

EXEMPTION FROM DISBURSEMENT AND CERTAIN CONTRIBUTION LIMITATIONS

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Currently, a candidate for state or local office may not accept contributions from all committees, together with grants from the Wisconsin election campaign fund, in an aggregate amount exceeding 65% of the candidate's applicable disbursement level or limit.

This bill provides that if a candidate who accepts a grant from the Wisconsin election campaign fund or a candidate who has filed an affidavit of voluntary compliance with disbursement and self-contribution limitations files a sworn statement with the board, in accordance with procedures specified by the board for this purpose, to the effect that one or more independent disbursements or other independent expenditures have been made for the purpose of making communications opposing his or her candidacy, then 1) all candidates for the office that the candidate seeks are not bound by any disbursement limitations; 2) limitations upon contributions made by individuals to the campaigns of those candidates (as affected by the bill) are doubled; and 3) those candidates may accept aggregate contributions equal to not more than 65% of their disbursement limitations from political party and legislative campaign committees, in addition to contributions accepted by the candidates from other committees and any grants accepted by the candidates from the Wisconsin election campaign fund.

The bill also provides that if a candidate for a state office who accepts a grant from the Wisconsin election campaign fund or a candidate who has filed an affidavit of voluntary compliance with disbursement and self-contribution limitations determines that an opposing candidate who has not applied for a grant and who has not filed an affidavit has made disbursements exceeding the amount of the disbursement limitation applicable to candidates for that office, then all candidates for that office may make additional contributions to their own campaigns exceeding the self-contribution limitation applicable to candidates for that office and may make additional disbursements exceeding the disbursement limitation applicable to candidates for that office in an amount equivalent to the lesser of the total contributions made by the opposing candidate to his or her own campaign or the amount by which total disbursements made by the opposing candidate exceed the applicable disbursement limitation, as reported to the board by the opposing candidate. In addition, limitations upon contributions made by individuals to those candidates (as affected by the bill) are doubled and those candidates may accept aggregate contributions equal to not more than 65% of their disbursement limitation from political party and legislative campaign committees, in addition to contributions accepted by the candidates from other committees and any grants accepted by the candidates from the Wisconsin election campaign fund.

Required frequency of certain reports

Currently, with limited exceptions, a candidate at any primary or other election must file preprimary and preelection reports no later than ^{eight} 8 days before each primary or other election at which the candidate participates. This bill provides, in

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addition, that if such a candidate, as of the end of any week before a primary or other election at which the candidate seeks office, has received contributions or other income in a total amount exceeding 20% of the disbursement level provided for the office that the candidate seeks, the candidate or his or her personal campaign committee must file weekly preprimary or preelection reports for each week preceding the primary or other election at which the candidate seeks office. ✓

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Reporting of contributions transferred by conduits

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This bill directs the elections board to provide a separate schedule that must be filed by each registrant to which contributions are transferred by a conduit. The schedule includes the name and address of the conduit, the date and amount of each transfer, and the total amount transferred to the registrant by the conduit for the calendar year. ✓

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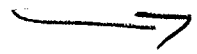
This bill deletes the current checkoff for the Wisconsin election campaign fund but permits an individual to pay an additional amount not exceeding \$5 to be transferred to the fund, effective for tax returns filed for taxable years beginning on or after January 1 following the day on which the bill becomes law. Under the bill, individuals filing a joint return may separately choose whether to make an additional payment. The bill permits an individual to claim a credit against his or her individual income tax liability for the amount of the additional payment. Individuals filing a joint return may claim a credit for their combined payments. The bill also permits individuals to determine whether to designate their payments for a "general account" which is potentially available for distribution to all candidates who qualify for a grant, or for the account of an eligible political party, which is distributed to all candidates representing that party who qualify for a grant. ✓

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¶ Currently, the maximum grant that a candidate may receive from the Wisconsin election campaign fund is that amount which, when added to all other contributions accepted from sources other than individuals, political party committees, and legislative campaign committees, is equal to 45% of the authorized disbursement level for the office that the candidate seeks, if there are sufficient moneys in the fund to finance the full amount of grants for which candidates qualify. In each year prior to a year in which an election for the office of justice of the supreme court is scheduled, 8% of the moneys designated by taxpayers to be transferred to the fund for that year is set aside to finance payment of grants to candidates for the office of justice. Whether this amount is sufficient to finance payment of the full amounts for which candidates qualify depends upon the total amount of taxpayer designations for that year.

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This bill:

1. Increases the maximum potential grant payable to a candidate for the office of justice of the supreme court to 65% of the authorized disbursement level for that office, and decreases the maximum potential grant payable to a candidate for any other office to 25% of the authorized disbursement level for the office that the candidate seeks.

2. Provides that if a candidate has a balance in his or her campaign depository account that exceeds 50% of the authorized disbursement level for the office that the candidate seeks at the time that grant payments are made, the amount of the grant payable to that candidate is 50% of the amount that would otherwise be payable.

3. Provides that if a candidate does not have an opponent whose application for a grant is approved by the board, the amount of the grant payable to that candidate is 50% of the amount that would otherwise be payable, unless the grant has already been reduced as a result of the balance in the candidate's campaign depository account.

4. Provides that in each year prior to a year in which an election for the office of justice of the supreme court is scheduled, an amount must be set aside from taxpayer donations to the general account sufficient to finance payment of the full amount of grants for which candidates for the office of justice qualify before amounts are made available from the general account to finance the payment of grants to candidates for any other office.

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~~Under the bill, if a candidate is bound by a disbursement limitation and by a limitation on the total contributions that the candidate may accept from political party committees, the total amount of the grant that the candidate may receive may not exceed that amount that, when added to the total contributions accepted by the candidate from all sources other than individuals, equals 65% of the candidate's disbursement limitation.~~

~~The bill also creates a biennial adjustment that causes the statutory maximum initial grant amounts to be adjusted biennially, beginning in 2004, in accordance with the rate of increase or decrease in the "consumer price index," as determined by the U.S. department of labor, with the result in turn adjusted by the rate of increase or decrease in the voting age population of this state, as determined by the federal election commission.~~

Currently, if a candidate for a partisan state office accepts a grant and has an opponent who also could have qualified to receive a grant but declines to accept one, the candidate is not bound by his or her disbursement limitation. Similarly, if a candidate for a nonpartisan state office accepts a grant and has an opponent who declines to accept a grant, that candidate is not bound by his or her disbursement limitation. However, in either case, if each opponent who declines to accept a grant files with the elections board an affidavit of voluntary compliance with the disbursement limitation applicable to candidates for the office that the candidate seeks, the disbursement limitation for the candidate who accepts a grant continues to apply. This bill deletes the exception that retains the disbursement limitation of a candidate if an affidavit is filed by each of his or her opponents.

~~Currently, if a candidate who could have qualified to receive a grant fails to qualify, the grant moneys otherwise available to that candidate become available to other qualifying candidates for the same office as the office sought by the nonqualifying candidate. This bill provides that if a candidate for a partisan state executive office (governor, lieutenant governor, attorney general, secretary of state, or state treasurer) could have qualified to receive a grant but fails to qualify, the moneys otherwise available to that candidate are redistributed to all qualifying candidates for partisan state executive offices, in addition to the maximum initial grant amounts, in the same proportion as the initial amounts of their grants bear to the total amount of grants distributed to all qualifying candidates for partisan state executive offices, subject to applicable aggregate contribution and disbursement limitations. The bill also provides that each candidate for a nonpartisan state office receives only 50% of the moneys available to finance grants for that office, regardless of whether his or her opponent qualifies to receive a grant, but provides for 50% of the moneys otherwise available to nonqualifying candidates for nonpartisan state offices (justice of the supreme court and superintendent of public instruction) to be redistributed to all qualifying candidates for nonpartisan state offices, in addition to the maximum initial grant amounts, in the same proportion as the initial amounts of their grants bear to the total amount of grants distributed to all qualifying candidates for nonpartisan state offices. Under the bill, the maximum total grant that a candidate may receive, when added to the total contributions received by the candidate from sources other than individuals, may not exceed 65% of the~~

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or changing a date that such a contribution is made so as to indicate a date other than the date of that transfer.

Conduit contribution procedure

Currently, if an individual or organization receives a political contribution consisting of money and transfers the contribution to another individual or organization without exercising discretion as to the amount to be transferred and the individual to whom or the organization to which the transfer is to be made, the contribution is considered to be made by the original contributor for purposes of reporting by the ultimate recipient. The contribution is also treated as an individual contribution for purposes of determining contribution limitations and qualifying contributions for public grants. The individual or organization making the transfer is called a "conduit" under the law. A conduit must identify itself to the ultimate recipient as a conduit and provide to that recipient the information about the contribution which is necessary for the recipient to file its campaign finance reports.

~~This bill requires each person who transfers a contribution of money to a conduit to make a written direction, on a form prescribed by the elections board, specifying clearly the name of the intended recipient, the amount of the contribution and the date on which the contribution is made. Each item of information on the form must be entered by the contributor. A conduit receiving a form must retain the form with its records for three years after the date of the election in connection with which the contribution identified on the form is made. The bill prohibits any person from entering or changing a date that a contribution is made on such a form so as to indicate a date that a contribution is made other than the actual date.~~

~~Currently, the recipient of a contribution of money must deposit the contribution in the recipient's campaign depository account no later than five business days after receipt of the contribution. A conduit who or which deposits a contribution of money is considered to receive and accept the contribution. A contribution must be reported by the recipient as received and accepted on the date received unless it is returned to the contributor or donated within 15 days of receipt.~~

~~This bill provides that each conduit who or which receives a contribution of money must transfer the contribution to the recipient specified by the contributor within five days of the date on which the contribution is received by the conduit. Under the bill, the contribution must be deposited no later than the time it is transferred.~~

Transfer of campaign surpluses for use in campaigns for different offices

~~Currently, a candidate, personal campaign committee of a candidate, former candidate or former personal campaign committee may make a contribution or disbursement for any political purpose not prohibited by law, and specifically may transfer money or property to another candidate or personal campaign committee, subject to applicable contribution limitations. If a candidate for one office becomes a candidate for another office, that candidate or his or her personal campaign committee may use money or property received on his or her behalf when the candidate was a candidate for the first office, without limitation. In addition, if the~~

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year that a candidate for partisan state office or such a candidate's personal campaign committee may carry over from a general election campaign to another campaign to not more than 10% of the candidate's disbursement level. Under the bill, contributions in excess of that amount must be transferred to the Wisconsin election campaign fund.

~~WISCONSIN ELECTION CAMPAIGN FUND~~

~~Sources and uses of funds~~

Under current law, the Wisconsin election campaign fund is financed through an individual income tax "checkoff." Every individual filing a state income tax return who has a tax liability or is entitled to a tax refund may direct that \$1 of general purpose revenue be transferred to the fund. Individuals filing a joint return may separately choose whether to direct that the \$1 transfer be made. All moneys transferred to the fund are placed in accounts for specified state offices, and candidates for those offices may qualify for grants from the fund to be used for specified campaign expenses. No moneys in the fund may be used for any other purpose.

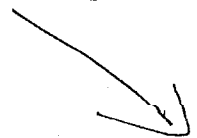
~~This bill:~~

1. Increases the amount of the individual income tax checkoff for the Wisconsin election campaign fund from \$1 to \$5, effective for tax returns filed for taxable years beginning on or after January 1 following the day on which the bill becomes law. Under the bill, individuals filing a joint return may separately choose whether to make the \$5 checkoff. The bill also permits individuals to determine whether to designate their checkoffs for a "general account," which is distributed to all candidates who qualify for a grant, or for the account of an eligible political party, which is distributed to all candidates representing that party who qualify for a grant. However, if there are insufficient moneys in these accounts to permit any candidate who qualifies for a grant from receiving the full amount for which the candidate qualifies, the bill provides for the deficiency to be drawn from state general purpose revenue.
2. Authorizes the state elections board to set aside an amount not exceeding 5% of the moneys transferred to the Wisconsin election campaign fund in each year, before distributions are made to candidate office accounts, to provide public information concerning the purpose and effect of the fund and the income tax checkoff for the fund. As part of the public information program, the board must prepare an easily understood description of the purpose and effect of the fund and the tax checkoff. The department of revenue is required to include and highlight the description in its income tax preparation instructions related to the tax checkoff.
3. Provides that, if a grant is used to purchase an advertisement from a broadcast or communications medium, the advertisement may not include any voice other than the voice of the candidate to whom the grant is provided.

~~Grant eligibility requirements and amounts~~

Under current law, public financing from the Wisconsin election campaign fund is available to eligible candidates for the offices of state senator, representative to the assembly, governor, lieutenant governor, attorney general, state treasurer, secretary of state, justice of the supreme court, and superintendent of public instruction. To

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contribution before that time. A registrant must report the occupation and principal place of employment of any individual who makes any contribution or contributions to a registrant exceeding \$100 in amount or value cumulatively within a calendar year. This bill provides that whenever a registrant receives a contribution in the form of money the registrant must obtain this information from a contributor, if required, before depositing the contributor's contribution in its campaign depository account. Under the bill, if the registrant does not obtain the required information within the period prescribed for making deposits, the registrant must return the contribution.

CONTRIBUTIONS THROUGH CONDUITS

Currently, if an individual or organization receives a political contribution consisting of money and transfers the contribution to another individual or organization without exercising discretion as to the amount to be transferred and the individual to whom or the organization to which the transfer is made, the contribution is considered to be made by the original contributor for purposes of reporting by the ultimate recipient. The contribution is also treated as an individual contribution for purposes of determining compliance with contribution limitations and qualifying contributions for public grants. The individual or organization making the transfer is called a "conduit" under the law. In most cases, a conduit is required to register and file campaign finance reports unless the conduit does not transfer any contributions to candidates or to personal campaign, legislative campaign, or political party committees.

This bill treats a contribution of money transferred by a conduit as a contribution from the conduit rather than from the individual contributor for purposes of reporting by the ultimate recipient and for purposes of determining contribution limitations and qualifying contributions for public grants. Thus, under this bill, a contribution of money that is transferred by a conduit that is a committee is included within the overall limitation on contributions that a candidate may derive from public grants and from contributions received from committees. In addition, these contributions may not be used to qualify for a public grant.

DISPOSITION OF RESIDUAL OR EXCESS FUNDS

Under current law, residual funds remaining when a person who is required to register under the campaign financing law disbands or ceases incurring obligations, making disbursements, or accepting contributions or excess funds received by a registrant that may not be legally expended may generally be used for any lawful political purpose, returned to the original contributors, or donated to a charitable organization or the common school fund.

This bill allows residual or excess funds to be transferred to the Wisconsin election campaign fund. The bill also requires residual contributions received by a personal campaign committee formed to support the campaign of a partisan state officeholder who seeks election to another office and, subsequently, decides not to run for that other office, which exceed 10% of the statutory disbursement level for the office that the candidate holds, to be either returned to the donors or transferred to the Wisconsin election campaign fund. In addition, the bill limits the amount of contributions which remain unencumbered after December 31 of an even-numbered

for deposit in the general account

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1 7.70 (3) (e) 1. After each September primary, the name of each candidate not
 2 defeated in the primary who receives at least ~~6%~~ 2% of the total vote cast for all
 3 candidates on all ballots at the primary for each separate state office except district
 4 attorney, and the percentage of the total vote received by that candidate. Such The
 5 percentage shall be calculated within each district in the case of legislative
 6 candidates.

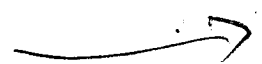
7 SECTION 5. 8.30 (2) of the statutes is amended to read:

8 8.30 (2) If no registration statement has been filed by or on behalf of a candidate
 9 for state or local office in accordance with s. 11.05 (2g) ~~or (2r)~~ by the applicable
 10 deadline for filing nomination papers by such the candidate, or the deadline for filing
 11 a declaration of candidacy for an office for which nomination papers are not filed, the
 12 name of the candidate may not appear on the ballot. This subsection may not be
 13 construed to exempt a candidate from applicable penalties if he or she files a
 14 registration statement later than the time prescribed in ss. 11.01 (1) and 11.05 (2g).

15 SECTION 6. 8.35 (4) (a) 1. a. and b. of the statutes are amended to read:

16 8.35 (4) (a) 1. a. ~~Donated to the former candidate's local or state political party~~
 17 if If the former candidate was a partisan candidate or, donated to the former
 18 candidate's local or state political party, donated to the a charitable organization of
 19 the former candidate's choice or the charitable organization chosen, or transferred to
 20 the board for deposit in the Wisconsin election campaign fund, as instructed by the
 21 former candidate or, if the ^{former} candidate left no instruction, by the former candidate's
 22 next of kin if the former candidate is deceased, or if no choice is made returned to the
 23 donors on a proportional basis; or

24 b. If the former candidate was a nonpartisan candidate, donated to the a
 25 charitable organization of the former candidate's choice or the charitable



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1 ~~organization chosen or transferred to the board for deposit in the Wisconsin election~~
2 ~~campaign fund, as instructed by the former candidate or, if the~~ ^{former} ~~candidate left no~~
3 ~~instruction, by the former candidate's next of kin if the former candidate is deceased;~~
4 or ✓

5 SECTION 7. 8.35 (4) (c) and (d) of the statutes are amended to read:

6 8.35 (4) (c) ~~The transfer to the replacement candidate under par. (b) shall be~~
7 ~~made and reported to the appropriate filing officer in a special report submitted by~~
8 ~~the former candidate's campaign treasurer. If the former candidate is deceased and~~
9 ~~was serving as his or her own campaign treasurer, the former candidate's petitioner~~
10 ~~or personal representative shall file the report and make the transfer required by~~
11 ~~par. (b), if any and file the report. The report shall be made in the manner provided~~
12 ~~under s. 11.21 (16), if applicable, or otherwise at the appropriate interval under s.~~
13 ~~11.20 (2) or (4) and shall include a complete statement of all contributions,~~
14 ~~disbursements and incurred obligations pursuant to s. 11.06 (1) covering the period~~
15 ~~from the day after the last date covered on the former candidate's most recent report~~
16 ~~to the date of disposition.~~

17 (d) ~~The newly appointed candidate shall file his or her report in the manner~~
18 ~~provided under s. 11.21 (16), if applicable, or otherwise at the next appropriate~~
19 ~~interval under s. 11.20 (2) or (4) after his or her appointment. The appointed~~
20 ~~candidate shall include any transferred funds moneys in his or her first report.~~

21 SECTION 8. 10.02 (3) (b) 2m. of the statutes is amended to read:

22 10.02 (3) (b) 2m. At the September primary, the elector shall select the party
23 ballot of his or her choice or the ballot containing the names of the independent
24 candidates for state office, and make a cross X next to or depress the lever or button
25 next to the candidate's name for each office for whom the elector intends to vote or

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SECTION 1. 11.05 (3) (q) of the statutes is created to read:

11.05 (3) (q) In the case of a political party committee, an indication of whether the committee is a state or national political party committee, or a state or national subunit or state or national affiliate of such a committee.



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1. conduct a joint fund raising effort or program on behalf of more than one named
 2. candidate. The agreement shall specify the percentage of the proceeds to be
 3. distributed to each candidate by the committee conducting the effort or program.
 4. The committee shall include this information in all solicitations for the effort or
 5. program. All contributions received and disbursements made by the committee in
 6. connection with the effort or program shall be received and disbursed through a
 7. separate depository account under s. 11.14 (1) that is identified in the agreement.
 8. For purposes of s. 11.06 (1), the committee conducting the effort or program shall
 9. prepare a schedule in the form prescribed by the board supplying all required
 10. information under s. 11.06 (1) and items qualifying for exclusion under s. 11.31 (6)
 11. for the effort or program, and shall transmit a copy of the schedule to each candidate
 12. who receives any of the proceeds within the period prescribed in s. 11.06 (4) (c).

13. SECTION 53. 11.19 (title) of the statutes is amended to read:
 14. 11.19 (title) **Dissolution Carry-over of surplus funds; dissolution of**
 15. **registrants; termination reports.**

16. SECTION 54. 11.19 (1) of the statutes is amended to read:
 17. 11.19 (1) Whenever any registrant disbands or determines that obligations will
 18. no longer be incurred, and contributions will no longer be received nor disbursements
 19. made during a calendar year, and the registrant has no outstanding incurred
 20. obligations, the registrant shall file a termination report with the appropriate filing Plain
 21. officer. Such report shall indicate a cash balance on hand of zero at the end of the text
 22. reporting period and shall indicate the disposition of residual funds. (Residual) *Residual*
 23. ~~Except as provided in sub. (1m), residual funds may be used for any political purpose~~
 24. not prohibited by law, returned to the donors in an amount not exceeding the original
 25. contribution, transferred to the board for deposit in the Wisconsin election campaign

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1 ~~fund~~ or donated to a charitable organization or the common school fund. The report
 2 shall be filed and certified as were previous reports, and shall contain the
 3 information required by s. 11.06 (1). A registrant to which s. 11.055 (1) applies shall
 4 pay the fee imposed under that subsection with a termination report filed under this
 5 subsection. If a termination report or suspension report under sub. (2) is not filed,
 6 the registrant shall continue to file periodic reports with the appropriate filing
 7 officer, no later than the dates specified in s. 11.20 ~~and, if the registrant files reports~~
 8 ~~under s. 11.21 (16), no later than the times specified in s. 11.21 (16).~~ This subsection
 9 does not apply to any registrant making an indication under s. 11.05 (2r) ~~11.06 (2m).~~

10 ~~Section 55.~~ 11.19 (1m) and (6) of the statutes are created to read: ~~(plaint)~~

11 11.19 (1m) If the registration statement, under s. 11.05, of a personal campaign
 12 committee indicates that the committee was formed or operates for the purpose of
 13 influencing the election or nomination for election of a candidate who is a partisan
 14 state officeholder to any state or local office other than the office held by the
 15 candidate, and, subsequently, the candidate or personal campaign committee files,
 16 under s. 11.05 (5), a change in the information in the registration statement
 17 indicating that the candidate is no longer seeking that other office, the candidate or
 18 personal campaign committee shall either return all contributions attributable to
 19 the candidate's campaign for the office no longer sought exceeding 10% of the
 20 disbursement level specified under s. 11.31 for the office that the candidate holds,
 21 minus disbursements and incurred obligations for that campaign, to the donors in
 22 an amount not exceeding their original contributions, or donate an amount equal to
 23 any contributions not so returned exceeding 10% of the disbursement level specified
 24 under s. 11.31 for the office that the candidate holds, minus disbursements and

*incurred obligations for that campaign, to
 the board for crediting to the Wisconsin
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1 the secretary of state. An agent may be any adult individual who is a resident of this
2 state. After any change in the name or address of such agent the new address or
3 name of the successor agent shall be filed within 30 days. Service of process in any
4 proceeding under this chapter or ch. 12, or service of any other notice or demand may
5 be made upon such agent.

6 **SECTION 40.** 11.07 (5) of the statutes is amended to read:

7 11.07 (5) Any campaign treasurer or individual who knowingly receives a
8 contribution made by an unregistered nonresident in violation of this section may
9 not use or expend such contribution but shall immediately return it to the source or
10 at the option of the campaign treasurer or individual, donate the contribution to a
11 charitable organization or to the common school fund or transfer the contribution to
12 the board for deposit in the Wisconsin election campaign fund.

13 **SECTION 41.** 11.09 (3) of the statutes is amended to read:

14 11.09 (3) Each registrant whose filing officer is the board, who or which makes
15 disbursements in connection with elections for offices which serve or referenda
16 which affect only one county or portion thereof, except a candidate, personal
17 campaign committee, political party committee or other committee making
18 disbursements in support of or in opposition to a candidate for state senator,
19 representative to the assembly, court of appeals judge or circuit judge, shall file a
20 duplicate original of each financial report filed with the board with the county clerk
21 or board of election commissioners of the county in which the elections in which the
22 registrant participates are held. Such reports shall be filed no later than the dates
23 specified under s. 11.20 (2) and (4) for the filing of each report with the board. This
24 subsection does not apply to a registrant who or which files reports under s. 11.21

25 (16).

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SECTION 42. 11.10 (1) of the statutes is amended to read:

11.10 (1) Each candidate in an election shall appoint one campaign treasurer. Except as provided in s. 11.14 (3), each candidate shall designate one campaign depository account within 5 business days after the candidate receives his or her first contribution and before the candidate makes or authorizes any disbursement in behalf of his or her candidacy. If a candidate adopts a preexisting support committee as his or her personal campaign committee, the candidate shall make such designation within 5 business days of adoption. The person designated as campaign treasurer shall be the treasurer of the candidate's personal campaign committee, if any. The candidate may appoint himself or herself or any other elector as campaign treasurer. A registration statement under s. 11.05 (2g) ~~or (2r)~~ must be filed jointly by every candidate and his or her campaign treasurer. The candidate does not qualify for ballot placement until this requirement is met. Except as authorized under s. 11.06 (5), the campaign treasurer or candidate shall certify as to the correctness of each report required to be filed, and the candidate bears the responsibility for the accuracy of each report for purposes of civil liability under this chapter, whether or not the candidate certifies it personally.

SECTION 43. 11.12 (2) of the statutes is amended to read:

11.12 (2) Any anonymous contribution exceeding \$10 received by a campaign or committee treasurer or by an individual under s. 11.06 (7) may not be used or expended. The contribution shall be donated to the common school fund or to any charitable organization or transferred to the board for deposit in the Wisconsin election campaign fund, at the option of the treasurer.

~~**SECTION 44.** 11.12 (2m) of the statutes is created to read:~~

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1 ~~11.14 (3) Notwithstanding sub. (1), any candidate who serves as his or her own~~
 2 ~~campaign treasurer and who is authorized to make and makes an indication on his~~
 3 ~~or her registration statement under s. ~~11.05 (2r)~~ 11.06 (2m) that he or she will not~~
 4 ~~accept contributions, make disbursements or incur obligations in an aggregate~~
 5 ~~amount exceeding \$1,000 in a calendar year, and will not accept any contribution or~~
 6 ~~contributions from a single source, other than contributions made by the candidate~~
 7 ~~to his or her own campaign, exceeding \$100 in a calendar year, may designate a single~~
 8 ~~personal account as his or her campaign depository account, and may intermingle~~
 9 ~~personal and other funds with campaign funds. If a separate depository account is~~
 10 ~~later established by the candidate, the candidate shall transfer all campaign funds~~
 11 ~~in the personal account to the new depository account. Disbursements made from~~
 12 ~~such personal account need not be identified in accordance with s. 11.16 (3).~~

13 **SECTION 51.** 11.16 (2) of the statutes is amended to read:

14 11.16 (2) LIMITATION ON CASH CONTRIBUTIONS. Every contribution of money
 15 exceeding \$50 shall be made by negotiable instrument or evidenced by an itemized
 16 credit card receipt bearing on the face the name of the remitter. No treasurer may
 17 accept a contribution made in violation of this subsection. The treasurer shall
 18 promptly return the contribution, ^{or} ~~or~~ ^{plain} ~~donate it~~ ^{shall} ~~the contribution~~ to the common school
 19 fund or to a charitable organization or transfer the contribution to the board for
 20 deposit in the Wisconsin election campaign fund in the event that the donor cannot
 21 be identified.

22 **SECTION 52.** 11.16 (5) of the statutes is amended to read:

23 11.16 (5) ESCROW AGREEMENTS. Any personal campaign committee, or political
 24 party committee ~~or legislative campaign committee~~ may, pursuant to a written
 25 escrow agreement with more than one candidate, solicit contributions for and

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SECTION 65

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1 treasurer of a group shall certify the correctness of each statement or report
2 submitted by it under this chapter.

3 SECTION 66. 11.23 (2) of the statutes is amended to read:

4 11.23 (2) Any anonymous contribution exceeding \$10 received by an individual
5 or group treasurer may not be used or expended. The contribution shall be donated
6 to the common school fund or to any charitable organization or transferred to the
7 board for deposit in the Wisconsin election campaign fund, at the option of the
8 treasurer.

9 SECTION 67. 11.24 (1m) of the statutes is repealed.

10 SECTION 68. 11.24 (1v) of the statutes is created to read:

11 11.24 (1v) No registrant may accept any contribution made by a committee or
12 group that does not maintain an office or street address within this state at the time
13 that the contribution is made unless that committee or group is registered with the
14 federal election commission under 2 USC 433 (a).

15 SECTION 69. 11.24 (1w) of the statutes is created to read:

16 11.24 (1w) No candidate or personal campaign committee of a candidate who
17 applies for a grant under s. 11.50 may accept any contribution from a committee
18 other than a political party committee.

19 SECTION 70. 11.24 (2) of the statutes is renumbered 11.24 (5).

20 SECTION 71. 11.24 (4) of the statutes is created to read:

21 11.24 (4) (a) No person may make a contribution to an incumbent partisan state
22 elective official or to the personal campaign committee or support committee
23 authorized under s. 11.05 (3) (p) of that official for the purpose of promoting that
24 official's nomination or reelection to the office held by the official during the period
25 beginning on the first Monday of January in each odd-numbered year and ending

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(14) 15
SECTION 1. 11.01 (4m), (11m), (13) and (20) of the statutes are created to read:

11.01 (4m) "Communication" means a message transmitted by means of a printed advertisement, billboard, handbill, sample ballot, radio or television advertisement, telephone bank operator or mass mailing, but does not include a poll conducted solely for the purpose of identifying or collecting data concerning the attitudes or preferences of electors. ←

(11m) "Independent expenditure" means a disbursement or other expenditure made for the purpose making a communication that is made during the 60-day period preceding a general, special or spring election, that contains a reference to a clearly identified candidate at that election, that is made without cooperation or consultation with such a candidate, or any authorized committee or agent of such a candidate, and that is not made at the request or suggestion of such a candidate, or any authorized committee or agent of such a candidate. ←

(13) "Mass mailing" means the distribution of 50 or more pieces of substantially identical material.

(14) "National political party committee" means a national committee as defined in 2 USC 431 (14).

(B) (20) "Telephone bank operator" means any person who places or directs the placement of 50 or more substantially identical telephone calls to individuals. ✓

SECTION 2. 11.06 (1) (dm) of the statutes is created to read:

11.06 (1) (dm) A separate schedule itemizing those contributions that were transferred to the registrant by a conduit, together with the name and address of the conduit, the date and amount of each transfer, and the cumulative total amount transferred to the registrant by the conduit for the calendar year. ✓

SECTION # RP; 11.06 (3w) (a)
SECTION 3. 11.06 (11) (bm) of the statutes is created to read:

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Unless, as of the 14th day preceding a primary or other election at which a candidate seeks office, a candidate is required to file reports under sub. (3) (be), each under s. 11.06 (1)

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11.06 (11) (bm) The board shall prescribe a separate schedule for reporting by transferees of contributions transferred by conduits.

SECTION 4. 11.20 (2), (3) (a) and (b) of the statutes are amended to read:

11.20 (2) Preprimary and ~~primary~~ candidate ^{who seeks office at a primary or other election} for his or her personal campaign committee shall file a ^{pre primary and} preelection report under s. 11.06 (1), which shall be received by the appropriate filing officer no earlier than 14 days and no later than 8 days preceding the primary and the election. Each candidate who is required to file reports under sub. (3) (be), or his or her personal campaign committee, shall file each preprimary and preelection report under sub. (3) (be) so that the report is received by the appropriate filing officer no earlier than the day after the end of the week to which the report pertains and no later than the 5th day after the end of that week.

History: 1973 c. 334; 1975 c. 93, 199; 1979 c. 328 ss. 58, 82 to 92, 146; 1981 c. 314 s. 146; 1983 a. 183, 491, 538; 1985 a. 303 ss. 32m to 37, 88; 1987 a. 370; 1989 a. 192; 1995 a. 16 s. 2; 1997 a. 27.

(3) (a) A ~~candidate~~ ^{Unless otherwise} required under par. (be), a candidate or personal campaign committee of a candidate at a primary shall file a preprimary and preelection report. If a candidate for a nonpartisan state office at an election is not required to participate in a primary, the candidate or personal campaign committee of the candidate shall file a preprimary report at the time prescribed in sub. (2) ^{or (3) (be)} preceding the date specified in s. 5.02 (20) or (22) for the holding of the primary, were it to be required.

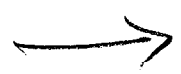
History: 1973 c. 334; 1975 c. 93, 199; 1979 c. 328 ss. 58, 82 to 92, 146; 1981 c. 314 s. 146; 1983 a. 183, 491, 538; 1985 a. 303 ss. 32m to 37, 88; 1987 a. 370; 1989 a. 192; 1995 a. 16 s. 2; 1997 a. 27.

(b) A ~~candidate~~ ^{Unless otherwise} required under par. (be), a candidate or personal campaign committee of a candidate at an election shall file a preelection report.

History: 1973 c. 334; 1975 c. 93, 199; 1979 c. 328 ss. 58, 82 to 92, 146; 1981 c. 314 s. 146; 1983 a. 183, 491, 538; 1985 a. 303 ss. 32m to 37, 88; 1987 a. 370; 1989 a. 192; 1995 a. 16 s. 2; 1997 a. 27.

SECTION 5. 11.20 (3) (be) of the statutes is created to read:

11.20 (3) (be) If a candidate, as of the end of any week before a primary or other election at which the candidate seeks office, has received contributions or other



income in a total amount exceeding 20% of the disbursement level specified in s. 11.31 (1), as adjusted under s. 11.31 (9), for the office that the candidate seeks, the candidate or his or her personal campaign committee shall file preprimary or preelection reports for each week prior to the primary or other election for the office that the candidate seeks.

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SECTION 6. 11.20 (8) (a) of the statutes is amended to read:

11.20 (8) (a) The 15th day preceding the primary or election in the case of the preprimary and preelection report under sub. (2);

History: 1973 c. 334; 1975 c. 93, 199; 1979 c. 328 ss. 58, 82 to 92, 146; 1981 c. 314 s. 146; 1983 a. 183, 491, 538; 1985 a. 303 ss. 32m to 37, 88; 1987 a. 370; 1989 a. 192; 1995 a. 16 s. 2; 1997 a. 27.

SECTION 7. 11.20 (8) (am) of the statutes is created to read:

11.20 (8) (am) The Saturday preceding the primary or election in the case of a preprimary or preelection report under sub. (3) (be).

due date under sub. (2)

SECTION 8. 11.26 (1) (intro.) of the statutes is amended to read:

11.26 (1) (intro.) No Except as provided in subs. (9m) and (10), no individual may make any contribution or contributions to a candidate for election or nomination to any of the following offices and to any individual or committee under s. 11.06 (7) acting solely in support of such a candidate or solely in opposition to the candidate's opponent to the extent of more than a total of the amounts specified per candidate:

History: 1973 c. 334; 1975 c. 93 ss. 89 to 95, 119 (1); 1975 c. 200; 1977 c. 107, 187; 1977 c. 427 s. 132; 1979 c. 263, 328; 1979 c. 355 s. 32; 1983 a. 183, 186; 1985 a. 303 ss. 44 to 55m, 86; 1987 a. 27, 370; 1989 a. 31, 192; 1995 a. 27 s. 9145 (1); 1995 a. 219, 225; 1999 a. 32.

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

11.26 (9) (a) No Except as provided in sub. (9m), no individual who is a candidate for state or local office may receive and accept more than 65% of the value of the total disbursement level determined under s. 11.31 (1), as adjusted under s. 11.31 (9), for the office for which he or she is a candidate during any primary and

do not apply to that candidate, that candidate is subject to the limitations prescribed in subs (1) and (1m)

election campaign combined from all committees subject to a filing requirement, including political party and legislative campaign committees.

History: 1973 c. 334; 1975 c. 93 ss. 89 to 95, 119 (1); 1975 c. 200; 1977 c. 107, 187; 1977 c. 427 s. 132; 1979 c. 263, 328; 1979 c. 355 s. 32; 1983 a. 183, 186; 1985 a. 303 ss. 44 to 55m, 86; 1987 a. 27, 370; 1989 a. 31, 192; 1995 a. 27 s. 9145 (1); 1995 a. 219, 225; 1999 a. 32.

SECTION 10. 11.26 (9m) of the statutes is created to read:

11.26 (9m) If s. 11.31 (3n) or (3p) applies to a candidate in any campaign or if the board issues a determination under s. 11.31 (3p) applicable to a candidate in any campaign, the limitations prescribed in sub. (1) and (1m) in that campaign are 200% of the amounts specified in sub. (1) and the candidate may receive and accept contributions from political party and legislative campaign committees in that campaign in an aggregate amount not exceeding 65% of the value of the total disbursement level determined under s. 11.31 (1), as adjusted under s. 11.31 (9), for the office for which he or she is a candidate during the primary and election combined, in addition to contributions accepted by the candidate from other committees.

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

11.26 (10) No candidate for state office who files a sworn statement and application to receive a grant from the Wisconsin election campaign fund may make contributions of more than 200% of the amounts specified in sub. (1) or (1m) to the candidate's own campaign from the candidate's personal funds or property or the personal funds or property which are owned jointly or as marital property with the candidate's spouse, unless the board determines that the candidate is not eligible to receive a grant, the candidate withdraws his or her application under s. 11.50 (2) (h), or s. 11.31 (3n) or 11.50 (2) (i) applies to the candidate. For purposes of this subsection, any contribution received by a candidate or his or her personal campaign committee from a committee which is registered with the federal elections commission as the authorized committee of the candidate under 2 USC 432 (e) shall

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be treated as a contribution made by the candidate to his or her own campaign. The contribution limit of sub. (4) applies to amounts contributed by such a candidate personally to the candidate's own campaign and to other campaigns, except that a candidate may exceed the limitation if authorized under this subsection to contribute more than the amount specified to the candidate's own campaign, up to the amount of the limitation.

History: 1973 c. 334; 1975 c. 93 ss. 89 to 95, 119 (1); 1975 c. 200; 1977 c. 107, 187; 1977 c. 427 s. 132; 1979 c. 263, 328; 1979 c. 355 s. 32; 1983 a. 183, 186; 1985 a. 303 ss. 44 to 55m, 86; 1987 a. 27, 370; 1989 a. 31, 192; 1995 a. 27-s. 9145 (1); 1995 a. 219, 225; 1999 a. 32.

SECTION 12. 11.30 (4) of the statutes is amended to read:

11.30 (4) No owner or other person with a financial interest in a communications medium may utilize such medium in support of or in opposition to a candidate or referendum except as provided in this chapter.

(4m) This chapter shall not be construed to restrict fair coverage of bona fide news stories, interviews with candidates and other politically active individuals, editorial comment or endorsement. Such activities need not be reported as a contribution or disbursement.

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History: 1973 c. 334; 1975 c. 93, 199, 224, 422; 1979 c. 328; 1983 a. 491; 1985 a. 303; 1987 a. 370; 1989 a. 192; 1991 a. 316.

SECTION 13. 11.31 (2) and (2m) of the statutes are amended to read:

11.31 (2) LIMITATION IMPOSED. No candidate for state office at a spring or general election who files a sworn statement and application to receive a grant from the Wisconsin election campaign fund may make or authorize total disbursements from the campaign treasury in any campaign to the extent of more than the amount prescribed in sub. (1), unless the board determines that the candidate is not eligible to receive a grant, the candidate withdraws his or her application under s. 11.50 (2) (h), or sub. (3n) or (3p) or s. 11.50 (2) (i) applies to that candidate. No candidate for state office at a special election who files a sworn statement and application to receive a grant from the Wisconsin election campaign fund may make or authorize

total disbursements from the campaign treasury in any campaign to the extent of more than the amount prescribed under sub. (1) for the preceding spring or general election for the same office, unless the board determines that the candidate is not eligible to receive a grant, the candidate withdraws his or her application under s. 11.50 (2) (h), or sub. (3n) or (3p) or s. 11.50 (2) (i) applies to that candidate.

History: 1973 c. 334; 1975 c. 93 ss. 97 to 102, 119 (1), (2); 1975 c. 199, 422; 1977 c. 107, 187, 272, 449; 1979 c. 263, 328; 1981 c. 314; 1983 a. 51; 1985 a. 182 s. 57; 1985 a. 303; 1985 a. 332 s. 251 (1); 1987 a. 370; 1989 a. 192; 1993 a. 184; 1995 a. 225; 1997 a. 230; 1999 a. 83.

(2m) VOLUNTARY LIMITATION. Any candidate to whom sub. (2) and s. 11.26 (10) do not apply may file an affidavit with his or her filing officer affirming that he or she has adhered and will adhere to the limitations imposed under sub. (2) and s. 11.26 during the entire campaign. These limitations apply unless the candidate withdraws the affidavit by notifying his or her filing officer in writing no later than the 7th day after the date of the primary in which the person filing the affidavit is a candidate, or the 7th day after the date that the primary would be held, if no primary is required or unless sub. (3n) or (3p) applies to that candidate.

History: 1973 c. 334; 1975 c. 93 ss. 97 to 102, 119 (1), (2); 1975 c. 199, 422; 1977 c. 107, 187, 272, 449; 1979 c. 263, 328; 1981 c. 314; 1983 a. 51; 1985 a. 182 s. 57; 1985 a. 303; 1985 a. 332 s. 251 (1); 1987 a. 370; 1989 a. 192; 1993 a. 184; 1995 a. 225; 1997 a. 230; 1999 a. 83.

SECTION 14. 11.31 (3n) of the statutes is created to read:

DISBURSEMENTS BY OPPOSING CANDIDATES; EXCEPTION.

11.31 (3n) If a candidate for state office in any campaign determines that an opposing candidate who has not ~~applied for a grant under s. 11.50 and who has not~~ filed an affidavit under sub. (2m) has made disbursements exceeding the amount of the disbursement level applicable to that candidate under sub. (1), as adjusted under sub. (9), then that candidate and each of his or her opponents may make additional contributions to his or her own campaign exceeding the amount authorized under s. 11.26 (10) and may make additional disbursements in that campaign exceeding the amount authorized under sub. (1), as adjusted under sub. (9), in an amount equivalent to the lesser of the total contributions made by the opposing candidate to

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his or her own campaign or the amount by which the total disbursements made by the opposing candidate exceed the disbursement level applicable to that candidate under sub. (1), as adjusted under sub. (9), as reported to the board by the opposing candidate or his or her personal campaign committee. In addition, contributions to that candidate and to each of his or her opponents may be made as authorized under s. 11.26 (9m).

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SECTION 15. 11.31 (3p) of the statutes is created to read:

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INDEPENDENT EXPENDITURES; EXCEPTION.

11.31 (3p) If a candidate for state office determines that one or more independent expenditures have been made for the purpose of making one or more communications in opposition to his or her candidacy, other than for the purpose of making a communication described in s. 11.29 or 11.30 (4m), the candidate may file a sworn statement to this effect with the board on a form prescribed by rule of the board for this purpose. The statement may be made by any individual who has personal knowledge that an independent expenditure for the purpose of making such a communication in opposition to the candidate has been made. Upon filing of this statement with the board in accordance with applicable requirements, the board shall, within 24 hours of receiving the statement, issue a determination that the candidate and each of his or her opponents are not bound by the limitation imposed under sub. (2) or by any limitation upon disbursements agreed to under sub. (2m), and that contributions to the candidate may be made as authorized under s. 11.26 (9m). The board shall immediately file a written copy of its determination with each of the candidates to whom the determination applies.

SECTION 16. 11.50 (2) (a) of the statutes is amended to read:

11.50 (2) (a) Any individual who desires to qualify as an eligible candidate may file an application with the board requesting approval to participate in the fund. The

application shall be filed no later than the applicable deadline for filing nomination papers under s. 8.10 (2) (a), 8.15 (1), 8.20 (8) (a) or 8.50 (3) (a), no later than 4:30 p.m. on the 7th day after the primary or date on which the primary would be held if required in the case of write-in candidates, or no later than 4:30 p.m. on the 7th day after appointment in the case of candidates appointed to fill vacancies. The application shall contain a sworn statement that the candidate and his or her authorized agents have complied with the contribution limitations prescribed in s. 11.26 and the disbursement limitations prescribed under s. 11.31 at all times to which such limitations have applied to his or her candidacy and will continue to comply with the limitations at all times to which the limitations apply to his or her candidacy for the office in contest, unless the board determines that the candidate is not eligible to receive a grant, the candidate withdraws his or her application under par. (h), or par. (i) or s. 11.31 (3n) or (3p) applies to the candidate.

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

SECTION 17. 11.50 (2) (g) of the statutes is amended to read:

11.50 (2) (g) A candidate who voluntarily files an application to receive a grant in accordance with this subsection accepts and agrees to comply with the contribution limitations prescribed in s. 11.26 and the disbursement limitations imposed under s. 11.31 as binding upon himself or herself and his or her agents during the campaign as defined in s. 11.31 (7), as a precondition to receipt of a grant under this section, unless the board determines that the candidate is not eligible to receive a grant, the candidate withdraws the application under par. (h), or par. (i) or s. 11.31 (3n) or (3p) applies to the candidate.

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

SECTION 18. 11.50 (2) (i) of the statutes is amended to read:

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SECTION 1. 7.08 (2) (cm) of the statutes is amended to read:

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

History: 1971 c. 242; 1973 c. 334 s. 6, 57; 1975 c. 85, 93, 94, 199; 1977 c. 29, 107, 394, 427; 1979 c. 89, 177, 260, 311; 1981 c. 377; 1983 a. 51, 484; 1985 a. 120, 304; 1989 a. 192; 1993 a. 140; 1995 a. 16 s. 2; 1997 a. 27; 1999 a. 49, 182; s. 13.93 (2) (c).

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SECTION 2. 11.20 (8) (intro.) of the statutes is amended to read:

11.20 (8) (intro.) Reports filed under subs. (2), (3) (be), (4) and (4m) shall include all contributions received and transactions made as of the end of:

History: 1973 c. 334; 1975 c. 93, 199; 1979 c. 328 ss. 58, 82 to 92, 146; 1981 c. 314 s. 146; 1983 a. 183, 491, 538; 1985 a. 303 ss. 32m to 37, 88; 1987 a. 370; 1989 a. 192; 1995 a. 16 s. 2; 1997 a. 27.

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SECTION 3. 11.50 (2) (f) of the statutes is amended to read:

11.50 (2) (f) The board shall inform each candidate in writing of the approval or disapproval of the candidate's application, as promptly as possible after the date of the spring primary, September primary, special primary, or date that the primary would be held, if required. With respect to a candidate at a special election who applies for a postelection grant under sub. (1) (a) ~~2.~~ ^{1.b.}, the board shall inform the candidate in writing of the conditional approval or disapproval of the candidate's application at the same time.

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

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1 candidate may exceed the limitation if authorized under this subsection to contribute
2 more than the amount specified to the candidate's own campaign, up to the amount
3 of the limitation.

4 **SECTION 53.** 11.26 (10) (b) of the statutes is created to read:

5 11.26 (10) (b) For purposes of computing the applicable amount under par. (a),
6 if one of the candidates of a political party for the office of governor or lieutenant
7 governor has an opponent whose name is certified to appear on the ballot as a
8 candidate for the party nomination of his or her party in the September primary
9 election, the contributions received on or before the date of the primary election by
10 the candidate who has an opponent in that election shall be excluded.

11 **SECTION 54.** 11.26 (10a) of the statutes is created to read:

12 11.26 (10a) (a) In this subsection, "consumer price index" means the average
13 of the consumer price index over each 12-month period, all items, U.S. city average,
14 as determined by the bureau of labor statistics of the ^{U.S.} federal department of labor.

15 (b) The dollar amounts of the limitations under subs. (1m), ^{(1), (4), and (8)} ~~(2m), (4m), and (10m)~~
16 ^{are} shall be subject to a ^{quadrennial} ~~biennial~~ adjustment to be determined by rule of the board in

17 accordance with this subsection. To determine the adjustment, the board shall
18 ^{in each year that the adjustment is made} calculate the percentage difference between the consumer price index for the

19 12-month period ending on December 31 of ^{the preceding} ~~each odd numbered~~ year and the
20 consumer price index for calendar year ²⁰⁰⁵ ~~2003~~. ^{beginning in 2006 and every 4 years thereafter} ~~For each biennial~~, the board shall

21 multiply the amount of each limitation under subs. (1m), ^{(1), (4), and (8)} ~~(2m), (4m), and (10m)~~ by the
22 percentage difference in the consumer price indices. The board shall adjust the

23 amount of each limitation to substitute that result for the existing amount to the
24 extent required to reflect any difference, rounded to the nearest multiple of ^{\$5} ~~\$25~~. The

25 amount so determined shall then be in effect until a subsequent rule is promulgated

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1 under this subsection. Notwithstanding s. 227.24 (1) (a), (2) (b), and (3),
2 determinations under this subsection may be promulgated as an emergency rule
3 under s. 227.24 without providing evidence that the emergency rule is necessary for
4 the public peace, health, safety, or welfare and without a finding of emergency.

5 **SECTION 55.** 11.26 (13) of the statutes is amended to read:

6 ~~11.26 (13) Except as provided in sub. (9), contributions~~ Contributions received
7 from the ~~Wisconsin election campaign~~ clean government fund are not subject to
8 limitation by this section.

9 **SECTION 56.** 11.26 (17) (a) of the statutes is amended to read:

10 11.26 (17) (a) For purposes of application of the limitations imposed in subs.
11 (1), ~~(1m)~~, (2), (9), and (10), the "campaign" of a candidate begins and ends at the times
12 specified in this subsection, except as otherwise provided in subs. (1m), (9), and (10).

13 **SECTION 57.** 11.265 of the statutes is repealed.

14 **SECTION 58.** 11.31 (1) (a) of the statutes is amended to read:

15 11.31 (1) (a) Candidates for governor, ~~\$1,078,200~~ and lieutenant governor
16 jointly, \$2,000,000.

17 **SECTION 59.** 11.31 (1) (b) of the statutes is repealed.

18 **SECTION 60.** 11.31 (1) (c) and (d) of the statutes are amended to read:

19 11.31 (1) (c) Candidates for attorney general, ~~\$539,000~~ \$400,000.

20 (d) Candidates for secretary of state, state treasurer, justice, or state
21 superintendent, ~~\$215,625~~ \$200,000.

22 **SECTION 61.** 11.31 (1) (e) and (f) of the statutes are amended to read:

23 11.31 (1) (e) Candidates for state senator, ~~\$34,500 total in the primary and~~
24 ~~election, with disbursements not exceeding \$21,575 for either the primary or the~~
25 election \$120,000.

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1 who files a sworn statement and application to receive a grant from the Wisconsin
 2 election campaign fund may make or authorize total disbursements from the his or
 3 her campaign treasury in any campaign to the extent of more than the amount
 4 prescribed under sub. (1), adjusted as provided under sub. (9), for the preceding
 5 spring or general election for the same office, unless the board determines that the
 6 candidate is not eligible to receive a grant, ~~the candidate withdraws his or her~~
 7 ~~application under s. 11.50 (2) (h), or s. 11.50 (2) (i) sub. (3p) applies.~~

8 SECTION 89. 11.31 (2m) of the statutes is repealed:

9 SECTION 90. 11.31 (3) of the statutes is amended to read:

10 11.31 (3) GUBERNATORIAL CAMPAIGNS. For purposes of compliance with the
 11 limitations imposed under sub. (2), candidates for governor and lieutenant governor
 12 of the same political party who both accept grants from the Wisconsin election
 13 campaign fund may agree to combine disbursement levels under sub. (1) (a) and (b),
 14 adjusted as provided under sub. (9), and reallocate the total level between them. The
 15 candidates shall each inform the board of any such agreement.

16 SECTION 91. 11.31 (3p) of the statutes is created to read:

17 11.31 (3p) CANDIDATES RECEIVING ADDITIONAL GRANTS; EXCEPTION. If a candidate
 18 receives a grant under s. 11.50 (9) (b) or (ba), the disbursement limitation of that
 19 candidate for the campaign in which the grant is received is increased by the amount
 20 of that grant.

21 SECTION 92. 11.31 (9) of the statutes is created to read:

22 11.31 (9) ADJUSTMENT OF DISBURSEMENT LEVELS. (a) In this subsection,
 23 "consumer price index" means the average of the consumer price index over each
 24 12-month period, all items, U.S. city average, as determined by the bureau of labor
 25 statistics of the U.S. department of labor.

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1 *are* (b) The dollar amounts of all disbursement limitations specified in sub. (1) shall
 2 ~~be~~ subject to a cost-of-living adjustment to be determined by rule of the board in
 3 accordance with this subsection. To determine the adjustment, the board shall
 4 calculate the percentage difference between the consumer price index for the
 5 12-month period ending on December 31 of each odd-numbered year and the
 6 consumer price index for calendar year 2003. For each biennium, the board shall
 7 adjust the disbursement limitations specified under sub. (1) by that percentage to the
 8 extent required to reflect any difference, rounded to the nearest multiple of \$25 ~~in~~
 9 ~~the case of amounts of \$1 or more~~, which amount shall be in effect until a subsequent
 10 rule is promulgated under this subsection. Notwithstanding s. 227.24 (1) (a), (2) (b),
 and (3), determinations under this subsection 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 93. 11.38 (1) (a) 2. of the statutes is amended to read:

11.38 (1) (a) 2. Notwithstanding subd. 1., any such corporation or association
 may establish and administer a separate segregated fund and solicit contributions
 from individuals to the fund to be utilized by such corporation or association, for the
 purpose of supporting or opposing any candidate for state or local office but the
 corporation or association may not make any contribution to the fund. The fund shall
 appoint a treasurer and shall register as a political committee under s. 11.05. A
 parent corporation or association engaging solely in this activity is not subject to
 registration under s. 11.05, but shall register and file special reports on forms
 prescribed by the board disclosing its administrative and solicitation expenses on
 behalf of such fund. A corporation not domiciled in this state need report only its
 expenses for administration and solicitation of contributions in this state together

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SECTION 93

INSERT 24C

1 with a statement indicating where information concerning other administration and
2 solicitation expenses of its fund may be obtained. The reports shall be filed with the
3 filing officer for the fund specified in s. 11.02 in the manner provided under s. 11.21
4 (16), if applicable, or otherwise in the manner in which continuing reports are filed
5 under s. 11.20 (4) and (8).

6 **SECTION 94.** 11.38 (1) (a) 3. of the statutes is amended to read:

7 11.38 (1) (a) 3. No corporation or association specified in subd. 1. may expend
8 more than a combined total of \$500 annually for solicitation of contributions to a fund
9 established under subd. 2. ~~or to a conduit.~~

10 **SECTION 95.** 11.38 (6) of the statutes is amended to read:

11 11.38 (6) Any individual or campaign treasurer who receives funds in violation
12 of this section shall promptly return such funds to the contributor ~~or~~ donate the
13 funds to the common school fund or a charitable organization or transfer the funds
14 to the board for deposit in the Wisconsin election campaign fund, at the treasurer's
15 option.

16 **SECTION 96.** 11.38 (8) (b) of the statutes is amended to read:

17 11.38 (8) (b) Except as authorized in s. 11.05 (12) (b) and (13), prior to making
18 any disbursement on behalf of a political group which is promoting or opposing a
19 particular vote at a referendum and prior to accepting any contribution or making
20 any disbursement to promote or oppose a particular vote at a referendum, a
21 corporation or association organized under ch. 185 shall register with the
22 appropriate filing officer specified in s. 11.02 and appoint a treasurer. The
23 registration form of the corporation or association under s. 11.05 shall designate an
24 account separate from all other corporation or association accounts as a campaign
25 depository account, through which all moneys received or expended for the adoption

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IN SECT 24D:1

1 or rejection of the referendum shall pass. The corporation or association shall file
2 periodic reports under s. 11.20 and under s. 11.21 (16), if applicable, providing the
3 information required under s. 11.06 (1).

4 **SECTION 97.** 11.50 (1) (a) 1. (intro.) of the statutes is created to read:

5 11.50 (1) (a) 1. (intro.) For purposes of qualification for a grant from the general
6 account:

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7 **SECTION 98.** 11.50 (1) (a) 1. of the statutes is renumbered 11.50 (1) (a) 1. a. ~~and~~
8 ~~amended to read:~~

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

18 **SECTION 99.** 11.50 (1) (a) 2. of the statutes is renumbered 11.50 (1) (a) 1. b. and
19 amended to read:

20 11.50 (1) (a) 1. b. With respect to a special election, an individual who is certified
21 under s. 8.50 (1) (d) as a candidate in a special election for state superintendent, or
22 an individual who is certified under s. 8.50 (1) (d) as a candidate in a special election
23 for any state office, except district attorney, on the ballot or column of a party whose
24 candidate for the same office at the preceding general election received at least 6%

25 ~~2%~~ of the vote cast for all candidates on all ballots for the office, or an individual who

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

plain
text

15 **SECTION 100.** 11.50 (1) (a) 2m. of the statutes is created to read:

16 11.50 (1) (a) 2m. For purposes of qualification for a grant from a political party
 17 account, an individual who is certified under s. 7.08 (2) (a) ^{or 8.50 (1) (d)} in the general election or
 18 a special election as the candidate of an eligible political party for a state office, other
 19 than district attorney, or an individual who has been lawfully appointed and certified
 20 to replace such an individual on the ballot at the general or a special election and who
 21 has qualified for a grant under sub. (2).

22 **SECTION 101.** 11.50 (1) (am) of the statutes is created to read:

23 11.50 (1) (am) "Eligible political party" means any of the following:

24 1. A party qualifying under s. 5.62 (1) (b) for a separate ballot or one or more
 25 separate columns or rows on a ballot for the period beginning on the date of the

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1 preceding general election and ending on the day before the general election that
2 follows that election.

3 2. A party qualifying under s. 5.62 (2) for a separate ballot or one or more
4 separate columns or rows on a ballot for the period beginning on the preceding June
5 1, or if that June 1 is in an odd-numbered year, the period beginning on June 1 of the
6 preceding even-numbered year, and ending on May 31 of the 2nd year following that
7 June 1.

8 **SECTION 102.** 11.50 (1) (bm) and (cm) of the statutes are created to read:

9 11.50 (1) (bm) "General account" means the account in the fund created under
10 sub. (2w).

11 (cm) "Political party account" means an account in the fund created under sub.
12 (2s).

13 **SECTION 103.** 11.50 (2) (a) of the statutes is amended to read:

14 11.50 (2) (a) Any individual who desires to qualify as an eligible candidate may
15 file an application with the board requesting approval to participate in the fund. The
16 application shall be filed no later than the applicable deadline for filing nomination
17 papers under s. 8.10 (2) (a), 8.15 (1), 8.20 (8) (a) or 8.50 (3) (a), no later than 4:30 p.m.
18 on the 7th day after the primary or date on which the primary would be held if
19 required in the case of write-in candidates, or no later than 4:30 p.m. on the 7th day
20 after appointment in the case of candidates appointed to fill vacancies. The
21 application shall contain a sworn statement that the candidate and his or her
22 authorized agents have complied with the contribution limitations prescribed in s.
23 11.26 and the disbursement limitations ~~prescribed~~ imposed under s. 11.31 (2), as
24 adjusted under s. 11.31 (9), at all times to which such limitations have applied to his
25 or her candidacy and will continue to comply with the limitations at all times to

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SECTION 110

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1 11.50 (2m) PUBLIC INFORMATION. (a) Annually, no later than September 1, the
 2 board may notify the state treasurer that an amount not exceeding 5% of the amount
 3 transferred to the fund in that year shall be placed in a public information account.
 4 Moneys in this account shall be expended by the board for the purpose of providing
 5 public information concerning the purpose and effect of this section and s. 71.10 (3).

6 (b) As part of the public information program under par. (a), the board shall
 7 prepare an easily understood description of the purpose and effect of this section and
 8 s. 71.10 (3).

9 (c) Any amount placed in the public information account that is not expended
 10 by the board in any year shall be retained in that account.

11 SECTION 111. 11.50 (2s) of the statutes is created to read:

12 11.50 (2s) POLITICAL PARTY ACCOUNTS. (a) ~~There is established a political party~~
 13 ~~account for each eligible political party.~~ Each political party account consists of all

14 moneys designated by individuals for deposit in that account under s. 71.10 (3) (a):

15 (b) From the account of each eligible political party, the board shall apportion
 16 moneys to eligible candidates representing that party who qualify to receive grants.

17 Whenever an eligible candidate representing an eligible political party receives a
 18 grant, the state treasurer shall first make payment of the grant from the political
 19 party account of that party, to the extent that sufficient moneys are available in that
 20 account to make payment of the grant.

21 (c) If a political party for which an account is established under this subsection
 22 ceases to be an eligible political party, the board shall transfer the unencumbered
 23 balance of that account to the general account.

24 SECTION 112. 11.50 (2w) of the statutes is created to read:

The state chairperson of each eligible political party may, by written request to the board, provide for the establishment or discontinuance of an account within the fund for that political party.

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11.16
(2)

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1 11.50 (2w) GENERAL ACCOUNT. There is established a general account within
2 the fund consisting of all moneys designated by individuals for deposit in that
3 account under s. 71.10 (3) (a) *(2) all moneys transferred to that account under*

4 ~~SECTION 113. 11.50 (3) of the statutes is repealed.~~ *sub. (2s)(c), and*
5 ~~SECTION 114. 11.50 (4) of the statutes is repealed and recreated to read:~~ *all moneys deposited in the fund under ss.*

6 *8.35(4)(a), 11.07(5), 11.12(2), 11.19(1),*
7 *11.22(2), and*
8 11.50 (4) PAYMENT OF GRANT AMOUNTS. The state treasurer shall make payment *11.38(6)*
9 of each grant to an eligible candidate from the political party account of that
10 candidate's political party, if any, if there are sufficient moneys in that account to
11 make full payment of the grant, and then from the general account. If there are
12 insufficient moneys in the general account to make full payment of a grant, the state
13 treasurer shall supplement the general account from the appropriation under s.
14 20.855 (4) (ba) in an amount sufficient to make full payment of the grant. Except as
15 provided in sub. (10), the amount of each grant is the amount specified in sub. (9).

16 SECTION 115. 11.50 (5) of the statutes is amended to read:

17 11.50 (5) TIME OF DISBURSEMENT. The state treasurer shall make the
18 disbursements of grants under sub. (9) ~~to~~ to the campaign depository account of each
19 eligible candidate under subs. (3) and (4) by the end of the 3rd business day following
20 notice from the board under s. 7.08 (2) (c) or (cm). ~~If an eligible candidate notifies the~~
21 ~~state treasurer of the information required to make electronic transfers to the~~
22 ~~candidate's campaign depository account, the state treasurer shall transfer to the~~
23 ~~candidate any supplemental grants under sub. (9) (b) or (ba) for which the candidate~~
24 ~~qualifies immediately following notice from the board under s. 7.08 (2) (c) or (cm).~~

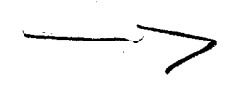
25 Eligible candidates for governor and lieutenant governor of the same political party
may combine accounts if desired.

SECTION 116. 11.50 (6) of the statutes is amended to read:

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11.22(2),
and
11.38(6)

See below for...



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Pages 27C:2

1 11.50 (6) EXCESS MONEYS. If the amounts which are to be apportioned to each
2 eligible candidate ~~under subs. (3) and (4)~~ are more than the amount which a
3 candidate may accept under sub. (9), or more than the amount which a candidate
4 elects to accept under sub. (10), the excess moneys shall be retained in the fund.

5 ~~SECTION 117. 11.50 (7) of the statutes is renumbered 11.50 (7) (a).~~

6 ~~SECTION 118. 11.50 (7) (bm) of the statutes is created to read:~~

7 ~~11.50 (7) (bm) If a grant is used to purchase an advertisement from a broadcast~~
8 ~~communications medium, the advertisement may not include any voice other than~~
9 ~~the voice of the eligible candidate to whom the grant is provided.~~

10 ~~SECTION 119. 11.50 (9) (title) of the statutes is amended to read:~~

11 ~~11.50 (9) (title) LIMITATION ON AMOUNT OF GRANTS.~~

12 ~~SECTION 120. 11.50 (9) of the statutes is renumbered 11.50 (9) (a) (intro.) and~~
13 ~~amended to read:~~

14 ~~11.50 (9) (a) (intro.) The Except as provided in pars. (b) and (ba), the total grant~~
15 ~~available to an eligible candidate may not exceed an amount equal to the lesser of the~~
16 ~~percentage specified in this paragraph or that amount which, when added to all other~~
17 ~~contributions accepted from sources other than individuals, political party~~
18 ~~committees and legislative campaign committees by the candidate, is equal to 45%~~
19 ~~the disbursement level specified for the applicable office, as determined under s.~~
20 ~~11.31 (1) and adjusted as provided under s. 11.31 (9) but without respect to any~~
21 ~~adjustment under s. 11.31 (1m). The board shall scrutinize accounts and reports and~~
22 ~~records kept under this chapter to assure that applicable limitations under ss. 11.26~~
23 ~~(9) and 11.31 are not exceeded and any violation is reported. No candidate or~~
24 ~~campaign treasurer may accept grants exceeding the amount authorized by this~~
25 ~~subsection. The percentage is:~~

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~~the amount specified under s. 11.31 (1) (a) to (d), (e), or (f) for the office which the candidate seeks, as reported by the opposing candidate under s. 11.12 (8).~~

~~SECTION 123. 11.50 (11) (e) of the statutes is amended to read:~~

~~11.50 (11) (e) No candidate may expend, authorize the expenditure of or incur any obligation to expend any grant if he or she violates the pledge required under sub. (2) (a) as a precondition to receipt of a grant, except as authorized in sub. (2) (h) or (i).~~

SECTION 124. 11.50 (14) of the statutes is created to read:

11.50 (14) CERTIFICATIONS TO SECRETARY OF REVENUE. (a) In each even-numbered year, the board shall certify to the secretary of revenue:

1. No later than July 1, the name of each political party that qualifies under sub. (1) (am) 1. as an eligible political party as of the preceding June 1 and whose state chairperson has filed a request to establish an account for the party under sub. (2s) (a).

2. No later than December 15, the name of each political party that qualifies under sub. (1) (am) 2. as an eligible political party as of the date of the preceding general election.

(b) As soon as possible after receiving a valid application from an eligible candidate under sub. (2) (a) and determining that the candidate is eligible to receive a grant, the board shall certify to the secretary of revenue the full name of that candidate as the name appears on the candidate's nomination papers.

(b) In each certification under this subsection, the board shall specify the expiration date of the certification.

~~SECTION 125. 11.60 (4) of the statutes is amended to read:~~

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1 each political party qualifying that qualified for a separate ballot under s. 5.62 (1)
2 (b) or (2) whose candidate for governor received at least 10% of the vote in the most
3 recent gubernatorial preceding September primary election.

4 SECTION 134. 20.510 (1) (q) of the statutes is amended to read:

5 20.510 (1) (q) *Wisconsin election campaign fund.* As a continuing
6 appropriation, from the Wisconsin election campaign fund, the moneys determined
7 under s. 11.50 to provide for payments to eligible candidates whose names are
8 certified under s. 7.08 (2) (c) and (cm) and to provide for public information as
9 authorized under s. 11.50 (2m).

10 SECTION 135. 20.855 (4) (ba) of the statutes is created to read:

11 20.855 (4) (ba) *Wisconsin election campaign fund supplement.* A sum sufficient
12 equal to the amounts required to make full payment of grants which candidates
13 qualify to receive from the Wisconsin election campaign fund, to be transferred from
14 the general fund to the Wisconsin election campaign fund no later than the time
15 required to make payments of grants under s. 11.50 (5).

16 SECTION 136. 25.42 of the statutes is amended to read:

17 25.42 *Wisconsin election campaign fund.* All moneys appropriated under
18 s. 20.855 (4) (b) and (ba) together with all moneys deposited under ss. 8.35 (4) (a),
19 11.07 (5), 11.12 (2), 11.16 (2), 11.19 (1), (1m) and (6), 11.23 (2) and 11.38 (6), all moneys
20 reverting to the state under s. 11.50 (8) and all gifts, bequests and devises received
21 under s. 11.50 (13) constitute the Wisconsin election campaign fund, to be expended
22 for the purposes of s. 11.50. All moneys in the fund not disbursed by the state
23 treasurer shall continue to accumulate indefinitely.

24 SECTION 137. 71.05 (6) (a) 21. of the statutes is created to read:

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

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

SECTION 22. 11.50 (9) of the statutes is amended to read:

11.50 (9) LIMITATION ON GRANTS. ~~The~~ (a) Except as provided in pars. (c) and (d), the total grant available to an eligible candidate for an office other than the office of justice may not exceed that amount which, when added to all other contributions accepted from sources other than individuals, political party committees and legislative campaign committees, is equal to 45% 25% of the disbursement level specified for the applicable office under s. 11.31 (1), as adjusted under s. 11.31 (9).

(d) The board shall scrutinize accounts and reports and records kept under this chapter to assure that applicable limitations under ss. 11.26 (9) and 11.31 are not exceeded and any violation is reported.

(c) No candidate or campaign treasurer may accept grants exceeding the amount authorized by this subsection.

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

SECTION 23. 11.50 (9) (b) to (d) of the statutes are created to read:

11.50 (9) (b) Except as provided in pars. (c) and (d), the total grant available to an eligible candidate for the office of justice may not exceed that amount which,

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when added to all other contributions accepted from sources other than individuals, political party committees, and legislative campaign committees, is equal to 65% of the disbursement level specified for that office under s. 11.31 (1), as adjusted under s. 11.31 (9).

(c) If, at the time that the board transmits notice of grant eligibility to the state treasurer under s. 7.08 (2) (c) or (cm), an eligible candidate has a balance in his or her campaign depository account that exceeds 50% of the disbursement level specified under s. 11.31 (1), as adjusted under s. 11.31 (9), for the office that the candidate seeks, the amount of the grant payable to the candidate is 50% of the amount otherwise payable under par. (a) or (b)

(d) If an eligible candidate does not have an opponent whose application to receive a grant has been approved by the board, the amount of the grant payable to the candidate is 50% of the amount otherwise payable under par. (a) or (b) unless the amount of the grant is subject to reduction under par. (c).

SECTION 24. 11.50 (11) (e) of the statutes is amended to read:

11.50 (11) (e) No candidate may expend, authorize the expenditure of or incur any obligation to expend any grant if he or she violates the pledge required under sub. (2) (a) as a precondition to receipt of a grant, except as authorized in sub. (2) (h) or (i) or s. 11.31 (3n) or (3p).

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

SECTION 25. Initial applicability.

~~CONTRIBUTIONS TRANSFERRED BY CONDUITS.~~ The treatment of section 11.06 (1) (dm) and (11) (bm) of the statutes first applies to reporting periods for continuing reports under section 11.20 (4) of the statutes that begin on the effective date of this subsection.

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11.50 (2) (i) Notwithstanding par. (g), if an eligible candidate at the spring election or a special nonpartisan election who accepts a grant is opposed by one or more candidates in the election, or if an eligible candidate at the general election or a special partisan election who accepts a grant is opposed by one or more candidates in the election who receive at least 6% of the vote cast for all candidates for the same office on all ballots at the September primary or a special partisan primary if a primary was held, and in either case if any such opponent of the eligible candidate does not accept a grant under this section in whole or in part, the eligible candidate is not bound by the pledge made in his or her application to adhere to the contribution limitations prescribed in s. 11.26 and the disbursement limitation prescribed under s. 11.31, unless each such opponent files an affidavit of voluntary compliance under s. 11.31 (2m) and s. 11.31 (3n) and (3p) do not apply to the candidate.

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

SECTION 19. 11.50 (3) (a) 1. of the statutes is renumbered 11.50 (3) (a) 2m.

SECTION 20. 11.50 (3) (a) 2. of the statutes is renumbered 11.50 (3) (a) 1m. and amended to read:

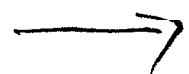
11.50 (3) (a) 1m. If an election for justice is scheduled in the following year, 8% of the fund an amount sufficient to finance payment of the full amount of the grants authorized under sub. (9) (b) for candidates for the office of justice shall be placed in a supreme court account. From this account, an equal amount shall be disbursed to the campaign depository account of each eligible candidate by the state treasurer.

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

SECTION 21. 11.50 (3) (b) of the statutes is amended to read:

11.50 (3) (b) If a vacancy occurs in the office of justice after August 15 in any year and an election is scheduled to fill the vacancy at the spring election in the following year, the state treasurer shall transfer an amount sufficient to finance

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LEGISLATIVE REFERENCE BUREAU

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SECTION 1. 71.07 (6s) of the statutes is created to read:

71.07 (6s) CAMPAIGN FUND TAX CREDIT. (a) *Definitions*. In this subsection:

1. "Claimant" means an individual who makes a designation.
2. "Designation" means an amount designated under s. 71.10 (3) (a).

(b) *Filing claims*. Subject to the limitations and conditions provided in this subsection, a claimant may claim as a credit against the tax imposed under s. 71.02, up to the amount of those taxes, for the taxable year to which the income tax return relates, an amount equal to the claimant's designation.

(c) *Limitations and conditions*. 1. No credit may be allowed under this subsection unless it is claimed within the time period under s. 71.75 (2).

2. Part-year residents and nonresidents of this state are not eligible for the credit under this subsection.

3. If both spouses of a married couple meet the definition of claimant under par. (a) 1., each spouse may claim the credit under this subsection.

(d) *Administration*. Subsection (9e) (d), to the extent that it applies to the credit under that subsection, applies to the credit under this subsection.

History: 1987 a. 312; 1987 a. 411 ss. 63, 79 to 82, 85, 86; 1987 a. 419, 422; 1989 a. 31, 44, 56, 100, 359; 1991 a. 39, 269, 292; 1993 a. 16, 112, 204, 471, 491; 1995 a. 27 ss. 3377m to 3393m, 9116 (5); 1995 a. 209, 227, 400, 453; 1997 a. 27, 41, 237, 299; 1999 a. 5, 9, 10, 32; 1999 a. 150 s. 672; 1999 a. 198.

SECTION 2. 71.10 (3) (a) of the statutes is amended to read:

71.10 (3) (a) Every individual filing an income tax return who has a tax liability or is entitled to a tax refund may designate \$1 up to \$5 for transfer to the Wisconsin election campaign fund for the use of eligible candidates under s. 11.50 ~~(a)~~. If the individuals filing a joint return have a tax liability or are entitled to a tax refund, each individual may make a designation of \$1 up to \$5 under this subsection. Each individual making a designation shall indicate whether the amount designated by

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that individual shall be placed in the general account for the use of all eligible candidates for state office, or in the account of an eligible political party whose name is certified to the secretary of revenue under s. 11.50 (14). If an individual does not indicate that the amount of his or her designation shall be placed in the account of a particular eligible political party, that amount shall be placed in the general account.

History: 1987 a. 312; 1987 a. 411 ss. 94, 97, 176 to 179; 1987 a. 422 s. 4; 1989 a. 31, 56, 359; 1991 a. 39; 1993 a. 16, 184; 1995 a. 27, 209, 418, 453; 1997 a. 27, 63, 237, 248; 1999 a. 9, 167.

SECTION 3. 71.10 (3) (b) of the statutes is amended to read:

71.10 (3) (b) The secretary of revenue shall provide a place for ~~those~~ ^{under par. (a)} designations on the face of the individual income tax return and shall provide next to that place a statement that a designation will not increase tax liability and that the amount of a designation may be claimed as a credit under s. 71.07 (6s). ~~Annually~~ ^{Annually on August 15}

~~the secretary of revenue shall certify to the elections board, the department of administration and the state treasurer under s. 11.50 the total amount of designations made during the preceding fiscal year.~~ ^{on returns processed by the department of revenue} If any individual designates an amount greater than the amount authorized under par. (a) or attempts to place any condition or restriction upon a designation, ~~other than an indication that is allowed under par. (a),~~ ^{not authorized} that individual is deemed not to have made a designation on his or her tax return.

History: 1987 a. 312; 1987 a. 411 ss. 94, 97, 176 to 179; 1987 a. 422 s. 4; 1989 a. 31, 56, 359; 1991 a. 39; 1993 a. 16, 184; 1995 a. 27, 209, 418, 453; 1997 a. 27, 63, 237, 248; 1999 a. 9, 167.

SECTION 4. 71.10 (4) (cs) of the statutes is created to read:

71.10 (4) (cs) The campaign fund tax credit under s. 71.07 (6s).

~~SECTION 5. Initial applicability.~~

~~CAMPAIGN FUND TAX CREDIT. The treatment of sections 71.07 (6s) and 71.10 (3) (a) and (b) and (4) (cs) of the statutes first applies to taxable years beginning on January 1 of the year in which this subsection takes effect, except that if this~~

~~and the amount of designations made during that quarter for the general account and for the account of each eligible political party~~

No later than 60 days after the completion of each calendar quarter

PWS 28F

JWS28F



subsection takes effect after July 31, the treatment of sections 71.07 (6s) and 71.10 (3) (a) and (b) and (4) (cs) of the statutes first applies to taxable years beginning on January 1 of the year following the year in which this subsection takes effect.

NONSTAT SESSLAW

INSERT NONSTAT

1. In the component bar:

For the action phrase, execute: create → action: → *NS: → nonstat

For the budget action phrase, execute: create → action: → *NS: → 91XX

For a subsection, execute: create → text: → *NS: → sub

For a paragraph, execute: create → text: → *NS: → par

For a subdivision, execute: create → text: → *NS: → subd

For a subdivision paragraph, execute: create → text: → *NS: → subpar

2. Nonstatutory subunits are numbered automatically. Fill in the SECTION # or subsection # only if a "frozen" number is needed. Below, for the budget, fill in the 9100 department code.

SECTION # 91 Nonstatutory provisions

CS

(#1) WISCONSIN ELECTION CAMPAIGN FUND. The balance in the Wisconsin election campaign fund ~~is deposited~~ ^{is credited} on the effective date of this subsection, the general account ~~is established~~ ^{is credited} under section 11.50 (2w) of the statutes, as created by this act.
is credited to at the Wisconsin election campaign fund

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-2872/P1dnRM

RJM&JTB:Y....
JTK&RJM
gjs

X

Representative Duff:

¶ 1. This draft is in preliminary form and does not completely reflect your instructions. We wanted to get you as much of the draft as soon as possible in order to facilitate a timely review. The items from your instructions that are not included at this time relate to the tax deduction for media outlets, equal access for candidates to public broadcasting and cable access television, ~~and limitations on committees.~~ Also, ~~the items from LRB-1157/1, have not yet been incorporated into this draft.~~

¶ 2. Under ~~the bill~~, state party committee PAC limits include amounts contributed to state sub-units and state affiliates, but not to local party committees and their local sub-units and local affiliates. Similarly, the local party committee PAC limits include amounts contributed to local sub-units and local affiliates, but not to state party committees and their state sub-units and state affiliates. See proposed s. 11.26 (8). This approach applies the limit to all party committees that are likely aware of each other's activities and prevents a committee that is subject to a limit from spinning off an unlimited number of subunits and affiliates, each of which could accept contributions up to the applicable maximum amount. Please let us know if this approach is not consistent with your intent.

The local party committee ~~limits~~ ^{contribution} established under the ~~bill~~ ^{draft} are dependent upon the population of the county in which the local party committee primarily operates. Please let us know if this treatment is not consistent with your intent.

¶ 3. This ~~bill~~ ^{draft} establishes contribution and disbursement limits that are dependent upon the population of certain areas. This ~~bill~~ ^{draft} includes a procedure for the elections board to determine and publish these populations. See proposed s. 11.263. Generally, the determinations must be based upon the best available data from the federal decennial census. Please let us know if you desire any changes.

¶ 4. This ~~bill~~ ^{draft} repeals the checkoff procedure for funding the Wisconsin election campaign fund and replaces it with a procedure that allows individuals, committees, and other persons to make donations to the fund and that allows individuals to claim a tax credit of up to \$5. ~~The bill needs to address the transition between the current method of funding and the new procedure established in the bill. One option would be to divide amounts in the fund on the day the bill takes effect between the account of each eligible political party and the general account. Please let us know how you would like to address this transition.~~

For donations they make to the fund on their individual income tax returns

draft transfers

to

. The new method of funding the Wisconsin election campaign fund may underfund grants for non-partisan candidates. If a significant majority of donations are made for the account of political parties, the general account may be underfunded. You may want to include a procedure that would draw equally from the political party accounts in order to make up for any underfunding of grants to non-partisan candidates.

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB
.....

x

Typed

INSERT DRAFT

¶ 7. ^{There is some authority for the proposition that} ~~The~~ application of different contribution limits to candidates depending upon whether they accept grants from the Wisconsin election campaign fund may be viewed as unconstitutionally coercing candidates to accept public financing. See *Wilkinson v. Jones*, 876 F. Supp. 916, 928 (W.D. Ky. 1995) ^{public} ~~and~~ ^{which holds that a} ~~disparity in contribution limits~~ ^{Five-to-one} ~~coupled with~~ state matching grants for contributions received by non-participating candidates are unconstitutionally coercive. ^{for this draft, in its treatment of} ~~s. 11.26(1), Stats. and in proposed s. 11.26(1m), imposes separate contribution~~ limitations for candidates who agree to adhere to disbursement and self-contribution limitations, with certain exceptions, regardless of whether they accept public grants. ^{It should be noted that the} ~~U.S. Supreme Court has not ruled on this point and there is~~ ^{some disagreement between the lower federal courts regarding} the coerciveness of public financing mechanisms.

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

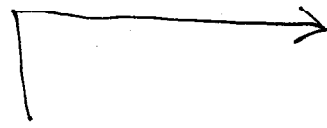
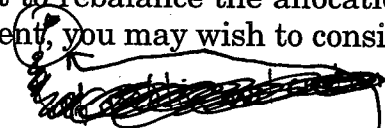
LRB-2872/P1dnJTK
JTK & RJM.....

X

~~Representative Duff:~~

¶ 5. Currently, under ss. 11.50 (2) (a) and (i), stats., a candidate must swear that he or she has adhered and will continue to adhere to all disbursement and contribution limitations in order to receive a grant, unless the candidate is opposed by another candidate who could have qualified for a grant but declines to accept one. A candidate who declines to accept a grant may nevertheless bind his or her opponent receiving a grant to adhere to disbursement and contribution limitations if the candidate files an affidavit of voluntary compliance with all disbursement and contribution limitations under s. 11.31 (2m), stats. The instructions for this draft specified that if a candidate filed an affidavit of voluntary compliance with disbursement limitations, the candidate would be entitled to more generous contribution limitations. This draft, therefore, limits the affidavit of voluntary compliance under s. 11.31 (2m), stats. to a pledge to adhere to disbursement limitations (plus self-contribution limitations, which the U.S. Supreme Court has treated the same as disbursement limitations for purposes of constitutional analysis under *Buckley v. Valeo*, 96 S.Ct. 612, 650-653 (1976)). The draft, however, continues to require a candidate who actually receives a grant to adhere to all disbursement and contribution limitations. Please let us know if this is not in accord with your intent.

¶ 6. This draft, in its treatment of s. 11.50 (3) (a) 2., stats., provides that the supreme court account has first draw on all available moneys derived from taxpayer designations for the proposed general account. Because, under the draft, candidates for partisan offices may receive funding from political party accounts, this may leave campaigns for the office of state superintendent of public instruction underfunded in comparison to other campaigns for state offices. Under s. 11.50 (3) (a) 1., stats., the superintendency account receives 8% of available moneys in those years preceding the year of an election for that office. If you want to rebalance the allocation of moneys available for candidates for state superintendent, you may wish to consider changing the amount of this set aside.



INSERT D-NOTE

↑
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↑
STET

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STET

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DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-2872/P1dn
JTK&RJM:cjs:kjf

April 24, 2001

Representative Duff:

1. This draft is in preliminary form and does not completely reflect your instructions. We wanted to get you as much of the draft as soon as possible in order to facilitate a timely review. The items from your instructions that are not included at this time relate to the tax deduction for media outlets, equal access for candidates to public broadcasting and cable access television, and limitations on committees. Also, the items from LRB-1157/1 have not yet been incorporated into this draft.

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this point and there is some disagreement between the lower federal courts regarding the coerciveness of public financing mechanisms.

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