

**2001 DRAFTING REQUEST**

**Assembly Amendment (AA-AB18)**

Received: 02/09/2001

Received By: **rmarchan**

Wanted: **Today**

Identical to LRB:

For: **Stephen Freese (608) 266-7502**

By/Representing: **Terri**

This file may be shown to any legislator: **NO**

Drafter: **rmarchan**

May Contact:

Alt. Drafters: **kuesejt**

Subject: **Elections - campaign finance**

Extra Copies:

**Pre Topic:**

No specific pre topic given

**Topic:**

Include labor unions in prohibition in corporate contribution prohibition in s. 11.38.

**Instructions:**

See Attached. Redraft SA-5 to SB-2.

**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>
/?	rmarchan 02/09/2001	jdye 02/09/2001		_____			
	kuesejt 02/09/2001			_____			
/1			rschluet 02/09/2001	_____	lrb_docadmin 02/09/2001	lrb_docadmin 02/09/2001	

FE Sent For:

<END>

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/?	rmarchan	1 2/9 jld	1-9-1	2-9-1			

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TODAY

PM NR

ASSEMBLY AMENDMENT,

TO 2001 ~~SENATE BILL 2~~

AB-18

NOTE

1 At the locations indicated, amend the bill as follows:

2 1. Page 1, line 3: after "regulation" insert ", prohibited contributions and  
3 disbursements,".

4 2. Page 4, line 6 after that line, before the material inserted by senate  
5 amendment, insert:

6 "SECTION 6a. 11.38 (title) of the statutes is amended to read:

7 11.38 (title) **Contributions and disbursements by corporations and,**  
8 **cooperatives, and labor organizations.**

9 SECTION 6b. 11.38 (1) (a) and (2) (b) of the statutes are amended to read:

10 11.38 (1) (a) 1. No foreign or domestic corporation, or association organized  
11 under ch. 185, or labor organization, may make any contribution or disbursement,  
12 directly or indirectly, either independently or through any political party, committee,

1 group, candidate or individual for any purpose other than to promote or defeat a  
2 referendum.

3 2. Notwithstanding subd. 1., any such corporation ~~or~~, association, or labor  
4 organization may establish and administer a separate segregated fund and solicit  
5 contributions from individuals to the fund to be utilized by such corporation ~~or~~,  
6 association, or labor organization for the purpose of supporting or opposing any  
7 candidate for state or local office but the corporation ~~or~~, association, or labor  
8 organization may not make any contribution to the fund. The fund shall appoint a  
9 treasurer and shall register as a political committee under s. 11.05. A parent  
10 corporation ~~or~~, association, or labor organization engaging solely in this activity is  
11 not subject to registration under s. 11.05, but shall register and file special reports  
12 on forms prescribed by the board disclosing its administrative and solicitation  
13 expenses on behalf of such fund. A corporation, association, or labor organization not  
14 domiciled in this state need report only its expenses for administration and  
15 solicitation of contributions in this state together with a statement indicating where  
16 information concerning other administration and solicitation expenses of its fund  
17 may be obtained. The reports shall be filed with the filing officer for the fund  
18 specified in s. 11.02 in the manner in which continuing reports are filed under s. 11.20  
19 (4) and (8).

20 3. No corporation ~~or~~, association, or labor organization specified in subd. 1. may  
21 expend more than a combined total of \$500 annually for solicitation of contributions  
22 to a fund established under subd. 2. or to a conduit.

23 (2) (b) This section does not prohibit the publication of periodicals by a  
24 corporation ~~or a~~, cooperative, or labor organization in the regular course of its affairs  
25 which advise the members, shareholders or subscribers of the disadvantages or

1 advantages to their interests of the election to office of persons espousing certain  
2 measures, without reporting such activity. (S)

3 ~~SECTION 66.~~ 11.38 (2) (c) of the statutes is repealed. (L)

4 ~~SECTION 66.~~ 11.38 (3) to (5) and (8) of the statutes are amended to read:

5 11.38 (3) A violation of this section by an officer or employee of a corporation,  
6 association, or labor organization is prima facie evidence of a violation by the  
7 corporation, association, or labor organization.

8 (4) Any corporation, association, or labor organization which violates this  
9 section shall forfeit double the amount of any penalty assessed under s. 11.60 (3).

10 (5) An action against a corporation, association, or labor organization pursuant  
11 to a violation of this section may be brought either in the circuit court for the county  
12 in which the registered office or principal place of business of the corporation,  
13 association, or labor organization is located, or in the circuit court for the county in  
14 which the violation is alleged to have occurred. The proceedings may be brought by  
15 the district attorney of either such county, by the attorney general or by the board.

16 (8) (a) A corporation or, association organized under ch. 185, or labor  
17 organization which accepts contributions or makes disbursements for the purpose  
18 of influencing the outcome of a referendum is a political group and shall comply with  
19 s. 11.23 and other applicable provisions of this chapter.

20 (b) Except as authorized in s. 11.05 (12) (b) and (13), prior to making any  
21 disbursement on behalf of a political group which is promoting or opposing a  
22 particular vote at a referendum and prior to accepting any contribution or making  
23 any disbursement to promote or oppose a particular vote at a referendum, a  
24 corporation or, association organized under ch. 185, or labor organization shall  
25 register with the appropriate filing officer specified in s. 11.02 and appoint a

1 treasurer. The registration form of the corporation ~~or~~, association, or labor  
2 organization under s. 11.05 shall designate an account separate from all other  
3 corporation ~~or~~, association, or labor organization accounts as a campaign depository  
4 account, through which all moneys received or expended for the adoption or rejection  
5 of the referendum shall pass. The corporation ~~or~~, association, or labor organization  
6 shall file periodic reports under s. 11.20 providing the information required under  
7 s. 11.06 (1).

8 (c) Expenditures by a corporation ~~or~~, association, or labor organization to  
9 establish and administer a campaign depository account of a political group need not  
10 be made through the depository account and need not be reported.”

11 (END) ✓

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

20175/12n  
LRBa0164/Idn  
RJM&JTK(jld)km

February 9, 2001

3 STET

This amendment includes labor organizations in the prohibitions against contributions and disbursements that currently apply to corporations under s. 11.38, stats.

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LRBa0175/1dn  
RJM&JTK:jld:rs

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