



1997 ASSEMBLY BILL 598

November 11, 1997 – Introduced by Representative BLACK. Referred to Committee on Campaign Finance Reform.

- 1 **AN ACT to repeal** 11.06 (11), 11.24 (1m) and 11.26 (12m); and **to amend** 11.50 (2)
- 2 (b) 5. of the statutes; **relating to:** treatment of contributions of money made by
- 3 individuals or organizations acting as conduits.

Analysis by the Legislative Reference Bureau

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 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. In most cases, a conduit is required to register and file campaign finance reports unless the conduit does not transfer any contributions to candidates or to personal campaign, legislative campaign or political party committees.

This bill treats a contribution of money transferred by a conduit as a contribution from the conduit rather than from the individual contributor for purposes of reporting by the ultimate recipient, and for purposes of determining contribution limitations and qualifying contributions for public grants. Under the bill, conduit contributions made by a committee are included within the overall contribution limitation of 45% of a candidate’s spending level that may be derived

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from contributions received from committees and public grants. These conduit contributions may not be used to qualify for a public grant.

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

1 **SECTION 1.** 11.06 (11) of the statutes is repealed.

2 **SECTION 2.** 11.24 (1m) of the statutes is repealed.

3 **SECTION 3.** 11.26 (12m) of the statutes is repealed.

4 **SECTION 4.** 11.50 (2) (b) 5. of the statutes is amended to read:

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

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1 to qualify for a grant is 5% of the candidate's authorized disbursement limitation
2 under s. 11.31. For any other candidate at the general election, the required amount
3 to qualify for a grant is 10% of the candidate's authorized disbursement limitation
4 under s. 11.31.

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(END)