LRB-1576/2 JTK:nwn:rs

2009 ASSEMBLY BILL 327

June 19, 2009 - Introduced by Representatives Schneider, A. Williams and Hraychuck. Referred to Committee on Elections and Campaign Reform.

AN ACT to create 11.386 of the statutes; relating to: contributions by state contractors, grantees, or loan recipients and their officers and substantial owners to certain elective state officials.

Analysis by the Legislative Reference Bureau

This bill prohibits any legal entity, other than an individual, and any individual who is an officer or substantial owner of an entity that enters into a contract with, obtains a grant from, or receives a loan from any state agency from making a political contribution to an incumbent governor, lieutenant governor, or attorney general or an incumbent state senator or representative to the assembly, during the term of office of the incumbent who is serving at the time that the contract is entered into, the grant is made, or the proceeds of the loan are received. The prohibition also applies to the personal campaign and authorized support committees of such an incumbent.

No similar provision exists currently except that a corporation or cooperative is prohibited from making political contributions in most cases.

Violators of the prohibition created by the bill are subject to a forfeiture (civil penalty) of treble the amount or value of any unlawful contribution. Intentional violators are guilty of a misdemeanor and may be fined not more than \$1,000 or imprisoned for not more than six months or both.

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

ASSEMBLY BILL 327

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1 Section 1.	11.386 of the sta	tutes is created to read:
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- 11.386 Contributions by state contractors, grantees, and loan recipients. (1) In this section:
 - (a) "Agency" has the meaning given under s. 16.70 (1e).
- (b) "Authorized support committee" means a support committee under s. 11.18 that is authorized by a candidate to act on his or her behalf under s. 11.05 (3) (p).
 - (c) "Entity" means any person.
 - (d) "Immediate family" has the meaning given in s. 19.42 (7).
- (e) "Substantial owner" means an individual who, jointly or severally with the individual's immediate family, owns or controls more than 15 percent of the outstanding equity of an entity.
- (2) No entity other than an individual, and no individual who is an officer or a substantial owner of an entity that enters into a contract with, obtains a grant from, or receives a loan from, any agency may make a contribution to the governor, lieutenant governor, or attorney general, or a state senator or representative to the assembly, or to the personal campaign or authorized support committee of such an officer during the term of office of the incumbent who is serving at the time that contract is entered into, the grant is made, or the proceeds of the loan are received.

19 (END)