

WISCONSIN STATE
LEGISLATURE
COMMITTEE HEARING
RECORDS

1999-00

(session year)

Assembly

(Assembly, Senate or Joint)

Committee on
Campaigns &
Elections
(AC-CE)

File Naming Example:

Record of Comm. Proceedings ... RCP

- 05hr_AC-Ed_RCP_pt01a
- 05hr_AC-Ed_RCP_pt01b
- 05hr_AC-Ed_RCP_pt02

Published Documents

➤ Committee Hearings ... CH (Public Hearing Announcements)

➤ **

➤ Committee Reports ... CR

➤ **

➤ Executive Sessions ... ES

➤ **

➤ Record of Comm. Proceedings ... RCP

➤ **

*Information Collected For Or
Against Proposal*

➤ Appointments ... Appt

➤ **

➤ Clearinghouse Rules ... CRule

**

➤ Hearing Records ... HR (bills and resolutions)

➤ **

➤ Miscellaneous ... Misc

➤ **99hr_AC-CE_Misc_pt03**



TOMMY G. THOMPSON

**Governor
State of Wisconsin**

May 17, 1999

The Honorable Stephen Freese
Speaker Pro Tempe
115-West Capital
Madison, WI 53708

Dear Representative Freese:

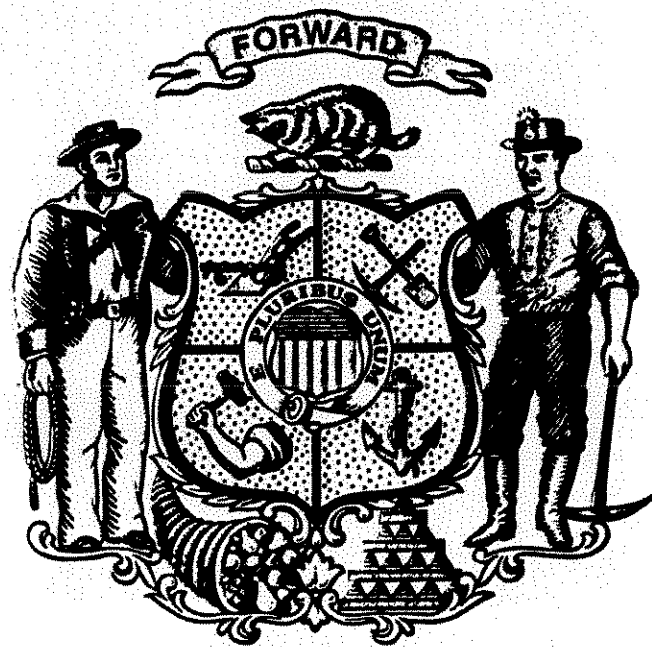
I am submitting to you the updated Kettl Commission campaign finance reform plan. As Chairman of the Assembly Campaign and Elections committee, I respectfully request you or the committee introduce this legislation for consideration by the Legislature.

As you are aware, campaign spending is out of control and significant changes are needed to reform our campaign finance system. The bill does not favor either party but suggests common sense changes to bring disclosure and integrity back to Wisconsin elections. I encourage your committee to have a public hearing on this bill and give it serious consideration.

Thank you for your attention and help on this important issue.

Sincerely,


TOMMY G. THOMPSON
Governor



Griffiths, Terri

From: Freese, Steve
Sent: Thursday, May 27, 1999 11:59 AM
To: Ladwig, Bonnie; Cullen, David; Travis, Dave; Sherman, Gary;
Miller, Mark; Montgomery, Phil; Conlin, Robert; Suder, Scott;
Walker, Scott; Haas, Shaun; Freese, Steve; Griffiths, Terri
Subject: Public Hearing Notice 06-03-99 10:00 a.m.

Importance: High

Committee Members,

We have a number of bills in committee that need to be heard as well as the attached LRB request that has come to me from Governor Thompson. The complete LRB is attached for your reference prior to the hearing next Thursday. I would like the committee to consider LRB 3054 for introduction as a committee bill.

Optimistically, we can hear all of the bills and be done shortly after noon.



Hearing Notice
06-03-99..doc



99-30541.pdf



Gov letter on lrb 3054

Griffiths, Terri

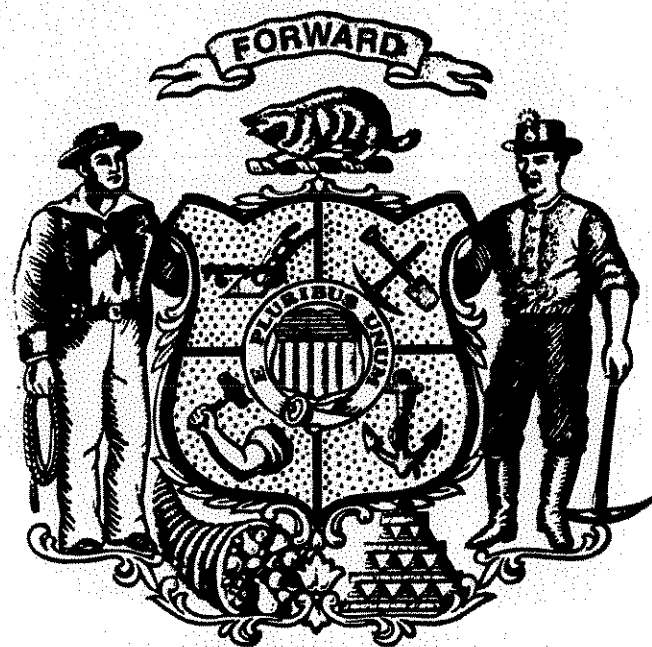
From: System Administrator
To: Bonnie Ladwig; Dave Cullen; Phil Montgomery; Scott Suder; Scott Walker; Steve Freese; Terri Griffiths
Sent: Thursday, May 27, 1999 11:59 AM
Subject: Delivered: Public Hearing Notice 06-03-99 10:00 a.m.

Your message

To: Bonnie Ladwig; Dave Cullen; Dave Travis; Gary Sherman; Mark Miller; Phil Montgomery; Robert Conlin; Scott Suder; Scott Walker; Shaun Haas; Steve Freese; Terri Griffiths
Subject: Public Hearing Notice 06-03-99 10:00 a.m.
Sent: 5/27/99 11:59 AM

was delivered to the following recipient(s):

Bonnie Ladwig on 5/27/99 11:59 AM
Dave Cullen on 5/27/99 11:59 AM
Phil Montgomery on 5/27/99 11:59 AM
Scott Suder on 5/27/99 11:59 AM
Scott Walker on 5/27/99 11:59 AM
Steve Freese on 5/27/99 11:59 AM
Terri Griffiths on 5/27/99 11:59 AM



WISCONSIN ALLIANCE OF CITIES

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Sheboygan
Stevens Point
Superior
Two Rivers
Watertown
Waukesha
Wausau
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West Allis
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Wisconsin Rapids

June 1, 1999

To: Honorable members, Senate Committee on Agriculture, Environmental Resources and Campaign Finance Reform, and Assembly Committee on Campaigns and Elections.

From: Ed Huck, executive director

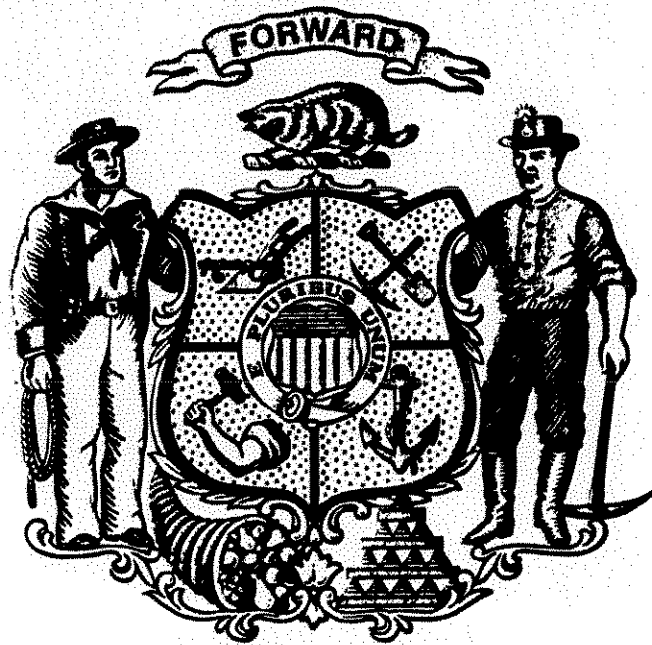
Wisconsin Alliance of Cities members have voted to endorse a bipartisan campaign finance reform package that contains the following elements:

- Public grants large enough to create incentives for candidates to accept spending limits.
- Regulation of phony "issue ads" that recognizes them for the Stealth political message that they are.
- A dollar-for-dollar match to publicly-funded candidates whose opponents exceed spending limits, or who are targeted by independent expenditures.
- Encouragement for small campaign donors through an income tax refund.
- A ban on campaign contributions 10 or fewer days before the election.
- Identical treatment for political action committees and conduits.
- Restrictions on out-of-state contributions.
- Restrictions on corporate "soft-money" contributions.
- Twenty-four hour reporting of contributions and expenditures in the period immediately preceding the election.
- Incentives to bolster political parties as a year-round influence on state politics and a healthy alternative to special-interest influence on government.

We applaud legislators of both political parties, as well as the work of the nonpartisan Kettl Commission, for advancing many of the principles we have outlined above.

We also stand ready to help in any way we can to win enactment into law of a proposal that contains these principles.

Thank you.



Testimony of the Wisconsin Democracy Campaign

Assembly Committee on Campaigns & Elections

Thursday, June 3, 1999

The Wisconsin Democracy Campaign sees LRB 3054 as a reasonable starting place for discussions on the development of a committee bill — not because it contains everything we would like to see in a reform bill, but rather because it contains essential elements that could serve as the foundation of a reform package that could earn bipartisan support.

This latest version of the Kettl Commission's approach still has its problems. *The spending limits are too high. The public grants to candidates who agree to the limits are too small, and the bill does not adequately fund the grants. Compared to other recent proposals, the way it addresses independent spending is weak.* Still, we believe it is worthy of your consideration for two reasons: First, it is comprehensive; it seeks to address the wide range of problems that plague our elections. Second, it has the potential of being balanced enough to earn bipartisan support.

We were sharply critical of the original Kettl Commission recommendations, but the bill draft before your committee is the product of a good faith effort to make improvements. We appreciate the willingness of the proposal's authors to listen to our concerns and we are pleased that they have addressed at least some of these concerns.

In putting together a committee bill, we urge you to keep in mind two essential ingredients:

- ***For campaign reform to happen, it has to be bipartisan.*** Anything passed on a party-line vote in either house will be dead on arrival in the other house. Such an action will get us nowhere. True reform efforts have to be bipartisan.
- ***For reform to be authentic, it also has to be comprehensive.*** A piecemeal approach won't make our elections better. True reform has to address the fact that there is far too much money in politics and there is way too much special interest influence.

Limiting candidate spending

A legitimate reform bill has to include a way to limit spending. The only practical way to do that is to provide public grants to candidates who agree to spending limits. That means you need to resuscitate our public financing system by providing an adequate and reliable source of revenue to fund the grants.

The trick to spending limits is to set them high enough to allow for vigorous campaigns and to keep candidates in competitive districts within the public financing system, but low enough to allow elected officials to spend more time governing and less time fundraising. That's a delicate balance, and we believe the limits in this bill are too high and do not strike this needed balance. We feel the limits need to be closer to \$100,000 for Senate candidates and \$50,000 for the Assembly in order to pass the test we've outlined.

As for the public grants needed to make spending limits work, we encourage you to focus on the amount of the grant and not get hung up on what percentage of the overall spending limit the grant represents. The important consideration is to set grant amounts at levels that provide a firm financial foundation for candidates as well as a powerful incentive to abide by spending limits. We've suggested grants of \$50,000 to Senate candidates and \$25,000 to Assembly candidates. The grant amounts in this bill are too low to provide the needed financial foundation as well as the incentive to stay within spending limits.

Even with grants at the levels proposed in this bill, there is not enough money in LRB 3054 to adequately fund the public financing program. We have estimated the cost of providing these grants at \$3 million per year. The bill's \$750,000 appropriation for the 1999-2001 biennium falls far short of what is needed to properly fund the system.

Reining in special interest influence

Any campaign finance reform proposal worthy of passage must effectively address independent spending. We've reached the point now where special interests are hijacking campaigns; this past year, we saw for the first time special interest groups actually outspending candidates. *Independent expenditures and phony "issue ads" must be dealt with if campaign finance reform is to fix our broken system and make our elections better.*

We believe there are better models out there for dealing with independent spending than the one found in this bill. By simply allowing candidates to exceed spending and contribution limits if independent expenditures or issue ads are directed against them, the ability of candidates to respond will vary. Some will be able to raise the money to respond, some won't. The advantage of matching independent spending with public funds, as the Ellis plan does, is that all candidates would be given the same ability to respond to these independent campaigns against them.

We encourage you to be bold in addressing independent spending. Any attempts to deal with it will raise legal questions. That is inevitable because *the problems we face today in our elections did not exist when the courts ruled on campaign finance issues in the past.* You have to deal with these problems if reform is to be authentic, and that means that you will have to explore uncharted legal territory.

The key is to craft provisions to rein in independent spending in the most legally defensible way possible and then include them in a comprehensive reform package that is reasonable

and balanced. If you do this, we strongly believe these provisions can and will pass legal muster. The realities we now face in Wisconsin are more troubling than ever and the case for reasonable measures to control these outside special interest campaigns is more compelling than ever.

We know the temptation will be great in both houses to pass something — *anything* — in order to be on record in favor of campaign finance reform. *Frankly, we don't care if you are on record in support of reform. The only thing that matters to us is whether you actually fix our broken campaign finance system and remedy the problems that plague our elections.*

It is easy to pass a bill on a party-line vote. It is very hard to make legitimate reform a reality. To do that, you have to work across party lines. You have to tackle some perplexing problems. We want you to do the hard job. The voters in this state desperately need you to do the hard job.

The opportunity to achieve campaign finance reform has never been better. We implore you to make authentic reform a reality. That means comprehensive reform that solves the problems that plague our elections. And that means bipartisan reform that stands a chance of becoming law.

Wisconsin Democracy Campaign

16 North Carroll Street • Suite 420 • Madison, WI 53703 • 608-255-4260

Campaign Finance Reform Proposal

Recharge and Reinvigorate the Wisconsin Election Campaign Fund

- Increase the size of the state income tax checkoff to \$5. Fund candidate grants with additional GPR revenues as needed up to \$1 dollar per voting age person (\$3.8 million per year).
- Broaden the choices for the checkoff to include:
 - General fund for candidate grants
 - Political party designation for candidates and parties
- Authorize the Elections Board to spend up to 5% of the funds from the checkoff to conduct a public education campaign about the checkoff.
- Provide tax credits to in-district contributors for contributions of \$50 or less to candidates who agree to limit spending. (Special receipts are issued by the candidate.)
- Raise the spending limits of Wisconsin's current campaign finance law and index them biannually for inflation.
 - \$2 million for a gubernatorial election
 - \$700,000 for the attorney general
 - \$500,000 for Lt. governor
 - \$300,000 for supreme court justices
 - \$250,000 for other constitutional offices
 - \$100,000 for the state senate
 - \$50,000 for the assembly
- Raise the amount of the grant from 45% of the spending limit to 50% of the spending limit.
- Revise the qualifying amount of individual contributions to 5% of the spending limit with 50% raised from counties having territory within the district.
- Reduce the primary vote threshold to qualify for a grant from 6% to 2% of the vote.

Return Elections to the Voters and the Candidates

- Limit total individual contributions from outside counties having territory within the district to 10% of the spending limit.
- Limit spending by any outside group to 5% of the statutorily specified spending limit for the office the independent expenditures affect.

- Regulate any mass communication that contains the name or image of a candidate after the July filing deadline the same as independent expenditures.
- Prohibit candidate to candidate committee transfers.
- Limit carryover war chests to 10% of the spending limit.
- Stipulate that radio and television ads paid with funds from a public grant must feature the candidate personally.

Reduce Special Interest Influence

- Reduce individual contribution limits to \$1,000 for statewide candidates, \$500 for state senate candidates, and \$250 for assembly candidates.
- Ban PAC to PAC transfers. (Prohibits "pooling" of PAC money.)
- Treat conduits as PACs. (Restricts "bundling" of individual contributions.)
- Restrict contributions from outside Wisconsin to individuals and FEC-registered committees.
- Restrict incumbent fund raising from January 1 until completion of the budget to in-district locations only.
- Prohibit contributions from lobbyists. Prohibit legislators from asking lobbyists for contributions from any source.
- Eliminate certain tax deductions for business expenses incurred by lobbyists.

Strengthen Political Parties

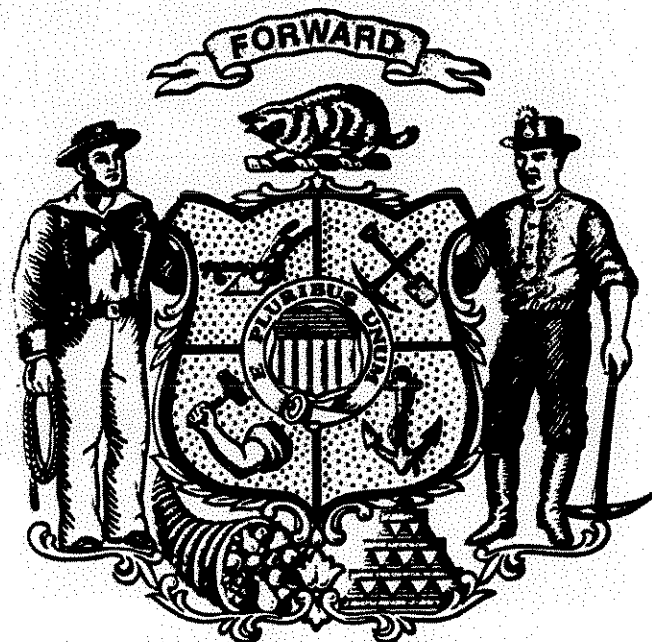
- Allow checkoff designations to go to state committee of political parties with ballot status.
- Allow up to a \$50 tax refund for contributions to committees of political parties with ballot status.
- Treat legislative campaign committees the same as PACs.

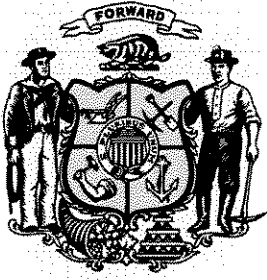
Enhance Disclosure

- Require electronic filing of contributions and expenditures within 48 hours of activity for committees with more than \$20,000 activity in one year.

Improve Enforcement

- Expand appointments to the Elections Board to political parties with ballot status.
- Strengthen investigatory functions of the Elections Board. (Provide for hiring another auditor and an investigator.)





Don M. Millis
Chairperson

State of Wisconsin \ Elections Board

P.O. BOX 2973
132 EAST WILSON STREET
MADISON, WISCONSIN 53701-2973
(608) 266-8005
FAX (608) 267-0500

Kevin J. Kennedy
Executive Director

June 4, 1999

VIA HAND DELIVERY

Representative Stephen J. Freese ✓
Chairperson
Assembly Committee on Campaigns
and Elections
Room 115 West
STATE CAPITOL

Representative David M. Travis
Member
Assembly Committee on Campaigns
and Elections
Room 223 North
STATE CAPITOL

Re: Exemption for Ideological Corporations

Dear Reps. Freese and Travis:

Let me first apologize for not attending your Committee hearing yesterday concerning the revised Kettl campaign finance plan. I had a previously scheduled commitment out of town.

I understand that certain members of the Committee were concerned about proposed section 11.065(6) of the draft that would exempt certain corporations from issue advocacy disclosure. In order to qualify for this exemption, a corporation would have to possess the following characteristics:

1. It is not engaged in business;
2. It is established for the express purpose of advancing ideas;
3. It has no shareholders or other persons with a claim to its assets or earnings;
4. It is not established by a business corporation or labor organizations; and
5. It does not accept donations from any business corporation or labor organization.

June 4, 1999
Rep. Stephen J. Freese
Rep. David M. Travis
Page Two

As I understand the situation, some members were concerned that this language may represent an attempt to carve out an exemption for WMC Issues Mobilization Council. Nothing could be further from the truth. This language was inserted in an attempt to enhance the chances that the issue advocacy regulation contained in the proposal would withstand a constitutional challenge in court.

In *Federal Election Commission v. Massachusetts Citizens Concerned for Life*, 479 U.S. 238 (1986), the Supreme Court held that a federal law regulating independent expenditures (i.e., express advocacy of a candidate for office) by a corporation could not be applied against certain corporations. The Supreme Court held that these regulations, which include disclosure requirements, "discouraged protected speech" and therefore were "an infringement on First Amendment activities." *Id.* at 33. The Supreme Court defined what has since become known as an ideological corporation:

In particular, MCFL [i.e., the corporation] has three features essential to our holding that it may not constitutionally be bound by § 441b' restriction on independent spending. First, it was formed for the express purpose of promoting political ideas, and cannot engage in business activities. ... Second, it has no shareholders or other persons affiliated so as to have a claim on its assets or earnings. ... Third, MCFL was not established by a business corporation or a labor union, and it is its policy not to accept contributions from such entities.

Id. at 263-64.

As you can see, the language in the proposal closely follows the test set forth by the Supreme Court. Most observers believe that WMC IMC used donations from business corporations to finance its activities. Therefore, WMC IMC would not qualify as an ideological corporation. Moreover, there would seem to be little incentive for WMC IMC to alter its financing to take advantage of this exemption. If WMC IMC could finance its activities with non-corporate funds, it could arrange for these funds to be contributed to a registrant and use these funds to make independent expenditures under section 11.06(7). There would be no need to engage in "issue advocacy."

Even if our campaign finance law did not contain such an exemption, we could not enforce the laws regulating independent expenditures against ideological corporations. If WMC IMC wanted to take advantage of the ideological corporation exemption created by the Supreme Court, it could have done so in 1996 and 1998. The Supreme Court's holding in *MCFL* is the law of the land, regardless of whether such an exemption is written into Wisconsin's statutes. In fact, following the 1996 election, the Elections Board decided against suing a corporation that made independent expenditures because it was believed that the corporation was an ideological corporation.

June 4, 1999

Rep. Stephen J. Freese

Rep. David M. Travis

Page Three

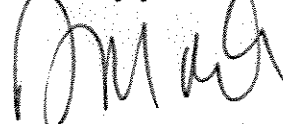
If the ideological corporation exemption is the law of the land, why place this exemption in the statutes? The simple answer is to enhance the chances that a new law governing issue advocacy will survive a court challenge. All of the campaign finance proposals seek to force disclosure of certain issue advocacy activities. If any of these proposals are enacted into law, it will certainly be challenged in court. Similar laws have been struck down in other states. The reason to place this exemption in the statute is to make it harder for any group to argue that a new law governing issue advocacy is unconstitutional on its face.

When drafting the revised Kettl plan we took pains to make the issue advocacy regulation as narrow as reasonably possible so that it will survive a court challenge. The ideological corporation exemption is one part of this effort. Another is proposed section 11.065(7) that would exempt nonpartisan voted guides, like those distributed by the League of Women Voters, from issue advocacy regulation.

If the Committee finds the ideological corporation exemption unacceptable, please remove it from the bill. It is better to have the issue advocacy regulations without the exemption than have no regulations at all.

Please feel free to contact me if you have any questions concerning these provisions.

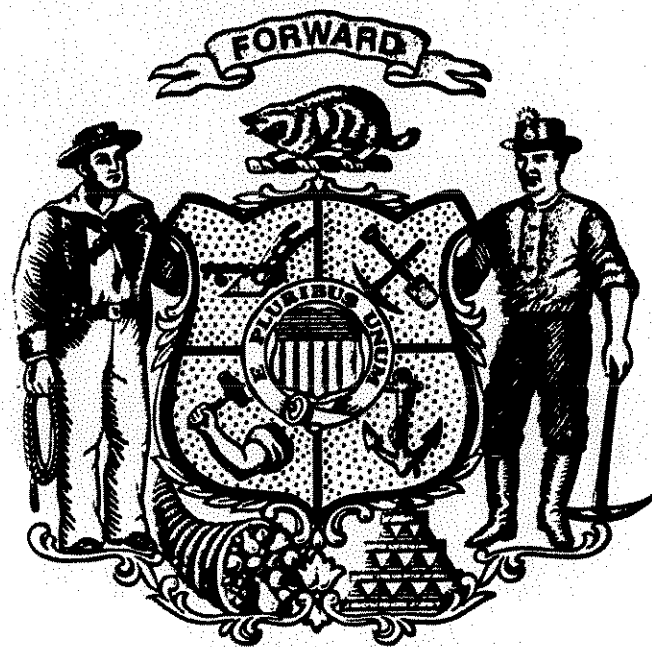
Sincerely yours,

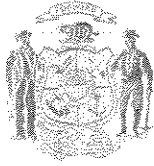


DON M. MILLIS

Chairperson

pc: Rep. Scott Suder
Rep. Phil Montgomery
Rep. Scott K. Walker
Rep. Bonnie L. Ladwig
Rep. David A. Cullen
Rep. Mark A. Miller
Rep. Gary E. Sherman
Prof. Donald Kettl
Mr. Kevin J. Kennedy





TOMMY G. THOMPSON
GOVERNOR
STATE OF WISCONSIN

June 7, 1999

The Honorable Stephen J. Freese
Speaker Pro Tempe
115 West Capital
Hand-Delivered


Dear Representative Freese:-

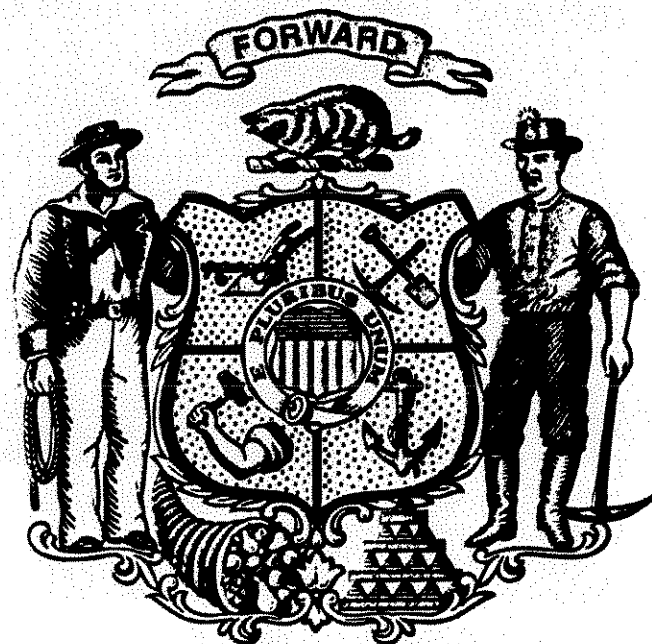
Thank you for holding a hearing on the Kettl Commission Campaign Finance Reform bill. I appreciate you taking the time to give Professor Kettl the opportunity to explain the merits of the proposed legislation.

We have a window of opportunity to strengthen the faith Wisconsin citizens have in their government by passing meaningful and significant campaign finance reform. Your leadership will be vital in realizing this historic opportunity.

I encourage you to keep up your relentless pursuit to restore integrity to our democratic system and look forward to working with you.

Sincerely,


TOMMY G. THOMPSON
Governor



WISCONSIN EDUCATION ASSOCIATION COUNCIL

Affiliated with the National Education Association

TO: Members of the Assembly Committee on Campaigns & Elections
FROM: John Stocks, WEAC Government Relations Director
DATE: October 20, 1999
RE: Proposed Legislation Concerning Independent Expenditures and Issue Advocacy

This memo will outline WEAC's position with respect to the various campaign finance reform proposals concerning independent expenditures and issue advocacy.

1999 AB 256 (Kettl)

Issue Advocacy (Sec. 23 - proposed § 11.065)

- Regulates mass media, mass mailing or phone bank communications within 30 days of election which includes name or likeness of candidate
- Must report name of candidate, donations over \$20 and expenditures over \$20
- If such spending exceeds 5% of disbursement level, the disbursement limitation does not apply and contribution limits are doubled for both candidates
- WEAC does not oppose these reforms but has the following concerns:
 - (1) Constitutionality of reporting requirements for issue advocacy in question after the Wisconsin Supreme Court's recent *WMC* decision.

1999 LRB 3054/1 (New Kettl)

Independent Expenditure (Sec. 16 - proposed § 11.05(2e))

- Would require committees or individuals intending to engage in independent expenditures to register and provide the same filing information as PACs.
- WEAC is not opposed to this requirement

Issue Advocacy (Sec. 46 - proposed § 11.065)

- Regulates mass media, mass mailing or phone bank communications within 30 days of election which includes name or likeness of candidate

Terry Craney, President
Michael A. Butera, Executive Director

- Must report name of candidate, donations over \$20 and expenditures over \$20
- Requires pre-reporting if expenditures exceed \$1,000
- Report must include oath identical to that required for independent expenditures
- If expenditures with "purpose or effect" of opposing candidate or supporting a candidate's opponent exceed 25% of candidate's disbursement level, contribution limits go up to 200% and candidate's disbursement limitations go away
- WEAC has serious concerns with this approach:
 - (1) Constitutionality of reporting requirements in question after *WMC*
 - (2) Problem with government deciding who is supported or opposed (e.g., ad simply showing candidate as pro-choice)
 - (3) Similar law was struck down in Minnesota (*Day v. Holahan*, 34 F.3d 1356 (8th Cir. 1994) (increased limits and provided funding to candidate subject to independent expenditures))

1999 SB 190 (Clausing)

Independent Expenditures (Secs. 21 & 95 - proposed 11.12(6) & 11.60(3t))

- Would require committees to report intended independent expenditures 21 days prior to the expenditure, and create a sliding scale of penalties depending upon the percentage a committee over- or under-spends in relation to its pre-report.
- WEAC opposes these requirements and believes they are unconstitutional because:
 - (1) prior restraint on political speech
 - (2) forces public disclosure of intended First Amendment activities
 - (3) improperly locks parties into expenditures for a 3-week period
 - (4) would improperly chill and limit free speech

Issue Advocacy (Sec. 13 - proposed § 11.05(14))

- Would subject media communications within 60 days of election including the likeness of a candidate and "substantially directed toward the electorate" to regulation under Chapter 11, unless the speaker can prove otherwise.
- WEAC believes this provision would be held unconstitutional because:
 - (1) "substantially directed toward the electorate" is vague;

- (2) shifting the burden to the speaker impermissibly infringes upon and chills First Amendment activity; and
- (3) would subject legitimate issue advocacy (which is by definition directed at the electorate) to the same regulation as express advocacy.

1999 SB 111 (Burke/Freese)

Issue Advocacy (Sec. 4 - proposed § 11.05(14))

- Would subject communications within 60 days of election including the likeness of a candidate and “substantially directed toward the electorate” to regulation under Chapter 11, unless the speaker can prove otherwise.
- WEAC believes this provision would be held unconstitutional because:
 - (1) “substantially directed toward the electorate” is vague
 - (2) shifting the burden to the speaker impermissibly infringes upon and chills First Amendment activity
 - (3) would subject legitimate issue advocacy (which is by definition directed at the electorate) to the same regulation as express advocacy

1999 SB 113 (Ellis)

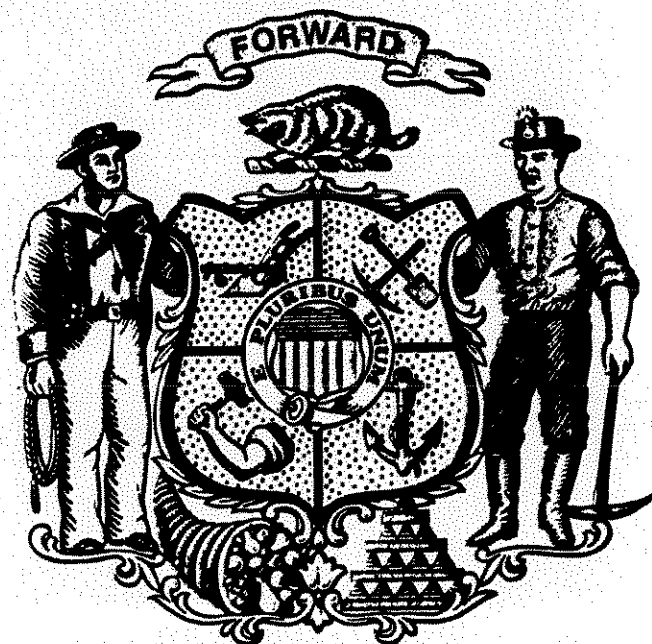
Independent Expenditures (Sec. 19 - proposed § 11.12(6)(c))

- Pre-reporting requirement for each of the three 21-day periods before election, and sliding scale of penalties depending upon the percentage a committee over- or under-spends in relation to its pre-report.
- Would allow a losing candidate to commence a civil action to nullify election.
- WEAC opposes these requirements and believes they are unconstitutional because:
 - (1) prior restraint on political speech
 - (2) forces public disclosure of intended First Amendment activities
 - (3) improperly locks parties into expenditures for a 3-week period
 - (4) would improperly chill and limit free speech

Issue Advocacy (Sec. 8 -- proposed § 11.01(16)(a)(3))

- Would subject all media communications within 60 days of election which reference a candidate, office or political party to regulation under Chapter 11.
- WEAC believes this reform would have constitutional problems because:

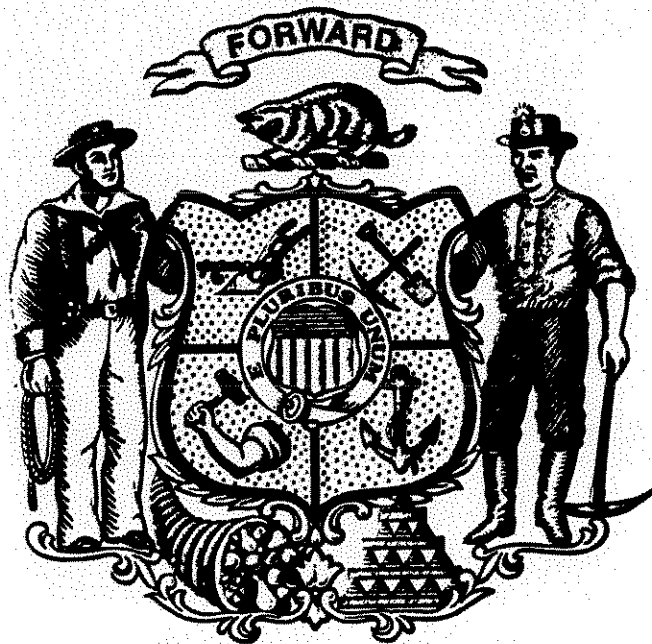
- (1) Under *WMC* it is unconstitutional to “place reporting or disclosure requirements” on communications which do not expressly advocate
- (2) Under *WMC* express advocacy must contain “explicit language advocating the election or defeat of a candidate”



Wisconsin Democracy Campaign Comparison of Campaign Finance Reform Proposals

Subject Area	Governor Thompson's Plan	Burke/Freese Proposal (SB 111)	Ellis Proposal (SSA1 to SB 113)	Sen. Comm. on CFR (SB 190)
Spending Limits Governor \$ 3,500,000 Lt. Governor \$ 1,125,000 Attorney General \$ 750,000 Secretary of State \$ 350,000 Treasurer \$ 350,000 Supreme Court \$ 400,000 Public Instruction \$ 350,000 State Senate \$ 140,000 Assembly \$ 60,000	25% of Spending Limit \$ 3,000,000	50% of Spending Limit \$ 5,300,000	33 1/3% of Spending Limit \$ 3,150,000 + supplemental grants	75% of Spending Limit \$ 6,500,000 + supplemental grants
Average Cost Per Year to Fully Fund the Grants (assuming two candidates qualify for each race)	\$1 income tax checkoff, plus \$750,000 for 2000	\$5 income tax checkoff, partisan option, \$3 million GPR per year, tax saving from lobbyist deduction	Sum-sufficient GPR	10% tax on lobbying expenditures plus sum-sufficient GPR
Size of Grant to Candidates Who Agree to Spending Limits	1) 6% of the vote in the primary or a candidate in the same party received 6% of the vote in the last general election. 2) Raise 5% of spending limit in individual contributions of \$100 or less.	1) 6% of the vote in the primary. 2) Raise 5% of the spending limit in not more than \$50 individual contributions, 1/2 within the district.	1) 6% of the vote in the primary. 2) Raise 4% of the spending limit in not more than \$100 individual contributions, all within the district with special provisions for poorer districts.	1) 6% of the vote in the primary. 2) Raise 4% of the spending limit in not more than \$100 individual contributions, anywhere in the state.

Subject Area	Governor Thompson's Plan	Burke/Freese Proposal (SB 111)	Ellis Proposal (SSA1 to SB 113)	Sen. Comm. on CFR (SB 190)
Individual/PAC Contribution Limits	Increases PAC contribution limits for Senate from \$1,000 to \$2,000, and for Assembly from \$500 to \$1,000.	Reduces individual contribution limits for Senate from \$1,000 to \$500, for Assembly from \$500 to \$250, and for statewide offices from \$10,000 to \$1,000.	Reduces individual contribution limits for Senate from \$1,000 to \$500, for Assembly from \$500 to \$250.	Reduces individual contribution limits for Senate from \$1,000 to \$500, for Assembly from \$500 to \$250, and for statewide offices from \$10,000 to \$1,000.
Party/PAC/Conduit Contributions	<ol style="list-style-type: none"> 1) Increases party contribution limits. 2) Limits PAC to PAC contributions. Eliminates LCCs. 3) Increases individual control over conduit contributions. 	<ol style="list-style-type: none"> 1) Limits total of party, LCC, PAC, and conduit contributions to \$25,000 for Senate and \$12,500 for Assembly. 3) Treats conduits the same as PACs. 	<ol style="list-style-type: none"> 1) Party contributions limited to \$20,000 for Senate and \$10,000 for Assembly. 2) No PAC contributions to grant recipients. Eliminates LCCs. 3) Treats conduits the same as PACs. 	<ol style="list-style-type: none"> 1) No PAC or party contributions for grant recipients 2) Eliminates LCCs. 3) Eliminates conduits.
Independent Expenditures	Registration and reporting as in current law. If over 25% of the spending limit, a candidate is 1) released from spending limit, 2) contribution limits are doubled, and 3) political party limit is removed.	Registration and reporting as in current law.	Requires prior notice. Match with public funds for candidates that agree to spending limits.	Requires prior notice. Match with public funds for candidates that agree to spending limits.
Issue Ads	Requires registration and reporting of sources of money. Continues to allow use of corporate money. If over 25% of the spending limit, a candidate is 1) released from spending limit, 2) contribution limits are doubled, and 3) political party limit is removed.	Treat as independent expenditures if mention a candidate, office or party within 60 days of the election or 30 days of primary.	Treat as independent expenditures if mention a candidate, office or party within 60 days of the election.	Treat as independent expenditures if mention a candidate, office or party within 60 days of the election.
Other Provisions		An up to \$50 tax refund for contributions to candidates or political parties.	Match with public funds: Contributions to opponent over 75% of the spending limit.	Match with public funds: 1) contributions to opponent over 75% of spending limit. 2) spending by opponent over the spending limit



Description	Old Kettl	New Kettl
Public Financing <ul style="list-style-type: none"> • Provide \$750,000 GPR to fund public financing grants 	No	Yes
Candidate Contributions <ul style="list-style-type: none"> • Candidate to candidate, candidate to party contributions prohibited, excepting cost of events up to \$100 per event 	Yes	Yes
Contribution Limits <ul style="list-style-type: none"> • 35% individual contributors • 65% other sources • If public finance grant is taken (25% of spending limit), only 40% from other sources 	Yes	Yes
Public Grant Levels <ul style="list-style-type: none"> • Increases public financing grants to 25% of spending limit 	Yes	Yes
Electronic Reporting <ul style="list-style-type: none"> • In the thirty-day period prior to the general election, report within twenty-four hours all contributions over \$100 and expenses over \$20. 	Yes	Yes
Fixed limits on PAC contributions <ul style="list-style-type: none"> • Governor \$45,000 • Senate \$2,000 • Assembly \$1,000 	Yes	Yes
Campaign Surplus regulation <ul style="list-style-type: none"> • Campaign surpluses count against contribution limits for the next campaign • Public grants must be repaid first • Surpluses for one office shall not be used to run for a different office 	Yes	Yes
PAC to PAC transfers <ul style="list-style-type: none"> • Allow only one \$100 PAC to PAC transfer per year. 	Yes	Yes
Conduit regulation <ul style="list-style-type: none"> • Disclosure only after money is released. 	Yes	Yes
Super PACs <ul style="list-style-type: none"> • Change the burden of proof to require Super PACs to show money is not from illegal sources. • Require Super PACs to report the activity for the year in which the election is held and the prior year before being allowed to spend money in Wisconsin. 	No	Yes
Issue Advocacy <ul style="list-style-type: none"> • Require complete disclosure of issue advocacy organizations. Including name and address of person registering, name of candidates to be identified, and name of persons who contributed for the year of the election is held and the year prior. 	No	Yes
Federal Activity <ul style="list-style-type: none"> • Require state party federal activity to be registered in Wisconsin. 	No	Yes
Complaints <ul style="list-style-type: none"> • Allow the Executive Director of the Elections Board or designee to investigate complaints and file binding opinions. Allow for an appeal to full Elections Board. 	No	Yes