

WISCONSIN STATE
LEGISLATURE
COMMITTEE HEARING
RECORDS

2001-02

(session year)

Assembly

(Assembly, Senate or Joint)

Committee on
Campaigns &
Elections
(AC-CE)

File Naming Example:

- Record of Comm. Proceedings ... RCP
- 05hr_AC-Ed_RCP_pt01a
 - 05hr_AC-Ed_RCP_pt01b
 - 05hr_AC-Ed_RCP_pt02

Published Documents

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

➤ **

➤ Committee Reports ... CR

➤ **

➤ Executive Sessions ... ES

➤ **

➤ Record of Comm. Proceedings ... RCP

➤ **

*Information Collected For Or
Against Proposal*

➤ Appointments ... Appt

➤ **

➤ Clearinghouse Rules ... CRule

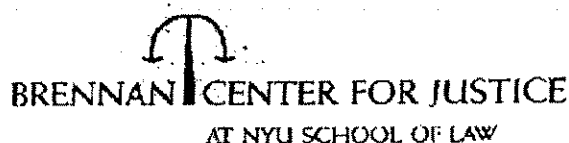
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➤ Hearing Records ... HR (bills and resolutions)

➤ **01hr_sb0115_AC-CE_pt01**

➤ Miscellaneous ... Misc

➤ **



Privileged and Confidential
Attorney-Client Communication

MEMORANDUM

To: Carolyn Castore
From: Glenn Moramarco
Re: Senate Bill 115
Date: September 4, 2001

Under current Wisconsin law, corporations are precluded from spending money from their general treasury funds for political purposes, unless they are promoting or opposing a referendum. See W.S.A. 11.38. Corporations generally are required to fund their political activities through separate segregated funds, commonly known as PACs or political action committees. In recent years, however, the business community has been actively engaged in general election campaigns through so-called "issue advocacy," with ads that name a candidate but do not expressly call for the candidate's election or defeat. The extent to which the State may, consistent with the First Amendment, limit this type of "issue advocacy" remains subject to some dispute. See *Elections Board v. Wisconsin Manufacturers & Commerce*, 227 Wis.2d 650 (Wis. 1999).

As you know, nothing in the Impartial Justice Act is intended to change preexisting law in regard to the legality or illegality of corporate political expenditures during election campaigns. The Impartial Justice Act does not attempt to redefine either "express advocacy" or "issue advocacy." The Act does provide limited matching funds for participating candidates that are attacked by outside groups, but the Act takes no position on what kinds of expenditures are permitted under existing law. To the extent that any group — corporate or non-corporate — runs an advertisement that names a candidate within a specific time-frame, the group's expenditures on that ad must be reported to the board so that the candidate opposed may receive matching funds. The Impartial Justice Act nowhere authorizes corporate groups to make such expenditures, but if they do, they must report them.

In order to clarify that the Impartial Justice Act does not make any change to preexisting law regarding corporate political expenditures, you may want to include the following language as a new subsection to Senate Bill 115:

11.513(5) Nothing contained in this section should be construed to amend or repeal any provision of s. 11.38.

Although not strictly necessary, this clarification may serve to clarify the legislative intent on this issue.