



WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

2013 Wisconsin Act 153
[2013 Senate Bill 655]

**Campaign Finance and Lobbying
Law Changes**

Wisconsin Act 153 makes changes to various campaign finance and lobbying laws.

CAMPAIGN FINANCE PROVISIONS

Registration Thresholds

Act 153 increases the thresholds at which a committee, group, or individual must register under the campaign finance law. Under prior law, a committee or individual was required to register if the committee or individual accepted contributions, incurred obligations, or made disbursements in a calendar year in excess of \$25 and a group or individual was required to register if it engaged in these activities in excess of \$750 to promote or oppose a particular vote at a referendum.

Act 153 increases the \$25 threshold for registration by committees or individuals to \$300. The Act also increases the \$750 threshold for registration of referendum activity by groups and individuals to \$2,500.

Calculating Transfers Within Committee Contribution Limits

Act 153 provides that transfers from one personal campaign committee to another personal campaign committee are included in the amount a candidate may receive from all committees, including political party and legislative campaign committees. Current law imposes a limit on the amount a candidate for state or local office may receive from all committees that are required to file under the campaign finance law, **including** political party and legislative campaign committees. Current law imposes a different limit on the amount a candidate may receive from all committees **other than** political party and legislative campaign committees.

This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents at the Legislature's Web site at: <http://www.legis.wisconsin.gov>.

Act 153 specifies that transfers between personal campaign committees are included in the amount a candidate may receive from all committees, including political party and legislative campaign committees. The transfers are not included in the amount a candidate may receive from all committees other than political party and legislative campaign committees.

Corporate Expenditures to Solicit Contributions

Act 153 increases the amount a corporation or association may expend to solicit contributions to its separate segregated fund or conduit. Under prior law, a corporation or association could not expend more than a combined total of \$500 annually to solicit contributions to its fund or to a conduit. Act 153 provides that a corporation or association may not expend more than \$20,000 or 20% of the amount of contributions to the separate segregated fund or conduit in the prior year, whichever is greater.

Unclaimed Conduit Contributions

Act 153 allows a conduit to redirect certain contributions it has held for more than two years. The Act provides that a conduit may redirect any contribution to a sponsor (committee associated with the conduit) or, if there is no sponsor, to an administrative fund of the conduit if the conduit has held the contribution for at least 24 consecutive months during which the individual or organization that made the contribution has made no contact with the conduit, and one of the following applies:

- The conduit has, over the 24-month period, attempted in good faith to contact the individual or organization that made the contribution at least 10 times and has documented each attempt but has been unable to make contact. A conduit may satisfy this requirement by: telephoning at the last-known number; sending a text message to the last-known number; sending a fax transmission at the last-known fax number; sending a letter or postcard by U.S. mail; or sending an email message. A conduit may not satisfy this requirement if all 10 attempted contacts occur within a period of 30 consecutive days.
- The surviving spouse or executor of the estate of a deceased contributor authorizes the redirection of the contribution.

The Act also requires a conduit, on its registration statement, to include information about the original contributor for the dates on which the contribution is received and redirected and whether the contribution is redirected to a sponsor or administrative fund of the conduit.

Internet Activity

Act 153 excludes certain Internet activity from reporting under the campaign finance law by excluding this activity from the definitions of "contribution" and "disbursement." Specifically, the Act excludes costs incurred to conduct Internet activity (including email, blogging, and creating a website) for a political purpose by an individual acting on his or her

own behalf, or acting on behalf of another person if the individual is not compensated specifically for those services.¹ This includes the cost or value of any equipment and services used by the individual to conduct the activity, but does not include professional video production services purchased by the individual.

The Act does provide, however, that certain Internet-related activity is included in the definition of “disbursement” and is reportable. The Act provides that the following are disbursements: (1) any payment for a communication to the general public for a political purpose, except for Internet communications as discussed; (2) any payment for the purchase or rental of an email address list made at the direction of a registrant for a political purpose; and (3) any payment for an email address list that is transferred to a registrant for a political purpose.

Communications to the Public

Act 153 excludes certain media coverage and communications to the general public from reporting under the campaign finance law by excluding the activity from the definitions of “contribution” and “disbursement.” Specifically, the Act provides that contribution or disbursement does not include any cost incurred in covering or carrying a news story, commentary, or editorial by a broadcasting station, cable television operator, programmer, or producer, Internet site, or newspaper or other periodical publication, including an Internet or electronic publication. Further, a disbursement does not include a nominal fee paid for a communication to the general public.

However, the exclusion for certain media coverage does not apply to the cost of a news story that appears in a medium owned or controlled by a candidate, personal campaign committee of a candidate, support committee of a candidate, or a political party.

Reporting of “Late” Contributions

Act 153 extends the period for reporting contributions and disbursements that happen within 15 days of an election. Under prior law, these contributions and disbursements were required to be reported to the filing officer within 24 hours. Specifically, a committee that was not coordinating with a candidate and that made disbursements of \$20 or more cumulatively to advocate the election or defeat of a candidate within 15 days before a primary or election, such that the disbursement was not included in a preprimary or preelection report, had to report the disbursement within 24 hours. If a single contributor made a contribution or contributions totaling \$500 or more cumulatively to a candidate for state office, a committee, or an individual within 15 days before a primary or election, and the contribution was not included in a preprimary or preelection report, the recipient was required to report the contribution within 24 hours.

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

Act 153 extends the period for reporting such contributions and disbursements within 15 days of an election from 24 hours to 48 hours.

Electronic Filing

Act 153 requires that GAB campaign finance filing software must allow a registrant to provide an electronic signature that is subject to a security procedure that verifies the electronic signature. A registrant that files a report electronically may, however, file a portion of the report signed by an authorized individual rather than file an electronic signature. The Act eliminates a prior law requirement for registrants to file an additional copy of campaign finance reports, if the registrant files electronically.

LOBBYING LAW PROVISIONS

Time Period for Lobbyists to Make Contributions

Act 153 changes the time period during which a lobbyist may make a campaign contribution to a candidate for a partisan elective state office to be filled at the general election or a special election, to a partisan elected official running for any national, state, or local office, or to the campaign committee of any of the aforementioned. Prior law provided that a lobbyist could make a campaign contribution in the year of a candidate's election between June 1 and the day of the general election.

Act 153 provides that a lobbyist may personally make a campaign contribution between the first day authorized by law for the circulation of nomination papers as a candidate (April 15th) and the day of the general election. However, Act 153 does not change existing law that prohibits a lobbyist from contributing to legislative candidates before the Legislature has concluded its final floor period or while the Legislature is in special or extraordinary session.

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