



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2013 Assembly Bill 225

**Assembly Substitute
Amendment 1, As Amended**

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This amendment memo describes Assembly Substitute Amendment 1 to 2013 Assembly Bill 225. Assembly Substitute Amendment 1 relates to various changes in election, campaign finance, ethics, and lobbying laws. The description of Assembly Substitute Amendment 1 incorporates the changes made by Assembly Amendments 1 and 2 to Assembly Substitute Amendment 1.

ELECTION LAW

Voter Registration

Electronic Voter Registration

Current Law

Current law does not allow an elector to register electronically to vote. Instead, current law allows a qualified elector to register by mail, with a special registration deputy, in person at the office of the municipal clerk, county clerk, or board of election commissioners, or at the polling place on Election Day.

Current law requires, among other items, that an elector who is registering to vote provide his or her name and address and sign the voter registration application form. Any registration that is received by mail or is submitted by a special registration deputy must be verified by the municipal clerk. The clerk verifies these registrations by sending a first-class letter or postcard to the registrant at the registrant's address within 10 days of receiving the registration form.

Current law also requires certain electors who are registering to vote to provide proof of residence, as described below. An elector who registers to vote within 20 days of an election or who registers by mail and has not previously voted in an election in Wisconsin must provide proof of residence with his or her registration.

Current law further requires municipal clerks and boards of election commissioners to maintain a file of voter registration forms for the electors of that municipality.

The Substitute Amendment

The substitute amendment allows a qualified elector to register electronically on a secure registration form on the Internet that is maintained by the Government Accountability Board (GAB), if the elector has a current and valid Wisconsin driver's license or Wisconsin identification card ("ID card"). The electronic registration is available to eligible electors who possess the required license or ID card and who register at least 20 days prior to the election. The substitute amendment similarly allows registered electors who possess a Wisconsin driver's license or Wisconsin ID card to enter a change of name or address using the electronic system.

Under the substitute amendment, an elector who registers to vote electronically must provide the same information that other registrants must provide on the current registration form. After providing the required information electronically, the elector authorizes the Department of Transportation (DOT) to forward the elector's electronic signature to GAB. GAB then integrates the electronic signature into the elector's electronic voter registration application form. The elector's authorization for DOT to provide the electronic signature serves as an affirmation by the elector that all information he or she provided is correct and has the same effect as placing a physical signature on a registration form. GAB must ensure that, if the residence location entered by an elector is not the same as the elector's address in DOT records, the elector's information is not verified and the elector's registration is not complete.

The substitute amendment further provides that GAB or the clerk must verify electronic registrations, registrations received by mail, and registrations submitted by special registration deputies by sending a first-class letter or postcard to the registrant. The substitute amendment also provides that a clerk or board of election commissioners that receives an electronic voter registration must maintain these registrations pursuant to a procedure prescribed by GAB in an administrative rule.

The substitute amendment creates an exception to the requirement that electors who register to vote and have never voted in a Wisconsin election must provide proof of residence. The exception applies to certain electors who register electronically and whose information is verified through DOT records. If an elector provides his or her Wisconsin driver's license number, name, and date of birth when registering to vote electronically, and if GAB verifies the information at the time of registration by accessing DOT records, then the elector is not required to provide proof of residence. The substitute amendment requires the two agencies to enter into an agreement allowing GAB to access electronic DOT files so that GAB may instantly verify the elector's information.

Lastly, the provisions relating to electronic voter registration in the substitute amendment take effect on January 1, 2015. No later than July 1, 2014, GAB and DOT must report to the Joint Committee on Finance concerning the progress in implementing an electronic voter registration system.

Proof of Residence

Current Law

Current law requires an elector to register to vote, with certain exceptions. As part of the registration process, an elector may have to provide an identifying document that establishes proof of residence. Documents that may be used as proof of residence include: (1) a current and valid Wisconsin driver's license or Wisconsin ID card; (2) a property tax bill or receipt for the current or prior year; (3) a bank statement; or (4) a check or other document issued by a government unit. Most documents must contain the elector's current and complete name and address to be used as proof of residence.

The Substitute Amendment

The substitute amendment provides that the following documents may also be used as proof of residence if they contain the elector's current and complete name and address: (1) a bill for cellular or wireless telephone service for the period commencing not earlier than 90 days before the day registration is made; or (2) a credit card statement for the period commencing not earlier than 90 days before the day registration is made. The substitute amendment replaces a "bank statement" with a "statement from a financial institution."

Election Officials

Residency of Election Officials

Current Law

Under current law, an election official must generally be a qualified elector of the municipality in which the official serves. If the municipality is divided into wards, then the election official must generally be a qualified elector of the ward for which the polling place is established.

The Substitute Amendment

The substitute amendment provides that up to 50% of the election officials at any one polling place may be qualified electors of a county within which the municipality where the election serves is located, but each chief inspector must be a qualified elector of the municipality in which the chief inspector serves. However, if no qualified candidate for chief inspector is available or if the chief inspector is appointed to fill a vacancy, the person so appointed need not be a qualified elector of the municipality.

High School Election Inspectors (Poll Workers)

Current Law

Current law allows a 16- or 17-year old high school student who meets specified criteria to serve as an election inspector at the particular polling place serving his or her residence.

The Substitute Amendment

The substitute amendment provides that a 16- or 17-year old high school student who meets specified criteria may serve as an election inspector at any polling place located in the county in which the student's residence is located.

Party Representation at the Polls

Current Law

Under current law, election inspectors are appointed from a list of names submitted by the two recognized political parties that received the largest number of votes for president or governor in the area served by the polling place at the last election. The party that received the largest number of votes is entitled to one more inspector than the party receiving the next largest number of votes at the polling place.

The Substitute Amendment

The substitute amendment provides that whenever two or more inspectors are required to perform a function within a polling place and both parties that are entitled to submit nominees have done so, the chief inspector must assign, insofar as practicable, an equal number of inspectors from the nominees of each party to perform that function.

Security of Ballot Containers

Current Law

Under current law, following an election, the inspectors must secure all counted ballots together so that they cannot be untied or tampered with without breaking the seal. The secured ballots, together with any ballots marked "Defective," must then be secured by the inspectors in the ballot container in such a manner that the container cannot be opened without breaking the seals or locks or destroying the container.

The Substitute Amendment

The substitute amendment provides that the ballots must be secured in the ballot container by the chief inspector and, if available, one other inspector whose party affiliation is different than the chief inspector's party affiliation.

Absentee Ballots for Indefinitely Confined Electors

Current Law

Current law allows an elector who is indefinitely confined due to age, physical illness, or infirmity or who is disabled for an indefinite period to apply to have absentee ballots automatically sent to the elector for each election. Failure to return an absentee ballot results in removal of the elector's

name from the automatic absentee mailing list, unless the elector submits a renewal application within a specified period of time.

The Substitute Amendment

The substitute amendment provides that an indefinitely confined elector will not be removed from the automatic absentee mailing list unless the elector fails to return a ballot in two successive regular elections.

Poll Lists

Assisted Electors

Current Law

Current law requires that when an eligible elector is at the polling place entrance but cannot enter due to disability, the election inspectors must deliver the poll list and the elector's ballot to the polling place entrance. Current law does not require that election officials maintain a separate poll list for these electors.

The Substitute Amendment

The substitute amendment requires election officials to maintain a separate poll list for electors who are voting with assistance at the entrance to the polling place. GAB must prescribe the form of the separate poll list to be used for such electors.

Space and Location for Signature

Current Law

Current law requires GAB to prescribe, by administrative rule, the space and location for an elector's signature on the poll list used at the polling place.

The Substitute Amendment

The substitute amendment directs GAB to determine the space and location for an elector's signature on the poll list, rather than requiring GAB to prescribe the space and location by administrative rule.

Reporting of Election Returns

Current Law

Under current law, no later than 30 days before an election, the governing body of a municipality may, by resolution, combine two or more wards for voting purposes to facilitate using a common polling

place. Whenever wards are combined, the original ward numbers must continue to be used for all official purposes.

Every municipality having a population of 35,000 or more must maintain separate returns for each ward that is combined. In municipalities having a population of less than 35,000, the governing body may provide in the resolution that returns must be maintained only for each group of combined wards, but the municipality must maintain separate returns for each separate ballot required for a partisan primary or general election.

The Substitute Amendment

The substitute amendment provides that, in municipalities having a population of 35,000 or more, the governing body may provide in a resolution that returns for any ward having a population of 20 or less be combined with returns for any adjacent ward, if the total population of the combined wards does not exceed the applicable population range for wards in that municipality. However, if returns are combined, the municipality must report separate results for each separate ballot required for a spring primary, spring election, partisan primary, or general election.

In addition, under the substitute amendment, whenever needed for purposes of combining wards, the municipal clerk must determine the population of each ward in his or her municipality. If the population of a ward cannot be determined from census results, the clerk must determine the population of the smallest unit encompassing the entire ward that can be determined from census results. The clerk must then divide the land area of the ward by the land area of that unit and then multiply that result by the population of the unit to determine the population of the ward.

Scheduling of Referenda

Current Law

Current law permits or requires a local government to schedule a referendum for a variety of purposes, such as when the local government seeks to exceed the levy limit or annex territory. The statutes pertaining to each referendum impose an assortment of requirements and limitations on when a referendum may be scheduled. Current law generally requires that a petition requesting that a particular measure or question be submitted for a referendum vote must be filed with the appropriate official or agency no later than 70 days prior to the election at which the referendum will occur.

The Substitute Amendment

The substitute amendment amends statutes pertaining to referenda scheduled by a local governmental unit and provides that a referendum may only be scheduled concurrently with one of the following: (1) a spring primary (held each year in most election districts); (2) a spring election (held each year); (3) a partisan primary (held biennially on the 2nd Tuesday in August); (4) a general election (held biennially on the Tuesday after the first Monday in November); or (5) at a special election held to fill vacancies.

The substitute amendment allows a local government to schedule a referendum concurrently with any of the specified elections, provided that the date of that election allows the question or petition to be

filed with the appropriate official or agency no later than 70 days prior to the election, and provided that the date of that election meets any requirement for the minimum number of days that must pass after a particular event or action.

Recounts

Fees for Election Recounts

Current Law

Under current law, whether a petitioner for a recount is required to pay a fee for the recount, and the amount of the fee, are determined based on the difference in the number of votes between the leading candidate and the petitioner, or, in the case of a referendum question, between the number of affirmative and negative votes. If the difference between the votes for the leading candidate and the petitioner, or the difference between the affirmative and negative votes on a referendum question, is at least 10 if 1,000 or fewer votes are cast or is more than 0.5% but not more than 2.0% if more than 1,000 votes are cast, the petitioner must pay a fee of \$5 for each ward for which the petition requests a recount or \$5 for each municipality for which the petition requests a recount where no wards exist.

The Substitute Amendment

The substitute amendment increases the fee from \$5 per ward or municipality to \$25. Thus, where the difference in votes is as described above, the petitioner must pay a fee of \$25 for each ward or \$25 for each municipality where no wards exist.

Votes Cast with Automatic Tabulating Equipment

Current Law

Under current law, the board of canvassers generally must use automatic tabulating equipment to conduct a recount of ballots that are in machine-readable form. However, a candidate, or an elector when for a referendum, may petition the circuit court for an order requiring such ballots to be recounted by hand or by another method approved by the court.

The Substitute Amendment

The substitute amendment allows the board of canvassers to conduct the recount of a specific election by hand, rather than by automatic tabulating equipment, and to conduct the recount by hand for only certain wards or election districts, unless a court orders the recount to be conducted by another method.

CAMPAIGN FINANCE LAW

Registration Thresholds

Current Law

Under current law, every *committee* that makes or accepts contributions, incurs obligations, or makes disbursements in a calendar year in an aggregate amount in excess of \$25 must register under the campaign finance law. Every *individual* who accepts contributions, incurs obligations, or makes disbursements in a calendar year in an aggregate amount in excess of \$25 to support or oppose the election or nomination of a candidate must register under the campaign finance law.

In addition, every *group* that makes or accepts contributions, incurs obligations, or makes disbursements in a calendar year in an aggregate amount in excess of \$750 to promote or oppose a particular vote at any referendum in this state must register under the campaign finance law. Every *individual* who accepts contributions, incurs obligations, or makes disbursements in a calendar year in an aggregate amount in excess of \$750 to promote or oppose a particular vote at any referendum in this state must register under the campaign finance law.

The Substitute Amendment

The substitute amendment increases the \$25 threshold for registration by *committees* to \$500 and increases the \$25 threshold for registration by *individuals* to \$1,000. In addition, the substitute amendment increases the \$750 threshold for registration of referendum activity by *groups* and *individuals* to \$2,500.

Individual and Committee Contribution Limits

Current Law

Under current law, an *individual* may not make any contribution or contributions to a candidate for the following offices of more than the following total amounts: (1) \$10,000 for Governor, Lieutenant Governor, Secretary of State, State Treasurer, Attorney General, State Superintendent, or Supreme Court Justice; (2) \$1,000 for State Senator; (3) \$500 for State Representative; (4) \$3,000 for court of appeals judge in districts that contain a county having a population of more than 500,000; (5) \$2,500 for court of appeals judge in other districts; (6) \$3,000 for circuit court judge in circuits having a population of more than 300,000 or for district attorney in prosecutorial units having a population of more than 300,000; and (7) \$1,000 for circuit court judge in other circuits or for district attorney in other prosecutorial units.

A *committee*, other than a political party committee or legislative campaign committee, may not make any contribution or contributions to a candidate for the following offices of more than the following total amounts: (1) 4% of the disbursement level in s. 11.31 (1), Stats., for Governor, Lieutenant Governor, Secretary of State, State Treasurer, Attorney General, State Superintendent, or Supreme Court Justice; (2) \$1,000 for State Senator; (3) \$500 for State Representative; (4) \$3,000 for court of appeals judge in districts that contain a county having a population of more than 500,000; (5) \$2,500 for court of appeals judge in other districts; (6) \$3,000 for circuit court judge in circuits having a

population of more than 300,000 or for district attorney in prosecutorial units having a population of more than 300,000; and (7) \$1,000 for circuit court judge in other circuits or for district attorney in other prosecutorial units.

These contribution limits apply cumulatively to the entire primary and election campaign in which a candidate participates.

In addition, an *individual* may not make any contribution or contributions to all candidates for state and local offices and to any individuals or committees subject to registration under the campaign finance law of more than a total of \$10,000 in any calendar year.

The Substitute Amendment

The substitute amendment increases the *individual* contribution limits to: (1) \$20,000 for Governor, Lieutenant Governor, Secretary of State, State Treasurer, Attorney General, State Superintendent, or Supreme Court Justice; (2) \$2,000 for State Senator; (3) \$1,000 for State Representative; (4) \$6,000 for court of appeals judge in districts that contain a county having a population of more than 500,000; (5) \$5,000 for court of appeals judge in other districts; (6) \$6,000 for circuit court judge in circuits having a population of more than 300,000 or for district attorney in prosecutorial units having a population of more than 300,000; and (7) \$2,000 for circuit court judge in other circuits or for district attorney in other prosecutorial units.

The substitute amendment also increases the *committee* contribution limits to: (1) \$87,000 for Governor; (2) \$26,000 for Lieutenant Governor; (3) \$44,000 for Attorney General; (4) \$18,000 for Secretary of State, State Treasurer, State Superintendent, or Supreme Court Justice; (5) \$2,000 for State Senator; (6) \$1,000 for State Representative; (7) \$6,000 for court of appeals judge in districts that contain a county having a population of more than 500,000; (8) \$5,000 for court of appeals judge in other districts; (9) \$6,000 for circuit court judge in circuits having a population of more than 300,000 or for district attorney in prosecutorial units having a population of more than 300,000; and (10) \$2,000 for circuit court judge in other circuits or for district attorney in other prosecutorial units. The substitute amendment repeals the disbursement levels in s. 11.31, Stats., that are used to determine the committee contribution limits under current law.

In addition, the substitute amendment increases the \$10,000 calendar year limit that applies to *individuals* to \$20,000.

Lastly, the substitute amendment provides that, beginning on July 1, 2015, and every two years thereafter, GAB must modify the dollar amounts listed above, rounded to the nearest multiple of \$25, to adjust for change in the Consumer Price Index (CPI), all items, U.S. city average, published by the federal Department of Labor (DOL) for the preceding two-year period ending on December 31.

Limits on Contributions to Political Parties

Current Law

Under current law, a political party may not receive more than a total of \$150,000 in value of its contributions in any *biennium* from all other committees, excluding contributions from legislative

campaign committees and transfers between party committees of the party. In addition, a political party may not receive more than a total of \$6,000 in value of its contributions in any *calendar year* from any specific committee or its subunits or affiliates, excluding legislative campaign and political party committees. No committee, other than a legislative campaign or political party committee, may make any contribution or contributions, directly or indirectly, to a political party in a *calendar year* exceeding a total value of \$6,000.

The Substitute Amendment

The substitute amendment increases the \$150,000 limit to \$300,000 and the \$6,000 limits to \$12,000.

In addition, the substitute amendment provides that, beginning on July 1, 2015, and every two years thereafter, GAB must modify the dollar amounts listed above, rounded to the nearest multiple of \$25, to adjust for change in the CPI, all items, U.S. city average, published by DOL for the preceding two-year period ending on December 31.

Candidate Receipt of Contributions from Committees

Current Law

Under current law, a candidate for state or local office may not receive and accept more than 65% of the value of the office's total disbursement level in s. 11.31, Stats., during any primary and election campaign combined from all committees subject to a filing requirement under the campaign finance law, including political party and legislative campaign committees.

In addition, a candidate for state or local office may not receive and accept more than 45% of the value of the office's total disbursement level in s. 11.31, Stats., during any primary and election campaign combined from all committees subject to a filing requirement under the campaign finance law, other than political party and legislative campaign committees.

The Substitute Amendment

The substitute amendment creates distinct limits on amounts that candidates can receive from: (1) political party and legislative campaign committees; and (2) all other committees. It provides that a candidate for state or local office may not receive and accept more than the following amounts during any primary and general election campaign combined from *all political party and legislative campaign committees* subject to a filing requirement:

- Candidates for Governor, \$432,000.
- Candidates for Lieutenant Governor, \$130,000.
- Candidates for Attorney General, \$108,000.
- Candidates for Secretary of State, State Treasurer, State Superintendent, or Supreme Court Justice, \$87,000.

- Candidates for Court of Appeals Judge, \$35,000.
- Candidates for State Senator, \$14,000.
- Candidates for State Representative, \$7,000.
- Candidates for Circuit Court Judge, \$35,000.
- Candidates for district attorney in any prosecutorial unit with a population of 500,000 or less, \$35,000.
- In any jurisdiction or district, other than a judicial district or circuit, with a population of 500,000 or more, for the following county-wide offices: (1) candidates for county executive, \$54,000; (2) candidates for district attorney, \$67,000; (3) candidates for county supervisor, \$4,000; and (4) candidates for any other county-wide elective office, not including judicial candidates, \$22,000.
- In any jurisdiction or district, other than a judicial district or circuit, with a population of 500,000 or more, for the following offices in first class cities: (1) candidates for mayor, \$54,000; (2) candidates for city attorney, \$34,000; (3) candidates for any other city-wide elective office, \$22,000; and (4) candidates for alderperson, \$4,000.
- Candidates for any local office, who are elected from a jurisdiction or district with less than 500,000 inhabitants, an amount equal to the greater of the following: (1) \$200; (2) 11% of the annual salary for the office sought, rounded to the nearest multiple of \$25; or (3) six cents per inhabitant of the jurisdiction or district, not to exceed \$9,000.

In addition, the substitute amendment provides that a candidate for state or local office may not receive and accept more than the following amounts during any primary and general election campaign combined from *all committees, other than political party and legislative campaign committees*, subject to a filing requirement:

- Candidates for Governor, \$971,000.
- Candidates for Lieutenant Governor, \$292,000.
- Candidates for Attorney General, \$486,000.
- Candidates for Secretary of State, State Treasurer, State Superintendent, or Supreme Court Justice, \$195,000.
- Candidates for Court of Appeals Judge, \$78,000.
- Candidates for State Senator, \$31,000.
- Candidates for State Representative, \$16,000.
- Candidates for Circuit Court Judge, \$78,000.

- Candidates for district attorney in any prosecutorial unit with a population of 500,000 or less, \$78,000.
- In any jurisdiction or district, other than a judicial district or circuit, with a population of 500,000 or more, for the following county-wide offices: (1) candidates for county executive, \$122,000; (2) candidates for district attorney, \$146,000; (3) candidates for county supervisor, \$8,000; and (4) candidates for any other county-wide elective office, not including judicial candidates, \$49,000.
- In any jurisdiction or district, other than a judicial district or circuit, with a population of 500,000 or more, for the following offices in first class cities: (1) candidates for mayor, \$122,000; (2) candidates for city attorney, \$73,000; (3) candidates for any other city-wide elective office, \$49,000; and (4) candidates for alderperson, \$8,000.
- Candidates for any local office, who are elected from a jurisdiction or district with less than 500,000 inhabitants, an amount equal to the greater of the following: (1) \$500; (2) 24% of the annual salary for the office sought, rounded to the nearest multiple of \$25; or (3) 15 cents per inhabitant of the jurisdiction or district, not to exceed \$20,000.

Lastly, the substitute amendment provides that, beginning on July 1, 2015, and every two years thereafter, GAB must modify the dollar amounts listed above, rounded to the nearest multiple of \$25, to adjust for change in the CPI, all items, U.S. city average, published by DOL for the preceding two-year period ending on December 31.

Internet Activity

Current Law

Under current law, activity that involves making or accepting contributions, making disbursements, or incurring obligations is generally subject to registration and reporting requirements under the campaign finance law. Internet activity is generally not treated differently than other mediums of communication under current law.

The Substitute Amendment

The substitute amendment excludes from the definition of “contribution” any cost incurred to conduct Internet activity¹ for a political purpose by an individual acting on his or her own behalf, or acting on behalf of another person if the individual is not compensated specifically for those services,

¹ Under the substitute amendment, “Internet activity” includes sending or forwarding an electronic message; providing a hyperlink or other direct access on a person’s Internet site to an Internet site operated by another person; blogging; creating, maintaining, or hosting an Internet site; payment by a person of a nominal fee for the use of an Internet site operated by another person; or any other form of communication distributed over the Internet.

including the cost or value of any equipment and services,² but not including professional video production services purchased by the individual.

The substitute amendment includes the following activity in the definition of “disbursement”: (1) any payment for the purchase or rental of an electronic-mail address list made at the direction of a registrant for a political purpose; and (2) any payment for an electronic-mail address list that is transferred to a registrant for a political purpose.

Lastly, the substitute amendment excludes from the definition of “disbursement” a communication or Internet activity by an individual acting on his or her own behalf, or acting on behalf of another person if the individual is not compensated specifically for those services, including the cost or value of any equipment and services, but not including professional video production services purchased by the individual.

Communications to the Public

Current Law

Currently, the campaign finance law is not to be construed to restrict fair coverage of bona fide news stories, interviews with candidates and other politically active individuals, editorial comment, or endorsement. Such activities need not be reported as a contribution or disbursement.

The Substitute Amendment

The substitute amendment provides that the campaign finance law is not to be construed to restrict coverage of bona fide news stories, interviews with candidates and other politically active individuals, editorial comment, or editorials by any broadcasting station, cable television operator or producer, Internet site, or newspaper or other periodical publication, including an Internet or electronic publication, unless the communication is made by a candidate, candidate’s personal campaign committee, candidate’s support committee, or political party. Activities that are not restricted under this provision are not subject to an attribution requirement and need not be reported as a contribution or disbursement.

In addition, the substitute amendment excludes from the definitions of “contribution” and “disbursement” any cost incurred for covering or carrying a news story, commentary, or editorial by a broadcasting station, cable television operator, producer, or programmer, Internet site, or newspaper or other periodical publication, including an Internet or other electronic publication, except the cost of a news story that appears in a medium that is owned or controlled by a candidate, candidate’s personal campaign committee, candidate’s support committee, or political party. The substitute amendment also excludes from the definition of “disbursement” a nominal fee paid for a communication to the general public.

Lastly, the substitute amendment includes in the definition of “disbursement” any payment for a communication to the general public for a political purpose by means of any broadcast, satellite

² Under the substitute amendment, “equipment and services” includes computers, software, Internet domain names, Internet service providers, and any other technology that is used to provide access to or use of the Internet.

communication, newspaper or other periodical publication, outdoor advertising facility, mass mailing, or mass telephoning to the general public, or any other form of advertising to the general public, except certain Internet communications, as described above.

Campaign Finance Reports

Filing Dates

Current Law

Under current law, registrants participating in a primary or election generally must file various types of campaign finance reports. The reports generally must include all contributions received and transactions made as of the end of: (1) the 15th day preceding the primary or election in the case of the preprimary and preelection report; (2) December 31 in the case of the continuing report required by January 31; (3) June 30 in the case of the continuing report required by July 20; (4) five days preceding the deadline for filing of the report in the case of the report concerning a recall; and (5) the 22nd day following the special election in the case of the postelection report required for a special election.

The Substitute Amendment

The substitute amendment requires registrants who participate in a spring primary or spring election to file reports annually on the 15th day of the month in the months of January, April, July, and October. In addition, the substitute amendment requires registrants who participate in a partisan primary or general election to file reports, in an odd-numbered year, on the 15th day of the month in the months of January, April, July, and October; and, in an even-numbered year, on the 15th day of the month in the months of January, April, and July and on the fourth Tuesday in September.

In addition, the substitute amendment replaces the date in item (2), above, with the last day of the immediately preceding month in the case of a continuing report and repeals the date in item (3), above.

Electronic Filing

Current Law

Under current law, GAB must require certain registrants to file campaign finance reports in an electronic format. GAB must specify, by rule, a type of software that is suitable for compliance with the electronic filing requirement.

The Substitute Amendment

The substitute amendment requires that the software allow a registrant to provide an electronic signature that is subject to a security procedure that verifies the electronic signature. A registrant that files a report in an electronic format may file with GAB that portion of the report signed by an authorized individual rather than submit the electronic signature of that individual.

Corporations and Associations

Purchase, Lease, or Maintenance of Space

Current Law

Under current law, a corporation or association may not make any contribution or disbursement, directly or indirectly, either independently or through any political party, committee, group, candidate, or individual for any purpose other than to promote or defeat a referendum.³ However, a corporation or association may establish and administer a separate segregated fund and solicit contributions from individuals to the fund to be utilized by the corporation or association for the purpose of supporting or opposing any candidate for state or local office, but the corporation or association may not make any contribution to the fund.

The Substitute Amendment

The substitute amendment allows a corporation or association to make a contribution to a committee that is operated exclusively for the purpose of financing the purchase, lease, or maintenance of space for exclusive use by a political party or legislative campaign committee.

In addition, the substitute amendment requires a committee, on its registration statement, to include a statement that the committee is a committee that is authorized to receive contributions from a corporation or association under the above provision.

Expenditures for Separate Segregated Funds

Current Law

Under current law, a corporation or association may not expend more than a combined total of \$500 annually for solicitation of contributions to a separate segregated fund, described above, or to a conduit.

The Substitute Amendment

The substitute amendment increases the annual limit. Specifically, it provides that a corporation or association may not annually expend for solicitation of contributions to a separate segregated fund or to a conduit more than the greater of \$20,000 or 20% of the amount of contributions in the previous year to the fund or to a conduit.

³ In *Citizens United v. Federal Election Commission*, 130 S. Ct. 876 (2010), the U.S. Supreme Court held that government may not prohibit corporations from using their general treasury funds to make independent expenditures. The Attorney General, in an opinion issued to Kevin J. Kennedy, Director and General Counsel, GAB, concluded that the prohibition on corporate independent expenditures in s. 11.38 (1) (a), Stats., is unenforceable as a result of *Citizens United*. [OAG-05-10 (August 9, 2010).] However, in *Citizens United*, the U.S. Supreme Court also held that government generally may impose disclosure and disclaimer requirements on corporate independent expenditures. [See also s. GAB 1.91, Wis. Adm. Code, relating to registration and reporting requirements under campaign finance law for certain organizations.]

Conduits

Redirection of Contributions

Current Law

Current law does not specifically address the redirection of contributions made to conduits by individuals or organizations that have had no contact with the conduit for at least 24 months.

The Substitute Amendment

The substitute amendment provides that a conduit may redirect any contribution received from an individual or organization to a sponsor⁴ or, if there is no sponsor, to an administrative fund of the conduit if all of the following apply:

- The conduit has held the contribution for at least 24 months over which time the individual or organization that made the contribution has made no contact with the conduit.
- The conduit has, over the 24-month period, attempted in good faith to contact the individual or organization that made the contribution at least 10 times and has documented each such attempt but has been unable to make contact with the individual or organization. A conduit may satisfy this requirement by: telephoning the individual or organization at the last-known telephone number; sending a letter or postcard to the individual or organization by U.S. mail; sending a message by electronic mail; or any combination of the foregoing. A conduit may not satisfy this requirement if all 10 attempted contacts occur within a period of 30 consecutive days.

The substitute amendment requires a conduit, on its registration statement, to include the name and mailing address of a sponsor to which contributions may be redirected.

Reporting of Information

Current Law

Currently, a conduit is subject to certain registration and reporting requirements under campaign finance law.

The Substitute Amendment

The substitute amendment requires a conduit that redirects a contribution, as described above, to include in its campaign finance report for the reporting period during which the contribution is redirected the information specified in current law about the original contributor for the dates on which

⁴ Under the substitute amendment, “sponsor” means a committee, other than a personal campaign committee, support committee, political party, or legislative campaign committee, that is associated with a conduit.

the contribution is received and redirected and whether the contribution is redirected to a sponsor or to an administrative fund of the conduit.

Itemized Statement Threshold

Current Law

Under current law, each registrant under the campaign finance law must report information relating to contributions, disbursements, and obligations. The information required in the report includes the following:

- An itemized statement giving the date, full name, and street address of each contributor who made a contribution in excess of \$20, or whose contribution if \$20 or less aggregates more than \$20 for the calendar year.
- An itemized statement of other income in excess of \$20, including interest, returns on investments, rebates, and refunds received.
- An itemized statement of contributions over \$20 from a single source donated to a charitable organization or to the common school fund.
- An itemized statement of each loan of money made to the registrant for a political purpose in an aggregate amount or value in excess of \$20.
- An itemized statement of every disbursement exceeding \$20 in amount or value.
- An itemized statement of every obligation exceeding \$20 in amount or value.

The Substitute Amendment

The substitute amendment increases the \$20 thresholds for itemized reporting to \$40.

Verification of Loans

Current Law

Current law does not specifically address GAB authority to require a registrant to substantiate the source and amount of a loan in an amount exceeding \$10,000.

The Substitute Amendment

Under the substitute amendment, GAB must, upon request of any individual, require a registrant who files a report indicating that the registrant has received a loan in an amount exceeding \$10,000 to substantiate the source and amount of the loan.

Communications by Legislators (“50 Piece Rule”)

Current Law

Under current law, with certain exceptions, an elected state or local official who becomes a candidate for national, state, or local office may not use public funds for the cost of materials or distribution for 50 or more pieces of substantially identical material distributed after the first day authorized by law for circulation of nomination papers as a candidate, or certain other dates for candidates who are not nominated by nomination papers. The prohibition applies until after the date of the election or after the date of the primary election if the candidate is not nominated at the primary election.

The Substitute Amendment

The substitute amendment provides that the prohibition, described above, does not apply to the cost of materials or distribution of a communication made by a member of the Legislature to an address located within that member’s legislative district during the 45-day period following the declaration of a state of emergency by the Governor affecting any county in which the district is located if the communication relates solely to the subject of the emergency.

ETHICS LAW

Ethics Training

Current Law

Under current law, GAB is required to administer programs to explain and interpret the ethics and lobbying laws for state public officials, elective state officials, candidates for state public office, legislative officials, lobbyists, and others.

The Substitute Amendment

The substitute amendment requires a member of the Legislature to complete two hours of ethics training administered by GAB before the oath of office is administered to the member.

In addition, the substitute amendment requires an applicant for a lobbyist license to include with his or her application for the license evidence that he or she completed four hours of ethics training administered by GAB within the preceding 24 months.

Proposed Procurement

Current Law

Under current law, no former state public official, other than a former legislator or former legislative employee, may, for compensation:

- For 12 months following the date on which he or she ceases to be a state public official, on behalf of any person other than a governmental entity, make any formal or informal appearance before or negotiate with any officer or employee of a department in connection with any judicial or quasi-judicial proceeding, application, contract, claim, or charge that might give rise to a judicial or quasi-judicial proceeding which was under the former official's responsibility as a state public official within 12 months prior to the date on which he or she ceased to be a state public official.
- Act on behalf of any party other than the state in connection with any judicial or quasi-judicial proceeding, application, contract, claim, or charge that might give rise to a judicial or quasi-judicial proceeding in which the former official participated personally and substantially as a state public official.

The Substitute Amendment

The substitute amendment adds proposed procurement to the matters that a former state public official is prohibited from being involved with for compensation under current law. Under the substitute amendment, "procurement" means the purchase of materials, supplies, equipment, or contractual services exceeding the total value of \$50,000.

LOBBYING LAW

Contributions from Lobbyists

Current Law

Under current law, a lobbyist or principal may only make a campaign contribution to a partisan elective state official for the purpose of promoting the official's election to any national, state, or local office; to a candidate for a partisan elective state office to be filled at the general election or a special election; or to the official's or candidate's personal campaign committee in the year of a candidate's election between June 1 and the day of the general election.⁵

The Substitute Amendment

The substitute amendment changes the period during which a lobbyist or principal may make a campaign contribution to a partisan elective state official; to a candidate for a partisan elective state office; or to the official's or candidate's personal campaign committee. Under the substitute amendment, such contribution may be made in the year of the official's or candidate's election between *the first day authorized by law for the circulation of nomination papers* as a candidate (which is April 15 for a candidate for a partisan primary) and the day of the general election.

⁵ A campaign contribution to a candidate for legislative office may be made during the period of June 1 to the day of the general election only if the Legislature has concluded its final floorperiod and is not in special or extraordinary session. In addition, a campaign contribution by a lobbyist to the lobbyist's campaign for partisan elective state office may be made at any time.

Proposed Procurement

Identification of Proposals and Topics

Current Law

Under current law, no person generally may engage in lobbying as a lobbyist on behalf of a principal, and no principal may authorize a lobbyist to engage in lobbying on its behalf, unless the principal reports to GAB each legislative proposal, budget bill subject, and proposed administrative rule number in connection with which the principal has made or intends to make a lobbying communication. Any person who is not a principal may, upon payment of a fee, described below, register with GAB an interest in any legislative proposal, proposed administrative rule, budget bill subject, or other topic.

The Substitute Amendment

The substitute amendment extends the requirements in current law relating to identifying proposals and topics to the identification of proposed procurement. This provision first applies with respect to reporting periods that begin on or after January 1, 2015. Under the substitute amendment, “procurement” means the purchase of materials, supplies, equipment, or contractual services exceeding the total value of \$50,000.

Principal’s Expense Statement

Current Law

Under current law, every principal that is registered must file with GAB an expense statement. The statement must contain certain information, including the following: (1) the aggregate total amount of lobbying expenditures made for lobbying by the principal and all lobbyists for the principal; and (2) for each legislative proposal, proposed administrative rule, budget bill subject, or other topic that accounts for 10% or more of the principal’s time spent in lobbying during the reporting period, the principal’s reasonable estimate of the proportion of its time spent in lobbying associated with that proposal, rule, subject, or topic.

The Substitute Amendment

The substitute amendment requires that a principal’s expense statement also include, for each proposed procurement in regard to which a lobbyist for the principal attempted to influence administrative action, the principal’s reasonable estimate of the proportion of its time spent in lobbying associated with that proposed procurement. This provision first applies with respect to reporting periods that begin on or after January 1, 2015. Under the substitute amendment, “administrative action,” as it relates to procurement, means the consideration of specifications for a procurement by a legislator or by an agency or the award of a procurement contract or order by an agency.

Fees for Registering an Interest

Current Law

Current law requires GAB to charge and collect a \$10 fee for registering an interest in a legislative proposal, proposed administrative rule, budget bill subject, or other topic.

The Substitute Amendment

The substitute amendment also requires GAB to charge and collect a \$10 fee for registering an interest in proposed procurement. This provision first applies with respect to reporting periods that begin on or after January 1, 2015.

Legislative Activity by State Agencies

Current Law

Under current law, each state agency must file with GAB a statement that identifies the officers and employees of the agency who are paid a salary and whose regular duties include attempting to influence legislative action. Each statement must contain the following information: (1) the name of the agency filing the statement; (2) the name, title, and salary, which is paid by the state, of each officer or employee engaged in such legislative activity; (3) the proportionate amount of time spent on legislative activity; and (4) the general area of legislative action that the officer or employee has attempted to influence.

The Substitute Amendment

The substitute amendment replaces item (4), above, with a requirement that the statement contain the number of each introduced bill on or about which the officer or employee has attempted to influence legislative action. The substitute amendment also specifies that the statement must contain the proportionate amount of time spent on legislative activity *by each officer or employee*. These provisions first apply with respect to reporting periods that begin on or after January 1, 2015.

BILL HISTORY

Assembly Substitute Amendment 1 was offered by Representatives Vos, Mason, Stone, Kessler, and Berceau; Assembly Amendment 1 to Assembly Substitute Amendment 1 was offered by the Assembly Committee on Campaigns and Elections; and Assembly Amendment 2 to Assembly Substitute Amendment 1 was offered by Representatives Bernier and Berceau.

On June 10, 2013, the Assembly Committee on Campaigns and Elections recommended adoption of Assembly Amendment 1 on a vote of Ayes, 9; Noes, 0, and adoption of Assembly Substitute Amendment 1, as amended, on a vote of Ayes, 8; Noes, 1. On that same date, the committee recommended passage of Assembly Bill 225, as amended, on a vote of Ayes, 8; Noes, 1.

On June 12, 2013, the Assembly adopted Assembly Amendments 1 and 2 to Assembly Substitute Amendment 1, and Assembly Substitute Amendment 1, as amended, on voice votes. On that same date, the Assembly passed Assembly Bill 225, as amended, on a voice vote.

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