



**ASSEMBLY AMENDMENT 2,  
TO ASSEMBLY SUBSTITUTE AMENDMENT 2,  
TO 1995 ASSEMBLY BILL 37**

February 16, 1995 – Offered by Representative DUFF.

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 8, line 22: after that line insert:

3 **“SECTION 14m.** 11.38 (title), (1) (a) and (2) (b) of the statutes are amended to  
4 read:

5 **11.38** (title) **Contributions and disbursements by corporations,**  
6 **cooperatives and labor organizations.** (1) (a) 1. No foreign or domestic  
7 corporation, or association organized under ch. 185 or labor organization, may make  
8 any contribution or disbursement, directly or indirectly, either independently or  
9 through any political party, committee, group, candidate or individual for any  
10 purpose other than to promote or defeat a referendum.

11 2. Notwithstanding subd. 1., any such corporation ~~or~~, association or labor  
12 organization may establish and administer a separate segregated fund and solicit  
13 contributions from individuals to the fund to be utilized by such corporation ~~or~~,  
14 association or labor organization, for the purpose of supporting or opposing any  
15 candidate for state or local office but the corporation ~~or~~, association or labor

1 organization may not make any contribution to the fund. The fund shall appoint a  
2 treasurer and shall register as a political committee under s. 11.05. A parent  
3 corporation ~~or~~, association or labor organization engaging solely in this activity is not  
4 subject to registration under s. 11.05, but shall register and file special reports on  
5 forms prescribed by the board disclosing its administrative and solicitation expenses  
6 on behalf of such fund. A corporation, association or labor organization not domiciled  
7 in this state need report only its expenses for administration and solicitation of  
8 contributions in this state together with a statement indicating where information  
9 concerning other administration and solicitation expenses of its fund may be  
10 obtained. The reports shall be filed with the filing officer for the fund specified in s.  
11 11.02 in the manner in which continuing reports are filed under s. 11.20 (4) and (8).

12 3. No corporation ~~or~~, association or labor organization specified in subd. 1. may  
13 expend more than a combined total of \$500 annually for solicitation of contributions  
14 to a fund established under subd. 2. or to a conduit.

15 (2) (b) This section does not prohibit the publication of periodicals by a  
16 corporation ~~or a~~, cooperative or labor organization in the regular course of its affairs  
17 which advise the members, shareholders or subscribers of the disadvantages or  
18 advantages to their interests of the election to office of persons espousing certain  
19 measures, without reporting such activity.

20 **SECTION 14n.** 11.38 (2) (c) of the statutes is repealed.

21 **SECTION 14p.** 11.38 (3) to (5) of the statutes are amended to read:

22 11.38 (3) A violation of this section by an officer or employe of a corporation,  
23 association or labor organization is prima facie evidence of a violation by the  
24 corporation.

1           (4) Any corporation, association or labor organization which violates this  
2 section shall forfeit double the amount of any penalty assessed under s. 11.60 (3).

3           (5) An action against a corporation, association or labor organization pursuant  
4 to a violation of this section may be brought either in the circuit court for the county  
5 in which the registered office or principal place of business of the corporation,  
6 association or labor organization is located, or in the circuit court for the county in  
7 which the violation is alleged to have occurred. The proceedings may be brought by  
8 the district attorney of either such county, by the attorney general or by the board.

9           **SECTION 14q.** 11.38 (8) of the statutes is amended to read:

10           11.38 (8) (a) A corporation ~~or~~, association organized under ch. 185 or labor  
11 organization which accepts contributions or makes disbursements for the purpose  
12 of influencing the outcome of a referendum is a political group and shall comply with  
13 s. 11.23 and other applicable provisions of this chapter.

14           (b) Except as authorized in s. 11.05 (12) (b) and (13), prior to making any  
15 disbursement on behalf of a political group which is promoting or opposing a  
16 particular vote at a referendum and prior to accepting any contribution or making  
17 any disbursement to promote or oppose a particular vote at a referendum, a  
18 corporation or association organized under ch. 185 or labor organization shall  
19 register with the appropriate filing officer specified in s. 11.02 and appoint a  
20 treasurer. The registration form of the corporation ~~or~~, association or labor  
21 organization under s. 11.05 shall designate an account separate from all other  
22 corporation or association accounts as a campaign depository account, through  
23 which all moneys received or expended for the adoption or rejection of the  
24 referendum shall pass. The corporation ~~or~~, association or labor organization shall

1 file periodic reports under s. 11.20 providing the information required under s. 11.06  
2 (1).

3 (c) Expenditures by a corporation or association or labor organization to  
4 establish and administer a campaign depository account of a political group need not  
5 be made through the depository account and need not be reported.”.

6 (END)