

**2015 DRAFTING REQUEST**

**Senate Amendment (SA-AB387)**

Received: **10/30/2015** Received By: **tkuczens**  
For: **Jennifer Shilling (608) 266-5490** Same as LRB:  
May Contact: By/Representing: **kara**  
Subject: **Elections - campaign finance** Drafter: **tkuczens**  
Addl. Drafters: **tkuczens**  
Extra Copies:

Submit via email: **YES**  
Requester's email: **Sen.Shilling@legis.wisconsin.gov**  
Carbon copy (CC) to: **joseph.kreye@legis.wisconsin.gov**  
**tracy.kuczenski@legis.wisconsin.gov**

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**Pre Topic:**

No specific pre topic given

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**Topic:**

Reporting of certain disbursements by corporations, cooperative associations and labor organizations

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**Instructions:**

Modify 2015 SB 201

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**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	tkuczens 10/30/2015	anienaja 10/30/2015	_____			
/1			_____	srose 10/30/2015	srose 10/30/2015	

FE Sent For:

<END>

## Kreye, Joseph

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**From:** Champagne, Rick  
**Sent:** Wednesday, October 28, 2015 3:13 PM  
**To:** Kreye, Joseph; Kuczenski, Tracy  
**Subject:** FW: Amendments to Campaign Finance (SB292/AB387)

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**From:** Pennoyer, Kara  
**Sent:** Wednesday, October 28, 2015 3:12 PM  
**To:** Champagne, Rick <Rick.Champagne@legis.wisconsin.gov>; Hanaman, Cathlene <Cathlene.Hanaman@legis.wisconsin.gov>  
**Subject:** Amendments to Campaign Finance (SB292/AB387)

Hi Rick and Cathlene,

I am again trying to motivate our caucus to get me amendments in a timely fashion. We'll do our best.

I have one for you right now though!

Can we have SB 201 (Erpenbach) drafted as an amendment to SB 292 and AB 387? We're not sure how things are going to shake out next week so think it would be best to draft all of our amendments to both bills.

Thanks!

**Kara Pennoyer**  
**Office of Senator Jennifer Shilling**  
608.266.5490  
206 South, State Capitol



## ENGROSSED ASSEMBLY BILL 387

(Insert to Insert 1-3)

1 9. Any communication that does not expressly advocate for the election or  
2 defeat of a clearly identified candidate.

3 ~~10.~~ <sup>10.</sup> A communication made exclusively between an organization and its  
4 members. In this <sup>paragraph</sup> ~~subdivision~~, a member of an organization means a shareholder,  
5 employee, or officer of the organization, or an individual who has affirmatively  
6 manifested an interest in joining, supporting, or aiding the organization.

7 11. Any cost incurred to conduct Internet activity by an individual acting in his  
8 or her own behalf, or acting in behalf of another person if the individual is not  
9 compensated specifically for those services, including the cost or value of any  
10 computers, software, Internet domain names, Internet service providers, and any  
11 other technology that is used to provide access to or use of the Internet, but not  
12 including professional video production services purchased by the individual.

13 12. Any news story, commentary, or editorial by a broadcasting station, cable  
14 television operator, producer, or programmer, Internet site, or newspaper or other  
15 periodical publication, including an Internet or other electronic publication unless  
16 a committee owns the medium in which news story, commentary, or editorial  
17 appears.

18 13. An expenditure of funds by a sponsoring organization for a political action  
19 committee's administrative or solicitation expenses.

20 14. An expenditure of funds by a sponsoring organization for an independent  
21 expenditure committee's administrative or solicitation expenses.

22 15. An expenditure of funds by a sponsor, as defined in s. 11.0705 (1), for a  
23 conduit's administrative or solicitation expenses.

24 (9) "Corporation" includes a foreign limited liability company, as defined in s.  
25 183.0102 (8) and a limited liability company, as defined in s. 183.0102 (10), if the



State of Wisconsin  
2015 - 2016 LEGISLATURE

LRBa1181/1  
TKK&JK... amm  
RMNR  
insert

**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION**

**SENATE AMENDMENT ,  
TO ASSEMBLY BILL 387**

SAJ  
Xref

10/30 Today

Insert 1-3

- 1 At the locations indicated, amend the engrossed bill as follows:
- 2 **1.** Page 21, line 13: after that line insert:
- 3 **2.** Page 30, line 13: after that line insert:
- 4 **"11.01035 Reporting of certain mass communications.** (1) A committee
- 5 registered under this chapter that makes a mass communication during the period
- 6 beginning on the 60th day preceding an election and ending on the date of that
- 7 election that includes a reference to a clearly identified candidate whose name is
- 8 certified under s. 7.08 (2) (a) or 8.50 (1) (d) to appear on the ballot at that election shall
- 9 report the following information with respect to any disbursement made or
- 10 obligation incurred for the purpose of making the mass communication:

1 (a) An itemized statement of every disbursement, together with the name and  
2 address of the person to whom the disbursement was made, and the date and specific  
3 purpose for which the disbursement was made.

4 (b) An itemized statement of every obligation, together with the name of the  
5 person or business with whom the obligation was incurred, and the date and the  
6 specific purpose for which each such obligation was incurred.

7 (c) A statement of totals during the reporting period of disbursements made.

8 (d) A statement of the balance of obligations incurred as of the end of the  
9 reporting period.

10 (e) A statement of cumulative totals for the calendar year of disbursements  
11 made and obligations incurred.

12 (2)

13

(END)

Insert 2-12



## 2015 SENATE BILL 201

June 26, 2015 - Introduced by Senators ERPENBACH, C. LARSON, CARPENTER, WIRCH, MILLER, VINEHOUT, RINGHAND and HARRIS DODD, cosponsored by Representatives SUBECK, DOYLE, MILROY, MASON, HEBL, KOLSTE, BERCEAU, OHNSTAD, WACHS, KESSLER, CONSIDINE, JOHNSON, C. TAYLOR, KAHL, POPE, HESSELBEIN, BILLINGS and ZAMARRIPA. Referred to Committee on Elections and Local Government.

1 **AN ACT to amend** 11.06 (2); and **to create** 11.01 (12v), 11.01 (12w), 11.01 (13),  
2 11.01 (14), 11.01 (16) (a) 3., 11.05 (3)(s) and 11.12 (7) of the statutes; **relating**  
3 **to:** political disbursements and obligations by corporations, cooperative  
4 associations, and labor organizations and the scope of regulated activity and  
5 reporting of certain activity under the campaign finance law.

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### *Analysis by the Legislative Reference Bureau*

Under current law, individuals who accept contributions, organizations that make or accept contributions, and individuals who or organizations that incur obligations or make disbursements 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 additional registration and reporting requirements on any person who, within 60 days of an election, makes any mass communication, including an electronic communication, a mass distribution, or a mass telephoning, that includes a reference to a clearly identified candidate at that election. In addition, the bill requires a person who becomes subject to a registration requirement by making such a communication to report, upon registration, the information that would have been required to be reported if the person had been registered with respect to any obligation incurred or disbursement made for the purpose of making such a communication prior to registration. The bill, however,

**SENATE BILL 201**

does not require registration and reporting if the communication is made by a corporation, cooperative, or nonpolitical voluntary association and is limited to the corporation's, cooperative's, or association's members, shareholders, or subscribers.

The change in the scope of reportable activity under the bill also applies to contribution and disbursement (spending) limitations and restrictions by causing reportable "contributions," "obligations," and "disbursements" to include the cost of all reportable communications.

The bill also requires a special report by any campaign finance registrant who makes or incurs an obligation to make a mass communication that becomes reportable under the bill within 60 days of a primary or other election in an amount greater than \$500 cumulatively since the date of the registrant's last report. The special report must be made within 24 hours after the date that disbursements or obligations that exceed \$500 cumulatively are made or incurred and must include the information that would otherwise be reported on the registrant's next regular report in the form prescribed by Government Accountability Board.

Under current law, violators of registration and reporting requirements are subject to a forfeiture (civil penalty) of not more than \$500 for each violation. In addition, any person who is delinquent in filing a report is subject to a forfeiture of not more than \$50 or 1 percent of the annual salary of the office for which a candidate is being supported or opposed, whichever is greater, for each day of delinquency. Intentional violators of the registration requirements and persons who intentionally file false reports or statements may be fined not more than \$1,000 or imprisoned for not more than six months, or both, if the violation involves less than \$100 in amount or value, and may be fined not more than \$10,000 or imprisoned for not more than three years and six months, or both, if the violation involves more than \$100 in amount or value.

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

1 **SECTION 1.** 11.01 (12v) of the statutes is created to read:

2 (19d) 11.01 (12v) "Mass communication" means a message that is disseminated by  
 3 means of one or more communications media, a mass electronic communication, a  
 4 mass distribution, or a mass telephoning, but not including <sup>any of the following (i) or (a)</sup> a bona fide poll  
 5 conducted for the purpose of objectively identifying or collecting data concerning the  
 6 attitudes or preferences of electors.

7 **SECTION 2.** 11.01 (12w) of the statutes is created to read:

Insert to this Insert 1-3

SENATE BILL 201

(19h) B

1 11.01 (12w) "Mass distribution" means the distribution of 500 or more pieces  
2 of substantially identical material.

3 SECTION 3. 11.01 (13) of the statutes is created to read:

4 (19p) 11.01 (13) "Mass electronic communication" means the transmission of 500 or  
5 more pieces of substantially identical material by means of electronic mail or  
6 facsimile transmission.

7 SECTION 4. 11.01 (14) of the statutes is created to read:

8 (19t) 11.01 (14) "Mass telephoning" means the making of 500 or more telephone calls  
9 conveying a substantially identical message. )) (C)

10 SECTION 5. 11.01 (16) (a) 3. of the statutes is created to read:

11 11.01 (16) (a) 3. A mass communication, other than a communication that is  
12 exempt from reporting under s. 11.29, that is made during the period beginning on  
13 the 60th day preceding an election and ending on the date of that election, and that  
14 includes a reference to a clearly identified candidate whose name is certified under  
15 s. 7.08 (2) (a) or 8.50 (1) (d) to appear on the ballot at that election.

16 SECTION 6. 11.05 (3) (s) of the statutes is created to read:

17 11.05 (3) (s) In the case of a registrant that has made a mass communication  
18 identified in s. 11.01 (16) (a) 3., a report containing the information specified in s.  
19 11.06 (1) with respect to any obligation to make a disbursement incurred or any  
20 disbursement made for the purpose of making such a communication prior to  
21 registration.

22 SECTION 7. 11.06 (2) of the statutes is amended to read:

23 11.06 (2) DISCLOSURE OF CERTAIN INDIRECT DISBURSEMENTS. Notwithstanding  
24 sub. (1), if a disbursement is made or obligation incurred by an individual other than  
25 a candidate or by a committee or group which is not primarily organized for political

End Insert 1-3



SENATE BILL 201

SECTION 7

Begin Insert 2 - 12

1 purposes, and the disbursement does not constitute a contribution to any candidate  
 2 or other individual, committee, or group, and the disbursement is not made or the  
 3 obligation is not incurred for the purpose of making a mass communication specified  
 4 in s. 11.01 (16) (a) 3., the disbursement or obligation is required to be reported only  
 5 if the purpose is to expressly advocate the election or defeat of a clearly identified  
 6 candidate or the adoption or rejection of a referendum. The exemption provided by  
 7 this subsection shall in no case be construed to apply to a political party, legislative  
 8 campaign, personal campaign, or support committee.

SECTION 8. 11.12 (7) of the statutes is created to read:

10 11.12 (7) If any <sup>g committee</sup> registrant makes or incurs an obligation to make a  
 11 disbursement of more than \$500 cumulatively for the purpose of making a  
 12 <sup>mass</sup> communication <sup>g that includes a reference to a clearly identified candidate and that is made less</sup> specified in s. 11.01 (16) (a) 3. <sup>later</sup> than 60 days <sup>before</sup> prior to a primary  
 13 or other election without cooperation or consultation with any candidate or agent or  
 14 authorized committee of any candidate who is supported or opposed, and not in  
 15 concert with or at the request or suggestion of any such candidate, agent, or  
 16 committee, the <sup>g committee</sup> registrant shall, within 24 hours after making the disbursement or  
 17 incurring the obligation <sup>g</sup> (to make the disbursement), inform the appropriate filing  
 18 officer of the information required under <sup>g sub</sup> (s. 11.06) (1) in such manner as the board may  
 19 prescribe. The <sup>g committee</sup> registrant shall also include the information in the next <sup>g</sup> regular  
 20 report of the <sup>g committee</sup> registrant under <sup>g this chapter</sup> (s. 11.20). For purposes of this subsection,  
 21 disbursements and obligations cumulate beginning with the day after the last date  
 22 covered on the <sup>g committee's</sup> registrant's immediately preceding report and ending with the day  
 23 before the election. If a <sup>g committee</sup> registrant has not filed a previous report, disbursements and  
 24 obligations cumulate beginning on the date of the <sup>g committee's</sup> registrant's registration. A  
 25 disbursement that was previously reported in a report under this subsection as

**SENATE BILL 201**

End Insert 2-12

1 obligated to be made shall not be included in the cumulative total. Upon receipt of  
 2 a report under this subsection, the filing officer shall, within 24 hours of receipt,  
 3 transmit a copy of the report to all candidates for any office in support of or opposition  
 4 to one of whom a disbursement identified in the report is made or obligated to be  
 5 made. ))  
 √ ⊙

**SECTION 9. Initial applicability.**

6  
 7 (1) The treatment of sections 11.01 (12v), (12w), (13), (14), and (16) (a) 3. and  
 8 11.06 (2) of the statutes first applies with respect to contributions received,  
 9 disbursements made, and obligations incurred on or after the effective date of this  
 10 subsection.

(END)

6