



State of Wisconsin
1997 - 1998 LEGISLATURE
April 1998 Special Session

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SENATE BILL 1

April 21, 1998 - Introduced by COMMITTEE ON SENATE ORGANIZATION, by request of Governor Tommy G. Thompson. Referred to Committee on Judiciary.

1 **AN ACT to repeal** 11.01 (12s), 11.05 (3) (o), 11.06 (3m), 11.06 (3r), 11.06 (3w),
2 11.265, 11.31 (2m), 11.31 (3m) and 11.31 (4); **to renumber** 11.50 (3) (a) 3.; **to**
3 **renumber and amend** 11.50 (9); **to amend** 5.02 (13), 5.02 (18), 7.08 (2) (c),
4 7.08 (2) (cm), 8.35 (4) (b) to (d), 10.02 (3) (b) 2m., 11.05 (2r), 11.05 (3) (c), 11.05
5 (9) (b), 11.05 (13), 11.06 (1) (intro.), 11.06 (1) (a), 11.06 (2), 11.06 (4) (b), 11.06 (5),
6 11.06 (7m) (a), 11.06 (7m) (c), 11.06 (11) (a), 11.09 (3), 11.12 (3), 11.12 (4), 11.12
7 (5), 11.12 (6), 11.14 (1), 11.16 (5), 11.19 (1), 11.19 (2), 11.20 (1), 11.20 (7), 11.21
8 (15), 11.21 (16), 11.23 (4), 11.23 (6), 11.25 (2) (b), 11.26 (1) (intro.), 11.26 (2)
9 (intro.), 11.26 (2) (a), 11.26 (2) (b) and (c), 11.26 (4), 11.26 (8), 11.26 (9) (a) and
10 (b), 11.26 (9) (c), 11.26 (10), 11.31 (1) (intro.), 11.31 (1) (a), (b), (c) and (d), 11.31
11 (1) (e) and (f), 11.31 (2), 11.31 (3), 11.31 (7) (a), 11.31 (7) (c) and (d), 11.38 (1) (a)
12 2., 11.38 (8) (b), 11.50 (title), 11.50 (1) (b), 11.50 (2) (a), 11.50 (2) (b) 5., 11.50 (2)
13 (c), 11.50 (2) (g), 11.50 (2) (i), 11.50 (3) (a) 1., 11.50 (3) (a) 2., 11.50 (4) (b) (intro.),
14 11.50 (8), 11.50 (10m) (title), 11.50 (11) (d), 11.50 (11) (e), 11.50 (12), 11.60 (1) to

1 (3), 11.61 (1), 14.58 (20), 15.61, 19.42 (10) (a), 20.510 (1) (q), 20.855 (4) (b), 25.17
2 (1) (ys), 25.42 and 71.10 (3) (a); and **to create** 5.065, 11.065, 11.16 (2e), (2m) and
3 (2s), 11.21 (17), 11.21 (18), 11.21 (19), 11.24 (1s), 11.24 (1t), 11.25 (2) (am), 11.25
4 (4), 11.26 (2) (ae), (am) and (as), 11.26 (7), 11.26 (8e), 11.26 (8m), 11.26 (9m),
5 11.26 (10m), 11.26 (17) (g), 11.31 (1) (de), 11.31 (2e), 11.31 (3n), 11.31 (9), 11.50
6 (3) (a) 3m., 11.50 (4) (bm), 11.50 (9) (a) 1. to 7., 11.50 (9a), 11.51, 13.90 (1) (m),
7 14.019 (6), 20.510 (1) (b), 227.03 (6m), 227.43 (1) (bz) and 227.52 (8) of the
8 statutes; **relating to:** various changes in the campaign finance law, the
9 composition of the elections board, issuance of certain rulings by the division
10 of hearings and appeals of the department of administration, providing an
11 exemption from emergency rule procedures, granting rule-making authority
12 and providing penalties.

Analysis by the Legislative Reference Bureau

This bill makes various changes in the campaign finance law, alters the composition of the state elections board and provides for the issuance of rulings by the division of hearings and appeals of the department of administration concerning application of the election laws. The provisions include:

Filing of campaign finance reports

Currently, with certain exceptions, registrants under the campaign finance law are required to file periodic reports with the appropriate filing officer or agency. The reports must be filed by certain dates specified by law and must cover time periods specified by law. Candidates for state office or their personal campaign or authorized support committees and other individuals, committees and groups supporting or opposing candidates for state office or statewide ballot questions file their reports with the state elections board. Effective with reports filed on July 1, 1999, each registrant for whom the elections board serves as a filing agency and who or which accepts contributions in a total amount or value of \$20,000 or more during a campaign period, or a biennial period for a registrant other than a candidate or personal campaign or support committee, must file reports with the board electronically. The board must make available to registrants software that is designed to facilitate complete electronic filing of campaign finance reports at a price that may not exceed cost. Any registrant who or which files a report electronically

must also file a copy of the report recorded on a medium prescribed by the board. The board must provide complete instructions to any registrant who files reports electronically.

This bill requires campaign finance reports to be filed electronically by each candidate for state office who applies for and receives a grant from the Wisconsin election campaign fund, as well as by each individual or organization who or which is currently subject to a registration requirement with the elections board and who or which accepts contributions exceeding a total of \$20,000 within a calendar year and by each individual or organization who or which makes expenditures exceeding a total of \$20,000 within a calendar year for mass communications which include the name or likeness of one or more candidates for state office. Under the bill, the reports must be made within 24 hours after a reportable transaction occurs. The bill requires the board to provide one copy of the software prescribed by the board and each revision thereof and to offer basic training in the use of that software, at state expense, to each candidate for state office or that candidate's personal campaign committee. In accordance with current law, the bill also requires registrants who file electronically to file copies of reports, at the times currently prescribed by law, recorded on a medium prescribed by the board. The changes apply effective with reports filed on July 1, 1999.

The bill also requires the elections board and other filing officers, within 24 hours after receiving any information that is required to be reported to them electronically (or if the information is received on a Saturday, Sunday or holiday on which state offices are closed, within 24 hours after the beginning of the first business day after receiving such information), to post the information electronically for public inspection on the internet.

Reporting by certain federal and nonresident registrants

Currently, with certain exceptions, a registrant who or which is required to register with a filing officer in this state must file regular reports identifying contributions received and disbursements made and providing certain other information. However, a committee of a candidate for the U.S. senate or house of representatives or a national political party committee need not file reports for any period covered in a report filed by the committee with the federal elections commission. In addition, a state political party committee which is registered with the federal elections commission and which makes contributions to candidates for national office, as well as contributions to other state political party committees, need not file reports for any period covered by a report filed by the committee with the federal elections commission if the elections board receives a copy of that report and the committee makes no contributions to any individual who or organization which is required to register with a filing officer under Wisconsin law. This bill deletes these exceptions to state reporting requirements.

Reporting by candidates for certain state offices

Currently, the candidate or personal campaign committee of a candidate for any office who or which does not anticipate accepting contributions, making

disbursements or incurring obligations exceeding \$1,000 within a calendar year and who or which does not accept any contribution or contributions from a single contributor, other than personal contributions of the candidate, exceeding \$100 may be granted an exemption from reporting requirements upon request. This bill deletes this exemption as applied to candidates for statewide and legislative offices.

Mass media and telephoning activities

Currently, individuals who or organizations which make or accept contributions, 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. This bill requires each individual who or organization which receives donations or other income and makes expenditures which, in the aggregate, exceed \$1,000 within a calendar year in amount or value for the purpose of publishing, broadcasting or disseminating a communication which includes the name or likeness of a candidate for state or local office at a primary or other election within 30 days of that election, by means of one or more communications media or through a telephone bank operator, to register and file reports with the appropriate filing officer identifying the donations or other income received and expenditures made to the same extent as currently required for individuals who or organizations which attempt to influence elections. If expenditures made by such an individual or organization with respect to one or more candidates for state office exceed \$20,000 within a calendar year, they must be reported electronically within 24 hours of the time they are made.

The bill also provides that if one or more individuals or organizations make expenditures which, in the aggregate, exceed 5% of a candidate's disbursement limitation in either the primary or the election campaign period, calculated separately, for the purpose of publishing, broadcasting or disseminating communications which include the name or likeness of that candidate or any opponent of that candidate through one or more communications media or through a telephone bank operator, the disbursement limitation and self-contribution limitation otherwise applicable to that candidate do not apply after the date on which those expenditures exceed that level. In addition, the limitations on contributions by individuals and committees to that candidate and his or her opponents are doubled and the limitations on contributions by political party committees to that candidate and his or her opponents are removed after the date on which those expenditures exceed that level.

Disbursement levels and limitations

Under current law, disbursement (expenditure) levels are specified for candidates for various state and local offices. These levels become a binding limitation upon any candidate for state office who accepts a state grant from the Wisconsin election campaign fund or who agrees to be bound by the limitation, unless

the candidate is opposed by a major opponent who could have qualified for a grant but declines to accept one.

The bill revises the current disbursement levels applicable to candidates for the offices shown in the following chart:

<i>Office</i>	<i>Current Level</i>	<i>Proposed Level</i>
Governor	\$1,078,200	\$3,500,000
Lieutenant governor	323,475	1,125,000
Attorney general	539,000	750,000
Secretary of state	215,625	350,000
State treasurer	215,625	350,000
Supreme court justice	215,625	400,000
State superintendent	215,625	350,000
State senator	34,500	140,000
Representative to the assembly	17,250	60,000

The bill also creates a biennial adjustment which causes the statutory disbursement levels to be adjusted biennially, beginning in 1999, in accordance with the rate of increase or decrease in the "consumer price index" determined by the U.S. department of labor, with the result in turn adjusted by the rate of increase or decrease in the voting age population of this state, as determined by the federal election commission.

Currently, no candidate for state or local office may accept contributions from sources other than individuals which, in the aggregate, total more than 65% of the disbursement level specified for the office which the candidate seeks. This bill provides, in addition, that of the total disbursements made by a candidate for state or local office, not more than 65% may be derived from sources other than contributions received by the candidate from individuals.

Contribution limitations

The bill changes contribution limitations applicable to committees making contributions to candidates for the office of governor, lieutenant governor, secretary of state, state treasurer, attorney general, state superintendent of public instruction, justice of the supreme court, state senator or representative to the assembly per campaign, as follows:

<i>Office</i>	<i>Current Limit</i>	<i>Proposed Limit</i>
Governor	\$ 43,128	\$ 45,000
Lieutenant governor	12,939	13,000
Attorney general	21,560	22,000
Justice of the supreme court, secretary of state, state treasurer or superintendent of public instruction	8,625	9,000

State senator	1,000	2,000
Representative to the assembly	500	1,000

The bill also prohibits any special interest (“political action”) committee from making a contribution exceeding \$100 to any other special interest committee, and similarly prohibits any conduit (intermediary) from transferring a contribution exceeding \$100 to any special interest committee. In addition, the the bill prohibits a candidate or his or her personal campaign committee from making a contribution to another candidate or personal campaign committee or to a political party, except a contribution not exceeding \$100 that is utilized for the purpose of financing the actual costs of an event. Currently, there are no similar limitations.

Currently, each contribution received by a candidate who is a candidate in successive elections must be charged against the contribution limitation applicable to the contributor for the previous campaign of that candidate or the future campaign of that candidate, in accordance with a methodology specified by law. A candidate may, however, end a campaign with a surplus of money legally contributed to the candidate during that campaign and apply that surplus towards a future campaign for office. Under this bill, if a candidate ends a campaign with a surplus of money in his or her campaign depository account, and the candidate thereafter becomes a candidate at a future election, the unencumbered moneys in his or her campaign depository account at the end of the previous campaign, less any earnings, are allocated to the contribution limitations applicable to the candidate’s campaign in the future election in the inverse order in which they were received by the candidate.

Form of contributions made by negotiable instruments

Currently, each contribution of money exceeding \$50 must be made by check or other negotiable instrument or evidenced by an itemized credit card receipt bearing on the face the name of the remitter. Contributions may be collected by an intermediary and transferred to a recipient at the same time (a practice referred to as “bundling”). The recipient must report the amount of each contribution and the date on which the contribution is received by the recipient. If the contributor is subject to a registration requirement, the contributor must also report this information. If the contributor determines the amount of the contribution and the recipient, the contribution is considered to be made by the contributor; if the intermediary determines the amount of the contribution or the recipient, the contribution is considered to be made by the intermediary.

This bill requires each contribution made by means of a check or other negotiable instrument that is transferred from the contributor to the recipient by another person, together with one or more additional contributions made by negotiable instruments, to show on the face of the instrument the date that the contribution is made, the amount of the contribution and the name of the intended recipient. Under the bill, this information must be entered by the contributor at the time that the instrument is transferred. The bill prohibits any person from entering

or changing a date that such a contribution is made so as to indicate a date other than the date of that transfer.

Conduit contribution procedure

Currently, if an individual or organization receives a political contribution consisting of money and transfers the contribution to another individual or organization without exercising discretion as to the amount to be transferred and the individual to whom or the organization to which the transfer is to be made, the contribution is considered to be made by the original contributor for purposes of reporting by the ultimate recipient. The contribution is also treated as an individual contribution for purposes of determining contribution limitations and qualifying contributions for public grants. The individual or organization making the transfer is called a "conduit" under the law. A conduit must identify itself to the ultimate recipient as a conduit and provide to that recipient the information about the contribution which is necessary for the recipient to file its campaign finance reports.

This bill requires each person who transfers a contribution of money to a conduit to make a written direction, on a form prescribed by the elections board, specifying clearly the name of the intended recipient, the amount of the contribution and the date on which the contribution is made. Each item of information on the form must be entered by the contributor. A conduit receiving a form must retain the form with its records for 3 years after the date of the election in connection with which the contribution identified on the form is made. The bill prohibits any person from entering or changing a date that a contribution is made on such a form so as to indicate a date that a contribution is made other than the actual date.

Currently, the recipient of a contribution of money must deposit the contribution in the recipient's campaign depository account no later than 5 business days after receipt of the contribution. A conduit who or which deposits a contribution of money is considered to receive and accept the contribution. A contribution must be reported by the recipient as received and accepted on the date received unless it is returned to the contributor or donated within 15 days of receipt.

This bill provides that each conduit who or which receives a contribution of money must transfer the contribution to the recipient specified by the contributor within 5 days of the date on which the contribution is received by the conduit. Under the bill, the contribution must be deposited no later than the time it is transferred.

Transfer of campaign surpluses for use in campaigns for different offices

Currently, a candidate, personal campaign committee of a candidate, former candidate or former personal campaign committee may make a contribution or disbursement for any political purpose not prohibited by law, and specifically may transfer money or property to another candidate or personal campaign committee, subject to applicable contribution limitations. If a candidate for one office becomes a candidate for another office, that candidate or his or her personal campaign committee may use money or property received on his or her behalf when the candidate was a candidate for the first office, without limitation. In addition, if the personal campaign committee of a former candidate files an oath affirming its

independence from any candidate, the committee may make disbursements in an unlimited amount to advocate the election or defeat of any candidate.

This bill provides that no candidate, personal campaign committee, former candidate or personal campaign committee of a former candidate may make a contribution to another candidate or personal campaign committee. The bill also provides that no individual who is a candidate for any office, personal campaign committee of such a candidate, former candidate or former personal campaign committee of a candidate may make a disbursement for the purpose of influencing the election or nomination to election of that candidate or any other individual who is a candidate for any office from money or property that was received by or on behalf of the candidate or former candidate when he or she was a candidate for another office. In addition, the bill prohibits the former personal campaign committee of a candidate which files an oath affirming its independence of any candidate from making a contribution or disbursement to advocate the election or defeat of a candidate that is derived in whole or in part from contributions received by that committee prior to the date on which the committee files that oath.

Treatment of legislative campaign committees

Currently, the adherents of any political party in either house of the legislature may organize a "legislative campaign committee" to support the candidacy of members of their party for legislative office. Committees other than legislative campaign committees and political party committees are generally subject to a limitation upon the contributions that they may make to candidates for legislative office or to political parties. Legislative campaign committees are subject only to overall limitations on the aggregate contributions that may be accepted by a candidate from entities other than individuals.

The bill eliminates the special status of legislative campaign committees, thus treating them in the same manner as other special interest committees for the purpose of contribution limitations.

Public grants

Under current law, public financing from the Wisconsin election campaign fund is available to finance certain campaign expenses of eligible candidates for the offices of state senator, representative to the assembly, governor, lieutenant governor, attorney general, state treasurer, secretary of state, justice of the supreme court and superintendent of public instruction at the general election. In order to qualify for a grant from the Wisconsin election campaign fund, a candidate for state office at the general election must, in addition to other requirements, receive at least 6% of the total vote cast for the office which the candidate seeks at the September primary. Currently, the maximum amount of the grant that a candidate for state office may receive from the Wisconsin election campaign fund is that amount which, when added to the total amount or value of contributions received by the candidate from sources other than individuals or political party committees, equals 45% of the disbursement level applicable to candidates for the office which the candidate seeks,

provided that there are sufficient moneys in the Wisconsin election campaign fund to make payment of the full amounts of the grants for which candidates qualify.

This bill renames the Wisconsin election campaign fund to be the "Wisconsin clean election system fund". In lieu of the current formula for determining maximum grant amounts, the bill establishes fixed maximum initial grant amounts. The bill also provides that a candidate who accepts a grant may receive an increased grant from moneys that were allocated for other candidates who could have qualified for grants but who decline to accept them. Under the bill, the maximum initial amount of the grant that a candidate for state office may receive from the Wisconsin clean election system fund is as follows:

<i>Office</i>	<i>Maximum initial amount of grant</i>
Governor	\$ 875,000
Lieutenant governor	281,250
Attorney general	187,500
Supreme court justice	100,000
Superintendent of public instruction	87,500
Secretary of state	87,500
State treasurer	87,500
State senator	35,000
Representative to the assembly	15,000

Under the bill, if a candidate is bound by a disbursement limitation and by a limitation on the total contributions which the candidate may accept from political party committees, the total amount of the grant that the candidate may receive may not exceed that amount which, when added to the total contributions accepted by the candidate from all sources other than individuals, equals 65% of the candidate's disbursement limitation.

The bill also creates a biennial adjustment which causes the statutory maximum initial grant amounts to be adjusted biennially, beginning in 1999, in accordance with the rate of increase or decrease in the "consumer price index", as determined by the federal department of labor, with the result in turn adjusted by the rate of increase or decrease in the voting age population of this state, as determined by the federal election commission.

Currently, if a candidate for a partisan state office accepts a public grant and has an opponent who also could have qualified to receive a grant but declines to accept one, the candidate is not bound by his or her disbursement limitation. Similarly, if a candidate for a nonpartisan state office accepts a grant and has an opponent who declines to accept a grant, that candidate is not bound by his or her disbursement limitation. However, in either case, if each opponent who declines to accept a grant files with the elections board an affidavit of voluntary compliance with the disbursement limitation applicable to candidates for the office which the

candidate seeks, the disbursement limitation for the candidate who accepts a grant continues to apply. This bill deletes the exception which retains the disbursement limitation of a candidate if an affidavit is filed by each of his or her opponents.

Currently, if a candidate who could have qualified to receive a public grant fails to qualify, the grant moneys otherwise available to that candidate become available to other qualifying candidates for the same office as the office sought by the nonqualifying candidate. This bill provides that if a candidate for a partisan executive state office (governor, lieutenant governor, attorney general, secretary of state or state treasurer) could have qualified to receive a grant but fails to qualify, the moneys otherwise available to that candidate are redistributed to all qualifying candidates for partisan state executive offices, in addition to the maximum initial grant amounts, in the same proportion as the initial amounts of their grants bear to the total amount of grants distributed to all qualifying candidates for partisan state executive offices, subject to applicable aggregate contribution and disbursement limitations. The bill also provides that each candidate for a nonpartisan state office receives only 50% of the moneys available to finance grants for that office, regardless of whether his or her opponent qualifies to receive a grant, but provides for 50% of the moneys otherwise available to nonqualifying candidates for nonpartisan state offices (justice of the supreme court and superintendent of public instruction) to be redistributed to all qualifying candidates for nonpartisan state offices, in addition to the maximum initial grant amounts, in the same proportion as the initial amounts of their grants bear to the total amount of grants distributed to all qualifying candidates for nonpartisan state offices. Under the bill, the maximum total grant which a candidate may receive, when added to the total contributions received by the candidate from sources other than individuals, may not exceed 65% of the disbursement level applicable to candidates for the office which the candidate seeks, provided that there are sufficient moneys in the Wisconsin clean election system fund to make payment of the full amounts of the grants for which candidates qualify.

Currently, any grant moneys that are not encumbered by a candidate on the day after an election in which the candidate participates revert to the state. In addition, any deposits and refunds derived from grant moneys that are received by a candidate after the date of an election in which the candidate participates revert to the state. This bill provides, instead, that all unencumbered moneys in the campaign depository account of a candidate who receives a grant on the day after an election in which the candidate participates plus all deposits and refunds received by such a candidate after that date, revert to the state to the extent that the unencumbered moneys, together with the deposits and refunds, do not exceed the amount of the grant received by that candidate.

Penalties for violations

Currently, any person who violates any provision of the campaign finance law, except a contribution prohibition, is subject to a forfeiture (civil penalty) of not more than \$500 for each violation. This bill increases this amount to \$1,500. In addition, currently, any person who is delinquent in filing a report is subject to a forfeiture of not more than \$50 or 1% of the annual salary of the office for which a candidate is

being supported or opposed, whichever is greater, for each day of delinquency. This bill increases these amounts to a maximum of \$150 or 3% of the annual salary, whichever is greater. Currently, any person who makes an unlawful contribution is subject to a forfeiture of treble the amount of the unlawful contribution. This bill increases this amount to 9 times the amount of the unlawful contribution.

Currently, whoever intentionally violates certain provisions of the campaign finance law, such as registration requirements, contribution limitations, the prohibition against making contributions in the name of another person, the prohibition against using contributions for most nonpolitical purposes and the prohibition against filing false reports and statements may be fined not more than \$1,000 or imprisoned for not more than 6 months, or both, if the violation does not exceed \$100 in amount or value, and may be fined not more than \$10,000 or imprisoned for not more than 3 years, or both, if the violation exceeds \$100 in amount or value. This bill increases these amounts to a maximum fine of \$3,000 or imprisonment for not more than one year, or both, if the violation does not exceed \$100 in amount or value, and a maximum fine of \$30,000 or imprisonment for not more than 9 years, or both, if the violation exceeds \$100 in amount or value.

Public funding of campaigns for county and 1st class city offices

The bill permits counties and 1st class cities to provide by ordinance for appropriations to pay for lawful campaign expenses of candidates for county and city offices, subject to reasonable qualifications and agreements by candidates to adhere to disbursement and self-contribution limitations. Under the bill, any such ordinance may prescribe civil penalties for violations of the ordinance or an agreement entered into under the ordinance not exceeding the amount that would apply to a violation of the state campaign finance law. The bill also directs the elections board to review the operation of any such ordinance and provide its recommendations, if any, concerning extension of a similar system of public funding to other campaigns for local elective offices in this state to the appropriate legislative standing committees.

Currently, counties have no such authority. Cities may have such authority under constitutional home rule powers if an enactment of this nature is considered to be a "local affair".

Composition of the elections board

Currently, the elections board consists of 8 members appointed by the governor for 2-year terms without senate confirmation. One member is selected by the governor and one member each is designated by the chief justice of the supreme court, the speaker of the assembly, the senate majority leader, the minority leader in each house of the legislature, and the chief officer of each political party qualifying for a separate ballot or column on the ballot whose candidate for governor received at least 10% of the vote in the most recent gubernatorial election.

The bill recreates the board to consist of 8 members appointed by the governor for staggered 4-year terms. One member is selected by the governor and one member each is designated by the speaker of the assembly, the senate majority leader and the

minority leader in each house of the legislature. Three additional nonpartisan members are appointed by the governor, subject to senate confirmation. Under the bill, no nonpartisan member may hold any other office or employment in the government of this state or any political subdivision thereof or in any department of state government. In addition, no nonpartisan member, for one year immediately prior to the date of appointment, may have been, or while serving on the board may become, a member of a political party, an officer or member of a committee in any partisan political club or organization or a candidate for any partisan elective public office. Under the bill, the members of the current board serve until all of the members of the board who are appointed under the bill qualify for office, at which time the current members are replaced.

Determinations concerning application of election laws

Currently, any interested person may request a written opinion from the elections board concerning the person's authority or responsibilities under the election laws. The board may provide the opinion. No person acting in good faith upon such an opinion is subject to prosecution for so acting, if the material facts are as stated in the opinion request. Also, currently, any interested person may petition the elections board under the state administrative procedure act for a "declaratory ruling" concerning the applicability to any person, property or facts of any election law or rule of the board. The board may issue the ruling, and is thereafter bound by its decision if the facts are as stated in the petition. The declaratory ruling may be reviewed in court. In addition, currently, any elector of a jurisdiction may contest before the elections board the decision of any election official of that jurisdiction with respect to certain specified matters or the board may, on its own motion, investigate and determine whether an election official is acting in conformity with the law concerning one of those specified matters. The decision of the board may be reviewed in court.

This bill establishes, in addition to these procedures, a new procedure whereby any person may file a petition requesting a ruling concerning the application of the election laws or rules of the elections board to a particular person or set of facts described in the petition. The division of hearings and appeals of the department of administration designates a hearing examiner, to be known as an "election examiner", to rule upon the petition. If the petition concerns a question as to whether an election official or a private person is acting in conformity with the law or rules of the board, that official or private person must be made a party to the proceeding. The election examiner must issue a decision, unless the examiner decides, upon motion of an opposing party, that the petition is clearly without merit. The election examiner may order an election official or private person to act in conformity with the election laws or rules of the board, but may not impose a penalty for an alleged violation. The decision of the election examiner may be appealed to the board. In deciding the appeal, the board is not bound by any findings of fact or conclusions or law made by the examiner with respect to the matter. The procedure does not apply to any matter in which the action or inaction of the board or its executive director is contested, nor to any matter arising in connection with a recount. The bill directs

the elections board to periodically examine and review decisions issued under the procedure with a view to clarifying and improving the administration of the election laws.

Biennial review of campaign finance practices

The bill directs the elections board to conduct a biennial review of campaign finance practices in this state. The review must include an assessment of the continued appropriateness of the contribution limitations prescribed by law and any other important problems that require the attention of the legislature, as well as an assessment of whether a bipartisan committee should be created to provide for additional study of issues and recommendations for possible additional legislative changes. If the board concludes that any contribution limitations should be increased or that any other action should be taken as a result of its review, the board is directed to transmit its conclusions and recommendations to the appropriate standing committees of the legislature, together with any information supporting the board's conclusions.

Study of campaign finance law enforcement

The bill requests the joint legislative council to review the process for detecting and penalizing violations of the state campaign finance law, with a view to detecting violations quickly and punishing violators firmly, and to report its findings, conclusions and recommendations, together with any proposed legislation, to the 1999 legislature when it convenes.

Future study of campaign finance reform

Currently, the governor may create nonstatutory committees to provide advice concerning policy formation. The bill directs the governor, in cooperation with the legislature, to exercise this existing authority to create a committee to study campaign finance reform whenever changing electoral dynamics and campaign finance technology demand such action. The bill further directs the joint committee on legislative organization, in cooperation with the governor, to propose the creation of such a committee whenever those conditions arise.

For further information see the **state** fiscal estimate, which will be printed as an appendix to this bill.

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

- 1 **SECTION 1.** 5.02 (13) of the statutes is amended to read:
- 2 5.02 (13) "Political party" or "party" means a state committee registered under
- 3 s. 11.05 and organized exclusively for political purposes under whose name

1 candidates appear on a ballot at any election, and all county, congressional,
2 legislative, local and other affiliated committees authorized to operate under the
3 same name. For purposes of ch. 11, the term does not include ~~a legislative campaign~~
4 ~~committee or a committee filing an oath under s. 11.06 (7).~~

5 **SECTION 2.** 5.02 (18) of the statutes is amended to read:

6 5.02 (18) "September primary" means the primary held the 2nd Tuesday in
7 September to nominate candidates to be voted for at the general election, ~~and to~~
8 ~~determine which candidates for state offices other than district attorney may~~
9 ~~participate in the Wisconsin election campaign fund.~~

10 **SECTION 3.** 5.065 of the statutes is created to read:

11 **5.065 Determinations concerning application of election laws. (1)** In
12 this section:

13 (a) "Division" means the division of hearings and appeals of the department of
14 administration.

15 (b) "Election official" includes the board and any board of election
16 commissioners under s. 7.20.

17 (2) Any person may file a petition with the division requesting a decision
18 concerning the application of the election laws or rules of the board to a particular
19 person or particular set of facts described in the petition. The division shall issue a
20 decision based upon any facts described without regard to the correctness of those
21 facts. A decision of the division applies only with respect to the material facts
22 described in the petition requesting the decision.

23 (3) If the petition concerns a question as to whether an election official or a
24 private person is acting in conformity with the law or rules of the board, the matter
25 shall be treated as a contested case, the petitioner shall serve a copy of the petition

1 upon that official or private person and that official or private person shall be a party
2 to the case. An election official or private person may move to dismiss the petition
3 if it is clearly without merit. If the division finds, in response to a motion, that a
4 petition is clearly without merit, it shall dismiss the petition.

5 (4) In every contested case, the division shall make findings of fact and
6 conclusions of law. The division may order an election official or a private person to
7 act in conformity with the election laws or rules of the board, but may not impose a
8 penalty for an alleged violation.

9 (5) The petitioner or any election official or private person who is a party to a
10 contested case under this section may appeal the decision of the division to the board,
11 which may review the decision without regard to any findings of fact or conclusions
12 of law made by the division.

13 (6) A person who is not a party to a case under this section is not bound by any
14 decision in that case. The decision of the board in any contested case arising under
15 this section is subject to review as provided in s. 227.57.

16 (7) (a) This section does not apply to any matter in which the action or inaction
17 of the board or its executive director is contested.

18 (b) This section does not apply to any matter arising in connection with a
19 recount under s. 9.01.

20 (8) The board shall periodically examine and review decisions of the division
21 under this section with a view to clarifying and improving the administration of the
22 election laws of this state.

23 **SECTION 4.** 7.08 (2) (c) of the statutes is amended to read:

24 7.08 (2) (c) As soon as possible after the canvass of the spring and September
25 primary votes, but no later than the first Tuesday in March and the 4th Tuesday in

1 September, transmit to the state treasurer a certified list of all eligible candidates
2 for state office who have filed applications under s. 11.50 (2) and whom the board
3 determines to be eligible to receive payments from the Wisconsin clean election
4 campaign system fund. The list shall contain each candidate's name, the mailing
5 address indicated upon the candidate's registration form, the office for which the
6 individual is a candidate and the party or principle which he or she represents, if any.

7 **SECTION 5.** 7.08 (2) (cm) of the statutes is amended to read:

8 7.08 (2) (cm) As soon as possible after the canvass of a special primary, or the
9 date that the primary would be held, if required, transmit to the state treasurer a
10 certified list of all eligible candidates for state office who have filed applications
11 under s. 11.50 (2) and whom the board determines to be eligible to receive a grant
12 from the Wisconsin clean election campaign system fund prior to the election. The
13 board shall also transmit a similar list of candidates, if any, who have filed
14 applications under s. 11.50 (2) and whom the board determines to be eligible to
15 receive a grant under s. 11.50 (1) (a) 2. after the special election. The list shall contain
16 each candidate's name, the mailing address indicated upon the candidate's
17 registration form, the office for which the individual is a candidate and the party or
18 principle which he or she represents, if any.

19 **SECTION 6.** 8.35 (4) (b) to (d) of the statutes are amended to read:

20 8.35 (4) (b) Notwithstanding par. (a), if the former candidate received a grant
21 from the Wisconsin clean election system fund, any ~~unspent and unencumbered~~
22 ~~moneys received by a~~ in the campaign depository account of that candidate ~~from the~~
23 ~~Wisconsin election campaign fund~~, up to the amount of the grant received, shall be
24 immediately transferred to any candidate who is appointed to replace such
25 candidate, upon filing of a proper and approval of an application ~~therefor~~ for a grant

1 by the replacement candidate under s. 11.50 (2). If there is no candidate appointed
2 or if no proper application is filed and approved within 7 days of the date on which
3 the vacancy occurs, such moneys shall revert to the state as provided in s. 11.50 (8).

4 (c) The transfer under par. (b) shall be made and reported to the appropriate
5 filing officer ~~in a special report submitted~~ by the former candidate's campaign
6 treasurer. If the former candidate is deceased and was serving as his or her own
7 campaign treasurer, the former candidate's petitioner or personal representative
8 shall ~~file the report and~~ make the transfer required by par. (b), ~~if any~~ and file the
9 report. The report shall be made in the manner provided under s. 11.21 (16), if
10 applicable, or otherwise at the appropriate interval under s. 11.20 (2) or (4) and shall
11 include a complete statement of all contributions, disbursements and incurred
12 obligations pursuant to s. 11.06 (1) covering the period from the day after the last
13 date covered on the former candidate's most recent report to the date of disposition.

14 (d) The newly appointed candidate shall file his or her report in the manner
15 provided under s. 11.21 (16), if applicable, or otherwise at the next appropriate
16 interval under s. 11.20 (2) or (4) after his or her appointment. The appointed
17 candidate shall include any transferred funds moneys in his or her first report.

18 **SECTION 7.** 10.02 (3) (b) 2m. of the statutes is amended to read:

19 10.02 (3) (b) 2m. At the September primary, the elector shall select the party
20 ballot of his or her choice or the ballot containing the names of the independent
21 candidates for state office, and make a cross (✕) in the square at the right of or
22 depress the lever or button next to the candidate's name for each office for whom the
23 elector intends to vote or insert or write in the name of the elector's choice for a party
24 candidate, if any. In order to qualify for participation in the Wisconsin clean election
25 campaign system fund, a candidate for state office at the September primary, other

1 than a candidate for district attorney, must receive at least 6% of all votes cast on all
2 ballots for the office for which he or she is a candidate, in addition to other
3 requirements.

4 **SECTION 8.** 11.01 (12s) of the statutes is repealed.

5 **SECTION 9.** 11.05 (2r) of the statutes is amended to read:

6 11.05 (2r) GENERAL REPORTING EXEMPTIONS. Any person, committee or group,
7 other than a candidate for a statewide or legislative office or the personal campaign
8 committee of such a candidate or a committee or individual required to file an oath
9 under s. 11.06 (7), who or which does not anticipate accepting contributions, making
10 disbursements or incurring obligations in an aggregate amount in excess of \$1,000
11 in a calendar year and does not anticipate accepting any contribution or
12 contributions from a single source, other than contributions made by a candidate to
13 his or her own campaign, exceeding \$100 in that year may indicate on its registration
14 statement that the person, committee or group will not accept contributions, incur
15 obligations or make disbursements in the aggregate in excess of \$1,000 in any
16 calendar year and will not accept any contribution or contributions from a single
17 source, other than contributions made by a candidate to his or her own campaign,
18 exceeding \$100 in such year. Any registrant making such an indication is not subject
19 to any filing requirement if the statement is true. The registrant need not file a
20 termination report. A registrant not making such an indication on a registration
21 statement is subject to a filing requirement. The indication may be revoked and the
22 registrant is then subject to a filing requirement as of the date of revocation, or the
23 date that aggregate contributions, disbursements or obligations for the calendar
24 year exceed \$1,000, or the date on which the registrant accepts any contribution or
25 contributions exceeding \$100 from a single source, other than contributions made by

1 a candidate to his or her own campaign, during that year, whichever is earlier. If the
2 revocation is not timely, the registrant violates s. 11.27 (1).

3 **SECTION 10.** 11.05 (3) (c) of the statutes is amended to read:

4 11.05 (3) (c) In the case of a committee, a statement as to whether the
5 committee is a personal campaign committee, a political party committee, a
6 legislative campaign committee, a support committee or a special interest
7 committee.

8 **SECTION 11.** 11.05 (3) (o) of the statutes is repealed.

9 **SECTION 12.** 11.05 (9) (b) of the statutes is amended to read:

10 11.05 (9) (b) An individual who or a committee or group which receives a
11 contribution of money and transfers the contribution to another individual,
12 committee or group while acting as a conduit is not subject to registration under this
13 section unless the individual, committee or group transfers the contribution to a
14 candidate or a personal campaign, legislative campaign, political party or support
15 committee.

16 **SECTION 13.** 11.05 (13) of the statutes is amended to read:

17 11.05 (13) BANK ACCOUNT AND POSTAL BOX; EXEMPTION. An individual, committee
18 or group does not violate this section by accepting a contribution and making a
19 disbursement in the amount required to rent a postal box, or in the minimum amount
20 required by a bank or trust company to open a checking account, prior to the time of
21 registration, if the disbursement is properly reported on the first report submitted
22 under s. 11.20 or 11.21 (16) after the date that the individual, committee or group is
23 registered, whenever a reporting requirement applies to the registrant.

24 **SECTION 14.** 11.06 (1) (intro.) of the statutes is amended to read:

1 11.06 (1) CONTENTS OF REPORT. (intro.) Except as provided in subs. (2), and (3)
2 ~~and (3m)~~ and ss. 11.05 (2r) and 11.19 (2), each registrant under s. 11.05 shall make
3 full reports, upon a form prescribed by the board and signed by the appropriate
4 individual under sub. (5), of all contributions received, contributions or
5 disbursements made, and obligations incurred. Each report shall contain the
6 following information, covering the period since the last date covered on the previous
7 report, unless otherwise provided:

8 **SECTION 15.** 11.06 (1) (a) of the statutes is amended to read:

9 11.06 (1) (a) An itemized statement giving the date, full name and street
10 address of each contributor who has made a contribution in excess of \$20, or whose
11 contribution if \$20 or less aggregates more than \$20 for the calendar year, together
12 with the amount of the contribution ~~and~~, the cumulative total contributions made by
13 that contributor for the calendar year and any allocation of all or part of that
14 contribution which is required to be made under s. 11.26 (17) (a).

15 **SECTION 16.** 11.06 (2) of the statutes is amended to read:

16 11.06 (2) DISCLOSURE OF CERTAIN INDIRECT DISBURSEMENTS. Notwithstanding
17 sub. (1), if a disbursement is made or obligation incurred by an individual other than
18 a candidate or by a committee or group which is not primarily organized for political
19 purposes, and the disbursement does not constitute a contribution to any candidate
20 or other individual, committee or group, the disbursement or obligation is required
21 to be reported only if the purpose is to expressly advocate the election or defeat of a
22 clearly identified candidate or the adoption or rejection of a referendum. The
23 exemption provided by this subsection shall in no case be construed to apply to a
24 political party, legislative campaign, personal campaign or support committee.

25 **SECTION 17.** 11.06 (3m) of the statutes is repealed.

1 **SECTION 18.** 11.06 (3r) of the statutes is repealed.

2 **SECTION 19.** 11.06 (3w) of the statutes is repealed.

3 **SECTION 20.** 11.06 (4) (b) of the statutes is amended to read:

4 11.06 (4) (b) ~~Unless~~ The recipient of any contribution other than a conduit shall
5 report the contribution as received and accepted on the date received, unless it is
6 returned or donated within 15 days of receipt, a contribution must be reported as
7 received and accepted on the date received. A conduit who or which receives a
8 contribution shall report the contribution as received and accepted no later than the
9 date on which the conduit transfers the contribution to the recipient specified by the
10 contributor under s. 11.16 (4) (a) unless the conduit returns the contribution to the
11 contributor on or before that date. This subsection ~~paragraph~~ applies
12 notwithstanding the fact that the contribution is not deposited in ~~the~~ a campaign
13 depository account by the closing date for ~~the~~ a reporting period as provided in s.
14 11.20 (8) or the reporting deadline provided in s. 11.21 (16).

15 **SECTION 21.** 11.06 (5) of the statutes is amended to read:

16 11.06 (5) **REPORT MUST BE COMPLETE.** A registered individual or treasurer of a
17 group or committee shall make a good faith effort to obtain all required information.
18 The first report shall commence no later than the date that the first contribution is
19 received and accepted or the first disbursement is made. Each report shall be filed
20 with the appropriate filing officer on the dates designated in s. 11.20 and, if the
21 registrant files reports under s. 11.21 (16), at the times specified in s. 11.21 (16). The
22 individual or the treasurer of the group or committee shall certify to the correctness
23 of each report. In the case of a candidate, the candidate or treasurer shall certify to
24 the correctness of each report. If a treasurer is unavailable, any person designated
25 as a custodian under s. 11.05 (3) (e) may certify to the correctness of a report.

1 **SECTION 22.** 11.06 (7m) (a) of the statutes is amended to read:

2 11.06 (**7m**) (a) If a committee which was registered under s. 11.05 as a political
3 party committee ~~or legislative campaign committee~~ supporting candidates of a
4 political party files an oath under sub. (7) affirming that it does not act in cooperation
5 or consultation with any candidate who is nominated to appear on the party ballot
6 of the party at a general or special election, that the committee does not act in concert
7 with, or at the request or suggestion of, such a candidate, that the committee does
8 not act in cooperation or consultation with such a candidate or agent or authorized
9 committee of such a candidate who benefits from a disbursement made in opposition
10 to another candidate, and that the committee does not act in concert with, or at the
11 request or suggestion of, such a candidate or agent or authorized committee of such
12 a candidate who benefits from a disbursement made in opposition to another
13 candidate, the committee filing the oath may not make any contributions in support
14 of any candidate of the party at the general or special election or in opposition to any
15 such candidate's opponents exceeding the amounts specified in s. 11.26 (2), except as
16 authorized in par. (c).

17 **SECTION 23.** 11.06 (7m) (c) of the statutes is amended to read:

18 11.06 (**7m**) (c) A committee filing an oath under sub. (7) which desires to change
19 its status to a political party committee ~~or legislative campaign committee~~ may do
20 so as of December 31 of any even-numbered year. Section 11.26 does not apply to
21 contributions received by such a committee prior to the date of the change. Such a
22 committee may change its status at other times only by filing a termination
23 statement under s. 11.19 (1) and reregistering as a newly organized committee
24 under s. 11.05.

25 **SECTION 24.** 11.06 (11) (a) of the statutes is amended to read:

1 11.06 (11) (a) A conduit transferring a contribution of money shall, in writing,
2 identify itself to the transferee as a conduit and report to the transferee of each
3 contribution transferred by it the information about the original contributor
4 required for reporting purposes under sub. (1) (a) and (b) at the time the contribution
5 is transferred. The conduit shall include the information in its any report filed by
6 the conduit under s. 11.12 (5) ~~or~~, 11.20 or 11.21 (16) for the date on which the
7 contribution is received and transferred.

8 **SECTION 25.** 11.065 of the statutes is created to read:

9 **11.065 Registration and reports by certain individuals and**
10 **organizations.** (1) (a) “Mass mailing” means the distribution of 50 or more pieces
11 of substantially identical material.

12 (b) “Organization” means any person, other than an individual, and any
13 combination of 2 or more persons.

14 (c) “Telephone bank operator” means any person who places or directs the
15 placement of telephone calls to individuals.

16 (2) Any individual who or organization which receives one or more donations
17 and makes one or more expenditures from those donations or other income for the
18 purpose of publishing, broadcasting or disseminating a communication which
19 includes the name or likeness of a candidate for state or local office at a primary or
20 other election within 30 days of that election by means of one or more
21 communications media or a mass mailing or through a telephone bank operator,
22 prior to receiving any donations or making expenditures, which, in the aggregate,
23 exceed \$1,000 within a calendar year in amount or value for that purpose, shall
24 register with the filing officer of the candidate whose name or likeness is used. The
25 registration shall include the name of each candidate whose name or likeness is

1 included in any communication made by the individual or organization. If, after the
2 date of registration, the individual or organization determines to make a
3 communication which includes the name or likeness of a candidate for state or local
4 office who is not identified in the registration, and the communication would require
5 registration under this subsection, the individual or organization shall, before
6 making the communication, report the name of that candidate to the appropriate
7 filing officer.

8 (3) A registrant under sub. (2) shall file reports with each filing officer with
9 whom the individual or organization is registered identifying all of the following:

10 (a) Each donation received from a single source exceeding \$20 within a
11 calendar year, together with the amount of the donation, the date that the donation
12 was received and accepted, the name and address of the donor and, if the amount of
13 the donation exceeds \$100 cumulatively within a calendar year, the occupation and
14 principal place of employment of the donor.

15 (b) Each expenditure exceeding \$20 made, together with the amount of the
16 expenditure, the date that the expenditure was made, the name of the person to
17 whom the expenditure was made and the specific purpose for which the expenditure
18 was made.

19 (c) The total donations and other income received and accepted and total
20 expenditures made cumulatively for the calendar year.

21 (4) (a) If an individual or organization under sub. (2) receives income or makes
22 expenditures exceeding \$20,000 in amount or value within a calendar year for a
23 purpose specified in sub. (2) with respect to one or more candidates for state office,
24 the individual or organization shall file reports with the board under s. 11.21 (16)
25 which include the information required under sub. (3) relating to that income or

1 those expenditures no later than 24 hours after the income is received or the
2 expenditures are made. In addition, the individual or organization shall file reports
3 recorded on a medium specified by the board at the times specified in s. 11.20 (2), (2m)
4 and (4).

5 (b) If an individual or organization under sub. (2) receives income or makes
6 expenditures with respect to one or more candidates for state office not exceeding
7 \$20,000 in amount or value within a calendar year, or if an individual or organization
8 under sub. (2) receives income or makes expenditures with respect to one or more
9 candidates for local office, for a purpose specified in sub. (2), the individual or
10 organization shall report to the appropriate filing officer the information required
11 under sub. (3) in the form prescribed by the board at the times specified in s. 11.20
12 (2), (2m) and (4) for filing of reports by each candidate who is identified in a
13 communication made by the individual or organization.

14 (c) Each report filed under this section shall include all income received and
15 accepted and all expenditures made as of the applicable dates specified in s. 11.20
16 (8), or if the reports are filed under s. 11.21 (16), as of the time specified in s. 11.21
17 (16).

18 (5) An individual who or organization which determines that it will no longer
19 accept donations or make expenditures for a purpose specified in sub. (2) may file a
20 notice of termination of its registration with any filing officer with whom the
21 individual or organization is registered. An individual who or organization which
22 files a notice of termination under this subsection is not subject to the filing
23 requirement under sub. (3) until such time as the individual or organization again
24 accepts a donation or makes an expenditure for a purpose specified in sub. (2).

25 **SECTION 26.** 11.09 (3) of the statutes is amended to read:

1 11.09 (3) Each registrant whose filing officer is the board, who or which makes
2 disbursements in connection with elections for offices which serve or referenda
3 which affect only one county or portion thereof, except a candidate, personal
4 campaign committee, political party committee or other committee making
5 disbursements in support of or in opposition to a candidate for state senator,
6 representative to the assembly, court of appeals judge or circuit judge, shall file a
7 duplicate original of each financial report filed with the board with the county clerk
8 or board of election commissioners of the county in which the elections in which the
9 registrant participates are held. Such reports shall be filed no later than the dates
10 specified under s. 11.20 (2) and (4) for the filing of each report with the board. This
11 subsection does not apply to a registrant who or which files reports under s. 11.21
12 (16).

13 **SECTION 27.** 11.12 (3) of the statutes is amended to read:

14 11.12 (3) All contributions, disbursements and incurred obligations exceeding
15 \$10 shall be recorded by the campaign or committee treasurer or the individual
16 under s. 11.06 (7). He or she shall maintain such records in an organized and legible
17 manner, for not less than 3 years after the date of an election in which the registrant
18 participates. If a report is submitted under s. 11.19 (1), the records may be
19 transferred to a continuing committee or to the appropriate filing officer for
20 retention. Records shall include the information required under ~~s.~~ ss. 11.06 (1) and
21 11.16 (2s) (a).

22 **SECTION 28.** 11.12 (4) of the statutes is amended to read:

23 11.12 (4) Each registrant shall report contributions, disbursements and
24 incurred obligations in accordance with s. 11.20, and if the registrant files reports
25 under s. 11.21 (16), in accordance with s. 11.21 (16). Except as permitted under s.

1 11.06 (2), and (3) ~~and (3m)~~, each report shall contain the information which is
2 required under s. 11.06 (1).

3 **SECTION 29.** 11.12 (5) of the statutes is amended to read:

4 11.12 (5) If any contribution or contributions of \$500 or more cumulatively are
5 received by a candidate for state office or by a committee or individual from a single
6 contributor later than 15 days prior to a primary or election such that it is not
7 included in the preprimary or preelection report submitted under s. 11.20 (3), the
8 treasurer of the committee or the individual receiving the contribution shall within
9 24 hours of receipt inform the appropriate filing officer of the information required
10 under s. 11.06 (1) in such manner as the board may prescribe. The information shall
11 also be included in the treasurer's or individual's next regular report. For purposes
12 of the reporting requirement under this subsection, only contributions received
13 during the period beginning with the day after the last date covered on the
14 preprimary or preelection report, and ending with the day before the primary or
15 election need be reported. This subsection does not apply to a registrant who or
16 which files reports under s. 11.21 (16).

17 **SECTION 30.** 11.12 (6) of the statutes is amended to read:

18 11.12 (6) If any disbursement of more than \$20 cumulatively is made to
19 advocate the election or defeat of a clearly identified candidate by an individual or
20 committee later than 15 days prior to a primary or election in which the candidate's
21 name appears on the ballot without cooperation or consultation with a candidate or
22 agent or authorized committee of a candidate who is supported or opposed, and not
23 in concert with or at the request or suggestion of such a candidate, agent or
24 committee, the individual or treasurer of the committee shall, within 24 hours of
25 making the disbursement, inform the appropriate filing officer of the information

1 required under s. 11.06 (1) in such manner as the board may prescribe. The
2 information shall also be included in the next regular report of the individual or
3 committee under s. 11.20. For purposes of this subsection, disbursements cumulate
4 beginning with the day after the last date covered on the preprimary or preelection
5 report and ending with the day before the primary or election. Upon receipt of a
6 report under this subsection, the filing officer shall, within 24 hours of receipt, mail
7 a copy of the report to all candidates for any office in support of or opposition to one
8 of whom a disbursement identified in the report is made. This subsection does not
9 apply to a registrant who or which files reports under s. 11.21 (16).

10 **SECTION 31.** 11.14 (1) of the statutes is amended to read:

11 11.14 (1) Except as authorized in sub. (3) and as required by s. 11.16 (5), all
12 ~~funds~~ moneys received by a campaign or committee treasurer, group treasurer,
13 candidate or other individual shall be deposited in a single separate campaign
14 depository account designated in accordance with s. 11.16 (3). Except as authorized
15 in sub. (3), the depository account shall be established by every candidate no later
16 than the time prescribed in s. 11.10 (1), and by every other individual or treasurer
17 no later than the 5th business day after becoming subject to a registration
18 requirement under s. 11.05 and before making any disbursement. The depository
19 account may be established with any financial institution as defined in s. 705.01 (3)
20 which is authorized to transact business in this state. The individual or treasurer
21 of each registrant other than a conduit shall deposit all ~~funds~~ moneys received in the
22 campaign depository account of the registrant no later than the 5th business day
23 commencing after receipt. A treasurer of a conduit shall deposit all moneys received
24 in the campaign depository account of the conduit no later than the 5th day

1 commencing after receipt. This subsection does not apply to a contributor committee
2 or group which is exempt from registration under s. 11.05 (8).

3 **SECTION 32.** 11.16 (2e), (2m) and (2s) of the statutes are created to read:

4 11.16 **(2e)** FORM OF CERTAIN NEGOTIABLE INSTRUMENTS. (a) Each contribution
5 made by negotiable instrument that is transferred from the contributor to the
6 recipient by another person, together with one or more additional contributions
7 made by means of negotiable instruments, shall have shown on the face of the
8 instrument the date that the contribution is made, the amount of the contribution
9 and the name of the intended recipient. The contributor of each such contribution
10 shall personally enter the information required by this subsection at the time the
11 contributor transfers the contribution to the other person.

12 (b) No person may enter or change the date that a contribution specified in par.
13 (a) is made so as to indicate a date that the contribution is made other than the date
14 that the contribution is transferred by the contributor to the transferee under par.
15 (a).

16 **(2m)** TRANSFERS OF CERTAIN CONTRIBUTIONS BY CONDUITS. Each conduit who or
17 which receives a contribution of money shall transfer the contribution to the
18 recipient specified by the contributor within 5 days of the date on which the conduit
19 receives the contribution from the contributor.

20 **(2s)** CONDUIT CONTRIBUTION PROCEDURE. (a) Each contributor who transfers a
21 contribution of money to a conduit shall make a written direction to the conduit, on
22 a form prescribed by the board, specifying clearly the name of the intended recipient,
23 the amount of the contribution and the date on which the contribution is made. Each
24 item of information on the form shall be entered by the contributor.

1 (b) No conduit may accept a contribution that is not accompanied by the
2 information required under par. (a).

3 (c) A conduit receiving a form prescribed under par. (a) shall retain the form
4 with its records under s. 11.12 (3).

5 (d) No person may enter or change a date that a contribution is made on a form
6 prescribed under par. (a) so as to indicate a date that a contribution is made other
7 than the actual date.

8 **SECTION 33.** 11.16 (5) of the statutes is amended to read:

9 11.16 (5) ESCROW AGREEMENTS. Any personal campaign committee, or political
10 party committee ~~or legislative campaign committee~~ may, pursuant to a written
11 escrow agreement with more than one candidate, solicit contributions for and
12 conduct a joint fund raising effort or program on behalf of more than one named
13 candidate. The agreement shall specify the percentage of the proceeds to be
14 distributed to each candidate by the committee conducting the effort or program.
15 The committee shall include this information in all solicitations for the effort or
16 program. All contributions received and disbursements made by the committee in
17 connection with the effort or program shall be received and disbursed through a
18 separate depository account under s. 11.14 (1) that is identified in the agreement.
19 For purposes of s. 11.06 (1), the committee conducting the effort or program shall
20 prepare a schedule in the form prescribed by the board supplying all required
21 information under s. 11.06 (1) and items qualifying for exclusion under s. 11.31 (6)
22 for the effort or program, and shall transmit a copy of the schedule to each candidate
23 who receives any of the proceeds within the period prescribed in s. 11.06 (4) (c).

24 **SECTION 34.** 11.19 (1) of the statutes, as affected by 1997 Wisconsin Act 27, is
25 amended to read:

1 11.19 (1) Whenever any registrant disbands or determines that obligations will
2 no longer be incurred, and contributions will no longer be received nor disbursements
3 made during a calendar year, and the registrant has no outstanding incurred
4 obligations, the registrant shall file a termination report with the appropriate filing
5 officer. Such report shall indicate a cash balance on hand of zero at the end of the
6 reporting period and shall indicate the disposition of residual funds. Residual funds
7 may be used for any political purpose not prohibited by law, returned to the donors
8 in an amount not exceeding the original contribution, or donated to a charitable
9 organization or the common school fund. The report shall be filed and certified as
10 were previous reports, and shall contain the information required by s. 11.06 (1). A
11 registrant to which s. 11.055 (1) applies shall pay the fee imposed under that
12 subsection with a termination report filed under this subsection. If a termination
13 report or suspension report under sub. (2) is not filed, the registrant shall continue
14 to file periodic reports with the appropriate filing officer, no later than the dates
15 specified in s. 11.20 and, if the registrant files reports under s. 11.21 (16), no later
16 than the times specified in s. 11.21 (16). This subsection does not apply to any
17 registrant making an indication under s. 11.05 (2r).

18 **SECTION 35.** 11.19 (2) of the statutes is amended to read:

19 11.19 (2) Notwithstanding sub. (1), any registrant other than a candidate for
20 statewide or legislative office or a personal campaign committee of such a candidate
21 who or which determines that obligations will no longer be incurred, contributions
22 will no longer be made or received or disbursements made during a calendar year in
23 an aggregate amount of more than \$1,000 may file a suspension report with the
24 appropriate filing officer. The report shall be filed and certified as were previous
25 reports and shall contain the information required under s. 11.06 (1). Upon receipt

1 of a properly executed report, the registrant shall be granted a suspension of the
2 filing requirement under s. 11.20 (9) by the appropriate filing officer. Such
3 suspension is effective only for the calendar year in which it is granted, unless the
4 registrant alters its status before the end of such year or files a termination report
5 under sub. (1).

6 **SECTION 36.** 11.20 (1) of the statutes is amended to read:

7 11.20 (1) All reports required by s. 11.06 which relate to activities which
8 promote or oppose candidates for state office or statewide referenda and all reports
9 under s. 11.08 shall be filed with the board. All reports required by s. 11.06 which
10 relate to activities which promote or oppose candidates for local office or local
11 referenda shall be filed with the appropriate filing officer under s. 11.02, except
12 reports filed under s. 11.08. Each registrant shall file the reports required by this
13 section. If the registrant is subject to a requirement under s. 11.21 (16) to report
14 electronically the same information that is reportable under this section, the
15 registrant shall, in addition, file the reports required by this section recorded on a
16 medium specified by the board.

17 **SECTION 37.** 11.20 (7) of the statutes is amended to read:

18 11.20 (7) In Except as otherwise required under s. 11.21 (16), in the event that
19 any report is required to be filed under this section chapter on a nonbusiness day, it
20 may be filed on the next business day thereafter.

21 **SECTION 38.** 11.21 (15) of the statutes is amended to read:

22 11.21 (15) Inform each candidate who files an application to become eligible to
23 receive a grant from the Wisconsin clean election campaign system fund of the dollar
24 amount of the applicable disbursement limitation under s. 11.31 (1), adjusted as
25 provided in s. 11.31 (9), which applies to the office for which such person is a

1 candidate. Failure to receive the notice required by this subsection does not
2 constitute a defense to a violation of s. 11.27 (1) or 11.31.

3 **SECTION 39.** 11.21 (16) of the statutes, as created by 1997 Wisconsin Act ...
4 (Assembly Bill 150), is amended to read:

5 11.21 (16) Require each registrant for whom the board serves as filing officer
6 and who or which accepts contributions in a total amount or value of exceeding
7 \$20,000 or more during a campaign period within a calendar year, each individual
8 or organization who or which is required to register with the board under s. 11.065
9 and who or which makes expenditures in an amount or value exceeding \$20,000
10 within a calendar year and each candidate who applies for a grant from the
11 Wisconsin election campaign fund or that candidate's personal campaign committee
12 to file each campaign finance report that is required to be filed under this chapter
13 in an electronic format, and accept from any other registrant for whom the board
14 serves as a filing officer or any other individual or organization who or which is
15 required to register with the board under s. 11.065 any campaign finance report that
16 is required to be filed under this chapter in an electronic format. A registrant An
17 individual or organization who or which becomes subject to a requirement to file
18 reports in an electronic format under this subsection shall initially file the
19 registrant's report of the individual or organization in an electronic format ~~for the~~
20 ~~period which includes~~ within 24 hours after the date on which the registrant
21 individual or organization becomes subject to the requirement. A candidate or
22 personal campaign committee of a candidate who applies for a grant from the
23 Wisconsin election campaign fund but whose application is not approved or who does
24 not accept a grant is not subject to the filing requirement under this subsection solely
25 as a result of filing an application for a grant. To facilitate implementation of this

1 subsection, the board shall specify, by rule, a type of software that is suitable for
2 compliance with the electronic filing requirement under this subsection. The board
3 shall provide ~~copies~~ one copy of the software and each revision thereof to registrants
4 each candidate for state office or that candidate's personal campaign committee at
5 the expense of the board and shall provide copies to other individuals and
6 organizations at a price fixed by the board that may not exceed cost. ~~Each registrant~~
7 ~~who or which files a report under this subsection in an electronic format shall also~~
8 ~~file a copy of the report with the board that is recorded on a medium specified by the~~
9 ~~board. The copy~~ Each report under this subsection shall be signed certified by an
10 authorized individual and filed with the board by each registrant no later than the
11 ~~time prescribed for filing of the report under this chapter~~ 24 hours after the
12 occurrence of any transaction that is reportable under s. 11.06 (1). The board shall
13 ~~provide~~ offer basic training to each candidate for state office or that candidate's
14 personal campaign committee in the use of the software specified by the board and
15 shall provide complete instructions in the use of that software to any registrant other
16 individual or organization who or which files a report under this subsection. ~~In this~~
17 ~~subsection, the "campaign period" of a candidate, personal campaign committee or~~
18 ~~support committee begins and ends with the "campaign" of the candidate whose~~
19 ~~candidacy is supported, as defined in s. 11.26 (17), and the "campaign period" of any~~
20 ~~other registrant begins on January 1 of each odd-numbered year and ends on~~
21 ~~December 31 of the following year. Section 990.001 (4) does not apply to the~~
22 computation of time permitted for compliance with the filing requirements under
23 this subsection. The board shall prescribe, by rule, requirements for individuals and
24 organizations who or which become subject to an electronic filing requirement under
25 this subsection to file electronically any information that was reported by the

1 individuals or organizations by nonelectronic means before the individuals or
2 organizations became subject to the filing requirement imposed under this
3 subsection.

4 **SECTION 40.** 11.21 (17) of the statutes is created to read:

5 11.21 (17) No later than 24 hours after receiving any information electronically
6 under sub. (16), or if the information is received on a Saturday, Sunday or holiday
7 specified in s. 230.35 (4) (a), no later than 24 hours after the beginning of the first
8 business day after receiving such information, post the information electronically for
9 public inspection on the internet.

10 **SECTION 41.** 11.21 (18) of the statutes is created to read:

11 11.21 (18) Conduct a biennial review of campaign finance practices in this
12 state. The review shall include an assessment of the continued appropriateness of
13 the contribution limitations prescribed in s. 11.26 and any other important problems
14 that require the attention of the legislature, as well as an assessment of whether a
15 bipartisan committee should be created to provide for additional study of issues and
16 recommendations for possible additional legislative changes. If the board concludes
17 that any of the contribution limitations prescribed in s. 11.26 should be increased or
18 that any other action should be taken as a result of its review, the board shall
19 transmit its conclusions and recommendations to the appropriate standing
20 committees of each house of the legislature under s. 13.172 (3), together with
21 information supporting the board's conclusions, no later than January 1 of each
22 odd-numbered year.

23 **SECTION 42.** 11.21 (19) of the statutes is created to read:

24 11.21 (19) Review the operation of any system adopted by a county or city of
25 the 1st class to provide for public funding of campaigns for county or city offices and

1 provide its recommendations, if any, for extension of a similar system for financing
2 campaigns to other local offices to the appropriate standing committees of each house
3 of the legislature under s. 13.172 (3).

4 **SECTION 43.** 11.23 (4) of the statutes is amended to read:

5 11.23 (4) Each group or individual shall file periodic reports as provided in ss.
6 11.06, 11.19 ~~and~~, 11.20 and 11.21 (16). Every individual acting for the purpose of
7 influencing the outcome of a referendum shall be deemed his or her own treasurer.
8 No disbursement may be made or obligation incurred by or on behalf of a group
9 without the authorization of the treasurer or the treasurer's designated agents. No
10 contribution may be accepted and no disbursement may be made or obligation
11 incurred by any group at a time when there is a vacancy in the office of treasurer.

12 **SECTION 44.** 11.23 (6) of the statutes is amended to read:

13 11.23 (6) If any contribution or contributions of \$500 or more cumulatively are
14 received by a group or individual supporting or opposing the adoption of a
15 referendum question from a single contributor later than 15 days prior to an election
16 such that it is not included in the preprimary or preelection report submitted under
17 s. 11.20 (3), the treasurer of the group or the individual receiving the contribution
18 shall within 24 hours of receipt inform the appropriate filing officer of the
19 information required under s. 11.06 (1) in such manner as the board may prescribe.
20 The information shall also be included in the treasurer's or individual's next regular
21 report. For purposes of the reporting requirement under this subsection, only
22 contributions received during the period beginning with the day after the last date
23 covered on the preelection report, and ending with the day before the election need
24 be reported. This subsection does not apply to a registrant who or which files reports
25 under s. 11.21 (16).

1 **SECTION 45.** 11.24 (1s) of the statutes is created to read:

2 11.24 (1s) Except as authorized in s. 11.16 (5), no candidate, personal campaign
3 committee, former candidate or former personal campaign committee may make a
4 contribution to another candidate or personal campaign committee.

5 **SECTION 46.** 11.24 (1t) of the statutes is created to read:

6 11.24 (1t) If a candidate dies or ceases to be a candidate, and the candidate's
7 personal campaign committee thereafter files an oath under s. 11.06 (7) indicating
8 its intent to operate as an independent committee, the committee may not make any
9 contribution for the purpose of influencing the election of a candidate for national,
10 state or local office in an election that is derived in whole or in part from contributions
11 received by the committee prior to the date on which the committee files the oath
12 under s. 11.06 (7).

13 **SECTION 47.** 11.25 (2) (am) of the statutes is created to read:

14 11.25 (2) (am) No individual who is a candidate for any national, state or local
15 office, personal campaign committee of such a candidate, former candidate or former
16 personal campaign committee of a candidate or former candidate may make a
17 disbursement for the purpose of influencing the election or nomination to election of
18 that candidate or any other individual who is a candidate for any national, state or
19 local office from money or property that was received by or on behalf of the candidate
20 or former candidate when he or she was a candidate for another office.

21 **SECTION 48.** 11.25 (2) (b) of the statutes is amended to read:

22 11.25 (2) (b) Notwithstanding par. (a), a registrant may accept contributions
23 and make disbursements from a campaign depository account for the purpose of
24 ~~making expenditures in connection with a campaign for national office;~~ for payment
25 of civil penalties incurred by the registrant under this chapter; or for payment of the

1 expenses of nonpartisan campaigns to increase voter registration or participation.
2 Notwithstanding par. (a), a personal campaign committee or support committee may
3 accept contributions and make disbursements from a campaign depository account
4 for payment of inaugural expenses of an individual who is elected to state or local
5 office. If such expenses are paid from contributions made to the campaign depository
6 account, they are reportable under s. 11.06 (1) as disbursements. Otherwise, such
7 expenses are not reportable under s. 11.06 (1). If contributions from the campaign
8 depository account are used for such expenses, they are subject to s. 11.26.

9 **SECTION 49.** 11.25 (4) of the statutes is created to read:

10 11.25 (4) If a candidate dies or ceases to be a candidate, and the candidate's
11 personal campaign committee thereafter files an oath under s. 11.06 (7) indicating
12 its intent to operate as an independent committee, the committee may not make any
13 disbursement to advocate the election or defeat of a clearly identified candidate for
14 national, state or local office in an election that is derived in whole or in part from
15 contributions received by the committee prior to the date on which the committee
16 files the oath under s. 11.06 (7).

17 **SECTION 50.** 11.26 (1) (intro.) of the statutes is amended to read:

18 11.26 (1) (intro.) ~~No~~ Except as provided in sub. (9m), no individual may make
19 any contribution or contributions to a candidate for election or nomination to any of
20 the following offices and to any individual or committee under s. 11.06 (7) acting
21 solely in support of such a candidate or solely in opposition to the candidate's
22 opponent to the extent of more than a total of the amounts specified per candidate:

23 **SECTION 51.** 11.26 (2) (intro.) of the statutes is amended to read:

24 11.26 (2) (intro.) ~~No~~ Except as provided in sub. (9m), no committee other than
25 a political party committee ~~or legislative campaign committee~~ may make any

1 contribution or contributions to a candidate for election or nomination to any of the
2 following offices and to any individual or committee under s. 11.06 (7) acting solely
3 in support of such a candidate or solely in opposition to the candidate's opponent to
4 the extent of more than a total of the amounts specified per candidate:

5 **SECTION 52.** 11.26 (2) (a) of the statutes is amended to read:

6 11.26 (2) (a) Candidates for governor, ~~lieutenant governor, secretary of state,~~
7 ~~state treasurer, attorney general, state superintendent or justice, 4% of the value of~~
8 ~~the disbursement level specified in the schedule under s. 11.31 (1), \$45,000.~~

9 **SECTION 53.** 11.26 (2) (ae), (am) and (as) of the statutes are created to read:

10 11.26 (2) (ae) Candidates for lieutenant governor, \$13,000.

11 (am) Candidates for attorney general, \$22,000.

12 (as) Candidates for justice, secretary of state, state treasurer or state
13 superintendent, \$9,000.

14 **SECTION 54.** 11.26 (2) (b) and (c) of the statutes are amended to read:

15 11.26 (2) (b) Candidates for state senator, \$1,000 ~~\$2,000~~.

16 (c) Candidates for representative to the assembly, \$500 ~~\$1,000~~.

17 **SECTION 55.** 11.26 (4) of the statutes is amended to read:

18 11.26 (4) No individual may make any contribution or contributions to all
19 candidates for state and local offices and to any individuals who or committees which
20 are subject to a registration requirement under s. 11.05, including legislative
21 ~~campaign committees and~~ committees of a political party, to the extent of more than
22 a total of \$10,000 in any calendar year.

23 **SECTION 56.** 11.26 (7) of the statutes is created to read:

24 11.26 (7) No candidate or his or her personal campaign committee may make
25 a contribution to another candidate or his or her personal campaign committee,

1 except a contribution in an amount not exceeding \$100 in amount or value that is
2 utilized for the purpose of financing the actual costs of an event.

3 **SECTION 57.** 11.26 (8) of the statutes is amended to read:

4 11.26 (8) (a) No political party as defined in s. 5.02 (13) may receive more than
5 a total of \$150,000 in value of its contributions in any biennium from all other
6 committees, excluding contributions from ~~legislative campaign committees~~ and
7 transfers between party committees of the party. In this paragraph, a biennium
8 commences with January 1 of each odd-numbered year and ends with December 31
9 of each even-numbered year.

10 (b) No such political party may receive more than a total of \$6,000 in value of
11 its contributions in any calendar year from any specific committee or its subunits or
12 affiliates, excluding ~~legislative campaign and~~ political party committees.

13 (c) No committee, other than a political party ~~or legislative campaign~~
14 committee, may make any contribution or contributions, directly or indirectly, to a
15 political party under s. 5.02 (13) in a calendar year exceeding a total value of \$6,000.

16 **SECTION 58.** 11.26 (8e) of the statutes is created to read:

17 11.26 (8e) No candidate or his or her personal campaign committee may make
18 any contribution to a political party, as defined in s. 5.02 (13), except a contribution
19 in an amount not exceeding \$100 in amount or value that is utilized for the purpose
20 of financing the actual costs of an event.

21 **SECTION 59.** 11.26 (8m) of the statutes is created to read:

22 11.26 (8m) (a) No committee may make a contribution exceeding \$100 in
23 amount or value to any other committee except a political party, personal campaign
24 or support committee.

1 (b) No conduit may transfer a contribution exceeding \$100 in amount or value
2 to any committee except a political party, personal campaign or support committee.

3 **SECTION 60.** 11.26 (9) (a) and (b) of the statutes are amended to read:

4 11.26 (9) (a) ~~No Except as authorized under sub. (9m), no~~ individual who is a
5 candidate for state or local office may receive and accept more than 65% of the value
6 of the total disbursement level, as determined under s. 11.31 (1) and adjusted as
7 provided in s. 11.31 (9), for the office for which he or she is a candidate during any
8 primary and election campaign combined from all committees subject to a filing
9 requirement, including political party ~~and legislative campaign~~ committees.

10 (b) No individual who is a candidate for state or local office may receive and
11 accept more than 45% of the value of the total disbursement level, as determined
12 under s. 11.31 (1) and adjusted as provided in s. 11.31 (9), for the office for which he
13 or she is a candidate during any primary and election campaign combined from all
14 committees other than political party ~~and legislative campaign~~ committees subject
15 to a filing requirement.

16 **SECTION 61.** 11.26 (9) (c) of the statutes is amended to read:

17 11.26 (9) (c) For purposes of ~~pars. par. (a) and (b)~~, a “committee” includes the
18 Wisconsin clean election campaign system fund.

19 **SECTION 62.** 11.26 (9m) of the statutes is created to read:

20 11.26 (9m) (a) If any individual or organization makes expenditures that are
21 reportable under s. 11.065 which include the name or likeness of a candidate to whom
22 s. 11.31 (2) applies, or an opponent of such a candidate, and the total expenditures
23 for that purpose by all such individuals and organizations aggregate more than 5%
24 of the limitation prescribed under s. 11.31 (2), as adjusted under s. 11.31 (9),
25 applicable to that candidate during any campaign, as defined in s. 11.31 (7), on or

1 before the date of the primary election, or the date on which the primary election
2 would be held, if required, the limitations prescribed in subs. (1) and (2) applicable
3 to contributions made to that candidate in that campaign are 200% of the amounts
4 specified in subs. (1) and (2) and the limitation prescribed under sub. (9) (a) does not
5 apply to that candidate or to any opponent of that candidate after the date on which
6 those total expenditures exceed that amount.

7 (b) If any individual or organization makes expenditures that are reportable
8 under s. 11.065 which include the name or likeness of a candidate to whom s. 11.31
9 (2) applies, or an opponent of such a candidate, and the total expenditures for that
10 purpose by all such individuals and organizations aggregate more than 5% of the
11 limitation prescribed under s. 11.31 (2), as adjusted under s. 11.31 (9), applicable to
12 that candidate during any campaign, as defined in s. 11.31 (7), after the date of the
13 primary election, or the date on which the primary election would be held, if required,
14 and on or before the date of the election, the limitations prescribed in subs. (1) and
15 (2) applicable to contributions made to that candidate in that campaign are 200% of
16 the amounts specified in subs. (1) and (2) and the limitation prescribed under sub.
17 (9) (a) does not apply to that candidate or to any opponent of that candidate after the
18 date on which those total expenditures exceed that amount.

19 **SECTION 63.** 11.26 (10) of the statutes is amended to read:

20 11.26 (10) No candidate for state office who files a sworn statement and
21 application to receive a grant from the Wisconsin clean election campaign system
22 fund may make contributions of more than 200% of the amounts specified in sub. (1)
23 to the candidate's own campaign from the candidate's personal funds or property or
24 the personal funds or property which are owned jointly or as marital property with
25 the candidate's spouse, unless the board determines that the candidate is not eligible

1 to receive a grant, the candidate withdraws his or her application under s. 11.50 (2)
2 (h), or sub. (10m) or s. 11.50 (2) (i) applies. For purposes of this subsection, any
3 contribution received by a candidate or his or her personal campaign committee from
4 a committee which is registered with the federal elections commission as the
5 authorized committee of the candidate under 2 USC 432 (e) shall be treated as a
6 contribution made by the candidate to his or her own campaign. The contribution
7 limit of sub. (4) applies to amounts contributed by such a candidate personally to the
8 candidate's own campaign and to other campaigns, except that a candidate may
9 exceed the limitation if authorized under this subsection to contribute more than the
10 amount specified to the candidate's own campaign, up to the amount of the
11 limitation.

12 **SECTION 64.** 11.26 (10m) of the statutes is created to read:

13 11.26 (10m) (a) If any individual or organization makes expenditures that are
14 reportable under s. 11.065 which include the name or likeness of a candidate to whom
15 s. 11.31 (2) applies, or an opponent of such a candidate, and the total expenditures
16 for that purpose by all such individuals and organizations in the aggregate exceed
17 an amount equal to 5% of the limitation prescribed under s. 11.31 (2), as adjusted
18 under s. 11.31 (9), applicable to that candidate during any campaign on or before the
19 date of the primary election, or the date on which the primary election would be held,
20 if required, the limitation prescribed under sub. (10) does not apply to that candidate
21 after the date on which those total expenditures exceed that amount.

22 (b) If any individual or organization makes expenditures that are reportable
23 under s. 11.065 which include the name or likeness of a candidate to whom s. 11.31
24 (2) applies, or an opponent of such a candidate, and the total expenditures for that
25 purpose by all such individuals and organizations in the aggregate exceed an amount

1 equal to 5% of the limitation prescribed under s. 11.31 (2), as adjusted under s. 11.31
2 (9), applicable to that candidate during any campaign after the date of the primary
3 election, or the date on which the primary election would be held, if required, and on
4 or before the date of the election, the limitation prescribed under sub. (10) does not
5 apply to that candidate after the date on which those total expenditures exceed that
6 amount.

7 **SECTION 65.** 11.26 (17) (g) of the statutes is created to read:

8 11.26 (17) (g) Notwithstanding pars. (b) to (e), if at the time that the campaign
9 of a candidate ends under this subsection, the candidate has unencumbered moneys
10 in his or her campaign depository account, and the candidate thereafter becomes a
11 candidate at a future election, the unencumbered moneys, less any earnings received
12 by the candidate on those moneys, are allocated to the contribution limitations
13 applicable to contributors to the candidate's campaign in the future election under
14 subs. (1), (2), (9) and (10), with the contributions most recently received by the
15 candidate allocated in the inverse order in which they were chronologically received
16 until all such unencumbered moneys are so allocated. Within 10 days after a
17 candidate determines that he or she must allocate a contribution received in a
18 previous campaign pursuant to this subsection, but in no case later than 10 days
19 after the date on which that candidate becomes a candidate in a future election, the
20 candidate's campaign treasurer shall notify the contributor in writing of that
21 allocation and the amount thereof.

22 **SECTION 66.** 11.265 of the statutes is repealed.

23 **SECTION 67.** 11.31 (1) (intro.) of the statutes is amended to read:

24 11.31 (1) SCHEDULE. (intro.) The following levels of disbursements are
25 established with reference to the candidates listed below. Except as provided in sub.

1 subs. (2) and (2e), such levels do not operate to restrict the total amount of
2 disbursements which are made or authorized to be made by any candidate in any
3 primary or other election.

4 **SECTION 68.** 11.31 (1) (a), (b), (c) and (d) of the statutes are amended to read:

5 11.31 (1) (a) Candidates for governor, ~~\$1,078,200~~ \$3,500,000.

6 (b) Candidates for lieutenant governor, ~~\$323,475~~ \$1,125,000.

7 (c) Candidates for attorney general, ~~\$539,000~~ \$750,000.

8 (d) Candidates for secretary of state, state treasurer, ~~justice~~ or state
9 superintendent, ~~\$215,625~~ \$350,000.

10 **SECTION 69.** 11.31 (1) (de) of the statutes is created to read:

11 11.31 (1) (de) Candidates for justice, \$400,000.

12 **SECTION 70.** 11.31 (1) (e) and (f) of the statutes are amended to read:

13 11.31 (1) (e) Candidates for state senator, ~~\$34,500 total in the primary and~~
14 ~~election, with disbursements not exceeding \$21,575 for either the primary or the~~
15 ~~election~~ \$140,000.

16 (f) Candidates for representative to the assembly, ~~\$17,250 total in the primary~~
17 ~~and election, with disbursements not exceeding \$10,775 for either the primary or the~~
18 ~~election~~ \$60,000.

19 **SECTION 71.** 11.31 (2) of the statutes is amended to read:

20 11.31 (2) (title) ~~LIMITATION IMPOSED ON TOTAL DISBURSEMENTS~~. No candidate for
21 state office at a spring or general election who files a sworn statement and
22 application to receive a grant from the Wisconsin clean election campaign system
23 fund may make or authorize total disbursements from the campaign treasury in any
24 campaign to the extent of more than the amount prescribed in sub. (1), adjusted as
25 provided under sub. (9), unless the board determines that the candidate is not

1 eligible to receive a grant, the candidate withdraws his or her application under s.
2 11.50 (2) (h), or s. 11.50 (2) (i) applies. No candidate for state office at a special
3 election who files a sworn statement and application to receive a grant from the
4 Wisconsin clean election campaign system fund may make or authorize total
5 disbursements from the campaign treasury in any campaign to the extent of more
6 than the amount prescribed under sub. (1), adjusted as provided under sub. (9), for
7 the preceding spring or general election for the same office, unless the board
8 determines that the candidate is not eligible to receive a grant, the candidate
9 withdraws his or her application under s. 11.50 (2) (h), or sub. (3n) or s. 11.50 (2) (i)
10 applies.

11 **SECTION 72.** 11.31 (2e) of the statutes is created to read:

12 11.31 (2e) LIMITATION ON DISBURSEMENTS FROM SOURCES OTHER THAN INDIVIDUAL
13 CONTRIBUTIONS. No candidate may make or authorize total disbursements from his
14 or her campaign treasury in any campaign that are derived from sources other than
15 contributions received from individuals in an aggregate amount or value greater
16 than 65% of the disbursement level for the office which the candidate seeks, as
17 prescribed under sub. (1) or as modified under sub. (3), and as adjusted under sub.
18 (9).

19 **SECTION 73.** 11.31 (2m) of the statutes is repealed.

20 **SECTION 74.** 11.31 (3) of the statutes is amended to read:

21 11.31 (3) GUBERNATORIAL CAMPAIGNS. For purposes of compliance with the
22 limitations imposed under sub. (2), candidates for governor and lieutenant governor
23 of the same political party who both accept grants from the Wisconsin clean election
24 campaign system fund may agree to combine disbursement levels under sub. (1) (a)

1 and (b), adjusted as provided under sub. (9), and reallocate the total level between
2 them. The candidates shall each inform the board of any such agreement.

3 **SECTION 75.** 11.31 (3m) of the statutes is repealed.

4 **SECTION 76.** 11.31 (3n) of the statutes is created to read:

5 11.31 **(3n)** MASS MAILING AND TELEPHONING ACTIVITIES; EXCEPTION. (a) If any
6 individual or organization makes expenditures that are reportable under s. 11.065
7 which include the name or likeness of a candidate to whom sub. (2) applies, or an
8 opponent of such a candidate, and the total expenditures for that purpose by all such
9 individuals and organizations in the aggregate exceed an amount equal to 5% of the
10 limitation prescribed under sub. (2), as adjusted under sub. (9), applicable to that
11 candidate during any campaign on or before the date of the primary election, or the
12 date on which the primary election would be held, if required, the limitation
13 prescribed under sub. (2) does not apply to that candidate after the date on which
14 those total expenditures exceed that amount.

15 (b) If any individual or organization makes expenditures that are reportable
16 under s. 11.065 which include the name or likeness of a candidate to whom sub. (2)
17 applies, or an opponent of such a candidate, and the total expenditures for that
18 purpose by all such individuals and organizations in the aggregate exceed an amount
19 equal to 5% of the limitation prescribed under sub. (2), as adjusted under sub. (9),
20 applicable to that candidate during any campaign after the date of the primary
21 election, or the date on which the primary election would be held, if required, and on
22 or before the date of the election, the limitation prescribed under sub. (2) does not
23 apply to that candidate after the date on which those total expenditures exceed that
24 amount.

25 **SECTION 77.** 11.31 (4) of the statutes is repealed.

1 **SECTION 78.** 11.31 (7) (a) of the statutes is amended to read:

2 11.31 (7) (a) For purposes of this section, except as provided in pars. (b) and (c),
3 the "campaign" of a candidate extends from July 1 preceding the date on which the
4 spring primary or election occurs or January 1 preceding the date on which the
5 September primary or general election occurs for the office which the candidate
6 seeks, or from the date of the candidate's public announcement, whichever is earlier,
7 through the last day of the month following the month in which ~~the~~ an election ~~or~~
8 ~~primary~~ is held at which a candidate seeks office. If a candidate seeks office at both
9 a primary election and at a general or spring election which follows that primary
10 election, the "campaign" of that candidate extends through the last day of the month
11 following the general or spring election. If a candidate seeks office at a primary
12 election but not at the general or spring election which follows that primary election,
13 the "campaign" of that candidate extends through the last day of the month following
14 the primary election.

15 **SECTION 79.** 11.31 (7) (c) and (d) of the statutes are amended to read:

16 11.31 (7) (c) Disbursements which are made after ~~a campaign~~ the period
17 specified in par. (a) to retire a debt incurred in relation to a campaign are charged
18 against the disbursement limitation for that campaign.

19 (d) Disbursements which are made outside ~~a campaign~~ the period specified in
20 par. (a) and to which par. (b) or (c) does not apply are not subject to any disbursement
21 limitation. Such disbursements are subject to s. 11.25 (2).

22 **SECTION 80.** 11.31 (9) of the statutes is created to read:

23 11.31 (9) ADJUSTMENT OF DISBURSEMENT LEVELS. (a) In this subsection:

1 1. "Consumer price index" means the average of the consumer price index over
2 each 12-month period, all items, U.S. city average, as determined by the bureau of
3 labor statistics of the federal department of labor.

4 2. "Voting age population of this state" means the voting age population of this
5 state, as determined by the federal election commission in its most recent
6 determination prior to the date of any calculation under this subsection.

7 (b) The dollar amounts of all disbursement levels specified in sub. (1) shall be
8 subject to a biennial adjustment to be determined by rule of the board in accordance
9 with this subsection. To determine the adjustment, the board shall calculate the
10 percentage difference between the voting age population of this state on December
11 31 of each odd-numbered year and the voting age population of this state on
12 December 31, 1997. The board shall then calculate the percentage difference
13 between the consumer price index for the 12-month period ending on December 31
14 of each odd-numbered year and the consumer price index for the base period,
15 calendar year 1997. For each biennium, the board shall first multiply the
16 disbursement levels by the percentage difference in the voting age populations. The
17 board shall then multiply that product by the percentage difference in the consumer
18 price indices. The board shall adjust the disbursement levels specified under sub.
19 (1) to substitute that result for the existing levels to the extent required to reflect any
20 difference, rounded to the nearest multiple of \$25 in the case of amounts of \$1 or
21 more, which amounts shall be in effect until a subsequent rule is promulgated under
22 this subsection. Notwithstanding s. 227.24 (3), determinations under this
23 subsection may be promulgated as an emergency rule under s. 227.24 without a
24 finding of emergency.

25 **SECTION 81.** 11.38 (1) (a) 2. of the statutes is amended to read:

1 11.38 (1) (a) 2. Notwithstanding subd. 1., any such corporation or association
2 may establish and administer a separate segregated fund and solicit contributions
3 from individuals to the fund to be utilized by such corporation or association, for the
4 purpose of supporting or opposing any candidate for state or local office but the
5 corporation or association may not make any contribution to the fund. The fund shall
6 appoint a treasurer and shall register as a political committee under s. 11.05. A
7 parent corporation or association engaging solely in this activity is not subject to
8 registration under s. 11.05, but shall register and file special reports on forms
9 prescribed by the board disclosing its administrative and solicitation expenses on
10 behalf of such fund. A corporation not domiciled in this state need report only its
11 expenses for administration and solicitation of contributions in this state together
12 with a statement indicating where information concerning other administration and
13 solicitation expenses of its fund may be obtained. The reports shall be filed with the
14 filing officer for the fund specified in s. 11.02 in the manner provided under s. 11.21
15 (16), if applicable, or otherwise in the manner in which continuing reports are filed
16 under s. 11.20 (4) and (8).

17 **SECTION 82.** 11.38 (8) (b) of the statutes is amended to read:

18 11.38 (8) (b) Except as authorized in s. 11.05 (12) (b) and (13), prior to making
19 any disbursement on behalf of a political group which is promoting or opposing a
20 particular vote at a referendum and prior to accepting any contribution or making
21 any disbursement to promote or oppose a particular vote at a referendum, a
22 corporation or association organized under ch. 185 shall register with the
23 appropriate filing officer specified in s. 11.02 and appoint a treasurer. The
24 registration form of the corporation or association under s. 11.05 shall designate an
25 account separate from all other corporation or association accounts as a campaign

1 depository account, through which all moneys received or expended for the adoption
2 or rejection of the referendum shall pass. The corporation or association shall file
3 periodic reports under s. 11.20 and under s. 11.21 (16), if applicable, providing the
4 information required under s. 11.06 (1).

5 **SECTION 83.** 11.50 (title) of the statutes is amended to read:

6 **11.50 (title) Wisconsin clean election campaign fund system.**

7 **SECTION 84.** 11.50 (1) (b) of the statutes is amended to read:

8 11.50 (1) (b) "Fund" means the Wisconsin clean election campaign system fund.

9 **SECTION 85.** 11.50 (2) (a) of the statutes is amended to read:

10 11.50 (2) (a) Any individual who desires to qualify as an eligible candidate may
11 file an application with the board requesting approval to participate in the fund. The
12 application shall be filed no later than the applicable deadline for filing nomination
13 papers under s. 8.10 (2) (a), 8.15 (1), 8.20 (8) (a) or 8.50 (3) (a), no later than 4:30 p.m.
14 on the 7th day after the primary or date on which the primary would be held if
15 required in the case of write-in candidates, or no later than 4:30 p.m. on the 7th day
16 after appointment in the case of candidates appointed to fill vacancies. The
17 application shall contain a sworn statement that the candidate and his or her
18 authorized agents have complied with the contribution limitations prescribed in s.
19 11.26 and the disbursement limitations prescribed under s. 11.31, as adjusted under
20 s. 11.31 (9), at all times to which such limitations have applied to his or her candidacy
21 and will continue to comply with the limitations at all times to which the limitations
22 apply to his or her candidacy for the office in contest, ~~unless~~ except that the candidate
23 is not required to comply with s. 11.26 (10) or 11.31 (2) if the board determines that
24 the candidate is not eligible to receive a grant, the candidate withdraws his or her
25 application under par. (h), or par. (i) or s. 11.31 (3n) applies.

1 **SECTION 86.** 11.50 (2) (b) 5. of the statutes is amended to read:

2 11.50 **(2)** (b) 5. The financial reports filed by or on behalf of the candidate as
3 of the date of the spring or September primary, or the date that the special primary
4 is or would be held, if required, indicate that the candidate has received at least the
5 amount provided in this subdivision, from contributions of money, other than loans,
6 made by individuals, which have been received during the period ending on the date
7 of the spring primary and July 1 preceding such date in the case of candidates at the
8 spring election, or the date of the September primary and January 1 preceding such
9 date in the case of candidates at the general election, or the date that a special
10 primary will or would be held, if required, and 90 days preceding such date or the
11 date a special election is ordered, whichever is earlier, in the case of special election
12 candidates, which contributions are in the aggregate amount of \$100 or less, and
13 which are fully identified and itemized as to the exact source thereof. A contribution
14 received from a conduit which is identified by the conduit as originating from an
15 individual shall be considered a contribution made by the individual. Only the first
16 \$100 of an aggregate contribution of more than \$100 may be counted toward the
17 required percentage. For a candidate at the spring or general election for an office
18 identified in s. 11.26 (1) (a) or a candidate at a special election, the required amount
19 to qualify for a grant is 5% of the candidate's authorized disbursement limitation
20 under s. 11.31 (2), as adjusted under s. 11.31 (9). For any other candidate at the
21 general election, the required amount to qualify for a grant is 10% of the candidate's
22 authorized disbursement limitation under s. 11.31 (2), as adjusted under s. 11.31 (9).

23 **SECTION 87.** 11.50 (2) (c) of the statutes is amended to read:

24 11.50 **(2)** (c) If a candidate has not filed financial reports as of the date of the
25 spring primary, September primary, special primary, or date that the special primary

1 would be held, if required, which indicate that he or she has met the qualification
2 under par. (b) 5., the candidate may file a special report with the board. Such report
3 shall be filed not later than the 7th day after the primary, or 7th day after the date
4 the primary would be held, if required, and shall include such supplementary
5 information as to sources of contributions which may be necessary to complete the
6 candidate's qualification. The special report shall cover the period from the day after
7 the last date covered on the candidate's most recent report, or from the date on which
8 the first contribution was received or the first disbursement was made, whichever
9 is earlier, if the candidate has not previously filed a report, to the date of such report.
10 All information included on the special report shall also be included in the
11 candidate's next report under s. 11.20. This subsection does not apply to a candidate
12 who files reports under s. 11.21 (16).

13 **SECTION 88.** 11.50 (2) (g) of the statutes is amended to read:

14 11.50 (2) (g) A candidate who voluntarily files an application to receive a grant
15 in accordance with this subsection accepts and agrees to comply with the
16 contribution limitations prescribed in s. 11.26 and the disbursement limitations
17 imposed under s. 11.31 (2), as adjusted under s. 11.31 (9), as binding upon himself
18 or herself and his or her agents during the campaign of that candidate as defined in
19 s. 11.31 (7), as a precondition to receipt of a grant under this section, unless except
20 that the candidate is not required to comply with s. 11.26 (10) or 11.31 (2) if the board
21 determines that the candidate is not eligible to receive a grant, the candidate
22 withdraws the application under par. (h), or par. (i) or s. 11.31 (3n) applies.

23 **SECTION 89.** 11.50 (2) (i) of the statutes is amended to read:

24 11.50 (2) (i) Notwithstanding par. (g), if an eligible candidate at the spring
25 election or a special nonpartisan election who accepts a grant is opposed by one or

1 more candidates in the election, ~~or~~ if an eligible candidate for an office at the general
2 election ~~or a special partisan election~~ who accepts a grant is opposed by one or more
3 candidates in the election who receive of a political party whose candidate for that
4 office received at least 6% of the vote cast for all candidates for ~~the same~~ that office
5 ~~on all ballots at the September primary or a~~ at the most recent general election at
6 which that office was filled or if an eligible candidate of a special partisan election
7 who accepts a grant is opposed by one or more candidates in the election who received
8 at least 6% of the vote cast for all candidates for the same office at the special partisan
9 primary if a primary was held, and in either case if any such opponent of the eligible
10 candidate does not accept a grant under this section in whole or in part, the eligible
11 candidate is not bound by the pledge made in his or her application to adhere to the
12 contribution limitations limitation prescribed in s. 11.26 ~~(10)~~ and the disbursement
13 limitation prescribed imposed under s. 11.31, ~~unless each such opponent files an~~
14 ~~affidavit of voluntary compliance under s. 11.31 (2m) (2), as adjusted under s. 11.31~~
15 (9).

16 **SECTION 90.** 11.50 (3) (a) 1. of the statutes is amended to read:

17 11.50 (3) (a) 1. If an election for state superintendent is scheduled in the
18 following year, 8% of the fund shall be placed in a superintendency account. ~~From~~
19 ~~this account, an A grant~~ equal amount to 50% of the balance in this account shall be
20 disbursed by the state treasurer from this account to the campaign depository
21 account of each eligible candidate ~~by the state treasurer for the office of state~~
22 superintendent, except as provided in subd. 3m.

23 **SECTION 91.** 11.50 (3) (a) 2. of the statutes is amended to read:

24 11.50 (3) (a) 2. If an election for justice is scheduled in the following year, 8%
25 of the fund shall be placed in a supreme court account. ~~From this account, an A grant~~

1 equal amount to 50% of the balance in this account shall be disbursed by the state
2 treasurer from this account to the campaign depository account of each eligible
3 candidate ~~by the state treasurer~~ for the office of justice, except as provided in subd.
4 3m.

5 **SECTION 92.** 11.50 (3) (a) 3. of the statutes is renumbered 11.50 (3) (a) 4.

6 **SECTION 93.** 11.50 (3) (a) 3m. of the statutes is created to read:

7 11.50 (3) (a) 3m. If, at any election, after apportionment under subds. 1. and
8 2., there are remaining moneys in either account under subd. 1. or 2., 50% of the
9 remaining moneys shall be redistributed to all eligible candidates for the offices
10 specified in subds. 1. and 2. at that election, in the same proportion as the initial
11 amounts of their grants bear to the total amount of grants distributed to all eligible
12 candidates for the offices specified in subds. 1. and 2.

13 **SECTION 94.** 11.50 (4) (b) (intro.) of the statutes is amended to read:

14 11.50 (4) (b) (intro.) The Except as provided in par. (bm), the executive
15 campaign account shall be divided into accounts for each executive office as provided
16 in this paragraph. The apportionment of moneys in the executive campaign account
17 shall be made as follows:

18 **SECTION 95.** 11.50 (4) (bm) of the statutes is created to read:

19 11.50 (4) (bm) If, at any election, after apportionment under par. (b), there are
20 remaining moneys in any account under par. (b) 1. to 5., the remaining moneys shall
21 be returned to the executive campaign account and shall be redistributed to all
22 eligible candidates for the offices specified in par. (b), in the same proportion as the
23 initial amounts of their grants bear to the total amount of grants distributed to all
24 eligible candidates for the offices specified in par. (b).

25 **SECTION 96.** 11.50 (8) of the statutes is amended to read:

1 11.50 (8) LAPSING GRANTS. All grants disbursed under sub. (5) remain the
2 property of the state until disbursed or encumbered for a lawful purpose. All grant
3 moneys and all other income received by a candidate that are ~~unspent and~~
4 unencumbered by a the candidate on the day after the election in which the candidate
5 participates shall revert to the state, up to the total amount of the grant received by
6 that candidate. All deposits and refunds ~~derived from grant moneys~~ that are
7 received by a candidate at any time after the day of the election in which the
8 candidate participates shall revert to the state to the extent that the deposits and
9 refunds, when combined with other unencumbered moneys in the campaign
10 depository account of that candidate, do not exceed the amount of the grant received
11 by that candidate. All reversions shall be returned to the board by the candidate and
12 shall be deposited in the fund.

13 **SECTION 97.** 11.50 (9) of the statutes is renumbered 11.50 (9) (a) (intro.) and
14 amended to read:

15 11.50 (9) (a) (intro.) The total grant available to an eligible candidate may not
16 exceed ~~that amount which, when added to all other contributions accepted from~~
17 ~~sources other than individuals, political party committees and legislative campaign~~
18 ~~committees, is equal to 45% of the disbursement level specified for the applicable~~
19 ~~office under s. 11.31.~~ the following amount, plus any amount redistributed to the
20 candidate under sub. (3) or (4), subject to applicable limitations under ss. 11.26 (9)
21 and 11.31 (2), as adjusted under s. 11.31 (9):

22 (b) The board shall scrutinize accounts and reports and records kept under this
23 chapter to assure that applicable limitations under ss. 11.26 (9) and 11.31 (2), as
24 adjusted under s. 11.31 (9), are not exceeded and any violation is reported. No

1 candidate or campaign treasurer may accept grants exceeding the amount
2 authorized by this subsection.

3 **SECTION 98.** 11.50 (9) (a) 1. to 7. of the statutes are created to read:

4 11.50 (9) (a) 1. For a candidate for the office of governor, \$875,000.

5 2. For a candidate for the office of lieutenant governor, \$281,250.

6 3. For a candidate for the office of attorney general, \$187,500.

7 4. For a candidate for the office of justice, \$100,000.

8 5. For a candidate for the office of state superintendent, secretary of state or
9 state treasurer, \$87,500.

10 6. For a candidate for the office of state senator, \$35,000.

11 7. For a candidate for the office of representative to the assembly, \$15,000.

12 **SECTION 99.** 11.50 (9a) of the statutes is created to read:

13 11.50 (9a) ADJUSTMENT OF MAXIMUM INITIAL GRANT AMOUNTS. (a) In this
14 subsection:

15 1. "Consumer price index" means the average of the consumer price index over
16 each 12-month period, all items, U.S. city average, as determined by the bureau of
17 labor statistics of the federal department of labor.

18 2. "Voting age population of this state" means the voting age population of this
19 state, as determined by the federal election commission in its most recent
20 determination prior to the date of any calculation under this subsection.

21 (b) The dollar amounts of all maximum initial grant amounts specified in sub.
22 (9) (a) 1. to 7. shall be subject to a biennial adjustment to be determined by rule of
23 the board in accordance with this subsection. To determine the adjustment, the
24 board shall calculate the percentage difference between the voting age population of
25 this state on December 31 of each odd-numbered year and the voting age population

1 of this state on December 31, 1997. The board shall then calculate the percentage
2 difference between the consumer price index for the 12-month period ending on
3 December 31 of each odd-numbered year and the consumer price index for the base
4 period, calendar year 1997. For each biennium, the board shall first multiply the
5 disbursement levels by the percentage difference in the voting age populations. The
6 board shall then multiply that product by the percentage difference in the consumer
7 price indices. The board shall adjust the maximum initial grant amounts specified
8 in sub. (9) to substitute that result for the existing amounts to the extent required
9 to reflect any difference, rounded to the nearest multiple of \$25, which amounts shall
10 be in effect until a subsequent rule is promulgated under this subsection.
11 Notwithstanding s. 227.24 (3), determinations under this subsection may be
12 promulgated as an emergency rule under s. 227.24 without a finding of emergency.

13 **SECTION 100.** 11.50 (10m) (title) of the statutes is amended to read:

14 11.50 (10m) (title) RETURN OF GRANTS PRIOR TO ELECTION.

15 **SECTION 101.** 11.50 (11) (d) of the statutes is amended to read:

16 11.50 (11) (d) No person may expend, authorize the expenditure of or incur any
17 obligation to expend ~~a grant or other contribution~~ any moneys in the campaign
18 depository account of a candidate after the date of any election where the moneys
19 ~~contained in such contribution~~ are returnable to the state under sub. (8).

20 **SECTION 102.** 11.50 (11) (e) of the statutes is amended to read:

21 11.50 (11) (e) No candidate may expend, authorize the expenditure of or incur
22 any obligation to expend any grant if he or she violates the pledge required under
23 sub. (2) (a) as a precondition to receipt of a grant, except as authorized in sub. (2) (h)
24 or (i) or s. 11.31 (3n).

25 **SECTION 103.** 11.50 (12) of the statutes is amended to read:

1 11.50 (12) PROOF OF PAYMENT. No later than ~~the next due date for continuing~~
2 ~~reports under s. 11.20 (4) which occurs at least 30 days after an election in which a~~
3 ~~candidate receives a grant, or no later than 30 days after each special election in~~
4 ~~which a candidate receives a grant, whichever is earlier,~~ the candidate or his or her
5 campaign treasurer shall deliver or transmit to the board by 1st class mail, sufficient
6 proof of payment for all disbursements made from grants distributed under this
7 section. This subsection does not restrict the authority of the board to audit records
8 under ss. 5.05 (2) and 13.94 (1) (k).

9 **SECTION 104.** 11.51 of the statutes is created to read:

10 **11.51 Public grants to candidates for county and 1st class city offices.**

11 The board of supervisors of any county or the common council of any city of the 1st
12 class may, by ordinance, provide appropriations to pay for any lawful disbursements
13 made by a candidate for county or city office, respectively. The ordinance may impose
14 reasonable qualifications for candidates to receive funding from the county or city.
15 The ordinance may require any candidate, as a condition precedent to receipt of
16 funding, to make no disbursements or contributions to his or her own campaign for
17 office exceeding an aggregate amount or value specified in or under the ordinance.
18 The ordinance may provide for a civil penalty for any violation of the ordinance or
19 an agreement entered into under the ordinance not exceeding the penalty that would
20 apply for the same offense under s. 11.60.

21 **SECTION 105.** 11.60 (1) to (3) of the statutes are amended to read:

22 11.60 (1) Any person, including any committee or group, who violates this
23 chapter may be required to forfeit not more than \$500 \$1,500 for each violation.

24 (2) In addition to the penalty under sub. (1), any person, including any
25 committee or group, who is delinquent in filing a report required by this chapter may

1 be required to forfeit not more than ~~\$50~~ \$150 or ~~one percent~~ 3% of the annual salary
2 of the office for which the candidate is being supported or opposed, whichever is
3 greater, for each day of delinquency.

4 (3) Notwithstanding sub. (1), any person, including any committee or group,
5 who makes any contribution in violation of this chapter may be required to forfeit
6 ~~treble~~ 9 times the amount of the contribution or portion thereof which is illegally
7 contributed.

8 **SECTION 106.** 11.61 (1) of the statutes is amended to read:

9 11.61 (1) (a) Whoever intentionally violates s. 11.05 (1), (2), (2g) or (2r), 11.07
10 (1) or (5), 11.10 (1), 11.12 (5), 11.23 (6) or 11.24 (1) may be fined not more than ~~\$10,000~~
11 \$30,000 or imprisoned for not more than ~~3~~ 9 years or both.

12 (b) Whoever intentionally violates s. 11.25, 11.26, 11.27 (1), 11.30 (1) or 11.38
13 where the intentional violation does not involve a specific figure, or where the
14 intentional violation concerns a figure which exceeds \$100 in amount or value may
15 be fined not more than ~~\$10,000~~ \$30,000 or imprisoned for not more than ~~3~~ 9 years
16 or both.

17 (c) Whoever intentionally violates any provision of this chapter other than
18 those provided in par. (a) and whoever intentionally violates any provision under par.

19 (b) where the intentional violation concerns a specific figure which does not exceed
20 \$100 in amount or value may be fined not more than ~~\$1,000~~ \$3,000 or imprisoned for
21 not more than ~~6 months~~ one year in the county jail or both.

22 **SECTION 107.** 13.90 (1) (m) of the statutes is created to read:

23 13.90 (1) (m) In cooperation with the governor, propose the creation of a
24 bipartisan committee to study campaign finance reform whenever changing
25 electoral dynamics and campaign finance technology demand such action.

1 **SECTION 108.** 14.019 (6) of the statutes is created to read:

2 14.019 **(6)** STUDY OF CAMPAIGN FINANCE REFORM. The governor shall, in
3 cooperation with the legislature, exercise his or her authority under sub. (1) to create
4 a bipartisan committee to study campaign finance reform whenever changing
5 electoral dynamics and campaign finance technology demand such action.

6 **SECTION 109.** 14.58 (20) of the statutes is amended to read:

7 14.58 **(20)** (title) ELECTION CAMPAIGN SYSTEM FUND. Make disbursements to each
8 candidate certified under s. 7.08 (2) (c) or (cm) by the elections board as eligible to
9 receive moneys from the Wisconsin clean election campaign system fund.

10 **SECTION 110.** 15.61 of the statutes is amended to read:

11 **15.61 Elections board; creation.** There is created an elections board
12 consisting of persons ~~who shall be 8 members~~ appointed by the governor for ~~2-year~~
13 4-year terms as follows: one member selected by the governor; one member each
14 designated by ~~the chief justice of the supreme court~~, the speaker of the assembly, the
15 senate majority leader, and the minority leader in each house of the legislature, ~~and~~
16 ~~the chief officer of each political party qualifying for a separate ballot under s. 5.62~~
17 ~~(1) (b) or (2) whose candidate for governor received at least 10% of the vote in the most~~
18 ~~recent gubernatorial election and 3 nonpartisan members.~~ Each of the nonpartisan
19 members shall be nominated by the governor and with the advice and consent of the
20 senate appointed. No nonpartisan member may hold any other office or employment
21 in the government of this state or any political subdivision thereof. No nonpartisan
22 member, for one year immediately prior to the date of appointment, may have been,
23 or while serving on the board may become, a member of a political party, an officer
24 or member of a committee in any partisan political club or organization or a
25 candidate for any partisan elective public office.

1 **SECTION 111.** 19.42 (10) (a) of the statutes is amended to read:

2 19.42 **(10)** (a) A member of the elections board whose appointment is not
3 subject to confirmation by the senate.

4 **SECTION 112.** 20.510 (1) (q) of the statutes is amended to read:

5 20.510 **(1)** (q) (title) *Wisconsin clean election campaign system fund.* As a
6 continuing appropriation, from the Wisconsin clean election campaign system fund,
7 the moneys determined under s. 11.50 to provide for payments to eligible candidates
8 certified under s. 7.08 (2) (c).

9 **SECTION 113.** 20.855 (4) (b) of the statutes is amended to read:

10 20.855 **(4)** (b) (title) *Election campaign fund payments.* A sum sufficient equal
11 to the amounts determined under s. 71.10 (3) to be paid into the Wisconsin clean
12 election campaign system fund annually on August 15.

13 **SECTION 114.** 25.17 (1) (ys) of the statutes is amended to read:

14 25.17 **(1)** (ys) Wisconsin clean election campaign system fund (s. 25.42);

15 **SECTION 115.** 25.42 of the statutes is amended to read:

16 **25.42** (title) **Wisconsin clean election campaign system fund.** All moneys
17 appropriated under s. 20.855 (4) (b) together with all moneys reverting to the state
18 under s. 11.50 (8) and all gifts, bequests and devises received under s. 11.50 (13)
19 constitute the Wisconsin clean election campaign system fund, to be expended for the
20 purposes of s. 11.50. All moneys in the fund not disbursed by the state treasurer shall
21 continue to accumulate indefinitely.

22 **SECTION 116.** 71.10 (3) (a) of the statutes is amended to read:

23 71.10 **(3)** (a) Every individual filing an income tax return who has a tax liability
24 or is entitled to a tax refund may designate \$1 for the Wisconsin clean election
25 campaign system fund for the use of eligible candidates under s. 11.50. If the

1 individuals filing a joint return have a tax liability or are entitled to a tax refund,
2 each individual may make a designation of \$1 under this subsection.

3 **SECTION 117.** 227.03 (6m) of the statutes is created to read:

4 227.03 **(6m)** Cases before the division of hearings and appeals under s. 5.065
5 are not subject to this chapter.

6 **SECTION 118.** 227.43 (1) (bz) of the statutes is created to read:

7 227.43 **(1)** (bz) Assign a hearing examiner, to be known as an election examiner,
8 to preside over any case arising as a result of a petition filed with the division under
9 s. 5.065. The division shall ensure that a sufficient number of examiners is available
10 to promptly respond to petitions filed under s. 5.065 during the period preceding any
11 election.

12 **SECTION 119.** 227.52 (8) of the statutes is created to read:

13 227.52 **(8)** The decisions of the division of hearings and appeals of the
14 department of administration under s. 5.065.

15 **SECTION 120. Nonstatutory provisions.**

16 (1) INITIAL TERMS OF OFFICE. Notwithstanding section 15.61, 1995 stats., and
17 section 15.61 of the statutes, as affected by this act, the members of the elections
18 board who are serving on the effective date of this subsection may continue to hold
19 office until all members of the elections board who are initially appointed under this
20 act are appointed and qualified, at which time the members who are serving on the
21 effective date of this subsection shall cease to hold office. Notwithstanding section
22 15.61 of the statutes, as affected by this act, of the members of the elections board
23 who are initially appointed under this act, the designees of the speaker of the
24 assembly and the assembly minority leader shall serve for terms expiring on May 1,
25 1999, the designees of the senate majority leader and the senate minority leader

1 shall serve for terms expiring on May 1, 2001, and the appointee of the governor shall
2 serve for a term expiring on May 1, 1999; and of the remaining members, the
3 governor shall designate one to serve for a term expiring on May 1, 1999, and 2 to
4 serve for terms expiring on May 1, 2001.

5 (2) STUDY OF CAMPAIGN FINANCE LAW ENFORCEMENT. The joint legislative council
6 is requested to review the process for detecting and penalizing violations of the state
7 campaign finance law, with a view to detecting violations quickly and punishing
8 violators firmly in order to promote full confidence in the election system of this state.
9 If the council undertakes such a review, the council is requested to report its findings,
10 conclusions and recommendations, together with any proposed legislation, to the
11 1999 legislature when it convenes.

12 **SECTION 121. Appropriation changes.**

13 (1) DIVISION OF HEARINGS AND APPEALS. In the schedule under section 20.005 (3)
14 of the statutes for the appropriation to the department of administration under
15 section 20.505 (4) (f) of the statutes, as affected by the acts of 1997, the dollar amount
16 is increased by \$-0- for fiscal year 1998-99 to increase funding for the purpose for
17 which the appropriation is made.

18 **SECTION 122. Initial applicability.**

19 (1) The treatment of sections 8.35 (4) (d), 11.05 (13), 11.06 (3m) (c), (3r) (c), (3w)
20 (c), (4) (b), (5) and (11) (a), 11.09 (3), 11.12 (4), (5) and (6), 11.19 (1), 11.20 (1) and (7),
21 11.21 (16), 11.23 (4) and (6), 11.38 (1) (a) 2. and (8) (b) and 11.50 (2) (c) and (12) of the
22 statutes first applies with respect to campaign finance reports that are required to
23 be filed after June 30, 1999.

