursements" and that if we put in "disbursement based on actual expenditure" language in the contemporaneous reporting provisions we would create conflicting statutory processes.

Sincerely,

Bill

----Original Message----

From: Burnett, Douglas

Sent: Monday, September 20, 1999 10:36 AM

To: Wenzel, Bill; Kuesel, Jeffery Subject: RE: LRBa0598/1 - SA to AB 190

I strongly believe that we need to to try to stick with the "proposed" expnditure scheme, and have the actual as a backup in case the proposed option is found unconsitutional. Here's why:

Here's the problem with not having the workplans, and the original rationale for them: say WEAC or WMC starts a \$200,000 advertising campaign for the last 10 days of an election in a Senate district (which is entirely possible in a Milwaukee, Chicago, or Minneapolis media market). With contemporaneous reporting, the organization could time the expenditures so that they are reporting 1/10<sup>th</sup> (1 day) of the total expenditure the day it is made. They would simply arrange with the TV station to buy and pay for one day at a time. The candidate opposed would then receive a check 48 hours or maybe 72 hours after the expenditure for the cost of 1 day of the TV time. At that point they are 7 days from the election, have a very bad cash flow problem, and it is impossible to catch up to the spending by the other side.

Say the organization did not go to the extraodinary lengths above to avoid reporting all at once, or were unable to get a TV station to go along with it. Then a candidate opposed would receive a check for \$200,000 7 days from the election, maybe 8. At that point, most TV stations are all booked up and won't sell any more time. I know that was the case in the Madison market in 98 and 96. In 98 time had to be reserved for the 3 weeks before the election by Labor Day because of the high demand. With Issue ads, the FCC has ruled that the equal time/equal access rule does not apply, so there is no legal obligation of the station to sell the candidate the time to match the issue ads. So the candidate opposed is stuck with all that cash, which they would then have to refund to the state because they were unable to spend it.

Another example, in another medium: mail campaigns also tend to happen at the end of the election: generally a very aggressive mail campaign will involve 7 pieces of mail over the last 12-14 days of an election for a total of 350,000 pieces. It is easy to spend \$100,000 on such a campaign. The expenditures and 24 hour reporting or even same day reporting with a 24 hour match to the candidate opposed again makes it impossible for the candidate to respond and use the money. Mail campaigns take almost as much lead time as TV: it would be impossible to turn around 7 mail pieces from design to printing to mailing even if it were all reported by the organization in one expenditure. By 2 weeks out from the election last year, nearly every mail processing and printing house in the state was booked up with campaign work. And it is highly unlikely that an organization would not take advantage of the ability to report each piece as a separate expenditure, knowing that each would be matched by the state. Instead they would simply report each of the 7 mail pieces as they go in the mail, the last of which would go in the mail the Saturday before election day.

That leaves a candidate trying to anticipate the expenditures, under a spending limit, and even if bank loans or lines of credit could be secured, unable to expend the funds in anticipation of the onslaught.

So, in my view, contemporaneous reporting is very problematic, and something we would have to try to live with if the advance reporting requirements were found unconstitutional.

----Original Message----

From: Wenzel, Bill

Sent: Monday, September 20, 1999 9:56 AM

To: Kuesel, Jeffery; Burnett, Douglas

Subject: RE: LRBa0598/1 - SA to AB 190

From my perspective we would have to pay supplemental grants based on "actual" disbursements - rather than on "proposed". If we left proposed limits as the basis for the supplemental grants it could be argued that disbursements were not intended to be linked to contemporaneous reporting. If the "workplan" reporting provisions were ultimately found to be unconstitutional - we might be left with an inability to disburse

supplemental grants. Conversely if we go with "actual" disbursements the workplan becomes meaningless because we'd have to wait until the spending was reported. I'm beginning to come to the conclusion that we should scrap the "workplan reporting/disbursement" scheme and go strictly with the alternative "contemporaneous reporting/immediate disbursement based on actual spending".

Also, these emails have been circulated since my receipt of LRBa0598/1. I am assuming that we will see a "/2" which incorporates these our decisions on these issues?

Bill

----Original Message-----

From: Kuesel, Jeffery

Sent:

Saturday, September 18, 1999 12:31 PM

To:

Burnett, Douglas

Cc:

Wenzel, Bill

Subject:

LRBa0598/1 - SA to AB 190

Doug, I can easily delete all changes to the qualifying amounts. Before I redraft, I was wondering whether you still wanted to consider paying supplemental matching grants for *actual* independent disbursements and obligations, rather than just for *proposed* independent disbursements and obligations (per my e mail to Bill Wenzel on the 17th).

Jeffery Kuesel Managing Attorney Wisconsin Legislative Reference Bureau P.O. Box 2037 Madison WI 53701–2037 (608)266–6778



# State of Misconsin 1999 - 2000 LEGISLATURE

40636/, LRBa<del>0598/1</del> JTK:kmg;jf

wanted by Thu 9/23- Hon

# SENATE AMENDMENT, TO 1999 SENATE BILL 190

/	
1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	At the locations indicated, amend the bill as follows:  1. Page 25, line 5: delete "\$500,000" and substitute "\$800,000".  **Reference of the control of the
3	2. Page 25, line 6: delete "\$150,000" and substitute "\$250,000".
4	<b>3.</b> Page 25, line 9: delete "\$50,000" and substitute "\$85,000".
5	<b>4.</b> Page 25, line 10: delete "\$25,000" and substitute "\$30,000".
6	5. Page 25, line 11: delete "\$12,500" and substitute "\$15,000".
7	<b>6.</b> Page 30, line 6: delete "\$100,000" and substitute "\$70,000".
8	<b>7.</b> Page 30, line 9: delete "\$50,000" and substitute "\$35,000".
9	8. Page 34, line 7: delete the material beginning with "1,000" and ending with
10	"2,000" on line 8 and substitute "800 nor more than 1,600".
11	9. Page 34, line 10: delete that line and substitute "400 nor more than 800
19	electors"

1	10. Page 35, line 18: delete "\$80,000" and substitute "\$64,000".
$\sqrt{2}$	11. Page 35, line 19: delete "\$24,000" and substitute "\$55,999".
<b>3</b>	12. Page 35, line 22: delete "\$8,000" and substitute "\$6,133".
4	13. Page 35, line 23: delete "\$4,000" and substitute "\$2,133".
5	14. Page 35, line 24: delete "\$2,000" and substitute "\$1,066".
6	<b>15.</b> Page 37, line 20: delete "\$1,500,000" and substitute "\$1,200,000".
7	<b>16.</b> Page 37, line 21: delete "\$150,000" and substitute "\$350,000".
8	17. Page 37, line 24: delete "\$150,000" and substitute "\$115,000".

**19.** Page 38, line 1: delete "\$37,500" and substitute "\$20,000".

(END)

18. Page 37, line 25: delete "\$75,000" and substitute "\$40,000".

/11)

12

13

14

15

16

17

18

19

20

21

22

23

24

making the disbursement, inform the appropriate filing officer of the information required under s. 11.06 (1) in such manner as the board may prescribe. The information shall also be included in the next regular report of the individual or committee under s. 11.20. For purposes of this subsection paragraph, disbursements cumulate beginning with the day after the last date covered on the preprimary or preelection report and ending with the day before the primary or election. Upon receipt of a report under this subsection paragraph, the filing officer shall, within 24 hours of receipt, mail a copy of the report to all candidates for any office in support of or opposition to one of whom a disbursement identified in the report is made.

SECTION 21, 11.12 (6) (c) and (d) of the statutes are created to read:

11.12(6) (c) If any committee identified under s. 11.05(3)(c) Appendix on make 5 any disbursement or factors for intends to incur any obligation to make a disbursement for the purpose of advocating the election or defeat of a clearly identified candidate for a state office specified in s. 11.31 (1) (a) to (f) at the general or a special election, or any such candidate who seeks a nomination for such an office at a primary election, without cooperation or consultation with a candidate or agent or authorized committee of a candidate who is supported or whose opponent is opposed, and not in concert with or at the request or suggestion of such a candidate, 24 hours after making agent or committee, the committee shall, no later than the activity intended to be funded by the disbursement or obligation, report to the board in such manner as the board may prescribe, the name of each candidate who is supported or whose opponent is opposed and the total amount of disbursements to made and obligations for the the incurred for such a purpose in support or opposition to VAPage 18, line 1: delete "2." and substitute that candidate. ".

1 # Page 18, line 2: before "discoursement 1" insat

# STATE OF WISCONSIN – **LEGISLATIVE REFERENCE BUREAU** – LEGAL SECTION (608–266–3561)

TWS 1-1:3
1# Page 19,1ine 24: 1/ter "(8)" insoft "(a)".
1 # Vage 19, 1 me 24: 19es (8) insept (a).
·
V Afrage 20, line 1: delete incurs or intends".
If tage willing 1. Actors incommended
I # Page 20, line 8: chelete "any" and substitute "each".
A face 26, line 12' after "11.20" insert "A committee  Most files a veget under that pave graph concerning a proposed disbusquent or obligation is not required  to the a report pertaining to the same disbussament  or obligation under pav. (b).
h. LY lac a transt under the Para some a Concerning
was presented
a proposed disourtained or octigation is not required
to the greport pertaining to the same distours oment
scotting him under Dav. (b).
1 ml fill in the
V # Page 20, line 12: after that line insert.
·
·

#### 1999 – 2000 Legislature

#### **SENATE BILL 190**

-19-FWS 1-1:4

(b) The first report filed by a candidate or personal campaign committee under par. (a) during any campaign shall include the information required under par. (a) for all contributions received since the closing date for the preceding report filed by that candidate or committee as provided in s. 11.20 (8).

- (d) 1. In this paragraph, "consumer price index" means the average of the consumer price index over each 12-month period, all items, U.S. city average, as determined by the bureau of labor statistics of the federal department of labor.
- 2. The dollar amounts of the total contributions under par. (a) shall be subject to a biennial adjustment to be determined by rule of the board in accordance with this subdivision. To determine the adjustment, the board shall calculate the percentage difference between the consumer price index for the 12-month period ending on December 31 of each odd-numbered year and the consumer price index for the base period, calendar year 2001. For each biennium, the board shall multiply the amount of each contribution amount under par. (a) by the percentage difference in the consumer price indices. The board shall adjust each amount to substitute that result for the existing amount to the extent required to reflect any difference, rounded to the nearest multiple of \$25. The amount so determined shall then be in effect until a subsequent rule is promulgated under this subdivision. Notwithstanding s. 227.24 (1) (a), (2) (b) and (3), determinations under this subdivision may be promulgated as an emergency rule under s. 227.24 without providing evidence that the emergency rule is necessary for the public peace, health, safety or welfare and without a finding of emergency.

SECTION 23, 11.12 (8) of the statutes is created to read:

11.12 (8) If a candidate at the general or a special election for a state office specified in s. 11.31 (1) (a) to (f) who does not accept a grant under s. 11.50 intends

#### SENATE BILL 190

(8)

JWS 1-1:5

disbursement after that candidate has made disbursements during his or her campaign, as defined in s. 11.31 (7), exceeding the amount specified in s. 11.31 (1) (a) to (f), as adjusted under s. 11.31 (9), for the office which the candidate seeks, that candidate or the candidate's personal campaign committee shall, no later than any days prior to the activity intended to be funded by the disbursement or obligation, report to the board the information required under s. 11.06 (1) in such manner as the board may prescribe. The report shall include the same information concerning any proposed disbursement or obligation that is required to be reported for a disbursement that has been made or an obligation that has been incurred. The information required under s. 11.06 (1) shall also be included in the next regular report of the candidate or committee under s. 11.20.

SECTION 24. 11.16 (5) of the statutes is amended to read:

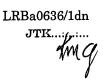
11.16 (5) Escrow agreements. Any personal campaign committee, or political party committee or legislative campaign committee may, pursuant to a written escrow agreement with more than one candidate, solicit contributions for and conduct a joint fund raising effort or program on behalf of more than one named candidate. The agreement shall specify the percentage of the proceeds to be distributed to each candidate by the committee conducting the effort or program. The committee shall include this information in all solicitations for the effort or program. All contributions received and disbursements made by the committee in connection with the effort or program shall be received and disbursed through a separate depository account under s. 11.14 (1) that is identified in the agreement. For purposes of s. 11.06 (1), the committee conducting the effort or program shall prepare a schedule in the form prescribed by the board supplying all required

+NS 2-10:1 LRB-3171/ 1999 ← 2000 Legislature ATK&JK 38, 1 in e 3: delete lines 3 % 15 and 50 SENATE BL For a candidate for the office of representative to the assembly, \$37,500 1 11.50 (9) (b) of the statutes is created to read 2 11.50 (9) (b) If an eligible candidate who accepts a grant is opposed by one or .3 more candidates in a general or special election whose names are certified under s. 4 7.08(2)(a) or 8.50(1)(d) to appear on the ballot, and if a committee intends to provide adisbursement or to incor any obligation to make my disbursements that is uke any of receives any contribution or contributions that are intended to be used Athatate 7 week to oppose the election of the eligible candidate who accepts a grant or to support a certified opponent of that candidate without cooperation or consultation with any 8 certified opposing candidate or such a candidate's agent or authorized committee, 9 and not in concert with, or at the request or suggestion or any collisation to make any discussement or in curs my oblisation to make any discussement or in curs my oblisation to make any discussement and not in concert with, or at the request or suggestion of any certified opposing 10 candidate's agent or authorized committee, then the board shall make an additional used grant to the eligible candidate who accepts a grant in an amount equal to the total S 12 disbusements intended to be made or made and of ligations amount of the tributions received for the purpose of advocating the election of the 13 certified opposing candidate or for the purpose of opposing the election of the eligible 14 candidate who accepts the grant, as reported by committees under s. 11.12 (6) (c 15 16 SECTION 92. 11.50 (9) (ba) of the statutes is created to read: 11.50(9) (ba) If an eligible candidate who accepts a grant is opposed by one or 17 18 more candidates in a general or special election who are required, or whose personal 19 campaign committees are required, to file a report under \$11.12(7) or (8), then the 20 board shall make an additional grant to the eligible candidate who accepts a grant 21 in an amount equal to the total amount or value of contributions accepted by the 22 opposing candidate or candidates exceeding the amount specified for the office 23 sought by the candidate or candidates under s. N. 12 (7) (a) for contributions from 24 committees or from all contributors, or if both amounts specified in s. 11.12(7)(a) are 25 exceeded an amount equal to the excess over both amounts specified, plus an

# STATE OF WISCONSIN - LEGISLATIVE REFERENCE BUREAU - LEGAL SECTION (608-266-3561)

	and the state of t
	TNS 2-10:2
	V + Page 39, line 1: delete the uniterial Comming
	with "obligations" and ending with "obligations in
7	with "obligations" and ending with "obligations in willing a und substitute "disbursaments intended to be made or made and obligations in known to be incurred or incurred".
$(\cdot)$	(in) line's and substitute disbussaments intended 18
	Le made or made and ololigations in known to be incurred
	or incurred".
	I have the second of the seco
	Jessam proposed disburson outs or proposed or actual
	loss an amore of listing our attention proposal are as the
	obligations for the same purpose that were previously
	reported.
	(End of Invest)
	(Ewg)
	·

# DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU



This amendment redrafts and replaces LRBa0598.

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

# DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRBa0636/1dn JTK:kmg:hmh

September 22, 1999

This amendment redrafts and replaces LRBa0598.

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



13

### State of Misconsin 1999 - 2000 LEGISLATURE

LRBa0636/1 Z JTK:kmg:hmh

MANTER Wed 9/29

# SENATE AMENDMENT,

**TO 1999 SENATE BILL 190** 

2	1. Page 17, line 9: after "made." insert "A committee that files a report
3	pertaining to a disbursement under par. (c) is not required to file a report pertaining
4	to the same disbursement under this paragraph.".
5	2. Page 17, line 12: delete, "incurs or intends".  # fage 17, line 14: delete the material bog mains with "(f)" and ender  3. Page 17, line 23: delete "incurred or". with "election" in line 15 and substitute "(d), (e) or (f)".
6	3. Page 17, line 23: delete "incurred or". with "election in line 15 and substitute ((d), (e) or (f)".
7	4. Page 17, line 24: after that line insert:
8	"2. If any committee identified under s. 11.05 (3) (c) makes any disbursement
9	or incurs any obligation to make a disbursement for the purpose of advocating the
10	election or defeat of a clearly identified candidate for a state office specified in s. 11.31
11	(1) (a) to (f) at the general or a special election, or any such candidate who seeks a
12	nomination for such an office at a primary election, without cooperation or

consultation with a candidate or agent or authorized committee of a candidate who

At the locations indicated, amend the bill as follows:

Vplage18, line 8: after "to "insert" (d), (e) or ".

is supported or whose opponent is opposed, and not in concert with or at the request or suggestion of such a candidate, agent or committee, the committee shall, no later than 24 hours after making the disbursement or incurring the obligation, report to the board, in such manner as the board may prescribe, the name of each candidate who is supported or whose opponent is opposed and the total amount of disbursements made and obligations incurred for such a purpose in support of or opposition to that candidate.".

5. Page 18, line 1: delete "2." and substitute "3.".

6. Page 18, line 2: before "disbursement is" insert "proposed".

H rope 18, line 7: de lete "at the general or a special election".

7. Page 19, line 24: after "(8)" insert "(a)".

11/290, 19, line 24: after "(a)" insert "(b)" insert "(b)" (c) or ".

8. Page 20, line 1: delete "incurs or intends".

11/290 19, line 4: after "to" insert "(c), le) or ".

9. Page 20, line 8: delete "any" and substitute "each".

10. Page 20, line 12: after that line insert:

"(b) If a candidate at the general or a special election for a state office specified in s. 11.31 (1) (a) to (f) who does not accept a grant under s. 11.50 makes any disbursement or incurs any obligation to make a disbursement after that candidate has made disbursements during his or her campaign, as defined in s. 11.31 (7), exceeding the amount specified in s. 11.31 (1) (a) to (f), as adjusted under s. 11.31 (9), for the office which the candidate seeks, that candidate or the candidate's personal campaign committee shall, no later than 24 hours after making the disbursement or incurring the obligation, report to the board the information required under s. 11.06 (1) in such manner as the board may prescribe. The information required under s. 11.06 (1) shall also be included in the next regular report of the candidate or committee under s. 11.20.".

The large 21, line 6: after "to" insert "(d) (e) or ".

```
# page 26, line 20: delete "(intro.)"
               At Page 21/1/ine 11: after "to", weert "(d), (2) or
            Page 21, line 10: delete "Election" and substitute "Election Postelection".

A lage 21, line 12 'delete "Election" and substitute "fostele 4.

12. Page 25, line 5: delete "$500,000" and substitute "$800,000".
 1
 2
               13. Page 25, line 6: delete "$150,000" and substitute "$250,000".
 3
               14. Page 25, line 9: delete "$50,000" and substitute "$85,000".
               15. Page 25, line 10: delete "$25,000" and substitute "$30,000".
               16. Page 25, line 11: delete "$12,500" and substitute "$15,000".
 6
               17. Page 30, line 6: delete "$100,000" and substitute "$70,000".
 7
 8
              18. Page 30, line 9: delete "$50,000" and substitute "$35,000".
               19. Page 34, line 7: delete the material beginning with "1,000" and ending
 9
10
         with "2,000" on line 8 and substitute "800 nor more than 1,600".
              20. Page 34, line 10: delete that line and substitute "400 nor more than 800
11
12
         electors.".
13
               21. Page 37, line 20: delete "$1,500,000" and substitute "$1,200,000".
              22. Page 37, line 21: delete "$150,000" and substitute "$350,000".
14
               23. Page 37, line 24: delete "$150,000" and substitute "$115,000".
15
               24. Page 37, line 25: delete "$75,000" and substitute "$40,000".
16
               25. Page 38, line 1: delete "$37.500" and substitute "$20,000".
17
18
               26. Page 38, line 3: delete lines 3 to 15 and substitute:
               "11.50 (9) (b) If an eligible candidate who accepts a grant is opposed by one or
         more candidates in a general of special election whose names are certified under s.
20
         7.08(2)(a) or 8.50(1)(d) to appear on the ballot, and if a committee intends to make
22
         any disbursement or to incur any obligation to make any disbursement that is
         4 page 23, line 1: after to "incort" (d), (e) or".

V # Page 23, line 12: after "to" insert "(d), (e) or".

V # Page 23, line 19: after "to" insert "(d), (e) or".
```

intended to be used to oppose the election of the eligible candidate who accepts a grant or to support a certified opponent of that candidate without cooperation or consultation with any certified opposing candidate or such a candidate's agent or authorized committee, and not in concert with, or at the request or suggestion of any certified opposing candidate's agent or authorized committee, or if a committee makes any disbursement or incurs any obligation to make any disbursement that is used for such a purpose, then the board shall make an additional grant to the eligible candidate who accepts a grant in an amount equal to the total amount of disbursements intended to be made or made and obligations intended to be incurred or incurred for the purpose of advocating the election of the certified opposing candidate or for the purpose of opposing the election of the eligible candidate who accepts the grant, as reported by committees under s. 11.12 (6) (c), less any proposed disbursements or proposed or actual obligations for the same purpose that were previously reported.".

27. Page 39, line 1: delete the material beginning with "obligations" and ending with "obligations" in line 3 and substitute "disbursements intended to be made or made and obligations intended to be incurred or incurred".

\*\*Transport\*\* (d), (e) or ...

28. Page 39, line 5: delete "both." and substitute "both, less any proposed disbursements or proposed or actual obligations for the same purpose that were previously reported".

previously reported".

VH Page 45, line 19: delete "11.01 (16) (a) 3., 11.12(6) (c) " and 1

1/11. 05 (14), 11.12 (6) (c) 1:"

VH Page 40, line 12: after " insert" (c), (e) or "

VH Page 40, line 24: after (2) fine rt (a) to s

VH Page 42, line 16: after (2) finsert "(d), (e) or "

NA Page 45, line 1: delete "11.01(16) (a) 3., 11.12 (6) (c)"

and 5.650 to to 11.05 (14), 11.12 (6) (c) 1., "

(End)

# ( Fws 34)

or a special "and substitute" an".

It regge 22, line 17: after "tax "to" insent

"(d), (e)or".

V Alage 22/11 in 21. alter "to" insert "(a), (e) or".