



State of Wisconsin
2001 - 2002 LEGISLATURE

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ENGROSSED 2001 ASSEMBLY BILL 843

Return to
Jeff By
3 p.m.

February 27, 2002 - Printed by direction of SENATE CHIEF CLERK. ←

Gen. Asst.

1 **AN ACT to repeal** 11.01 (12s), 11.05 (3) (o), 11.265, 11.31 (1) (dm), 11.31 (3m) and
2 11.31 (4); **to renumber** 11.50 (1) (a) 1.; **to renumber and amend** 11.05 (1),
3 11.05 (2), 11.12 (6), 11.31 (2m), 11.50 (1) (a) 2., 11.50 (3) (a) 1., 11.50 (3) (a) 2.,
4 11.50 (9), 11.66, 19.49 (5) and 19.59 (7); **to amend** 5.02 (13), 5.05 (1) (e), 7.08
5 (2) (cm), 8.35 (4) (a) 1. a. and b., 11.05 (3) (c), 11.05 (7), 11.05 (9) (b), 11.05 (12)
6 (b), 11.06 (1) (intro.), 11.06 (2), 11.06 (3) (b) (intro.), 11.06 (7m) (a), 11.06 (7m)
7 (b), 11.06 (7m) (c), 11.07 (1), 11.07 (5), 11.09 (3), 11.12 (2), 11.12 (4), 11.16 (2),
8 11.16 (5), 11.19 (1), 11.20 (2), (3) (a) and (b), 11.20 (8) (intro.), 11.20 (8) (a), 11.21
9 (15), 11.23 (1), 11.23 (2), 11.25 (2) (b), 11.26 (1) (intro.), 11.26 (1) (b) and (c), 11.26
10 (2) (intro.), 11.26 (2) (a), 11.26 (2) (b) and (c), 11.26 (3), 11.26 (4), 11.26 (5), 11.26
11 (6), 11.26 (8), 11.26 (9) (a), 11.26 (9) (b), 11.26 (10), 11.26 (15), 11.26 (17) (a), 11.27
12 (1), 11.30 (4), 11.31 (1) (intro.), 11.31 (1) (a) to (c), 11.31 (1) (d), 11.31 (1) (e) and
13 (f), 11.31 (2), 11.31 (2m) (title), 11.31 (3), 11.38 (6), 11.50 (2) (a), 11.50 (2) (b) 4.,
14 11.50 (2) (b) 5., 11.50 (2) (f), 11.50 (2) (g), 11.50 (2) (h), 11.50 (2) (i), 11.50 (3) (b),

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1 11.50 (5), 11.50 (6), 11.50 (10m), 11.50 (11) (e), 11.60 (1) and (2), 11.61 (1), 12.05,
 2 19.53 (6), 19.59 (8) (c), 25.42, 71.10 (3) (a) and 71.10 (3) (b); and *to create* 5.066,
 3 11.001 (2m), 11.01 (4m), (7) (b) 6. and (11m), 11.01 (13), (14), (17g) and (17r),
 4 11.05 (1) (b), 11.05 (2) (b), 11.05 (3) (q), 11.06 (1) (cm), 11.06 (1) (dm), 11.06 (11)
 5 (bm), 11.065, 11.10 (6), 11.12 (6) (b), 11.20 (3) (be), 11.20 (8) (am), 11.21 (17),
 6 11.24 (1s), 11.24 (1w), 11.25 (2) (am), 11.26 (1m), 11.26 (1t), 11.26 (2) (ae), (am),
 7 (as) and (av), 11.26 (9m), 11.26 (10a), 11.31 (1) (cg) and (cr), 11.31 (2m) (a), 11.31
 8 (3n), 11.31 (3r), 11.31 (9), 11.385, 11.50 (1) (a) 1. (intro.), 11.50 (1) (a) 2m., 11.50
 9 (1) (am), 11.50 (1) (bm) and (cm), 11.50 (2s), 11.50 (2w), 11.50 (3) (c), 11.50 (4m),
 10 11.50 (9) (b) to (d), 11.50 (14), 11.66 (2), 19.42 (3m), (4g), (4r) and (7p), 19.45 (13),
 11 19.49 (1m), 19.49 (5) (b), 19.535, 19.59 (1) (br), 19.59 (7) (b), 19.59 (8) (cm) and
 12 (cn), 71.07 (6s), 71.10 (4) (cs), 227.03 (6m) and 227.52 (8) of the statutes;
 13 **relating to:** campaign financing, the procedure for enforcement of the election
 14 laws, nonrefundable income tax credits for certain donations to the Wisconsin
 15 election campaign fund, candidate time on public broadcasting television
 16 stations and public access channels, official action in return for providing or
 17 withholding political contributions, services, or other things of value, providing
 18 exemptions from certain emergency rule procedures, granting rule-making
 19 authority, and providing penalties.

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ANALYSIS

Analysis by the Legislative Reference Bureau

This bill makes numerous changes in the campaign financing law and also makes certain changes to tax laws relating to campaign financing and provision of free media access to candidates for state office. The bill also requires free time for candidates for state office on public broadcasting television stations and public access channels. In addition, the bill changes the procedure for enforcement of the election laws. Significant provisions include:

ENGROSSED ASSEMBLY BILL 843**FILED OF CAMPAIGN FINANCE REPORTS*****Mass communications***

Currently, individuals who accept contributions, organizations which make or accept contributions, or individuals who or organizations which incur obligations or make disbursements (expenditures) for the purpose of influencing an election for state or local office are generally required to register with the appropriate filing officer and to file financial reports with that officer, regardless of whether they act in conjunction with or independently of any candidate who is supported or opposed.

With certain exceptions, this bill imposes reporting requirements, in addition, upon any individual who or organization that, during the period beginning on the 30th day before a primary election for an office to be filled at a general, special, or spring election and the date of that general, special, or spring election or, if no primary is held, during a similar 60-day period preceding a general, special, or spring election and by means of a printed advertisement, commercial billboard, radio or television advertisement, mass mailing, telephone call, or similar means, makes any expenditure independently of a candidate for the purpose of making one or more communications which include the name or likeness of a candidate for a state office other than court of appeals judge, circuit judge, or district attorney to be filled at that election. This requirement applies to expenditures to finance what is commonly referred to as "issue advocacy." The requirement does not apply to a disbursement that is reportable under current law, to a communication made solely for the purpose of gathering information, or to a communication made by a corporation, cooperative, or nonpolitical voluntary association that is limited to the organization's members, shareholders, or subscribers. The reporting requirement does not apply unless the individual or organization makes expenditures independently of a candidate for such communications exceeding \$2,000. The report required under the bill must include the name of each candidate identified in each communication, a statement as to whether the communication is intended to support or oppose that candidate (and, if so, an identification of the candidate who is supported or opposed), the total amount or value of the expenditure used to fund the communication, and the accumulative aggregate expenditures made by the individual or organization with respect to that election. The bill permits the board to obtain a copy of any reported communication, under certain circumstances, in order to determine whether the communication was intended to support or oppose a candidate. Any such determination applies only for purposes of granting exemptions from certain disbursement and contribution limits (see below).

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 days before each primary or other election at which the candidate participates.

This bill provides, in 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

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~~each week preceding the primary or other election at which the candidate seeks office.~~

Reporting of disbursements for communications

Currently, if a person makes a payment to make a communication for the purpose of influencing an election, the payment is potentially reportable as a disbursement (expenditure), even if the communication is made after the time of the disbursement. Under this bill, a payment made for such a purpose is not reportable until the communication is made.

Reporting of late independent obligations and disbursements

Under current law, an individual or committee making disbursements independently of a candidate in support of or in opposition to a candidate for state or local office must inform the appropriate filing officer within 24 hours of making such a disbursement, if the cumulative amount of such disbursements made by the individual or committee later than 15 days before a primary or election exceeds \$20.

This bill extends this 24-hour reporting requirement to cover obligations incurred for communications made. Also, the bill requires 24-hour reporting only if the cumulative amount of obligations incurred or disbursements made by the individual or committee later than 15 days before a primary or election exceeds \$250.

Reports relating to referenda

Currently, any individual who accepts contributions, makes disbursements, or incurs obligations, and any group that makes or accepts contributions, makes disbursements, or incurs obligations, in connection with one or more referenda exceeding \$25 cumulatively within a calendar year is potentially subject to requirements to register with the appropriate filing officer and to file campaign finance reports.

This bill provides instead that the individual or group is potentially subject to registration and reporting requirements only if contributions, disbursements, or obligations exceed \$100 cumulatively within a calendar year.

Reporting by nonresident registrants

Currently, with certain exceptions, registrants under the campaign finance law are required to file regular reports with the appropriate filing officer or agency. The reports must identify contributors of more than \$20 cumulatively within a calendar year; the occupation and principal place of employment, if any, of each contributor whose cumulative contributions within a calendar year exceed \$100; the registrants from whom or to whom funds are transferred; other income exceeding \$20; contributions donated to a charitable organization or the common school fund; loans exceeding \$20, together with the identity of the lenders and guarantors, if any; disbursements (expenditures) and obligations exceeding \$20; and certain information from registrants making disbursements independently of candidates. However, if a registrant does not maintain an office or street address within this state, the registrant need only identify contributions, transfers, loans, and other income received from sources in this state and disbursements and obligations incurred with respect to elections for state or local office in this state.

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This bill deletes the exception for registrants who or which do not maintain an office or street address within this state, so that these registrants are required to report the same information as other registrants. The bill does not affect reporting by authorized committees of candidates for the office of U.S. senator or representative in congress, national political party committees, and federally registered committees of state political parties that make no contributions to individuals or committees that are subject to a state registration requirement.

Reporting of contributions transferred by 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 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 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.

Duplicate filing requirements

Currently, certain registrants whose filing officer is the elections board and who or which make disbursements in connection with elections affecting only one county or a portion thereof must file duplicate originals of their campaign finance reports with the county clerk or board of election commissioners of every county in which such elections are held. This bill requires, instead, that these registrants file duplicate originals of these reports with the filing officer of each jurisdiction in which such elections are held.

DISBURSEMENT LEVELS AND LIMITATIONS

Under current law, disbursement (expenditure) levels are specified for candidates for various state and local offices. These levels become a binding limitation upon any candidate for state office who accepts a state grant from the Wisconsin election campaign fund or who agrees to be bound by the limitation, unless the candidate is opposed by a major opponent who could have qualified for a grant but declines to accept one.

This bill:

1. Revises the current disbursement levels and limitations applicable to candidates for the offices shown below as follows:

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<i>Office</i>	<i>Current Level</i>	<i>Proposed Level or Limitation</i>
Governor	\$1,078,200	\$2,750,000
Lieutenant governor	323,475	400,000
Attorney general	539,000	750,000
Secretary of state	215,625	300,000
State treasurer	215,625	300,000
Supreme court justice	215,625	400,000
Superintendent of public instruction	215,625	400,000
State senator	34,500	112,500
Representative to the assembly	17,250	45,000

2. Creates a quadrennial cost-of-living adjustment that causes the statutory disbursement levels to be adjusted every 4 years, beginning in 2006, in accordance with a formula tied to the "consumer price index" determined by the U.S. department of labor.

CONTRIBUTION LIMITATIONS***Individual contributions***

Current law limits the amount of contributions that may be given to and accepted by a candidate for state or local office. Currently, individuals are subject to limitations on the amount of contributions made cumulatively to a particular candidate and on the aggregate total amount of contributions made to all candidates.

This bill:

1. Revises the current limitations on contributions that individuals may make to candidates for certain state offices. Under the bill, with certain exceptions, candidates who voluntarily agree to abide by the disbursement limitations and self-contribution limitations may receive higher amounts of contributions from individuals. The proposed limitations on these contributions are shown in the following chart:

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<i>Office</i>	<i>Current Limit</i>	<i>Proposed Limit: Candidates Subject to Disbursement and Self-Contribution Limitations</i>	<i>Proposed Limit: Candidates Not Subject to Disbursement and Self-Contribution Limitations</i>
Governor, lieutenant governor, attorney general, secretary of state, state treasurer, supreme court justice, or superintendent of public instruction	\$10,000	\$10,000	\$5,000
State senator	1,000	1,500	750
Representative to the assembly	500	750	375

2. Creates a cost-of-living adjustment that causes the statutory limits on individual contributions to be adjusted quadrennially, beginning in 2006, in accordance with a formula tied to the "consumer price index" determined by the U.S. department of labor.

Committee contributions

Under current law, committees other than political party committees and legislative campaign committees are subject to limitations on the amount of contributions made cumulatively to a particular candidate. In the case of committees making contributions to candidates for statewide offices, this limitation is 4% of the candidate's disbursement level or limitation. This bill replaces this percentage limitation with a dollar amount which represents a change in the amount of the limitation, and changes the current limitations upon contributions to legislative candidates as follows:

<i>Office</i>	<i>Current Level</i>	<i>Proposed Limit</i>
Governor	\$43,128	\$43,500
Lieutenant governor	12,939	12,000
Attorney general	21,560	22,000
Secretary of state	8,625	8,650
State treasurer	8,625	8,650
Supreme court justice	8,625	12,000

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Superintendent of public instruction	8,625	12,000
State senator	1,000	1,500
Representative to the assembly	500	750

Current law also limits the cumulative amount of contributions that a committee other than a political party or legislative campaign committee may make annually to a particular political party, limits the cumulative amount of contributions that a political party may accept annually from a particular committee other than a political party or legislative campaign committee, and its subunits or affiliates, and limits the aggregate total of contributions that a political party may accept during any biennium from all committees other than political party and legislative campaign committees. Currently, a committee other than a political party or legislative campaign committee may annually contribute up to \$6,000 to a particular political party, a political party or a legislative campaign committee may annually accept up to \$6,000 from a particular committee other than a political party or legislative campaign committee, and its subunits and affiliates, and a political party or legislative campaign committee may accept up to \$150,000 in contributions from all committees other than a political party or legislative campaign committee during any biennium.

This bill increases these contribution limits. Under the bill, a political party may receive up to \$450,000 in contributions from all committees, other than political party committees. In addition, a political party may annually accept up to \$18,000 from any particular committee, other than a political party committee. The bill also authorizes such a committee to make contributions up to that authorized amount.

In addition, the bill creates a cost-of-living adjustment that causes the statutory limits on committee contributions to be adjusted quadrennially, beginning in 2006, in accordance with a formula tied to the "consumer price index" determined by the U.S. department of labor.

TREATMENT OF LEGISLATIVE CAMPAIGN COMMITTEES

Currently, the adherents of any political party in either house of the legislature may organize a "legislative campaign committee" to support the candidacy of members of their party for legislative office. Committees other than legislative campaign committees and political party committees are generally subject to a limitation upon the contributions that they may make to candidates for legislative office or to political parties. Legislative campaign committees are subject only to overall limitations on the aggregate contributions that may be accepted by a candidate from entities other than individuals.

This bill eliminates the special treatment of legislative campaign committees under the statutes, thus causing them to be treated in the same manner as other special interest committees for the purpose of contribution limitations. The bill does not preclude a committee from utilizing any name it wishes.

ENGROSSED ASSEMBLY BILL 843**EXEMPTION FROM DISBURSEMENT AND CERTAIN CONTRIBUTION LIMITATIONS**

Currently, if a candidate for a 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 or self-contribution limitation. However, if each opponent who declines to accept a grant files with the elections board an affidavit of voluntary compliance with the disbursement and self-contribution limitation applicable to candidates for the office that the candidate seeks, the disbursement and self-contribution limitation for the candidate who accepts a grant continues to apply. 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. In addition, such a candidate may not accept contributions from all committees, together with grants from the Wisconsin election campaign fund, but not including contributions from political party committees, in an aggregate amount exceeding 45% of the applicable disbursement level or limit.

Under this bill, if a candidate for state office accepts a grant from the Wisconsin election campaign fund or if a candidate for state office other than court of appeals judge, circuit judge, or district attorney files an affidavit of voluntary compliance with disbursement and self-contribution limitations, and if an expenditure independently of a candidate for a reportable mass communication is made in opposition to his or her candidacy or in support of his or her opponent, (an expenditure to finance what is commonly referred to as "issue advocacy") then the candidate may make additional disbursements in that campaign exceeding the applicable disbursement limitation, in an amount equivalent to the amount of the expenditure. In addition the limitations upon contributions made by individuals to the candidate (as affected by the bill) are doubled. Furthermore, subject to certain limits, any contributions received by the candidate for purposes of responding to the expenditure, up to the amount of the expenditure, are not subject to the the percentage limitations on the aggregate total of contributions received from committees and grants from the Wisconsin election campaign fund. The bill requires each candidate who desires to respond to such an expenditure to include, in each required campaign finance report, an itemization of any such contributions. However, the bill prohibits a candidate from accepting contributions totaling more than 200% of the percentage limitations on the aggregate total of contributions received from committees and grants from the Wisconsin election campaign fund. Under the bill, applicable limitations on contributions from particular committees, other than political party committees, continue to apply to the candidate.

The bill also provides that if a candidate for state office who accepts a grant from the Wisconsin election campaign fund or a candidate for state office other than court of appeals judge, circuit judge, or district attorney 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

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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. Furthermore, subject to certain limits, any contributions received by the candidates for purposes of responding to the excess disbursements, up to the amount of the excess disbursements, are not subject to the the percentage limitations on the aggregate total of contributions received from committees and grants from the Wisconsin election campaign fund. The bill requires candidates who desire to respond to such disbursements to include, in each required campaign finance report, an itemization of any such contributions. However, the bill prohibits the candidates from accepting contributions totaling more than 200% of the percentage limitations on the aggregate total of contributions received from committees and grants from the Wisconsin election campaign fund. Under the bill, applicable limitations on contributions from particular committees, other than political party committees, continue to apply to all candidates.

CONTRIBUTION RESTRICTIONS***Personal campaign committee contributions to certain federal registrants***

Currently, a committee that is subject to a registration requirement under state law may make a contribution to be used in connection with a campaign for national office if that contribution is lawful under federal law. This bill prohibits a personal campaign committee of a candidate for state or local office in this state from making a contribution to a committee that is registered with the federal election commission, other than an authorized committee of a candidate for national office or a national or state political party committee.

Contributions made in connection with certain fund-raising events

This bill provides that no member of the legislature or personal campaign committee of a member may make or receive any contribution in connection with a fund-raising social event held in Dane County during a legislative floorperiod or a special or extraordinary session if the event is held to benefit a member or member's personal campaign committee. The prohibition does not apply if an event is held between the first day authorized for filing nomination papers for an office for which a member is a candidate and the date of the election for that office, if the event is held within the jurisdiction or district served by the office for which the member is a candidate or if the member is a candidate for an office other than member of the house in which the member serves. The prohibition is also inapplicable to an event that is held during a special or extraordinary session by a member or his or her personal campaign committee if the member serves a district that is at least partly contained within Dane County, the event is held within the boundaries of that district, and invitations to the event are sent before the special or extraordinary session is called.

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Violators of the prohibition are subject to a forfeiture (civil penalty) of not more than \$500 for each violation. Intentional violators are guilty of a misdemeanor and are subject to a fine of not more than \$1,000 or imprisonment for not more than six months, or both.

Currently, there is no such prohibition.

TRANSFER OF CAMPAIGN SURPLUSES FOR USE IN CAMPAIGNS FOR DIFFERENT OFFICES

This bill prohibits any authorized campaign committee of a candidate for national office from making a contribution or disbursement with respect to an election for state or local office. Currently, such contributions or disbursements may be permitted if the committee registers and makes certain disclosures under state law.

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.

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. Under the bill, for a candidate to qualify for a grant from the general account, the candidate must receive at least 6% of the total vote cast for all candidates for the office that the candidate seeks at the September primary or any partisan primary, as currently provided. For a candidate to qualify for a grant from a political party account, a candidate need not meet this requirement. If a candidate of an eligible political party qualifies for a grant, that candidate receives any available moneys in the account of his or her political party. Thereafter, all candidates receive any amounts available from the general account, with those amounts first allocated to equalize grants received by candidates for each office for which any candidate has received payments from a political party account, and thereafter prorated within each office if insufficient moneys are available to finance payment of the full amount of the grants for which candidates qualify.

ENGROSSED ASSEMBLY BILL 843***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 receive a grant, a candidate must file an application with the state elections board no later than the deadline for filing nomination papers. Following the primary election or the date on which a primary would be held, if required, the board determines whether a candidate who applies is eligible for a grant. Among other things, in order to be eligible for a grant, the candidate must receive, during a specified time period, a specified amount of contributions from individuals of \$100 or less. For a candidate for the office of governor, lieutenant governor, secretary of state, state treasurer, attorney general, justice of the supreme court, or superintendent of public instruction, the amount is 5% of the authorized disbursement level for the office which the candidate seeks. For a candidate for the office of state senator or representative to the assembly, the amount is 10% of the authorized disbursement level for the office which the candidate seeks.

Under current law, a candidate for any office who accepts a grant must comply with statutorily prescribed contribution and disbursement limitations, unless at least one of the candidate's opponents who received at least 6% of the votes cast for all candidates for that office at a partisan primary, if a primary was held, does not accept a grant and does not voluntarily agree to comply with the contribution and disbursement limitations for that office.

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. In each year prior to a year in which an election for the office of state superintendent of public instruction 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 superintendent. Whether these amounts are sufficient to finance payment of the full amounts for which candidates qualify depends upon the total amount of taxpayer designations for that year.

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.
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

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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, and in each year prior to a year in which an election for the office of state superintendent of public instruction is scheduled, an amount must be set aside from taxpayer donations to the general account, after any set aside for the office of justice is made, sufficient to finance the full amount of grants for which candidates for the office of superintendent qualify. These amounts must be set aside before amounts are made available from the general account to finance the payment of grants to candidates for any other offices. Under the bill, if the balance in the fund is insufficient to set aside the required amounts, the entire balance in the fund is set aside.

5. Provides that a candidate for the office of state senator or representative to the assembly must receive contributions equal to only 7% of the authorized disbursement level for the office which the candidate seeks in order to qualify for a grant. The bill also provides that the contributions of \$100 or less from individuals used by a candidate for any state office to determine eligibility for a grant must be made by individuals who reside in this state and, in the case of a candidate for legislative office, by individuals at least 50% of whom reside in a county having territory within the district in which the candidate seeks office.

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 for deposit in the general account.

ENFORCEMENT***Enforcement and complaint procedure***

Currently, any interested person may petition the elections board under the state administrative procedure act for a "declaratory ruling" concerning the applicability to any person, property, or facts of any election law or rule of the board. The board may issue the ruling and is thereafter bound by its decision if the facts are as stated in the petition. The declaratory ruling may be reviewed in court. In addition, currently, any elector of a jurisdiction may contest before the elections board the decision of any election official of that jurisdiction with respect to certain

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specified matters or the board may, on its own motion, investigate and determine whether an election official is acting in conformity with the law concerning one of those specified matters. The decision of the board may be reviewed in court. Also, the elections board currently may bring civil actions in circuit court to enforce the campaign finance law. In addition, district attorneys may bring civil actions to enforce that law.

This bill creates an additional procedure for enforcement of the election laws. Under the bill, any person may file a sworn complaint with the executive director of the board alleging a violation of the elections laws. The executive director must investigate the complaint unless the executive director finds the complaint to be without merit. The bill also permits the executive director to investigate any violation of the election laws on his or her own initiative or upon direction of the board. The executive director may order an election official or private person to act in conformity with the election laws or rules of the board. The decision of the executive director may be appealed to the board. In deciding the appeal, the board is not bound by any findings of fact or conclusions of law made by the executive director with respect to the matter. If the decision of the executive director is not appealed or if the board does not modify or reverse a decision of the executive director after hearing an appeal, the decision of the executive director becomes the decision of the board. Any decision of the board is subject to judicial review in circuit court. The procedure does not apply to any alleged violation of the election laws by the board or executive director, nor to any matter arising in connection with a recount. The bill also directs the elections board to periodically examine and review decisions issued under the procedure with a view to clarifying and improving the administration of the election laws.

Injunctive relief

Currently, the elections board or any elector may sue for injunctive relief (a court order) requiring compliance with the elections laws. Before bringing a suit concerning a state office or statewide referendum, an elector must file a sworn complaint with the board alleging such facts as are within his or her knowledge to show probable cause that a violation has occurred or is proposed to occur. If the board does not sue for injunctive relief within ten days after filing the complaint, the elector may then file suit. This bill requires, instead, that an elector who proposes to bring suit for injunctive relief with respect to an alleged violation concerning an election for state office or a statewide referendum first must file a sworn complaint with the executive director of the board (unless the alleged violation relates to the board or executive director). If the executive director does not order the relief sought by the elector within ten days after the complaint is filed and the elector does not appeal the matter to the board or the board, after hearing the elector's appeal, does not order the relief sought by the elector, the elector may then sue for injunctive relief.

Penalties for violations

Currently, any person who violates any provision of the campaign finance law, except a contribution prohibition, is subject to a forfeiture (civil penalty) of not more than \$500 for each violation. This bill increases this amount to \$1,500. In addition, currently, any person who is delinquent in filing a report is subject to a forfeiture of

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not more than \$50 or 1% of the annual salary of the office for which a candidate is being supported or opposed, whichever is greater, for each day of delinquency. This bill increases these amounts to a maximum of \$150 or 3% of the annual salary, whichever is greater.

Currently, whoever intentionally violates certain provisions of the campaign finance law, such as registration requirements, contribution limitations, the prohibition against making contributions in the name of another person, the prohibition against using contributions for most nonpolitical purposes, and the prohibition against filing false reports and statements may be fined not more than \$1,000 or imprisoned for not more than six months, or both, if the violation does not exceed \$100 in amount or value, and may be fined not more than \$10,000 or imprisoned for not more than four years and six months, or both, if the violation exceeds \$100 in amount or value. This bill increases these amounts to a maximum fine of \$3,000 or imprisonment for not more than one year, or both, if the violation does not exceed \$100 in amount or value, and a maximum fine of \$30,000 or imprisonment for not more than nine years, or both, if the violation exceeds \$100 in amount or value.

PUBLIC BROADCASTING TELEVISION STATIONS AND PUBLIC ACCESS CHANNELS

This bill requires free time on public broadcasting television stations and public access channels for candidates for state office. Under current law, the Federal Communications Commission grants licenses for the operation of public broadcasting television stations. Also under current law, a city, village, or town is authorized to grant a franchise to a person that allows that person to operate a cable television system in the city, village, or town. Under the franchise, the person may be required to provide cable television channels that the city, village, or town may use for public, educational, or governmental purposes. A channel that is used exclusively for public, rather than educational or governmental purposes, is commonly referred to as a public access channel. A city, village, or town may operate a public access channel, or a city, village, or town may allow another person to operate the channel.

This bill requires the elections board to promulgate rules that require licensees of public broadcasting stations and operators of public access channels to provide a minimum amount of free time to candidates for state office at general, spring, and special elections. The rules must require the same amount of time for each candidate for a particular state office, but may require different amounts of time for different offices.

OFFICIAL ACTION IN RETURN FOR PROVIDING OR WITHHOLDING THINGS OF VALUE

Currently, no person may offer or give to a state public official, including a member of the legislature, directly or indirectly, and no state public official may solicit or accept from any person, directly or indirectly, anything of value if it could reasonably be expected to influence the state public official's vote, official actions, or judgment, or could reasonably be considered a reward for any official action or inaction on the part of the state public official.

This bill provides, in addition, that no state or local public official holding an elective office may, directly or by means of an agent, give, or offer or promise to give, or withhold, or offer or promise to withhold, his or her vote or influence, or promise

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~~to take or refrain from taking official action with respect to any proposed or pending matter in consideration of or upon condition that any other person make or refrain from making a political contribution, or provide or refrain from providing any service or other thing of value, to or for the benefit of a candidate, a political party, any other person who is subject to a registration requirement under the campaign finance law or any person who makes an expenditure independently of a candidate for the purpose of making certain communications containing a reference to a candidate for state or local public office.~~

~~Violators are subject to a forfeiture (civil penalty) of not more than \$5,000 for each violation, and are also subject to a forfeiture in an amount equal to the amount or value of any political contribution, service, or other thing of value that was wrongfully obtained, or if no political contribution, service, or other thing of value was obtained, an amount equal to the maximum contribution that an individual is permitted to make a candidate for the office sought or held by the official, whichever amount is greater. Intentional violators are guilty of a misdemeanor and are subject to a fine of not less than \$100 nor more than \$5,000 or imprisonment in the county jail for not more than one year or both.~~

~~The bill also provides that, if the ethics board refuses or otherwise fails to authorize an investigation or a district attorney fails to initiate a prosecution with respect to any violation of the prohibition created by the bill within 30 days after receiving a verified complaint alleging such a violation, the person making the complaint may bring a lawsuit to recover a forfeiture on behalf of the state. If the person making the complaint prevails, the bill provides that the court may require the defendant to pay the complainant's attorney fees and costs, but any forfeiture recovered must be paid to the state. If the court finds that a lawsuit was frivolous, the court must award fees and costs to the defendant. The bill provides that no complaint alleging a violation of the prohibition created by the bill may be filed during the period beginning 120 days before a general or spring election or the date that a special election is ordered and ending on the date of that election against a candidate who files a declaration of candidacy to have his or her name appear on the ballot at that election.~~

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

Keep
line

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

- 1 **SECTION 1.** 5.02 (13) of the statutes is amended to read:
- 2 5.02 (13) "Political party" or "party" means a state committee registered under
- 3 s. 11.05 and organized exclusively for political purposes under whose name
- 4 candidates appear on a ballot at any election, and all county, congressional,

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1 legislative, local, and other affiliated committees authorized to operate under the
2 same name. For purposes of ch. 11, the term does not include ~~a legislative campaign~~
3 ~~committee or~~ a committee filing an oath under s. 11.06 (7).

4 **SECTION 2.** 5.05 (1) (e) of the statutes is amended to read:

5 5.05 (1) (e) Delegate to its executive director the authority to issue a subpoena
6 under par. (b), apply for a search warrant under par. (b), commence an action under
7 par. (d), intervene in an action or proceeding under sub. (9), issue an order under s.
8 5.06, exempt a polling place from accessibility requirements under s. 5.25 (4) (a),
9 exempt a municipality from the requirement to use voting machines or an electronic
10 voting system under s. 5.40 (5m), approve an electronic data recording system for
11 maintaining poll lists under s. 6.79, ~~or~~ authorize nonappointment of an individual
12 who is nominated to serve as an election official under s. 7.30 (4) (e), or make a
13 determination under s. 11.065 (3), subject to such limitations as the board deems
14 appropriate.

15 **SECTION 3.** 5.066 of the statutes is created to read:

16 **5.066 Complaints and decision-making procedure.** (1) In this section:

17 (a) "Election official" includes any board of election commissioners under s. 7.20
18 or governing body of a local governmental unit that has the responsibility to
19 administer the election laws.

20 (b) "Local governmental unit" has the meaning given under s. 16.97 (7).

21 (c) "Working day" has the meaning given in s. 227.01 (14).

22 (2) Any person may file a verified complaint with the executive director of the
23 board alleging a violation of the election laws. The executive director shall
24 investigate the complaint unless the executive director finds the complaint to be
25 clearly without merit. The executive director may, on his or her own motion or upon

ENGROSSED ASSEMBLY BILL 843**SECTION 3**

1 direction of the board, investigate any potential violation of the election laws
2 whenever the executive director has probable cause to believe that a violation has
3 occurred.

4 (3) If the complaint concerns a question as to whether an election official or a
5 private person is acting in conformity with the law or rules of the board, the person
6 filing the complaint shall serve a copy of the complaint upon that official or private
7 person and that official or private person shall be a party to the case. An election
8 official or private person may move to dismiss a complaint if it is clearly without
9 merit. If the executive director finds, in response to a motion, that a complaint is
10 clearly without merit, the executive director shall dismiss the complaint.

11 (4) If the executive director does not dismiss a complaint, the executive director
12 shall issue a proposed decision, which shall include findings of fact and conclusions
13 of law and may include an order under sub. (5).

14 (5) The executive director may order an election official or a private person to
15 act in conformity with the election laws or rules of the board.

16 (6) The executive director may, in the discharge of his or her functions under
17 this section and upon notice to any party being investigated, subpoena and bring
18 before him or her any person in the state and require the production of any papers,
19 books, or other records relevant to an investigation. A circuit court may by order
20 permit the inspection and copying of the accounts and the depositor's and loan
21 records at any financial institution as defined in s. 705.01 (3) doing business in the
22 state to obtain evidence of any violation of ch. 11 upon showing by the executive
23 director of probable cause to believe there is a violation and that such accounts and
24 records may have a substantial relation to the violation. In the discharge of his or
25 her functions under this section, the executive director may cause the deposition of

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1 witnesses to be taken in the manner prescribed for taking depositions in civil actions
2 in circuit court.

3 (7) If the executive director issues a decision under sub. (4) that contains an
4 order under sub. (5), the order is effective upon service of the order notwithstanding
5 any appeal to the board under sub. (8), except that the executive director may stay
6 such an order pending an appeal to the board.

7 (8) Any party aggrieved by a proposed decision under sub. (4) may appeal the
8 proposed decision to the board within 20 days after service of a copy of the decision
9 upon the party. If no appeal is filed within 20 days of service of a copy of a proposed
10 decision upon each party to the case in which the decision is made, the decision is
11 final and becomes the decision of the board. In appealing a decision of the executive
12 director, the appellant shall indicate in its appeal whether the appellant contests any
13 finding of fact made by the executive director. If an appellant does not contest a
14 finding of fact, that finding is conclusive against the appellant, unless the finding of
15 fact is modified by the board.

16 (9) If a proposed decision of the executive director is appealed to the board, the
17 board shall hear the appeal at its next meeting occurring at least 3 working days after
18 the appeal is received by the board. In reviewing the decision of the executive
19 director, the board is not bound by any finding of fact or conclusion of law made by
20 the executive director. After hearing the appeal, the board may issue a decision,
21 which shall include findings of fact and conclusions of law. In its decision, the board
22 may affirm, modify or reverse an order issued by the executive director under sub.
23 (5), and may order an election official or a private person to act in conformity with
24 the election laws or rules of the board. If the board does not modify or reverse a

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1 decision of the executive director at the meeting at which an appeal of a decision is
2 heard, the decision is affirmed.

3 (10) If a person aggrieved by a decision issued under sub. (4) that contains an
4 order under sub. (5) appeals the decision to the board and the board modifies the
5 order, the modified order is effective upon service, except that the executive director
6 may stay such an order pending judicial review under s. 227.57.

7 (11) The decision of the board in any contested case arising under this section
8 is subject to review as provided in s. 227.57. In seeking judicial review of a decision
9 of the board, the appellant shall indicate in its petition for review whether the
10 appellant contests any finding of fact made by the executive director or the board that
11 is not conclusive against the appellant. If the appellant does not contest any finding
12 of fact made by the board, that finding is conclusive against the appellant.

13 (12) (a) This section does not apply to any complaint brought by an election
14 official or private person in which the board or the executive director is alleged to
15 have violated the law.

16 (b) This section does not apply to any matter arising in connection with a
17 recount under s. 9.01.

18 (13) The board shall periodically examine and review decisions of the executive
19 director and the board under this section with a view to clarifying and improving the
20 administration of the election laws of this state.

21 **SECTION 4.** 7.08 (2) (cm) of the statutes is amended to read:

22 7.08 (2) (cm) As soon as possible after the canvass of a special primary, or the
23 date that the primary would be held, if required, transmit to the state treasurer a
24 certified list of all eligible candidates for state office who have filed applications
25 under s. 11.50 (2) and whom the board determines to be eligible to receive a grant

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1 from the Wisconsin election campaign fund prior to the election. The board shall also
2 transmit a similar list of candidates, if any, who have filed applications under s. 11.50
3 (2) and whom the board determines to be eligible to receive a grant under s. 11.50 (1)
4 (a) ~~2. 1. b.~~ after the special election. The list shall contain each candidate's name, the
5 mailing address indicated upon the candidate's registration form, the office for which
6 the individual is a candidate and the party or principle which he or she represents,
7 if any.

8 **SECTION 5.** 8.35 (4) (a) 1. a. and b. of the statutes are amended to read:

9 8.35 (4) (a) 1. a. ~~Donated to the former candidate's local or state political party~~
10 ~~if~~ If the former candidate was a partisan candidate ~~or, donated to the former~~
11 ~~candidate's local or state political party, donated to the~~ a charitable organization of
12 ~~the former candidate's choice or the charitable organization chosen, or transferred~~
13 ~~to the board for deposit in the Wisconsin election campaign fund, as instructed by the~~
14 ~~former candidate or, if the former candidate left no instruction, by the former~~
15 ~~candidate's next of kin if the former candidate is deceased, or if no choice is made~~
16 ~~returned to the donors on a proportional basis; or~~

17 b. If the former candidate was a nonpartisan candidate, donated to the a
18 ~~charitable organization of the former candidate's choice or the charitable~~
19 ~~organization chosen or transferred to the board for deposit in the Wisconsin election~~
20 ~~campaign fund, as instructed by the former candidate or, if the former candidate left~~
21 ~~no instruction, by the former candidate's next of kin if the former candidate is~~
22 ~~deceased; or~~

23 **SECTION 6.** 11.001 (2m) of the statutes is created to read:

24 11.001 (2m) The legislature finds a compelling justification for minimal
25 disclosure of all communications made near the time of an election that include the

ENGROSSED ASSEMBLY BILL 843**SECTION 6**

1 name or likeness of a candidate for state office to allow increased funding for such
2 candidates based upon certain independent expenditures. This minimal disclosure
3 burden is outweighed by the need to establish an effective funding mechanism for
4 candidates for state office to effectively respond to certain independent expenditures
5 that may impact an election for those offices.

6 **SECTION 7.** 11.01 (4m), (7) (b) 6. and (11m) of the statutes are created to read:

7 11.01 (4m) "Communication" means a message transmitted by means of a
8 printed advertisement, billboard, handbill, sample ballot, radio or television
9 advertisement, telephone call, or mass mailing, or any medium that may be utilized
10 for the purpose of disseminating or broadcasting a message, but not including a poll
11 conducted solely for the purpose of identifying or collecting data concerning the
12 attitudes or preferences of electors.

13 (7) (b) 6. Any payment for the purpose of making a communication that has not
14 been made on the closing date for submittal of a report under this chapter.

15 (11m) "Independent expenditure" means an expenditure made for the purpose
16 of making a communication that is made during the period beginning on the 30th day
17 preceding a primary election for an office to be filled at a general, special, or spring
18 election and the date of that general, special, or spring election or, if no primary is
19 held, during the period beginning on the 60th day preceding a general, special, or
20 spring election at which the office is filled and the date of that election; that contains
21 a reference to a clearly identified candidate for an office specified in s. 11.31 (1) (a)
22 to (d), (e), or (f) to be filled at that election; that is made without cooperation or
23 consultation with such a candidate, or any authorized committee or agent of such a
24 candidate; and that is not made in concert with, or at the request or suggestion of,
25 such a candidate, or any authorized committee or agent of such a candidate.

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1 **SECTION 8.** 11.01 (12s) of the statutes is repealed.

2 **SECTION 9.** 11.01 (13), (14), (17g) and (17r) of the statutes are created to read:

3 11.01 (13) "Mass mailing" means the distribution of 50 or more pieces of
4 substantially identical material.

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

7 (17g) "Public access channel" means a channel that is required under a
8 franchise granted under s. 66.0419 (3) (b) by a city, village, or town to a cable operator,
9 as defined in s. 66.0419 (2) (b), and that is used for public access purposes, but does
10 not include a channel that is used for governmental or educational purposes.

11 (17r) "Public access channel operator" means a person designated by a city,
12 village, or town as responsible for the operation of a public access channel.

13 **SECTION 10.** 11.05 (1) of the statutes is renumbered 11.05 (1) (a) and amended
14 to read:

15 11.05 (1) (a) Except as provided in s. 9.10 (2) (d), every committee, other than
16 a personal campaign committee, and every ~~political group subject to registration~~
17 ~~under s. 11.23 which~~ that makes or accepts contributions, incurs obligations or
18 makes disbursements in a calendar year in an aggregate amount in excess of \$25
19 shall file a statement with the appropriate filing officer giving the information
20 required by sub. (3). In the case of any committee other than a personal campaign
21 committee, the statement shall be filed by the treasurer. A personal campaign
22 committee shall register under sub. (2g) or (2r).

23 **SECTION 11.** 11.05 (1) (b) of the statutes is created to read:

24 11.05 (1) (b) Every political group subject to registration under s. 11.23 which
25 makes or accepts contributions, incurs obligations, or makes disbursements in a

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1 calendar year in an aggregate amount in excess of \$100 shall file a statement with
2 the appropriate filing officer giving the information required by sub. (3).

3 **SECTION 12.** 11.05 (2) of the statutes is renumbered 11.05 (2) (a) and amended
4 to read:

5 11.05 (2) (a) Except as provided in s. 9.10 (2) (d), every individual, other than
6 a candidate or agent of a candidate, who accepts contributions, incurs obligations,
7 or makes disbursements with respect to one or more elections for state or local office
8 in a calendar year in an aggregate amount in excess of \$25 shall file a statement with
9 the appropriate filing officer giving the information required by sub. (3). An
10 individual who guarantees a loan on which an individual, committee or group subject
11 to a registration requirement defaults is not subject to registration under this
12 subsection solely as a result of such default.

13 **SECTION 13.** 11.05 (2) (b) of the statutes is created to read:

14 11.05 (2)(b) Every individual who accepts contributions, incurs obligations, or
15 makes disbursements with respect to one or more referenda in a calendar year in an
16 aggregate amount in excess of \$100 shall file a statement with the appropriate filing
17 officer giving the information required by sub. (3).

18 **SECTION 14.** 11.05 (3) (c) of the statutes is amended to read:

19 11.05 (3) (c) In the case of a committee, a statement as to whether the
20 committee is a personal campaign committee, a political party committee, ~~a~~
21 ~~legislative campaign committee,~~ a support committee, or a special interest
22 committee.

23 **SECTION 15.** 11.05 (3) (o) of the statutes is repealed.

24 **SECTION 16.** 11.05 (3) (q) of the statutes is created to read:

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1 11.05 (3) (q) In the case of a political party committee, an indication of whether
2 the committee is a state or national political party committee, or a state or national
3 subunit or state or national affiliate of such a committee.

4 **SECTION 17.** 11.05 (7) of the statutes is amended to read:

5 11.05 (7) ~~Notwithstanding sub. (6), any~~ Any individual or organization who or
6 which has received property or funds which were not intended for political purposes
7 in connection with an election for state or local office at the time of receipt may make
8 contributions or disbursements from such property or funds in connection with an
9 election for state or local office if the individual or organization complies with
10 applicable provisions of sub. (1), (2) or (2g) as soon as such intent changes. For
11 purposes of s. 11.06 (1), all property or funds which are in a ~~registrant's~~ the
12 possession of such an individual or organization on the date of registration under this
13 section shall be treated as received on the date that such intent changes so that the
14 property or funds are to be used for political purposes in connection with an election
15 for state or local office.

16 **SECTION 18.** 11.05 (9) (b) of the statutes is amended to read:

17 11.05 (9) (b) An individual who or a committee or group which receives a
18 contribution of money and transfers the contribution to another individual,
19 committee, or group while acting as a conduit is not subject to registration under this
20 section unless the individual, committee, or group transfers the contribution to a
21 candidate or a personal campaign, ~~legislative campaign,~~ political party, or support
22 committee.

23 **SECTION 19.** 11.05 (12) (b) of the statutes is amended to read:

24 11.05 (12) (b) Except as authorized under sub. (13), a committee, group or
25 individual other than a candidate or agent of a candidate shall comply with sub. (1)

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1 or (2) no later than the 5th business day commencing after receipt of the first
2 contribution by such committee, group or individual, and before making any
3 disbursement. No committee, group or individual, other than a candidate or agent
4 of a candidate, may accept any contribution or contributions exceeding \$25 in the
5 aggregate the amount specified in sub. (1) or (2) during a calendar year at any time
6 when the committee, group or individual is not registered under this section except
7 within the initial 5-day period authorized by this paragraph.

8 **SECTION 20.** 11.06 (1) (intro.) of the statutes is amended to read:

9 11.06 (1) CONTENTS OF REPORT. (intro.) Except as provided in subs. (2), (3) and
10 (3m) and ss. 11.05 (2r) and 11.19 (2), each registrant under s. 11.05 shall make full
11 reports, upon a form proscribed by the board and signed by the appropriate
12 individual under sub. (5), of all contributions received, contributions or
13 disbursements made, and obligations incurred. Each report shall contain the
14 following information, covering the period since the last date covered on the previous
15 report, unless otherwise provided:

16 **SECTION 21.** 11.06 (1) (cm) of the statutes is created to read:

17 11.06 (1) (cm) If a candidate wishes to make disbursements using contributions
18 that are exempt from the limitations under s. 11.26 (9), as provided under s. 11.26
19 (9m), a separate schedule itemizing those contributions that the candidate intends
20 to use to make disbursements that are exempt from those limitations. The separate
21 schedule may include contributions previously reported by the candidate and, if so,
22 shall indicate the amounts and dates on which those contributions were reported as
23 received.

24 **SECTION 22.** 11.06 (1) (dm) of the statutes is created to read:

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

5 **SECTION 23.** 11.06 (2) of the statutes is amended to read:

6 11.06 (2) **DISCLOSURE OF CERTAIN INDIRECT DISBURSEMENTS.** Notwithstanding
7 sub. (1), if a disbursement is made or obligation incurred by an individual other than
8 a candidate or by a committee or group which is not primarily organized for political
9 purposes, and the disbursement does not constitute a contribution to any candidate
10 or other individual, committee, or group, the disbursement or obligation is required
11 to be reported under this section only if the purpose is to expressly advocate the
12 election or defeat of a clearly identified candidate or the adoption or rejection of a
13 referendum. The exemption provided by this subsection shall in no case be construed
14 to apply to a political party, ~~legislative campaign~~, personal campaign, or support
15 committee.

16 **SECTION 24.** 11.06 (3) (b) (intro.) of the statutes is amended to read:

17 11.06 (3) (b) (intro.) ~~Notwithstanding sub. (1), a~~ A nonresident registrant shall
18 ~~report on a form prescribed by the board the applicable information that makes a~~
19 report under sub. (1) shall ensure that the report separately states information
20 under sub. (1) concerning all of the following, in a manner prescribed by the board:

21 **SECTION 25.** 11.06 (7m) (a) of the statutes is amended to read:

22 11.06 (7m) (a) If a committee which was registered under s. 11.05 as a political
23 party committee ~~or legislative campaign committee~~ supporting candidates of a
24 political party files an oath under sub. (7) affirming that it does not act in cooperation
25 or consultation with any candidate who is nominated to appear on the party ballot

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1 of the party at a general or special election, that the committee does not act in concert
2 with, or at the request or suggestion of, such a candidate, that the committee does
3 not act in cooperation or consultation with such a candidate or agent or authorized
4 committee of such a candidate who benefits from a disbursement made in opposition
5 to another candidate, and that the committee does not act in concert with, or at the
6 request or suggestion of, such a candidate or agent or authorized committee of such
7 a candidate who benefits from a disbursement made in opposition to another
8 candidate, the committee filing the oath may not make any contributions in support
9 of any candidate of the party at the general or special election or in opposition to any
10 such candidate's opponents exceeding the applicable amounts specified in s. 11.26
11 (1), (1m), (2), and (2m), except as authorized in par. (c).

12 **SECTION 26.** 11.06 (7m) (b) of the statutes is amended to read:

13 11.06 (7m) (b) If the committee has already made contributions in excess of the
14 applicable amounts specified in s. 11.26 (1), (1m), (2), or (2m) at the time it files an
15 oath under sub. (7), each candidate to whom contributions are made shall promptly
16 return a sufficient amount of contributions to bring the committee in compliance
17 with this subsection and the committee may not make any additional contributions
18 in violation of this subsection.

19 **SECTION 27.** 11.06 (7m) (c) of the statutes is amended to read:

20 11.06 (7m) (c) A committee filing an oath under sub. (7) which desires to change
21 its status to a political party committee ~~or legislative campaign committee~~ may do
22 so as of December 31 of any even-numbered year. Section 11.26 does not apply to
23 contributions received by such a committee prior to the date of the change. Such a
24 committee may change its status at other times only by filing a termination

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1 statement under s. 11.19 (1) and reregistering as a newly organized committee under
2 s. 11.05.

3 **SECTION 28.** 11.06 (11) (bm) of the statutes is created to read:

4 11.06 (11) (bm) The board shall prescribe a separate schedule for reporting
5 under s. 11.06 (1) by transferees of contributions transferred by conduits.

6 **SECTION 29.** 11.065 of the statutes is created to read:

7 **11.065 Independent expenditures.** (1) (a) If any person makes one or more
8 communications to be financed with independent expenditures exceeding \$2,000 in
9 the aggregate, that person shall file a report with the board on a form prescribed by ✓
10 the board for this purpose. The report shall be made whenever the person makes one
11 or more communications financed or to be financed with independent expenditures
12 exceeding \$2,000 in the aggregate and whenever the person makes one or more
13 additional communications financed or to be financed with independent
14 expenditures exceeding \$2,000 in the aggregate that are not identified in a previous
15 report under this subsection. Reports required under this subsection shall be filed
16 within 7 days after the date that communications financed with independent
17 expenditures exceeding \$2,000 in the aggregate that are not identified in a previous
18 report are made or, if communications are made within 15 days of the date of a spring
19 primary or election or within 15 days of a September or special primary or general
20 or special election, then within 24 hours after the date that communications financed
21 with independent expenditures exceeding \$2,000 in the aggregate that are not
22 identified in a previous report are made.

23 (b) If a person makes or incurs an obligation to make a single independent
24 expenditure for the purpose of financing communications that are to be made on
25 more than one day, the person may report the entire expenditure under par. (a) for

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1 the day on which the person makes the first communication financed by the
2 expenditure, or the person may report for each day on which the person makes one
3 or more communications financed by the expenditure the proportionate amount of
4 the expenditure attributable to the cost of the communication or communications
5 made on that day.

6 (2) Each report filed under sub. (1) shall contain the following information:

7 (a) The name of each candidate who is identified in each communication
8 financed by an independent expenditure.

9 (b) A statement as to whether the communication is intended to support or
10 oppose any candidate who is identified under par. (a) and if so, the name of that
11 candidate.

12 (c) The total amount or value of the independent expenditure and the
13 cumulative aggregate independent expenditures made by the person with respect to
14 that election.

15 (3) If a person who makes an independent expenditure does not indicate
16 whether an independent expenditure is made against a candidate or for an eligible
17 candidate's opponent or if the report under sub. (2) reasonably appears to be
18 incorrect, the board may obtain a copy of the communication and, after examination,
19 determine whether the communication was intended to support or oppose a
20 candidate for purposes of s. 11.31 (3r) (a). Any determination made by the board
21 under this subsection applies solely for the purpose of administration of s. 11.31 (3r)
22 (a).

23 **SECTION 30.** 11.07 (1) of the statutes is amended to read:

24 11.07 (1) Every nonresident committee or group making contributions and
25 every nonresident individual, committee or group making disbursements exceeding

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1 ~~\$25 cumulatively~~ the amount specified in s. 11.05 (1) or (2) in a calendar year within
2 this state shall file the name, mailing and street address and the name and the
3 mailing and street address of a designated agent within the state with the office of
4 the secretary of state. An agent may be any adult individual who is a resident of this
5 state. After any change in the name or address of such agent the new address or
6 name of the successor agent shall be filed within 30 days. Service of process in any
7 proceeding under this chapter or ch. 12, or service of any other notice or demand may
8 be made upon such agent.

9 **SECTION 31.** 11.07 (5) of the statutes is amended to read:

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

16 **SECTION 32.** 11.09 (3) of the statutes is amended to read:

17 11.09 (3) Each registrant whose filing officer is the board, and who or which
18 makes disbursements in connection with elections for offices which serve or
19 referenda which affect only one county or portion thereof, except a candidate,
20 personal campaign committee, political party committee or other committee making
21 disbursements in support of or in opposition to a candidate for state senator,
22 representative to the assembly, court of appeals judge or circuit judge, shall file a
23 duplicate original of each financial report filed that the registrant files with the
24 board with the ~~county clerk or board of election commissioners of the county in which~~
25 ~~the elections~~ filing officer for each jurisdiction in connection with an election in which

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1 the registrant ~~participates are held~~ makes disbursements. Such reports shall be
2 filed no later than the dates specified under s. 11.20 (2) and (4) for the filing of each
3 report with the board. This subsection does not apply to a registrant who or which
4 files reports under s. 11.21 (16).

5 **SECTION 33.** 11.10 (6) of the statutes is created to read:

6 11.10 (6) (a) No personal campaign committee of, or support committee
7 authorized under s. 11.05 (3) (p) by, a candidate for state office may become the
8 personal campaign committee of, or support committee authorized under s. 11.05 (3)
9 (p) by, a candidate for local office.

10 (b) No personal campaign committee of, or support committee authorized
11 under s. 11.05 (3) (p) by, a candidate for local office may become the personal
12 campaign committee of, or support committee authorized under s. 11.05 (3) (p) by, a
13 candidate for state office.

14 **SECTION 34.** 11.12 (2) of the statutes is amended to read:

15 11.12 (2) Any anonymous contribution exceeding \$10 received by a campaign
16 or committee treasurer or by an individual under s. 11.06 (7) may not be used or
17 expended. The contribution shall be donated to the common school fund or to any
18 charitable organization or transferred to the board for deposit in the Wisconsin
19 election campaign fund, at the option of the treasurer.

20 **SECTION 35.** 11.12 (4) of the statutes is amended to read:

21 11.12 (4) Each registrant shall report contributions, disbursements and
22 incurred obligations in accordance with s. 11.20. Except as permitted under s. 11.06
23 (2),~~(3)~~ and (3m), each report shall contain the information which is required under
24 s. 11.06 (1).

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1 **SECTION 36.** 11.12 (6) of the statutes is renumbered 11.12 (6) (a) and amended
2 to read:

3 11.12 (6) (a) If any ~~disbursement of more than \$20~~ individual or committee
4 incurs one or more obligations or makes one or more disbursements in an amount
5 exceeding \$250 cumulatively is made for the purpose of making one or more
6 communications to advocate the election or defeat of a clearly identified candidate
7 ~~by an individual or committee~~ later than 15 days prior to a primary or election in
8 which the candidate's name appears on the ballot without cooperation or
9 consultation with a candidate or agent or authorized committee of a candidate who
10 is supported or opposed, and not in concert with or at the request or suggestion of
11 such a candidate, agent or committee, the individual or treasurer of the committee
12 shall, within 24 hours of ~~after making the disbursement~~ each communication not
13 identified in a previous report filed under this subsection, inform the appropriate
14 filing officer of. ~~The report shall include~~ The report shall include the information required under s. 11.06 (1)
15 and shall be made in such manner as the board may prescribe. The information shall
16 also be included in the next regular report of the individual or committee under s.
17 11.20. For purposes of this subsection, obligations and disbursements cumulate
18 beginning with the day after the last date covered on the preprimary or preelection
19 report and ending with the day before the primary or election and disbursements
20 made for the purpose of payment of obligations that were previously reported are not
21 included in determining the cumulative amount of obligations and disbursements.
22 Upon receipt of a report identifying any obligation or disbursement under this
23 subsection, the filing officer shall, within 24 hours of receipt, mail a copy of the report
24 to all candidates for any office in support of or opposition to one of whom an obligation
25 is incurred or a disbursement identified in the report is made.

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1 **SECTION 37.** 11.12 (6) (b) of the statutes is created to read:

2 11.12 (6) (b) If a person incurs an obligation or makes a disbursement for the
3 purpose of financing communications that are to be made on more than one day, the
4 person may report the entire obligation or disbursement under par. (a) for the day
5 on which the person makes the first communication financed by the obligation or
6 disbursement, or the person may report for each day on which the person makes one
7 or more communications financed by the obligation or disbursement the
8 proportionate amount of the obligation or disbursement attributable to the cost of the
9 communication or communications made on that day.

10 **SECTION 38.** 11.16 (2) of the statutes is amended to read:

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

19 **SECTION 39.** 11.16 (5) of the statutes is amended to read:

20 11.16 (5) **ESCROW AGREEMENTS.** Any personal campaign committee, or political
21 party committee ~~or legislative campaign committee~~ may, pursuant to a written
22 escrow agreement with more than one candidate, solicit contributions for and
23 conduct a joint fund raising effort or program on behalf of more than one named
24 candidate. The agreement shall specify the percentage of the proceeds to be
25 distributed to each candidate by the committee conducting the effort or program.

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

10 **SECTION 40.** 11.19 (1) of the statutes is amended to read:

11 11.19 (1) Whenever any registrant disbands or determines that obligations will
12 no longer be incurred, and contributions will no longer be received nor disbursements
13 made during a calendar year, and the registrant has no outstanding incurred
14 obligations, the registrant shall file a termination report with the appropriate filing
15 officer. Such report shall indicate a cash balance on hand of zero at the end of the
16 reporting period and shall indicate the disposition of residual funds. Residual funds
17 may be used for any political purpose not prohibited by law, returned to the donors
18 in an amount not exceeding the original contribution, transferred to the board for
19 deposit in the Wisconsin election campaign fund or donated to a charitable
20 organization or the common school fund. The report shall be filed and certified as
21 were previous reports, and shall contain the information required by s. 11.06 (1). A
22 registrant to which s. 11.055 (1) applies shall pay the fee imposed under that
23 subsection with a termination report filed under this subsection. If a termination
24 report or suspension report under sub. (2) is not filed, the registrant shall continue
25 to file periodic reports with the appropriate filing officer, no later than the dates

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1 specified in s. 11.20. This subsection does not apply to any registrant making an
2 indication under s. 11.05 (2r).

3 **SECTION 41.** 11.20 (2), (3) (a) and (b) of the statutes are amended to read:

4 11.20 (2) ~~Preprimary and~~ Unless a candidate is required to file additional
5 reports under sub. (3) (be), each candidate who seeks office at a primary or other
6 election, or his or her personal campaign committee, shall file a preprimary and
7 preelection reports report under s. 11.06 (1), which shall be received by the
8 appropriate filing officer no earlier than 14 days and no later than 8 days preceding
9 the primary and the election. Each candidate who is required to file reports under
10 sub. (3) (be), or his or her personal campaign committee, shall file each preprimary
11 and preelection report under sub. (3) (be) so that the report is received by the
12 appropriate filing officer no earlier than the day after the end of the week to which
13 the report pertains and no later than the 5th day after the end of that week.

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

21 (b) ~~A~~ Unless additional reports are required under par. (be), a candidate or
22 personal campaign committee of a candidate at an election other than a primary
23 shall file a preelection report.

24 **SECTION 42.** 11.20 (3) (be) of the statutes is created to read:

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1 11.20 (3) (be) In addition to any reports required under sub. (2), if a candidate
2 for a state office specified in s. 11.31 (1) (a) to (d), (e), or (f) who seeks to have his or
3 her name appear on the ballot at a general, spring, or special election, as of the 15th
4 day before the primary election at which the candidate seeks nomination or, if no
5 primary is held, as of the 15th day before the date on which the primary would be
6 held, if a primary were required, or at any time thereafter, has received contributions
7 or other income in a total amount exceeding 75% of the disbursement level specified
8 in s. 11.31 (1), as adjusted under s. 11.31 (9), for the office that the candidate seeks,
9 the candidate or his or her personal campaign committee shall file preprimary or
10 preelection reports beginning with the week which includes that day for each week
11 prior to any primary election, and for each week prior to the succeeding general,
12 spring, or special election, if the name of the candidate appears on the ballot at that
13 election.

14 **SECTION 43.** 11.20 (8) (intro.) of the statutes is amended to read:

15 11.20 (8) (intro.) Reports filed under subs. (2), (3) (be), (4) and (4m) shall include
16 all contributions received and transactions made as of the end of:

17 **SECTION 44.** 11.20 (8) (a) of the statutes is amended to read:

18 11.20 (8) (a) The 15th day preceding the primary or election in the case of the
19 preprimary and preelection report under sub. (2);

20 **SECTION 45.** 11.20 (8) (am) of the statutes is created to read:

21 11.20 (8) (am) The Saturday preceding the due date under sub. (2) in the case
22 of a preprimary or preelection report under sub. (3) (be).

23 **SECTION 46.** 11.21 (15) of the statutes is amended to read:

24 11.21 (15) Inform each candidate who files an application to become eligible to
25 receive a grant from the Wisconsin election campaign fund of the dollar amount of

ENGROSSED ASSEMBLY BILL 843**SECTION 46**

1 the applicable disbursement limitation under s. 11.31 (1), adjusted as provided under
2 s. 11.31 (9), which applies to the office for which such person is a candidate. Failure
3 to receive the notice required by this subsection does not constitute a defense to a
4 violation of s. 11.27 (1) or 11.31.

5 **SECTION 47.** 11.21 (17) of the statutes is created to read:

6 11.21 (17) Promulgate rules that require public access channel operators and
7 licensees of public television stations in this state to provide a minimum amount of
8 free time on public access channels and public television stations to individuals
9 whose names are certified under s. 7.08 (2) (a) or 8.50 (1) (d) to appear as candidates
10 for state office on the ballot at general, spring, or special elections. The rules
11 promulgated under this subsection shall require public access channel operators and
12 licensees of public television stations to offer the same amount of time to each
13 candidate for a particular state office, but may require different amounts of time to
14 be offered to candidates for different offices.

15 **SECTION 48.** 11.23 (1) of the statutes is amended to read:

16 11.23 (1) Any group or individual may promote or oppose a particular vote at
17 any referendum in this state. Before making disbursements, receiving
18 contributions, or incurring obligations in excess of \$25 \$100 in the aggregate in a
19 calendar year for such purposes, the group or individual shall file a registration
20 statement under s. 11.05 (1), (2), or (2r). In the case of a group the name and mailing
21 address of each of its officers shall be given in the statement. Every group and every
22 individual under this section shall designate a campaign depository account under
23 s. 11.14. Every group shall appoint a treasurer, who may delegate authority but is
24 jointly responsible for the actions of his or her authorized designee for purposes of
25 civil liability under this chapter. The appropriate filing officer shall be notified by

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1 a group of any change in its treasurer within 10 days of the change under s. 11.05 (5).
2 The treasurer of a group shall certify the correctness of each statement or report
3 submitted by it under this chapter.

4 **SECTION 49.** 11.23 (2) of the statutes is amended to read:

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

10 **SECTION 50.** 11.24 (1s) of the statutes is created to read:

11 11.24 (1s) (a) In this subsection, “federal candidate committee” means a
12 committee of an individual who seeks or sought election to the U.S. senate or house
13 of representatives designated by the individual under 2 USC 432 (e).

14 (b) No federal candidate committee may make a contribution to a candidate,
15 personal campaign committee or support committee.

16 **SECTION 51.** 11.24 (1w) of the statutes is created to read:

17 11.24 (1w) (a) “Federal political registrant” means a committee that is
18 registered with the federal election commission under 2 USC 433 (a), other than an
19 authorized campaign committee designated under 2 USC 432 (e) (3), a national
20 political party committee, or a state political party committee.

21 (b) No personal campaign committee may make a contribution to a federal
22 political registrant.

23 **SECTION 52.** 11.25 (2) (am) of the statutes is created to read:

24 11.25 (2) (am) No federal candidate committee, as defined in s. 11.24 (1s) (a),
25 may make a disbursement.