



JIM DOYLE
GOVERNOR
STATE OF WISCONSIN

December 1, 2009

TO THE HONORABLE MEMBERS OF THE SENATE:

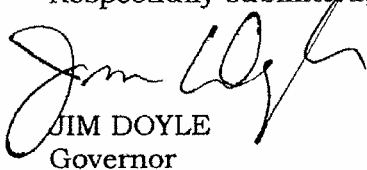
I have approved Senate Bill 40 as 2009 Wisconsin Act 89 and have deposited it in the Office of the Secretary of State. While I applaud the bill's efforts to reform campaign financing for Supreme Court Justice elections, I have exercised the partial veto to ensure that the legislation as amended meets the original intent of the authors.

Senate Bill 40 establishes public financing for the election of Justice of the Supreme Court by creating the financing option and two supplemental grants for the participating candidate. One supplemental grant relates to disbursements by a nonparticipating candidate and the other relates to independent disbursements made by other entities. Under the independent disbursement section, the bill as amended deducts the base grant amount from the supplemental grant, reducing funding available to a participating candidate.

I am partially vetoing section 17 [as it affects s. 11.513(2)] to ensure that, if independent disbursements exceed the threshold established in the bill, a participating candidate will receive a supplemental grant equal to the first independent disbursement dollar expended or obligated to be expended, without a reduction equal to the base grant amount.

I believe the partial veto I made to SB 40 brings the effect of the bill in alignment with the bill's original intent and helps to ensure the integrity of Wisconsin's Supreme Court.

Respectfully submitted,


JIM DOYLE
Governor

State of Wisconsin



2009 Senate Bill 40

Date of enactment:
Date of publication*:

2009 WISCONSIN ACT

AN ACT *to repeal* 11.50 (3) (a) 2.; *to amend* 8.35 (4) (b), 11.12 (2), 11.16 (2), 11.16 (3), 11.26 (1) (a), 11.26 (2) (a), 11.26 (9) (a), 11.26 (9) (b), 11.26 (13), 11.31 (1) (d), 11.50 (1) (a) 1., 11.50 (3) (b), 11.60 (4), 11.61 (2), 20.855 (4) (b) and 71.10 (3) (a); and *to create* 11.26 (1) (am), 11.26 (2) (an), 11.26 (9) (ba), 11.501 to 11.522, 20.511 (1) (r), 20.585 (1) (q), 20.585 (1) (r), 20.855 (4) (ba), 20.855 (4) (bb), 25.17 (1) (cm) and 25.421 of the statutes; **relating to:** public financing of campaigns for the office of justice of the supreme court, making appropriations, and providing penalties.

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

SECTION 1. 8.35 (4) (b) of the statutes is amended to read:

8.35 (4) (b) Notwithstanding par. (a), any unspent and unencumbered moneys received by a candidate from the Wisconsin election campaign fund shall be immediately transferred to any candidate who is appointed to replace such candidate, upon filing of a proper application therefor under s. 11.50 (2). If there is no candidate appointed or if no proper application is filed within 7 days of the date on which the vacancy occurs, such moneys shall revert to the state as provided in s. 11.50 (8). Notwithstanding par. (a), any unspent and unencumbered moneys received by a candidate from the democracy trust fund shall be immediately transferred to any candidate who is appointed to replace that candidate upon filing of a proper application therefor under s. 11.502 (1). For purposes of qualification, contributions received and disbursements made by the former candidate are considered to have been received or made by the replacement candidate. If there is no candidate appointed or if no proper

application is filed within 7 days of the date on which a vacancy occurs, the moneys shall revert to the state.

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

11.12 (2) Any No registrant, other than a candidate who receives a public financing benefit from the democracy trust fund, may accept an anonymous contribution exceeding \$10 received by a campaign or committee treasurer or by an individual under s. 11.06 (7) may not be used or expended. The. No candidate who receives a public financing benefit from the democracy trust fund may accept an anonymous contribution exceeding \$5. Any anonymous contribution that may not be accepted under this subsection shall be donated to the common school fund or to any a charitable organization at the option of the registrant's treasurer.

SECTION 3. 11.16 (2) of the statutes is amended to read:

11.16 (2) **LIMITATION ON CASH CONTRIBUTIONS.** Every Except as provided in s. 11.506 (6), every contribution of money exceeding \$50 shall be made by negotiable instrument or evidenced by an itemized credit card receipt bearing on the face the name of the remitter. No treasurer

* Section 991.11, WISCONSIN STATUTES 2007-08 : Effective date of acts. "Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication as designated" by the secretary of state [the date of publication may not be more than 10 working days after the date of enactment].

may accept a contribution made in violation of this subsection. The treasurer shall promptly return the contribution, or donate it to the common school fund or to a charitable organization in the event that the donor cannot be identified.

SECTION 4. 11.16 (3) of the statutes is amended to read:

11.16 (3) FORM OF DISBURSEMENTS. ~~Every~~ Except as authorized under s. 11.511 (1), every disbursement which is made by a registered individual or treasurer from the campaign depository account shall be made by negotiable instrument. Such instrument shall bear on the face the full name of the candidate, committee, individual or group as it appears on the registration statement filed under s. 11.05 and where necessary, such additional words as are sufficient to clearly indicate the political nature of the registrant or account of the registrant. The name of a political party shall include the word "party". The instrument of each committee registered with the board and designated under s. 11.05 (3) (c) as a special interest committee shall bear the identification number assigned under s. 11.21 (12) on the face of the instrument.

SECTION 5. 11.26 (1) (a) of the statutes is amended to read:

11.26 (1) (a) Candidates for governor, lieutenant governor, secretary of state, state treasurer, attorney general, ~~or~~ state superintendent ~~or justice~~, \$10,000.

SECTION 6. 11.26 (1) (am) of the statutes is created to read:

11.26 (1) (am) Candidates for justice, \$1,000.

SECTION 7. 11.26 (2) (a) of the statutes is amended to read:

11.26 (2) (a) Candidates for governor, lieutenant governor, secretary of state, state treasurer, attorney general, ~~or~~ state superintendent ~~or justice~~, 4 percent of the value of the disbursement level specified in the schedule under s. 11.31 (1).

SECTION 8. 11.26 (2) (an) of the statutes is created to read:

11.26 (2) (an) Candidates for justice, \$1,000.

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

11.26 (9) (a) ~~No~~ Except as provided in par. (ba), no individual who is a candidate for state or local office may receive and accept more than 65 percent of the value of the total disbursement level determined under s. 11.31 for the office for which he or she is a candidate during any primary and election campaign combined from all committees subject to a filing requirement, including political party and legislative campaign committees.

SECTION 10. 11.26 (9) (b) of the statutes is amended to read:

11.26 (9) (b) ~~No~~ Except as provided in par. (ba), no individual who is a candidate for state or local office may receive and accept more than 45 percent of the value of the total disbursement level determined under s. 11.31 for

the office for which he or she is a candidate during any primary and election campaign combined from all committees other than political party and legislative campaign committees subject to a filing requirement.

SECTION 11. 11.26 (9) (ba) of the statutes is created to read:

11.26 (9) (ba) Paragraphs (a) and (b) do not apply to a candidate who receives a public financing benefit from the democracy trust fund.

SECTION 12. 11.26 (13) of the statutes is amended to read:

11.26 (13) Except as provided in sub. (9), contributions received from the Wisconsin election campaign fund and public financing benefits received from the democracy trust fund are not subject to limitation by this section.

SECTION 13. 11.31 (1) (d) of the statutes is amended to read:

11.31 (1) (d) Candidates for secretary of state, state treasurer, ~~justice~~ or state superintendent, \$215,625.

SECTION 14. 11.50 (1) (a) 1. of the statutes is amended to read:

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

SECTION 15. 11.50 (3) (a) 2. of the statutes is repealed.

SECTION 16. 11.50 (3) (b) of the statutes is amended to read:

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

SECTION 17. 11.501 to 11.522 of the statutes are created to read:

11.501 Definitions. In ss. 11.501 to 11.522:

(1) "Allowable contribution" means a qualifying contribution, seed money contribution, or personal contribution authorized under ss. 11.502 to 11.522.

(2) "Campaign" has the meaning given in s. 11.26 (17).

(3) "Election campaign period" means the period beginning on the day after the spring primary election or the day on which a primary election would be held, if required, and ending on the day of the succeeding spring election.

(4) "Eligible candidate" means a candidate for the office of justice who has an opponent who has qualified to have his or her name certified for placement on the ballot at the spring primary or election and who qualifies for a public financing benefit by collecting the required number of qualifying contributions, making all required reports and disclosures, and being certified by the board as being in compliance with ss. 11.502 to 11.522.

(5) "Excess disbursement amount" means the amount of disbursements made by a nonparticipating candidate in excess of the public financing benefit available to an eligible candidate for the same office that the nonparticipating candidate seeks.

(6) "Excess qualifying contribution amount" means the amount of qualifying contributions accepted by a candidate beyond the number or dollar amount of contributions required to qualify a candidate for a public financing benefit.

(7) "Exploratory period" means the period that begins after the date of a spring election and ends on the first day of the public financing qualifying period for the next election for justice.

(9) "Immediate family," when used with reference to a candidate, includes the candidate's spouse and children.

(10) "Independent disbursement" means a disbursement by a person expressly advocating the election or defeat of a clearly identified candidate which is made without cooperation or consultation with a candidate, or any authorized committee or agent of a candidate, and which is not made in concert with, or at the request or suggestion of, any candidate, or any authorized committee or agent of a candidate.

(11) "Nonparticipating candidate" means a candidate for the office of justice who does not apply for a public financing benefit or who is otherwise ineligible or fails to qualify for a public financing benefit under ss. 11.502 to 11.522.

(12) "Personal funds" means funds contributed by a candidate or a member of a candidate's immediate family.

(13) "Primary election campaign period" means the period beginning on the day after the last day prescribed by law for filing nomination papers for that office and ending on the day of the spring primary election for that office or the day on which the primary election would be held, if required.

(14) "Public financing benefit" means a benefit provided to an eligible candidate under ss. 11.502 to 11.522.

(15) "Public financing qualifying period" means the period beginning on the first day of July of any year and

ending on the day before the beginning of the primary election campaign period for that office.

(16) "Qualifying contribution" means a contribution in an amount of not less than \$5 nor more than \$100 made to a candidate by an elector of this state during the public financing qualifying period, which is acknowledged by written receipt identifying the contributor.

(17) "Seed money contribution" means a contribution in an amount of not more than \$100 made to a candidate by an elector of this state during the exploratory period or the public financing qualifying period, or a contribution made to a candidate consisting of personal funds of that candidate in an amount not more than the amount authorized under s. 11.507 during the exploratory period or the public financing qualifying period.

11.502 Qualification; certification. (1) Before a candidate for justice in the primary election may be certified as an eligible candidate to receive a public financing benefit for the primary election campaign period, the candidate shall apply to the board for a public financing benefit and file a sworn statement that the candidate has complied and will comply with all requirements of this section and ss. 11.503 to 11.522 throughout the applicable campaign, which includes the primary and election for that office. A candidate shall file the application and statement no later than the beginning of the primary election campaign period for the office that the candidate seeks.

(2) A candidate shall be certified by the board as an eligible candidate for receipt of a public financing benefit for a primary election if the candidate complies with sub. (1) and receives qualifying contributions from at least 1,000 separate contributors in an aggregate amount of not less than \$5,000 nor more than \$15,000 before the close of the public financing qualifying period.

(3) The board shall verify a candidate's compliance with the requirements of sub. (2) by such verification and sampling techniques as the board considers appropriate.

(4) Each candidate shall:

(a) Acknowledge each qualifying contribution by a receipt to the contributor which contains the contributor's name and home address.

(b) No later than the 15th or the last day of the month which immediately follows the date of receipt of a qualifying contribution, whichever comes first, file a copy of the receipt under par. (a) with the board, except that during July, August, and September a copy need only be filed by the last day of the month.

(5) A qualifying contribution may be utilized only for the purpose of making a disbursement authorized by law.

11.503 Time of application. (1) Before a candidate may be certified as eligible for receipt of a public financing benefit for the spring election, the candidate shall apply to the board and file a sworn statement that the candidate has fulfilled all the requirements of ss. 11.502 to

11.522 during the primary election campaign period and will comply with such requirements during the election campaign period. Except as authorized in s. 8.35 (4) (b), the application shall be filed no later than the 7th day after the date of the spring primary or the day on which the primary election would be held if a primary were required.

(2) The board shall certify a candidate as an eligible candidate for receipt of a public financing benefit for the spring election if the candidate complies with sub. (1) and the candidate was an eligible candidate during the primary election campaign period.

11.505 Agreement by candidate. An eligible candidate who accepts a public financing benefit under ss. 11.502 to 11.522 during the primary election campaign period shall agree to comply with all requirements of ss. 11.502 to 11.522 throughout the election campaign period during the same campaign as a precondition to receipt of a public financing benefit. An eligible candidate who accepts a public financing benefit during a primary election campaign period may not elect to accept private contributions in violation of ss. 11.502 to 11.522 during the corresponding election campaign period.

11.506 Requirements imposed upon candidates.

(1) An eligible candidate shall not accept private contributions other than seed money contributions and qualifying contributions that the candidate accepts during the exploratory period and the public financing qualifying period.

(2) In addition to reports required to be filed under ss. 11.12 (5) and 11.20, a candidate who receives a public financing benefit shall furnish complete financial records, including records of seed money contributions, qualifying contributions, and disbursements, to the board on the 15th or the last day of the month that immediately follows the receipt of the contribution or the making of the disbursement, whichever comes first, except that during July, August, and September records need only be furnished by the last day of the month. Each such candidate shall cooperate with any audit or examination by the board.

(3) In addition to adhering to requirements imposed under ss. 11.06 (5) and 11.12 (3), a candidate who receives a public financing benefit shall maintain records of all contributions received by the candidate of more than \$5 but less than \$50, including seed money contributions and qualifying contributions, which shall contain the full name of the contributor and the contributor's full home address. In addition, if a contributor's aggregate contributions to any candidate exceed \$50 for any campaign, the candidate shall also maintain a record of the contributor's principal occupation and the name and business address of the contributor's place of employment.

(4) The failure to record or provide the information specified in sub. (3) disqualifies a contribution from being used by a candidate as a qualifying contribution.

(5) No eligible candidate and no person acting on a candidate's behalf may deposit any contribution that is not recorded in accordance with sub. (3) in a candidate's campaign depository account.

(6) No eligible candidate may accept more than \$25 in cash from any contributor. No eligible candidate may accept cash from all sources in a total amount greater than one-tenth of 1 percent of the public financing benefit for the office that the candidate seeks or \$500, whichever is greater.

11.507 Personal funds of candidates. (1) The personal funds of a candidate contributed as seed money contributions may not exceed an aggregate amount of \$5,000.

(2) No eligible candidate may make any disbursement derived from personal funds after the close of the public financing qualifying period.

11.508 Seed money contributions. (1) An eligible candidate may accept seed money contributions from any individual or committee prior to the end of the public financing qualifying period, provided the total contributions received from one contributor, except personal funds and qualifying contributions otherwise permitted under ss. 11.502 to 11.522, do not exceed \$100, and the aggregate contributions, including personal funds, but not including qualifying contributions, do not exceed \$5,000.

(2) An eligible candidate may make disbursements derived from seed money contributions only during the exploratory period and the public financing qualifying period.

11.509 Excess contributions. If an eligible candidate receives excess seed money contributions or qualifying contributions on an aggregate basis, the candidate may retain the contributions and make disbursements derived from the contributions, in an amount not exceeding \$15,000. An amount equivalent to the excess contributions shall be deducted by the board from the candidate's public financing benefit. An eligible candidate shall transfer to the board all seed money and qualifying contributions that exceed the limits prescribed in this section within 48 hours after the end of the exploratory period. The board shall deposit all contributions transferred under this section in the democracy trust fund.

11.51 Certification by candidate. (1) To apply for a public financing benefit, a candidate shall certify to the board that the candidate has complied and will comply, throughout the applicable campaign, with all requirements of ss. 11.502 to 11.522 and that all disclosures required as of the time of application have been made, and shall present evidence of the requisite number of qualifying contributions received by the candidate. The candidate's request for certification shall be signed by the candidate and the candidate's campaign treasurer.

(2) The board shall certify to the state treasurer the name of each eligible candidate at the spring primary

together with the amount of the public financing benefit payable to the candidate promptly after the candidate demonstrates his or her eligibility and, in any event, not later than 5 days after the end of the public financing qualifying period. The state treasurer shall immediately credit that candidate's account with a line of credit for the amount certified. No candidate may utilize a line of credit received under this subsection until the beginning of the primary election campaign period.

(3) The board shall certify to the state treasurer the name of each eligible candidate at the spring election together with the amount of the public financing benefit payable to the candidate not later than 48 hours after the date of the spring primary election for the office of justice, or the date that the primary election would be held if a primary were required. The state treasurer shall immediately credit that candidate's account with a line of credit for the amount certified. However, no candidate for a particular office shall receive a line of credit until all candidates for the office of justice who apply and qualify for a public financing benefit have been certified as eligible candidates.

(4) If any candidate who receives a public financing benefit violates the requirements of ss. 11.502 to 11.522, the board shall require the candidate to repay the amount obligated by the candidate from the democracy trust fund for the primary or election campaign period for which the candidate received the benefit. The board shall deposit all repayments received under this subsection in the democracy trust fund.

11.511 Public financing benefits. (1) The state treasurer shall provide to each eligible candidate who qualifies to receive a public financing benefit for the primary or election campaign period separate lines of credit for the public financing benefits payable to the candidate for the primary and election campaign periods in the amounts specified in this section, subject to any required adjustment under s. 11.509, 11.512 (2) or 11.513 (2). An eligible candidate may use this public financing benefit to finance any lawful disbursements during the primary and election campaign periods to further the election of the candidate in that primary or election. An eligible candidate shall not use this public financing benefit to repay any loan, or in violation of ss. 11.502 to 11.522 or any other applicable law.

(2) Except as provided in ss. 11.512 (2) and 11.513 (2), the public financing benefit for a primary election campaign period is \$100,000.

(3) Except as provided in ss. 11.512 (2) and 11.513 (2), the public financing benefit for an election campaign period is \$300,000.

(4) If there is no spring primary for the office of justice, no eligible candidate may receive a public financing benefit for the primary election campaign period.

(5g) An eligible candidate who receives a public financing benefit in the primary election campaign

period and whose name is certified to appear on the ballot at the election following that primary may utilize any unencumbered balance of the public financing benefit received by the candidate in the primary election campaign period for the election campaign period.

(5r) Except as permitted in sub. (5g), an eligible candidate who receives a public financing benefit and who does not encumber or expend some portion of the benefit for a purpose described in sub. (1) shall return any unencumbered portion of the benefit to the board within 30 days after the primary or election in which the candidate participates.

(6) Notwithstanding subs. (2) and (3), beginning on July 1, 2012, and every 2 years thereafter, the board shall modify the public financing benefits provided for in subs. (2) and (3) to adjust for the change in the consumer price index, all items, U.S. city average, published by the U.S. department of labor for the preceding 2-year period ending on December 31.

11.512 Financial activity by nonparticipating candidates. (1) In addition to other reports required by law, a nonparticipating candidate for an office at a primary or election who receives contributions or makes or obligates to make disbursements in an amount that is more than 5 percent greater than the public financing benefit applicable to an eligible candidate for the same office at the same primary or election shall file a report with the board itemizing the total contributions received and disbursements made or obligated to be made by the candidate as of the date of the report. The board shall transmit copies of the report to all candidates for the same office at the same election. A nonparticipating candidate shall file additional reports after the candidate receives each additional \$1,000 of contributions, or the candidate makes or obligates to make each additional \$1,000 of disbursements. If such contributions are received or such disbursements are made or obligated to be made more than 6 weeks prior to the date of the primary election at which the name of the candidate appears on the ballot, or prior to the date that the primary election would be held, if a primary were required, the reports shall be made at the next regular reporting interval under s. 11.506. If such contributions are received or such disbursements made or obligated to be made within 6 weeks prior to the date of the primary election at which the name of the candidate appears on the ballot, or within 6 weeks prior to the date that the primary election would be held, if a primary were required, the reports shall be made within 24 hours after each instance in which such contributions are received, or such disbursements are made or obligated to be made.

(2) Upon receipt of such information, the board shall immediately certify to the state treasurer the name of each opposing eligible candidate together with the amount of a supplemental grant that shall become payable to that candidate. The supplemental grant shall be equivalent to the total excess disbursement amount made

or obligated to be made, but not to exceed, in the aggregate, exclusive of any amount to which the candidate is entitled under s. 11.513 (2), an amount equal to 3 times the public financing benefit payable to a candidate for the applicable office at the primary or other election for which the benefit is received. The state treasurer shall immediately credit each opposing eligible candidate with an additional line of credit for the amount certified.

11.513 Independent disbursements. (1) If any person makes, or becomes obligated to make, by oral or written agreement, an independent disbursement in excess of \$1,000 with respect to a candidate for the office of justice at a spring primary or election, that person shall file with the board a notice of the disbursement or obligation to make the disbursement. Any such person shall file reports of such disbursements or obligations to make such disbursements on the 15th or last day of the month that immediately follows the date of the disbursement or the obligation to make the disbursement, whichever comes first, except that, within 6 weeks prior to the date of the spring primary election, if a primary is held, and within 6 weeks prior to the date of the spring election, the person shall file such reports within 24 hours after each independent disbursement is made or obligated to be made. Any such person shall file an additional report after each additional \$1,000 of disbursements are made or obligated to be made.

(2) When the aggregate independent disbursements made or obligated to be made by a person against an eligible candidate for an office or for the opponents of that candidate exceed 120 percent of the public financing benefit for that office in the primary election campaign period or the election campaign period, the board shall immediately certify to the state treasurer the name of that candidate together with the amount of a supplemental grant that shall become payable to that candidate. The supplemental grant shall be equivalent to the aggregate independent disbursements exceeding the applicable public financing benefit made or obligated to be made by a person, but not to exceed, exclusive of any amount to which a candidate is entitled under s. 11.512 (2), an amount equal to 3 times the public financing benefit payable to a candidate for the applicable office at the primary or other election for which the benefit is received. The state treasurer shall then immediately credit that candidate with an additional line of credit for the amount certified.

11.515 Democracy trust fund. The democracy trust fund shall be administered by the state treasurer. The state treasurer shall establish an account within the fund for each eligible candidate.

11.516 Administration. Except as otherwise specifically provided in ss. 11.501 to 11.522, the duties of and authority for administering and enforcing ss. 11.501 to 11.522 are vested in the board.

11.517 Penalties; enforcement. (1) Notwithstanding s. 11.60 (1), if an eligible candidate makes disbursements that exceed the total amount of the public financing benefit allocated to the candidate for any campaign and the total qualifying and seed money contributions lawfully accepted by the candidate, the candidate may be required to forfeit not more than 10 times the amount by which the disbursements exceed the allocation.

(2) Notwithstanding s. 11.60 (1), any eligible candidate who accepts contributions in excess of any limitation imposed under ss. 11.502 to 11.522 may be required to forfeit not more than 10 times the amount by which the contributions exceed the applicable limitation.

(3) If the board finds that there is probable cause to believe that an eligible candidate has made excess disbursements or has accepted excess contributions contrary to sub. (1) or (2), the board shall attempt for a period of not more than 14 days after its finding to correct the matter by informal methods of conference and conciliation and to enter into a settlement and conciliation agreement under s. 5.05 (1) (c) with the person involved. A settlement and conciliation agreement made pursuant to this subsection shall be a matter of public record. Unless violated, a settlement and conciliation agreement is a bar to any civil action under sub. (4).

(4) If the board has probable cause to believe that an eligible candidate has made excess disbursements or has accepted excess contributions and the board is unable to correct the matter by informal methods within the time prescribed in sub. (3), the board shall make a public finding of probable cause in the matter. After making a public finding, the board may bring a civil action against the eligible candidate as provided in s. 5.05 (1) (c).

(5) If an elector believes that an eligible candidate has violated ss. 11.502 to 11.522 and the elector is entitled to vote for or against the eligible candidate in the election in connection with which the violation is alleged to occur, the elector may file a complaint with the board requesting it to take remedial action. If the board refuses to take remedial action or, within 30 days after the filing of such a complaint, fails to take remedial action, the elector may commence a civil action requesting the court to impose a forfeiture under sub. (1) or (2) in circuit court for the county where the board is authorized to bring an action under s. 5.05 (1) (c).

(6) The board and courts shall expedite all proceedings under ss. 11.502 to 11.522 so that all complaints brought prior to an election are resolved, to the extent possible, before the election is held.

(7) If a complaint brought under ss. 11.502 to 11.522 is resolved against the complainant and is found to have been brought in bad faith and without reasonable basis therefor, the board or court may assess costs, including reasonable attorney fees, against the complainant.

11.518 Prohibited acts. (1) Notwithstanding s. 11.61 (1) (c), if an eligible candidate or agent of a candidate knowingly accepts more contributions than the candidate is entitled to receive, or makes disbursements exceeding the total amount of the public financing benefit received by the candidate and the qualifying and seed money contributions lawfully received by the candidate, the candidate or agent is guilty of a Class G felony.

(2) Notwithstanding s. 11.61 (1) (c), if in connection with the receipt or disbursement of a public financing benefit for an election campaign, any person knowingly provides false information to the board, or knowingly conceals or withholds information from the board, that person is guilty of a Class G felony.

11.522 Contributions to nonparticipating candidates; attributions. (1) A nonparticipating candidate may accept contributions from private sources without limitation, except that no person may make any contribution or contributions to a nonparticipating candidate exceeding a total of \$1,000 during any campaign.

(2) In addition to the attribution required under s. 11.30 (2), any electronic or print communication paid for or authorized by a nonparticipating candidate shall contain the following sentence: "This communication is paid for with money raised from private sources. This

candidate has not agreed to abide by campaign contribution and spending limits."

SECTION 18. 11.60 (4) of the statutes is amended to read:

11.60 (4) Except as otherwise provided in ss. 5.05 (2m) (c) 15. and 16. and (h), 5.08, and 5.081, actions under this section or 11.517 may be brought by the board or by the district attorney for the county where the defendant resides or, if the defendant is a nonresident, by the district attorney for the county where the violation is alleged to have occurred. For purposes of this subsection, a person other than a natural person resides within a county if the person's principal place of operation is located within that county.

SECTION 19. 11.61 (2) of the statutes is amended to read:

11.61 (2) Except as otherwise provided in ss. 5.05 (2m) (c) 15. and 16. and (i), 5.08, and 5.081, all prosecutions under this section or s. 11.518 shall be conducted by the district attorney for the county where the defendant resides or, if the defendant is a nonresident, by the district attorney for the county where the violation is alleged to have occurred. For purposes of this subsection, a person other than a natural person resides within a county if the person's principal place of operation is located within that county.

SECTION 20. 20.005 (3) (schedule) of the statutes: at the appropriate place, insert the following amounts for the purposes indicated:

				2009-10	2010-11
20.511	Government accountability				
(1)	ADMINISTRATION OF ELECTION, ETHICS, AND LOBBYING LAWS				
(r)	Democracy trust fund administration	SEG	A	-0-	-0-
20.585	Treasurer, state				
(1)	CUSTODIAN OF STATE FUNDS				
(r)	Democracy trust fund administration	SEG	A	-0-	-0-

SECTION 21. 20.511 (1) (r) of the statutes is created to read:

20.511 (1) (r) *Democracy trust fund administration.* From the democracy trust fund, the amounts in the schedule for the administration of ss. 11.501 to 11.522.

SECTION 22. 20.585 (1) (q) of the statutes is created to read:

20.585 (1) (q) *Public financing benefits; candidates for justice.* From the democracy trust fund, a sum sufficient to provide for payment of public financing benefits to eligible candidates under ss. 11.501 to 11.522.

SECTION 23. 20.585 (1) (r) of the statutes is created to read:

20.585 (1) (r) *Democracy trust fund administration.* From the democracy trust fund, the amounts in the schedule for the administration of ss. 11.501 to 11.522.

SECTION 24. 20.855 (4) (b) of the statutes is amended to read:

20.855 (4) (b) (title) *Election campaign fund payments.* A sum sufficient equal to one-third of the amounts determined under s. 71.10 (3) to be paid into the Wisconsin election campaign fund annually on August 15.

SECTION 25. 20.855 (4) (ba) of the statutes is created to read:

20.855 (4) (ba) *Democracy trust fund payments.* A sum sufficient equal to two-thirds of the amounts determined under s. 71.10 (3) to be paid into the democracy trust fund annually on August 15.

SECTION 26. 20.855 (4) (bb) of the statutes is created to read:

20.855 (4) (bb) *Democracy trust fund transfer.* A sum sufficient equal to the difference between the unencumbered balance in the democracy trust fund and the amounts required to provide public financing benefits that candidates qualify to receive from the democracy

trust fund, to be transferred from the general fund to the democracy trust fund no later than the time required to make payments of grants under s. 11.51 (2) and (3).

SECTION 27. 25.17 (1) (cm) of the statutes is created to read:

25.17 (1) (cm) Democracy trust fund (s. 25.421);

SECTION 28. 25.421 of the statutes is created to read:

25.421 Democracy trust fund. All moneys appropriated under s. 20.855 (4) (ba) and (bb) and all moneys deposited in the state treasury under ss. 11.509, 11.51 (4), and 11.511 (5r) constitute the democracy trust fund, to be expended for the purposes of ss. 11.501 to 11.522.

SECTION 29. 71.10 (3) (a) of the statutes is amended to read:

71.10 (3) (a) Every individual filing an income tax return who has a tax liability or is entitled to a tax refund may designate \$1 ~~\$2~~ for the Wisconsin election campaign

fund and the democracy trust fund for the use of eligible candidates under ~~s. ss. 11.50 and 11.51~~. If the individuals filing a joint return have a tax liability or are entitled to a tax refund, each individual may make a designation of \$1 ~~\$2~~ under this subsection.

SECTION 30. Initial applicability.

(1) The treatment of section 71.10 (3) (a) of the statutes first applies to taxable years beginning on January 1 of the year in which this subsection takes effect, except that if this subsection takes effect after July 31 the treatment first applies to taxable years beginning on January 1 of the year following the year in which this subsection takes effect.

SECTION 31. Effective date.

(1) This act takes effect on December 1 following the date of publication.
