

2001 ASSEMBLY BILL 919

March 14, 2002 – Introduced by Representative BLACK. Referred to Committee on Campaigns and Elections.

1 **AN ACT *to repeal*** 11.01 (5m), 11.05 (9) (b), 11.06 (11), 11.24 (1m) and 11.26 (12m);
2 ***to renumber*** 11.05 (9) (a); ***to amend*** 11.05 (3) (n), 11.38 (1) (a) 3. and 11.50 (2)
3 (b) 5.; and ***to repeal and recreate*** 11.05 (9) (title) of the statutes; **relating to:**
4 treatment of contributions of money made by individuals or organizations
5 acting as conduits.

Analysis by the Legislative Reference Bureau

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 transferred and the individual to whom or the organization to which the transfer is made, the contribution is considered to be made by the original contributor for purposes of reporting by the ultimate recipient. The contribution is also treated as an individual contribution for purposes of determining contribution limitations and qualifying contributions for public grants. The individual or organization making the transfer is called a “conduit” under the law. In most cases, a conduit is required to register and file campaign finance reports unless the conduit does not transfer any contributions to candidates or to personal campaign, legislative campaign, or political party committees.

This bill treats a contribution of money transferred by a conduit as a contribution from the conduit rather than from the individual contributor for purposes of reporting by the ultimate recipient and for purposes of determining

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contribution limitations and qualifying contributions for public grants. Thus, under this bill, a contribution of money that is transferred by a conduit that is a committee is included within the overall limitation on contributions that a candidate may derive from public grants and from contributions received from committees. In addition, these contributions may not be used to qualify for a public grant.

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

1 **SECTION 1.** 11.01 (5m) of the statutes is repealed.

2 **SECTION 2.** 11.05 (3) (n) of the statutes is amended to read:

3 11.05 **(3)** (n) In the case of a labor organization, or separate segregated fund
4 under s. 11.38 (1) (a) 2. ~~or conduit established by a labor organization~~, a statement
5 as to whether the organization is incorporated, and if so, the date of incorporation
6 and whether or not such incorporation is under ch. 181.

7 **SECTION 3.** 11.05 (9) (title) of the statutes is repealed and recreated to read:

8 11.05 **(9)** (title) DEPOSIT OF CONTRIBUTIONS.

9 **SECTION 4.** 11.05 (9) (a) of the statutes is renumbered 11.05 (9).

10 **SECTION 5.** 11.05 (9) (b) of the statutes is repealed.

11 **SECTION 6.** 11.06 (11) of the statutes is repealed.

12 **SECTION 7.** 11.24 (1m) of the statutes is repealed.

13 **SECTION 8.** 11.26 (12m) of the statutes is repealed.

14 **SECTION 9.** 11.38 (1) (a) 3. of the statutes is amended to read:

15 11.38 **(1)** (a) 3. No corporation or association specified in subd. 1. may expend
16 more than a combined total of \$500 annually for solicitation of contributions to a fund
17 established under subd. 2. ~~or to a conduit.~~

18 **SECTION 10.** 11.50 (2) (b) 5. of the statutes is amended to read:

