

State of Misconsin 2015 - 2016 LEGISLATURE

LRB-2251/2 JK&TKK:kjf/jld/klm

# **2015 ASSEMBLY BILL 605**

December 22, 2015 – Introduced by Representatives BERCEAU, SARGENT, SPREITZER, GENRICH, STUCK, WACHS, KOLSTE, BROSTOFF, SINICKI, GOYKE, C. TAYLOR, OHNSTAD, CONSIDINE, BILLINGS, KESSLER, JORGENSEN, ZAMARRIPA, BARCA and SHANKLAND, cosponsored by Senators RINGHAND, C. LARSON, LASSA, VINEHOUT and ERPENBACH. Referred to Committee on Campaigns and Elections.

AN ACT to repeal 11.20 (10) (c), 11.26 (4), 11.26 (9), 11.31 and 11.38 (1) (a) 3.; to 1  $\mathbf{2}$ *renumber and amend* 11.01 (16) (intro.), 11.05 (12) (b), 11.07 (1), 11.26 (2) (a) 3 and 11.26 (13m) (b); to consolidate, renumber and amend 11.26 (13m) (intro.) and (a); to amend 11.01 (2), 11.01 (5), 11.01 (16) (a) (intro.), 11.01 (16) 4 5 (a) 1., 11.055 (3), 11.06 (1) (intro.), 11.06 (2), 11.07 (2), 11.07 (3), 11.12 (6), 11.19 6 (1), 11.20 (4), 11.20 (8) (b), 11.20 (10) (a), 11.21 (2), 11.21 (16), 11.22 (3), 11.26 7 (5), 11.26 (6), 11.26 (17) (a), 11.30 (2) (b), 11.30 (2) (c), 11.30 (2) (d), 11.38 (1) (a) 1., 11.38 (1) (a) 2., 11.61 (1) (b) and 11.61 (1) (c); and *to create* 11.01 (7m), 11.01 8 9 (12v), 11.01 (12w), 11.01 (13), 11.01 (14), 11.01 (16) (a) 4., 11.01 (16) (a) 5., 11.05 10 (3) (s), 11.06 (1) (n), 11.06 (2m), 11.07 (1) (a) (intro.), 11.12 (7), 11.26 (2) (a) 1., 11 11.26 (2) (a) 4., 11.26 (4m), 11.30 (2) (cm), 11.385 and 11.386 of the statutes; relating to: campaign finance reporting by social welfare organizations; 12individual contribution limits to political parties and committees; political 13 14 disbursements and obligations by corporations, cooperative associations; and

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labor organizations and the scope of regulated activity and reporting of certain

activity under the campaign finance law.

# Analysis by the Legislative Reference Bureau

This bill makes various changes to the campaign finance laws, including all of the following:

1. The bill requires a nonprofit social welfare organization that is engaged in acts for political purposes to register with the Government Accountability Board (GAB). The bill also requires the organization to report to the GAB the percentage of its total expenditures that are paid as disbursements for the purpose of influencing the election or nomination for election of any individual to state or local office or for the purpose of influencing the recall from or retention in office of an individual holding a state or local office. In addition, if the total amount of the entity's disbursements for political purposes exceeds \$5,000 in a calendar year, the entity shall include in its report an itemized statement of every disbursement exceeding \$300, together with the name and address of the person to whom the disbursement was made, and the date and specific purpose for which the disbursement was made.

2. This bill prohibits an individual from making contributions in excess of \$10,000 in any calendar year to a committee that makes electioneering communications or expressly advocates the election or defeat of a clearly identified candidate. The bill also prohibits an individual from making contributions in excess of \$10,000 in any calendar year to a political party.

3. Under current law, individuals who accept contributions, organizations that make or accept contributions, and individuals who or organizations that incur obligations or make disbursements for the purpose of influencing an election for state or local office are generally required to register with the appropriate filing officer and to file financial reports with that officer, regardless of whether they act in conjunction with or independently of any candidate who is supported or opposed.

With certain exceptions, this bill imposes additional registration and reporting requirements on any committee who, within 60 days of an election, makes any mass communication, including an electronic communication, a mass distribution, or a mass telephoning, that includes a reference to a clearly identified candidate at that election. In addition, the bill requires a committee who becomes subject to a registration requirement by making such a communication to report, upon registration, the information that would have been required to be reported if the committee had been registered with respect to any obligation incurred or disbursement made for the purpose of making such a communication prior to registration. The bill, however, does not require registration and reporting if the communication is made by a corporation, cooperative, or nonpolitical voluntary association and is limited to the corporation's, cooperative's, or association's members, shareholders, or subscribers.

The change in the scope of reportable activity under the bill also applies to contribution and disbursement (spending) limitations and restrictions by causing

reportable "contributions," "obligations," and "disbursements" to include the cost of all reportable communications.

4. The bill also requires a special report by any campaign finance registrant who makes or incurs an obligation to make a mass communication that becomes reportable under the bill within 60 days of a primary or other election in an amount greater than \$300 cumulatively since the date of the registrant's last report. The special report must be made within 24 hours after the date that disbursements or obligations that exceed \$300 cumulatively are made or incurred and must include the information that would otherwise be reported on the registrant's next regular report in the form prescribed by the GAB.

5. Under the bill, no entity or individual may make a disbursement for express advocacy or for an electioneering communication that is coordinated with a candidate, personal campaign committee, candidate's agent, legislative campaign committee, or political party committee. Such activity is coordinated with a candidate or committee if the candidate or committee exercises control over, or engages in substantial discussions or negotiations with the person making the disbursement regarding, the content, timing, location, form, intended audience, or frequency of the activity.

6. Under the bill, an electioneering communication is a communication that refers to a clearly identified candidate who will appear on the ballot for election or nomination for election, is made within 60 days from the day on which the primary or election involving the candidate is held, and is targeted to the relevant electorate. Any committee making a disbursement of \$300 or more on an electioneering communication must, within 48 hours of making the disbursement, submit statements to GAB disclosing, among other things, the name of any candidate affected by the disbursement, the office that the candidate seeks, and whether the electioneering communication supports or opposes that candidate. The statements must also provide the name of every person who donated \$300 or more to the committee and whether the committee coordinated or consulted with, or received the consent of the candidate or candidate's agent, regarding the disbursement.

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

- **SECTION 1.** 11.01 (2) of the statutes is amended to read:
- 2 11.01 (2) "Charitable organization" means any organization described in
- 3 section 170 (c) (2) of the internal revenue code, and also includes the United States,
- 4 any state, territory or possession, the District of Columbia and any political
- 5 subdivision thereof, when a gift is made exclusively for public purposes; but <u>and not</u>
- 6 <u>for the purpose of influencing public opinion or an election outcome.</u> "Charitable

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1 organization" does not include any private organization conducting activities for  $\mathbf{2}$ political purposes. 3 **SECTION 2.** 11.01 (5) of the statutes is amended to read: 4 11.01 (5) "Communications media" means newspapers, periodicals, 5 commercial billboards, and radio and television stations, including community antenna television stations, and Internet sites maintained by the newspapers, 6 7 periodicals, commercial billboards, and radio and television stations. **SECTION 3.** 11.01 (7m) of the statutes is created to read: 8 9 11.01 (7m) (a) "Electioneering communication" means any communication, 10 except as provided in par. (b), for which all of the following apply: 11 1. It refers to a clearly identified candidate who will appear on the ballot for 12election or nomination for election. 13 2. It is made within the 60 days preceding the day on which the primary or 14election involving the candidate under subd. 1. is held, including the day of the 15primary or election. 3. It is targeted to the relevant electorate. 16 17(b) "Electioneering communication" does not include any of the following: 1. A communication, other than an advertisement, appearing in a news story, 18 commentary, or editorial distributed through the facilities of any legitimate news 19 20organization, unless the facilities are controlled by any political party, political 21committee, or candidate. 222. A communication made solely to promote a candidate debate or forum that 23is made by or on behalf of a person sponsoring the debate or forum.  $\mathbf{24}$ A communication made exclusively between an organization and its 3. members. 25

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1	<b>SECTION 4.</b> 11.01 (12v) of the statutes is created to read:
2	11.01 (12v) "Mass communication" means a message that is disseminated by
3	means of one or more communications media, a mass electronic communication, a
4	mass distribution, or a mass telephoning, but not including a bona fide poll
5	conducted for the purpose of objectively identifying or collecting data concerning the
6	attitudes or preferences of electors.
7	<b>SECTION 5.</b> 11.01 (12w) of the statutes is created to read:
8	11.01 (12w) "Mass distribution" means the distribution of 500 or more pieces
9	of substantially identical material.
10	<b>SECTION 6.</b> 11.01 (13) of the statutes is created to read:
11	11.01 (13) "Mass electronic communication" means the transmission of 500 or
12	more pieces of substantially identical material by means of electronic mail, facsimile
13	transmission, or social media.
14	<b>SECTION 7.</b> 11.01 (14) of the statutes is created to read:
15	11.01 (14) "Mass telephoning" means the making of 500 or more telephone calls
16	conveying a substantially identical message.
17	<b>SECTION 8.</b> 11.01 (16) (intro.) of the statutes is renumbered 11.01 (16) (a) 3. and
18	amended to read:
19	11.01 (16) (a) 3. An In the case of a candidate, a legislative campaign
20	committee, a personal campaign committee, a support committee, other than a
21	support committee that files a statement under s. 11.06 (7), or a political party, an
22	act is <u>made</u> for <u>a</u> "political <del>purposes</del> " <u>purpose</u> " when it is done for the purpose of
23	influencing the election or nomination for election of any individual to state or local
24	office, for the purpose of influencing the recall from or retention in office of an
25	individual holding a state or local office, for the purpose of payment of expenses

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1	incurred as a result of a recount at an election, or for the purpose of influencing a
2	particular vote at a referendum. In the case of a candidate, or a committee or group
3	which is organized primarily for the purpose of influencing the election or
4	nomination for election of any individual to state or local office, for the purpose of
5	influencing the recall from or retention in office of an individual holding a state or
6	local office, or for the purpose of influencing a particular vote at a referendum, all <u>All</u>
7	administrative and overhead expenses for the maintenance of an office or staff which
8	are used principally for any <del>such</del> purpose <u>under this subdivision</u> are deemed to be
9	for a political purpose.
10	<b>SECTION 9.</b> 11.01 (16) (a) (intro.) of the statutes is amended to read:
11	11.01 (16) (a) (intro.) Acts which are <u>An act made</u> for <u>a</u> "political <del>purposes</del> "
12	include but are not limited to purpose" includes any of the following:
13	<b>SECTION 10.</b> 11.01 (16) (a) 1. of the statutes is amended to read:
14	11.01 (16) (a) 1. The making of a communication which in reference to a clearly
$14\\15$	11.01 <b>(16)</b> (a) 1. The making of a communication which in reference to a clearly identified candidate that expressly advocates the election, defeat, recall, or retention
15	identified candidate that expressly advocates the election, defeat, recall, or retention
15 16	<u>identified candidate that</u> expressly advocates the election, defeat, recall, or retention of <u>a clearly identified that</u> candidate or a particular vote at a referendum <u>and that</u>
15 16 17	<u>identified candidate that</u> expressly advocates the election, defeat, recall, or retention of <u>a clearly identified that</u> candidate or a particular vote at a referendum <u>and that</u> <u>clearly relates to that candidate's campaign</u> .
15 16 17 18	identified candidate that expressly advocates the election, defeat, recall, or retention of <u>a clearly identified that</u> candidate or a particular vote at a referendum <u>and that</u> <u>clearly relates to that candidate's campaign</u> . <b>SECTION 11.</b> 11.01 (16) (a) 4. of the statutes is created to read:
15 16 17 18 19	<ul> <li><u>identified candidate that</u> expressly advocates the election, defeat, recall, or retention of <u>a clearly identified that</u> candidate or a particular vote at a referendum <u>and that</u> <u>clearly relates to that candidate's campaign</u>.</li> <li><b>SECTION 11.</b> 11.01 (16) (a) 4. of the statutes is created to read: 11.01 (16) (a) 4. A mass communication, other than a communication that is</li> </ul>
15 16 17 18 19 20	<ul> <li>identified candidate that expressly advocates the election, defeat, recall, or retention of -a clearly identified that candidate or a particular vote at a referendum and that clearly relates to that candidate's campaign.</li> <li>SECTION 11. 11.01 (16) (a) 4. of the statutes is created to read:</li> <li>11.01 (16) (a) 4. A mass communication, other than a communication that is exempt from reporting under s. 11.29, that is made during the period beginning on</li> </ul>
15 16 17 18 19 20 21	<ul> <li>identified candidate that expressly advocates the election, defeat, recall, or retention of -a clearly identified that candidate or a particular vote at a referendum and that clearly relates to that candidate's campaign.</li> <li>SECTION 11. 11.01 (16) (a) 4. of the statutes is created to read:</li> <li>11.01 (16) (a) 4. A mass communication, other than a communication that is exempt from reporting under s. 11.29, that is made during the period beginning on the 60th day preceding an election and ending on the date of that election, and that</li> </ul>

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1	11.01 (16) (a) 5. Any mass communication, other than a communication that
2	is exempt from reporting under s. 11.29, that a reasonable person would consider as
3	advocating for or against a particular candidate, nominee, or referendum.
4	<b>SECTION 13.</b> 11.05 (3) (s) of the statutes is created to read:
5	11.05 (3) (s) In the case of a registrant that has made a mass communication
6	identified in s. 11.01 (16) (a) 4., a report containing the information specified in s.
7	11.06 (1) with respect to any obligation to make a disbursement incurred or any
8	disbursement made for the purpose of making such a communication prior to
9	registration.
10	<b>SECTION 14.</b> 11.05 (12) (b) of the statutes is renumbered 11.05 (12) (b) (intro.)
11	and amended to read:
12	11.05 (12) (b) (intro.) Except as authorized under sub. (13), a committee, group,
13	or individual that becomes subject to a registration requirement under sub. (1) or (2),
14	other than a candidate or agent of a candidate, shall comply with sub. (1) or (2) no
15	later than <del>the 5th business day commencing <u>48 hours</u> after receipt of <u>receiving</u> the</del>
16	first contribution by the committee, group, or individual exceeding the amount
17	specified under sub. (1) or (2) or s. 11.23 (1), and before making any disbursement
18	exceeding that amount. No <u>committee, group, or individual may receive a</u>
19	contribution during a calendar year at any time when the committee, group, or
20	individual is not registered under this section except within the initial 48-hour
21	period authorized by this paragraph. During that 48-hour period a committee,
22	group, or individual may receive contributions as follows:
23	<u>1. A</u> committee supporting or opposing the election or nomination of a
94	condidate at an election other than an event of a condidate may eccent any

candidate at an election, other than an agent of a candidate, may accept any
contribution or contributions <u>not</u> exceeding \$300, <u>no in the aggregate.</u>

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1	2 An individual gurnarting on appaging the election on nomination of a
	<u>2. An</u> individual supporting or opposing the election or nomination of a
2	candidate at an election, other than a candidate or agent of a candidate, may accept
3	any contribution or contributions <u>not</u> exceeding \$300 <del>, and no <u>in the aggregate.</u></del>
4	<u>3. A group or an individual subject to registration under s. 11.23 may accept</u>
5	any contribution or contributions <u>not</u> exceeding \$2,500 <del>,</del> in the aggregate <del>during a</del>
6	calendar year at any time when the committee, group or individual is not registered
7	under this section except within the initial 5-day period authorized by this
8	<del>paragraph</del> .
9	<b>SECTION 15.</b> 11.055 (3) of the statutes is amended to read:
10	11.055 (3) Subsection (1) does not apply to a candidate or personal campaign
11	committee. Subsection $(1)$ does not apply to any registrant under s. 11.05 for any year
10	during which the registrent does not make dishurgements eveneding a total of
12	during which the registrant does not make disbursements exceeding a total of
$\frac{12}{13}$	\$2,500.
13	\$2,500.
13 14	\$2,500. SECTION 16. 11.06 (1) (intro.) of the statutes is amended to read:
13 14 15	<ul> <li>\$2,500.</li> <li>SECTION 16. 11.06 (1) (intro.) of the statutes is amended to read:</li> <li>11.06 (1) CONTENTS OF REPORT. (intro.) Except as provided in subs. (2), (2m),</li> </ul>
13 14 15 16	<ul> <li>\$2,500.</li> <li>SECTION 16. 11.06 (1) (intro.) of the statutes is amended to read:</li> <li>11.06 (1) CONTENTS OF REPORT. (intro.) Except as provided in subs. (2), (2m),</li> <li>(3), and (3m) and ss. 11.05 (2r) and 11.19 (2), each registrant under s. 11.05 shall</li> </ul>
13 14 15 16 17	<ul> <li>\$2,500.</li> <li>SECTION 16. 11.06 (1) (intro.) of the statutes is amended to read:</li> <li>11.06 (1) CONTENTS OF REPORT. (intro.) Except as provided in subs. (2), (2m),</li> <li>(3), and (3m) and ss. 11.05 (2r) and 11.19 (2), each registrant under s. 11.05 shall make full reports, upon a form prescribed by the board and signed by the appropriate</li> </ul>
13 14 15 16 17 18	<ul> <li>\$2,500.</li> <li>SECTION 16. 11.06 (1) (intro.) of the statutes is amended to read:</li> <li>11.06 (1) CONTENTS OF REPORT. (intro.) Except as provided in subs. (2), (2m),</li> <li>(3), and (3m) and ss. 11.05 (2r) and 11.19 (2), each registrant under s. 11.05 shall make full reports, upon a form prescribed by the board and signed by the appropriate individual under sub. (5), of all contributions received, contributions or</li> </ul>
13 14 15 16 17 18 19	<ul> <li>\$2,500.</li> <li>SECTION 16. 11.06 (1) (intro.) of the statutes is amended to read:</li> <li>11.06 (1) CONTENTS OF REPORT. (intro.) Except as provided in subs. (2), (2m),</li> <li>(3), and (3m) and ss. 11.05 (2r) and 11.19 (2), each registrant under s. 11.05 shall make full reports, upon a form prescribed by the board and signed by the appropriate individual under sub. (5), of all contributions received, contributions or disbursements made, and obligations incurred. Each report shall contain the</li> </ul>
13 14 15 16 17 18 19 20	<ul> <li>\$2,500.</li> <li>SECTION 16. 11.06 (1) (intro.) of the statutes is amended to read:</li> <li>11.06 (1) CONTENTS OF REPORT. (intro.) Except as provided in subs. (2), (2m),</li> <li>(3), and (3m) and ss. 11.05 (2r) and 11.19 (2), each registrant under s. 11.05 shall make full reports, upon a form prescribed by the board and signed by the appropriate individual under sub. (5), of all contributions received, contributions or disbursements made, and obligations incurred. Each report shall contain the following information, covering the period since the last date covered on the previous</li> </ul>
13 14 15 16 17 18 19 20 21	<ul> <li>\$2,500.</li> <li>SECTION 16. 11.06 (1) (intro.) of the statutes is amended to read:</li> <li>11.06 (1) CONTENTS OF REPORT. (intro.) Except as provided in subs. (2), (2m),</li> <li>(3), and (3m) and ss. 11.05 (2r) and 11.19 (2), each registrant under s. 11.05 shall make full reports, upon a form prescribed by the board and signed by the appropriate individual under sub. (5), of all contributions received, contributions or disbursements made, and obligations incurred. Each report shall contain the following information, covering the period since the last date covered on the previous report, unless otherwise provided:</li> </ul>

account to which contributions are deposited and disbursements made.

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**SECTION 18.** 11.06 (2) of the statutes is amended to read:

2 11.06 (2) DISCLOSURE OF CERTAIN INDIRECT DISBURSEMENTS. Notwithstanding 3 sub. (1), if a disbursement is made or obligation incurred by an individual other than 4 a candidate or by a committee or group which is not primarily organized for political  $\mathbf{5}$ purposes, and the disbursement does not constitute a contribution to any candidate or other individual, committee, or group, and the disbursement is not made or the 6 7 obligation is not incurred for the purpose of making a mass communication specified 8 in s. 11.01 (16) (a) 4., the disbursement or obligation is required to be reported only 9 if the purpose is to expressly advocate the election or defeat of a clearly identified 10 candidate or the adoption or rejection of a referendum. The exemption provided by 11 this subsection shall in no case be construed to apply to a political party, legislative 12campaign, personal campaign, or support committee.

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**SECTION 19.** 11.06 (2m) of the statutes is created to read:

1411.06 (2m) SOCIAL WELFARE ORGANIZATIONS. Notwithstanding sub. (1), an entity 15organized under section 501 (c) (4) of the Internal Revenue Code that is engaged in 16 acts for political purposes shall register under s. 11.05 (1) and shall report the 17percentage of its total expenditures during the reporting period that are paid as 18 disbursements for the purpose of influencing the election or nomination for election of any individual to state or local office or for the purpose of influencing the recall 19 20 from or retention in office of an individual holding a state or local office. If the total 21amount of the entity's disbursements for political purposes exceeds \$5,000 in a 22calendar year, the entity shall include in its report an itemized statement of every 23disbursement exceeding \$300 in amount or value, together with the name and 24address of the person to whom the disbursement was made, and the date and specific purpose for which the disbursement was made. The entity shall make reports on 25

forms prescribed by the board and signed by the appropriate individual under sub.
 (5).

3 SECTION 20. 11.07 (1) of the statutes is renumbered 11.07 (1) (a) 1. and amended
4 to read:

- 5 11.07 (1) (a) 1. Every nonresident committee making contributions and every
  6 nonresident committee making disbursements to support or oppose the election or
  7 nomination of a candidate at an election exceeding \$300 cumulatively in a calendar
  8 year within this state, every.
- <u>2. Every</u> nonresident individual making disbursements to support or oppose
   the election or nomination of a candidate at an election exceeding \$300 cumulatively
   in a calendar year within this state, and every.
- <u>3. Every</u> nonresident group making contributions and every nonresident group
   or individual making disbursements to support or oppose a particular vote at a
   referendum exceeding \$2,500 cumulatively in a calendar year within this state, shall
   file name, mailing and street address and the name and the mailing and street
   address of a designated agent within the state with the office of the secretary of state.
   An.

(am) A designated agent under par. (a) may be any adult individual who is a
 resident of this state. After any change in the name or address of such agent the new
 address or name of the successor agent shall be filed within 30 days. Service of
 process in any proceeding under this chapter or ch. 12, or service of any other notice
 or demand may be made upon such agent.

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**SECTION 21.** 11.07 (1) (a) (intro.) of the statutes is created to read:

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11.07 (1) (a) (intro.) The following committees, individuals, and groups shall 1 2 file with the board their name, mailing address, and street address and the name, 3 mailing address, and street address of their designated agent in this state: 4 **SECTION 22.** 11.07 (2) of the statutes is amended to read:  $\mathbf{5}$ 11.07 (2) During any period within which any individual or organization under 6 sub. (1) fails to appoint or maintain in this state a registered agent, or whenever any 7 such registered agent cannot with reasonable diligence be found at the street address listed on the registration, the secretary of state board shall be an agent and 8 9 representative of such individual or organization upon whom any process, notice, or 10 demand may be served. Service on the secretary of state board of any such process, 11 notice, or demand against any such individual or organization shall be made by 12delivering to and leaving with the secretary of state, or with any clerk having charge 13 of the secretary's office, board duplicate copies of such process, notice, or demand. 14If any process, notice, or demand is served on the secretary of state, he or she board, 15the board shall immediately cause one of such copies to be forwarded by registered 16 mail, addressed to such individual, committee or group at its mailing address as the 17same appears in the records of the secretary of state <u>board</u>. The time within which 18 the defendant may demur or answer does not start to run until 10 days after the date of such mailing. 19

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**SECTION 23.** 11.07 (3) of the statutes is amended to read:

21 11.07 (3) The secretary of state <u>board</u> shall keep a record of all processes, 22 notices, and demands served upon the <u>secretary of state board</u> under this section that 23 shows the date and hour of service and the date of mailing. The certificate of the 24 <u>secretary of state board</u> that a summons and complaint, notice of object of action, or 25 any notice or demand required or permitted by law was served upon the <u>secretary</u>

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of state board and that the same was mailed by the secretary of state board as required by law, shall be evidence of service upon the secretary of state board. If the address of the individual, committee, or group is not known or readily ascertainable, mailing is dispensed with, and a copy of the process shall be published as a class 1 notice, under ch. 985, in the county in which the last-known registered agent was located or, if unknown, in Dane County.

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**SECTION 24.** 11.12 (6) of the statutes is amended to read:

11.12 (6) If any disbursement of more than \$20 \$300 cumulatively is made to 8 9 advocate the election or defeat of a clearly identified candidate by an individual or 10 committee later than 15 days prior to a primary or election in which the candidate's 11 name appears on the ballot without cooperation or consultation with a candidate or 12agent or authorized committee of a candidate who is supported or opposed, and not 13in concert with or at the request or suggestion of such a candidate, agent, or 14committee, but such that the disbursement is not included in a preprimary or 15preelection report submitted under s. 11.20 (3), the individual or treasurer of the committee shall, within 48 hours of making the disbursement, inform the 16 17appropriate filing officer of the information required under s. 11.06 (1) in such 18 manner as the board may prescribe. The information shall also be included in the 19 next regular report of the individual or committee under s. 11.20. For purposes of 20 this subsection, disbursements cumulate beginning with the day after the last date 21covered on the preprimary or preelection report and ending with the day before the 22primary or election. Upon receipt of a report under this subsection, the filing officer 23shall, within 24 hours of receipt, mail a copy of the report to all candidates for any  $\mathbf{24}$ office in support of or opposition to one of whom a disbursement identified in the report is made. 25

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**SECTION 25.** 11.12 (7) of the statutes is created to read:

2 If any registrant makes or incurs an obligation to make a 11.12 (7) 3 disbursement of more than \$300 cumulatively for the purpose of making a 4 communication specified in s. 11.01 (16) (a) 4. later than 60 days prior to a primary 5 or other election without cooperation or consultation with any candidate or agent or 6 authorized committee of any candidate who is supported or opposed, and not in 7 concert with or at the request or suggestion of any such candidate, agent, or committee, the registrant shall, within 24 hours after making the disbursement or 8 9 incurring the obligation to make the disbursement, inform the appropriate filing 10 officer of the information required under s. 11.06 (1) in such manner as the board may 11 prescribe. The registrant shall also include the information in the next regular 12report of the registrant under s. 11.20. For purposes of this subsection, 13 disbursements and obligations cumulate beginning with the day after the last date 14covered on the registrant's immediately preceding report and ending with the day 15before the election. If a registrant has not filed a previous report, disbursements and obligations cumulate beginning on the date of the registrant's registration. A 16 17disbursement that was previously reported in a report under this subsection as 18 obligated to be made shall not be included in the cumulative total. Upon receipt of a report under this subsection, the filing officer shall, within 24 hours of receipt, 19 20 transmit a copy of the report to all candidates for any office in support of or opposition 21to one of whom a disbursement identified in the report is made or obligated to be 22made.

23

**SECTION 26.** 11.19 (1) of the statutes is amended to read:

11.19(1) Whenever any registrant disbands or determines that obligations will
 no longer be incurred, and contributions will no longer be received nor disbursements

made during a calendar year, and the registrant has no outstanding incurred 1 obligations, the registrant shall file a termination report with the appropriate filing  $\mathbf{2}$ 3 officer. Such report shall indicate a cash balance on hand of zero at the end of the 4 reporting period and shall indicate the disposition of residual funds. In this 5 subsection, residual funds includes any assets transferred to the registrant and having a value of \$1,000 or greater. Residual funds may be used for any political 6 7 purpose not prohibited by law, returned to the donors in an amount not exceeding the 8 original contribution, or donated to a charitable organization or the common school 9 fund. The report shall be filed and certified as were previous reports, and shall 10 contain the information required by s. 11.06 (1). A registrant to which s. 11.055 (1) 11 applies shall pay the fee imposed under that subsection with a termination report 12filed under this subsection. If a termination report or suspension report under sub. 13 (2) is not filed, the registrant shall continue to file periodic reports with the 14appropriate filing officer, no later than the dates specified in s. 11.20. This subsection 15does not apply to any registrant making an indication under s. 11.05 (2r).

#### 16

**SECTION 27.** 11.20 (4) of the statutes is amended to read:

1711.20 (4) Continuing reports under s. 11.06 (1) by committees or individuals 18 supporting or opposing candidates for office, including committees of a political 19 party, and by individuals, groups or corporations supporting or opposing a 20 referendum shall be received by the appropriate filing officer no earlier than January 211 and no later than January 31 20; and no earlier than July 1 and no later than July 2220. Individuals, committees, groups and corporations to which s. 11.055 (1) applies 23shall pay the fee imposed under that subsection with their continuing reports filed  $\mathbf{24}$ in January of each year.

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**SECTION 28.** 11.20 (8) (b) of the statutes is amended to read:

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1 11.20 (8) (b) December 31 in the case of the continuing report required by
 2 January 31 <u>20</u>.

3 **SECTION 29.** 11.20 (10) (a) of the statutes is amended to read: 4 11.20 (10) (a) Where a requirement is imposed under this section for the filing  $\mathbf{5}$ of a financial report which is to be received by the appropriate filing officer no later than a certain date, the requirement may be satisfied either by actual receipt of the 6 7 report by the prescribed time for filing at the office of the filing officer, or by filing a 8 report with the U.S. postal service by first class mail with sufficient prepaid postage, 9 addressed to the appropriate filing officer, no later than the date provided by law for 10 receipt of such report. 11 **SECTION 30.** 11.20 (10) (c) of the statutes is repealed. 12**SECTION 31.** 11.21 (2) of the statutes is amended to read: 13 11.21 (2) Furnish Not earlier than 21 days and not later than 14 days prior to 14the applicable filing deadline under s. 11.20, provide to each registrant the prescribed forms for the making of reports and statements. Forms shall be sent by 151st class mail not earlier than 21 days and not later than 14 days prior to the 16 17applicable filing deadline under s. 11.20, and addressed to the attention of the 18 treasurer or other person indicated on the registration statement. Forms need not be sent to a registrant who has made an indication that aggregate contributions, 19 20 disbursements and obligations will not exceed the amount specified under s. 11.05 21(2r) or to a registrant who has been granted a suspension under s. 11.19 (2). Forms 22 for reports shall not be sent by the board to a registrant if the registrant is required 23to file reports with the board in an electronic format. Whenever any notice of filing 24requirements under this chapter is sent to a candidate's campaign treasurer, the

25 board shall also send a notice to the candidate if he or she has appointed a separate

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treasurer. Failure to receive any form or notice does not exempt a registrant from
 compliance with this chapter <u>electronically or, at the registrant's request, by 1st class</u>
 mail addressed to the treasurer indicated on the registration statement.

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**SECTION 32.** 11.21 (16) of the statutes 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 \$20,000 \$10,000 7 or more during a campaign period to file each campaign finance report that is required to be filed under this chapter in an electronic format, and accept from any 8 9 other registrant for whom the board serves as a filing officer any campaign finance 10 report that is required to be filed under this chapter in an electronic format. A 11 registrant who or which becomes subject to a requirement to file reports in an 12electronic format under this subsection shall initially file the registrant's report in 13 an electronic format for the period which includes the date on which the registrant 14becomes subject to the requirement. To facilitate implementation of this subsection, 15the board shall specify, by rule, a type of software that is suitable for compliance with the electronic filing requirement under this subsection. The software shall allow an 16 17authorized individual to provide an electronic signature, as defined in s. 137.11 (8), 18 that is subject to a security procedure, as defined in s. 137.11 (13). The board shall 19 provide copies of the software to registrants at a price fixed by the board that may 20 not exceed cost. A registrant who or which files a report under this subsection in an 21electronic format may file with the board that portion of the report signed by an 22authorized individual rather than submit the electronic signature of that individual. 23The board shall provide complete instructions to any registrant who or which files  $\mathbf{24}$ a report under this subsection. In this subsection, the "campaign period" of a candidate, personal campaign committee or support committee begins and ends with 25

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the "campaign" of the candidate whose candidacy is supported, as defined in s. 11.26
 (17), and the "campaign period" of any other registrant begins on January 1 of each
 odd-numbered year and ends on December 31 of the following year.

**SECTION 33.** 11.22 (3) of the statutes is amended to read:

11.22 (3) Furnish Not earlier than 21 days and not later than 14 days prior to 5 6 the applicable filing deadline under s. 11.20, provide to each registrant the 7 prescribed forms for the making of reports and statements. Forms shall be sent by 8 1st class mail not earlier than 21 days and not later than 14 days prior to the 9 applicable filing deadline under s. 11.20 and addressed to the attention of the 10 treasurer or other person indicated on the registration statement. Forms need not 11 be sent to a registrant who has made an indication that aggregate contributions, 12disbursements and obligations will not exceed the amount specified under s. 11.05 13(2r) or to a registrant who has been granted a suspension under s. 11.19 (2). Whenever any notice of the filing requirements under this chapter is sent to a 14candidate's campaign treasurer, the filing officer shall also send a notice to the 1516 candidate if he or she has appointed a separate treasurer. Failure to receive any form 17or notice does not exempt a registrant from compliance with this chapter electronically or, at the registrant's request, by 1st class mail addressed to the 18 19 treasurer indicated on the registration statement.

20 SECTION 34. 11.26 (2) (a) of the statutes is renumbered 11.26 (2) (a) (intro.) and 21 amended to read:

22

4

11.26 (2) (a) (intro.) Candidates for governor, lieutenant the following:

23 <u>2. Lieutenant</u> governor, secretary <u>\$12,939.</u>

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1	<u>3. Secretary</u> of state, state treasurer, attorney general, state superintendent,
2	or justice, -4 percent of the value of the disbursement level specified in the schedule
3	under s. 11.31 (1) <u>\$8,625</u> .
4	<b>SECTION 35.</b> 11.26 (2) (a) 1. of the statutes is created to read:
<b>5</b>	11.26 (2) (a) 1. Governor, \$43,128.
6	<b>SECTION 36.</b> 11.26 (2) (a) 4. of the statutes is created to read:
7	11.26 (2) (a) 4. Attorney general, \$21,560.
8	SECTION 37. 11.26 (4) of the statutes is repealed.
9	<b>SECTION 38.</b> 11.26 (4m) of the statutes is created to read:
10	11.26 (4m) (a) No individual may make any contribution or contributions in
11	excess of \$10,000 in any calendar year to any committee that makes electioneering
12	communications or that has as its major purpose expressly advocating the election
13	or defeat of a clearly identified candidate.
14	(b) No individual may make any contribution or contributions in excess of
15	\$10,000 in any calendar year to a political party.
16	<b>SECTION 39.</b> 11.26 (5) of the statutes is amended to read:
17	11.26 (5) The contribution limits provided in subs. (1) and $(4)$ (4m) do not apply
18	to a candidate who makes any contribution or contributions to his or her own
19	campaign for office from the candidate's personal funds or property or the personal
20	funds or property which are owned jointly or as marital property with the candidate's
21	spouse, with respect to any contribution or contributions made to that candidate's
22	campaign only. A candidate's personal contributions shall be deposited in his or her
23	campaign depository account and reported in the normal manner.
24	<b>SECTION 40.</b> 11.26 (6) of the statutes is amended to read:

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1	11.26 (6) When a candidate adopts a preexisting support committee as his or
2	her personal campaign committee, the support committee is deemed to have been the
3	same committee as the candidate's personal campaign committee for purposes of the
4	application of subs. $(1)_{\overline{2}}$ and $(2)$ and $(9)$ . The limitations prescribed in subs. $\underline{sub.}$ $(2)$
5	and (9) do not apply to the transfer of contributions which is made at the time of such
6	adoption, but do apply to the contributions which have been made by any other
7	committee to the support committee at the time of adoption.
8	SECTION 41. 11.26 (9) of the statutes is repealed.
9	SECTION 42. 11.26 (13m) (intro.) and (a) of the statutes are consolidated,
10	renumbered 11.26 (13m) and amended to read:
11	11.26 (13m) Contributions utilized for the following purposes are not subject
12	to limitation by this section: (a) For the purpose of payment of legal fees and other
13	expenses incurred as a result of a recount at an election are not subject to limitation
14	by this section.
15	SECTION 43. 11.26 $(13m)$ (b) of the statutes is renumbered 11.26 $(13n)$ and
16	amended to read:
17	11.26 (13n) For The contribution limits under this section apply to
18	<u>contributions used for</u> the purpose of <del>payment of</del> <u>paying</u> legal fees and other expenses
19	incurred in connection with the circulation, offer to file or filing, or with the response
20	to the circulation, offer to file or filing, of a petition to recall an officer prior to the time
21	a recall primary or election is ordered, or after that time if incurred in contesting or
22	defending the order.
23	<b>SECTION 44.</b> 11.26 (17) (a) of the statutes is amended to read:

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1 11.26 (17) (a) For purposes of application of the limitations imposed in subs.
 (1), and (2), and (9), the "campaign" of a candidate begins and ends at the times
 specified in this subsection.
 SECTION 45. 11.30 (2) (b) of the statutes is amended to read:
 11.30 (2) (b) Every such communication the cost of which is paid for or

6 reimbursed by a committee or group, or for which a committee or group assumes 7 responsibility, whether by the acceptance of a contribution or by the making of a 8 disbursement, shall be identified by the words "Paid for by" followed by the name of 9 the committee or group making the payment or reimbursement or assuming 10 responsibility for the communication and, the name of the treasurer or other 11 authorized agent of such committee or group, and the phone number and email 12 address of such committee or group.

13 SECTION 46. 11.30 (2) (c) of the statutes is amended to read:

1411.30 (2) (c) Every such communication which is directly paid for or reimbursed 15by an individual, including a candidate without a personal campaign committee who is serving as his or her own treasurer, or for which an individual assumes 16 17responsibility, whether by the acceptance of a contribution or by the making of a 18 disbursement, shall be identified by the words "Paid for by" followed by the name of the candidate or other individual making the payment or reimbursement or 19 20assuming responsibility for the communication and the phone number and email 21address of such candidate or individual. No abbreviation may be used in identifying 22the name of a committee or group under this paragraph.

23 SECTION 47. 11.30 (2) (cm) of the statutes is created to read:

11.30 (2) (cm) In addition to the requirements of pars. (a) to (c), in every such
 communication in which a specific state or local bill or resolution is referenced, the

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committee or group or individual or candidate shall identify the number assigned to
the bill or resolution, the house of the legislature or local unit of government in which
the bill or resolution was introduced, and the year in which the bill or resolution was
introduced.

SECTION 48. 11.30 (2) (d) of the statutes is amended to read:
11.30 (2) (d) In addition to the requirements of pars. (a) to (c) (cm), a committee
or individual required to file an oath under s. 11.06 (7) shall also in every
communication in support of or in opposition to any clearly identified candidate or
candidates include the words "Not authorized by any candidate or candidate's agent
or committee".

11 SECTION 49. 11.31 of the statutes is repealed.

12 **SECTION 50.** 11.38 (1) (a) 1. of the statutes is amended to read:

13 11.38 (1) (a) 1. No foreign or domestic corporation, or association organized 14 under ch. 185 or 193, may make any contribution or disbursement, directly, or 15 indirectly, either independently or through any political party, committee, group, 16 candidate or individual for any purpose other than to promote or defeat a 17 referendum, to a candidate, a legislative campaign committee, a personal campaign 18 committee, a support committee, other than a support committee that files a 19 statement under a 11.06 (7) are a political party.

- 19 <u>statement under s. 11.06 (7), or a political party.</u>
- 20

**SECTION 51.** 11.38 (1) (a) 2. of the statutes is amended to read:

11.38 (1) (a) 2. Notwithstanding subd. 1., any such corporation or association
may establish and administer a separate segregated fund and solicit contributions
from individuals to the fund to be utilized by such corporation or association, for the
purpose of supporting or opposing any candidate for state or local office but the
corporation or association may not make any contribution to the fund. The fund shall

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

11

**SECTION 52.** 11.38 (1) (a) 3. of the statutes is repealed.

12 **SECTION 53.** 11.385 of the statutes is created to read:

13 **11.385** Coordination. No person may make a disbursement for a political 14purpose as defined under s. 11.01(16)(a) or for an electioneering communication that 15is coordinated with a candidate, personal campaign committee, candidate's agent, legislative campaign committee, or political party committee. For purposes of this 16 17section, a disbursement for a political purpose as defined under s. 11.01 (16) (a) or 18 for an electioneering communication is coordinated with a candidate, personal 19 campaign committee, candidate's agent, legislative campaign committee, or political 20 party committee if the candidate, personal campaign committee, candidate's agent. 21legislative campaign committee, or political party committee exercises control over; 22or engages in substantial discussions or negotiations with the person making the 23disbursement regarding: any of the following:

- 24
- (1) The communication's content.
- 25
- (2) The communication's timing.

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1	(3) The location, form, or intended audience of the communication.
2	(4) The number or frequency of communications.
3	<b>SECTION 54.</b> 11.386 of the statutes is created to read:
4	<b>11.386 Reporting of electioneering communications. (1)</b> Any committee
5	making a disbursement of \$300 or more on an electioneering communication shall
6	submit statements to the board providing all of the following information:
7	(a) The dates on which the committee made the disbursement.
8	(b) The name and address of the person who received the disbursement.
9	(c) The purpose for making the disbursement.
10	(d) The amount spent for each electioneering communication made by
11	committee.
12	(e) The name of any candidate affected by the disbursement, the office that the
13	candidate seeks, and whether the electioneering communication supports or opposes
14	that candidate.
15	(f) The name of every person who donated \$300 or more to the committee in the
16	year prior to submitting the statements under this subsection.
17	(g) Whether the committee coordinated or consulted with, or received the
18	consent of the candidate or candidate's agent, regarding the disbursement.
19	(2) A committee required to provide statements to the board under this section
20	shall do so no later than 48 hours after making a disbursement for an electioneering
21	communication.
22	<b>SECTION 55.</b> 11.61 (1) (b) of the statutes is amended to read:
23	11.61 (1) (b) Whoever intentionally violates s. 11.25, 11.26, 11.27 (1), 11.30 (1)
24	or 11.38 is guilty of a Class I felony if the intentional violation does not involve a

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specific figure or if the intentional violation concerns a figure which exceeds \$100
 \$1,000 in amount or value.

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- **SECTION 56.** 11.61 (1) (c) of the statutes is amended to read:
- 11.61 (1) (c) Whoever intentionally violates any provision of this chapter other
  than those provided in par. (a) and whoever intentionally violates any provision
  under par. (b) where the intentional violation concerns a specific figure which does
  not exceed \$100 \$1,000 in amount or value may be fined not more than \$1,000
  \$10,000 or imprisoned not more than 6 months or both.
- 9 **SECTION 57**

# SECTION 57. Initial applicability.

- 10 (1) This act first applies to contributions received, disbursements made, and
  11 obligations incurred on or after the effective date of this subsection.
- 12 SECTION 58. Effective date.
- 13 (1) This act takes effect on January 1, 2017.
- 14

### (END)