



## 1997 SENATE BILL 7

January 15, 1997 - Introduced by Senators ADELMAN, WINEKE, CLAUSING, BURKE and JAUCH, cosponsored by Representatives BOCK, NOTESTEIN, BLACK, VANDER LOOP and R. YOUNG. Referred to Committee on Judiciary, Campaign Finance Reform and Consumer Affairs.

1     **AN ACT to repeal** 8.16 (5), 11.01 (12s), 11.05 (3) (o), 11.265, 11.31 (4), 15.07 (1) (a)  
2             2. and 19.42 (10) (a); **to renumber** 11.24 (2); **to renumber and amend** 11.12  
3             (6), 11.26 (9) (c) and 11.50 (9); **to amend** 5.02 (13), 5.05 (1) (b), 7.08 (2) (c) and  
4             (cm), 8.35 (4) (a) 1. a. and b., 10.02 (3) (b) 2m., 11.05 (3) (c), 11.05 (9) (b), 11.06  
5             (1) (a), 11.06 (1) (e), 11.06 (2), 11.06 (7m) (a), 11.06 (7m) (c), 11.06 (11) (c), 11.07  
6             (5), 11.12 (2), 11.16 (2), 11.16 (5), 11.19 (title) and (1), 11.21 (15), 11.23 (2), 11.26  
7             (1) (intro.), 11.26 (2) (intro.), 11.26 (4), 11.26 (8), 11.26 (9) (a) and (b), 11.26  
8             (12m), 11.31 (1) (a) to (d), (e) and (f), 11.31 (2), 11.31 (3), 11.38 (6), 11.50 (1) (a)  
9             1. and 2., 11.50 (2) (b) 5., 11.50 (2) (c) and (d), 11.50 (2) (f), 11.50 (2) (i), 11.50 (3)  
10            (a) (intro.), 11.50 (3) (a) 1. and 2., 11.50 (4) (c), (cm) and (d), 11.50 (6), 11.60 (1),  
11            11.61 (1) (a), 13.14 (3), 13.20 (1), 15.61, 20.510 (1) (q), 20.923 (6) (h), 25.42, 71.10  
12            (3) (a), 71.26 (1) (a) and 230.08 (2) (f); **to repeal and recreate** 11.31 (3m); and  
13            **to create** 11.05 (3) (m), 11.05 (3) (q) and (r), 11.095, 11.12 (6) (b), 11.19 (1m) and  
14            (6), 11.21 (16), 11.24 (3) and (4), 11.26 (9) (c) 2., 11.31 (1m), 11.31 (9), 11.50 (2)

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1 (bm), 11.50 (2m), 11.50 (3) (c), 11.50 (4) (e), 11.50 (9) (b), 11.60 (3m), 20.510 (1)  
2 (d), 20.510 (1) (i), 71.05 (6) (a) 20., 71.07 (5) (a) 8., 71.26 (2) (b) 1g., 71.26 (3) (e)  
3 4., 71.34 (1) (ad) and 71.45 (2) (a) 15. of the statutes; **relating to:** designations  
4 for the Wisconsin election campaign fund by individuals filing state income tax  
5 returns, income and franchise tax deductions for certain business expenses  
6 related to lobbying, public information related to the Wisconsin election  
7 campaign fund, eligibility requirements for and the amounts of grants from the  
8 Wisconsin election campaign fund, disbursement levels for candidates for  
9 certain state offices, independent disbursements in support of or opposition to  
10 candidates for certain state offices, contribution restrictions and limitations,  
11 treatment of legislative campaign committees, disposition of residual or excess  
12 campaign funds, regulation of certain telephoning activities pertaining to  
13 elections, information provided on campaign finance registration statements,  
14 electronic filing of campaign finance reports with the elections board,  
15 composition of the elections board, elimination of legislative partisan caucus  
16 staffs, providing an exemption from emergency rule procedures, granting  
17 rule-making authority, making appropriations and providing a penalty.

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***Analysis by the Legislative Reference Bureau***

This bill makes numerous changes in the campaign financing law. Significant changes include:

**DISBURSEMENT LIMITATIONS AND  
INDEPENDENT DISBURSEMENTS**

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. Additionally, the disbursement levels for candidates for the offices of state senator and representative to the assembly are subdivided

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between the primary and election campaign periods in such a way that only about 60% of the total applicable disbursement level for either office may be allocated by a candidate to either the primary or the election campaign period. A candidate for state office who accepts a grant from the Wisconsin election campaign fund and who agrees to be bound by the disbursement limit applicable to the office which the candidate seeks may receive a grant equal to 45% of that disbursement limit, less certain committee contributions accepted by the candidate, if there are sufficient moneys in the fund to finance the full amount of grants for which candidates qualify.

Current law also imposes registration and financial reporting requirements on committees and individuals making disbursements independently of a candidate in support of or in opposition to a candidate for a state or local office. One requirement is the obligation of the committee or individual to inform the appropriate filing officer within 24 hours of making such a disbursement, if the cumulative amount of such disbursements made by the committee or individual later than 15 days prior to a primary or election exceeds \$20.

The bill:

1. Eliminates the disbursement limitation, applicable to candidates for the offices of state senator and representative to the assembly, that requires the overall limitation to be subdivided between the primary and election campaign periods in such a way that only about 60% of the statutory disbursement level is allocated to either the primary or election campaign period.

2. 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	\$2,000,000
Lieutenant governor	323,475	250,000
Attorney general	539,000	700,000
Secretary of state	215,625	250,000
State treasurer	215,625	250,000
Supreme court justice	215,625	250,000
State superintendent	215,625	250,000
State senator	34,500	80,000
Representative to the assembly	17,250	40,000

3. Increases disbursement levels for candidates who are challenging incumbent officeholders to 125% of the statutory disbursement levels. This additional authorization does not increase the maximum grant which a candidate may receive from the Wisconsin election campaign fund.

4. Authorizes a candidate to make disbursements exceeding statutory disbursement limits to the extent of independently incurred obligations and disbursements in opposition to his or her candidacy or in support of his or her opponent, if the obligations and disbursements exceed \$250 cumulatively.

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5. Replaces the provision requiring reports of cumulative independent disbursements exceeding \$20 made later than 15 days prior to a primary or election with a provision that requires a committee which or an individual who makes disbursements or incurs obligations independently of a candidate to inform the appropriate filing officer no later than 21 days (14 days in the case of a primary or election that is not held concurrently with the spring or September primary or spring or general election) prior to the activity which the committee or individual intends to fund with cumulative disbursements or obligations of more than \$250.

6. Creates a biennial cost-of-living adjustment that causes the statutory disbursement levels to be adjusted biennially, beginning in 1999, in accordance with a formula tied to the "consumer price index" determined by the U.S. department of labor.

**CONTRIBUTION LIMITATIONS**

Current law specifies limitations on the maximum amount of contributions which may be given to and accepted by a candidate for state or local office. Current law also limits the total contributions that a candidate for state or local office may accept from all political committees, including political party and legislative campaign committees, and from the Wisconsin election campaign fund to 65% of the value of the statutory disbursement level specified for the office which the candidate seeks. The total amount that a candidate may accept from committees other than political party and legislative campaign committees and from the Wisconsin election campaign fund is limited to 45% of that disbursement level.

The bill changes the current limitation on total contributions of 45% of a candidate's disbursement level, for the office which the candidate seeks, that a candidate may accept from committees other than political party and legislative campaign committees to a limitation of 15% of a candidate's disbursement level that a candidate may accept from committees other than political party committees. However, the bill does not change the limitation on the total grant that a candidate for state office may receive from the Wisconsin election campaign fund. Under the bill, grants from the Wisconsin election campaign fund are not subject to the 15% limitation.

**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.

**SENATE BILL 7****OTHER CONTRIBUTION RESTRICTIONS**

The bill creates the following new prohibitions on contributions:

1. It prohibits contributions by individuals under the age of 18 years to any candidate for a statewide office, state senator or representative to the assembly.
2. It prohibits contributions to incumbents who are seeking reelection to a partisan state office from the first Monday in January of each odd-numbered year through the enactment of the biennial budget act and, thereafter, during any floorperiod, including any special or extraordinary session floorperiod. The prohibition does not apply to contributions made to an incumbent who is subject to a recall election from the date on which the petition for a recall election is filed until the date of the recall election.

**CONTRIBUTIONS THROUGH CONDUITS**

Under current law, a “conduit” is an individual or organization that receives a contribution and transfers the contribution to another individual or organization without exercising discretion as to the amount that is transferred and the individual to whom or the organization to which the transfer is made. When a conduit transfers a contribution, the conduit is required to identify itself in writing to the transferee as a conduit and to report to the transferee information about the original contributor. The conduit must include this information in its financial reports for the date on which the contribution was received and transferred. The campaign financing reports filed by the candidate identify only the original contributor, not the conduit. A contribution from a conduit is considered to be a contribution from the original contributor and, for the purpose of contribution limitations, a contribution of money received from a conduit which is properly identified and reported is considered to be a contribution received from the original contributor. Contributions received by a candidate for state office from an individual through a conduit may be used to qualify for a grant from the Wisconsin election campaign fund.

The bill requires the campaign financing reports filed by candidates to identify any conduit from whom a contribution is received, as well as the original contributor.

The bill also treats conduits in the same manner as “political action committees” by:

1. Not allowing contributions made by an individual through a conduit to be used to qualify for a grant from the Wisconsin election campaign fund.
2. Applying to contributions transferred by conduits the proposed 15% limit which applies to cumulative contributions that a candidate may accept from all committees other than political party committees.
3. Reducing the maximum grant that a candidate may receive from the Wisconsin election campaign fund by the total amount of all contributions received by the candidate through conduits.

**DISPOSITION OF RESIDUAL OR EXCESS FUNDS**

Under current law, residual funds remaining when a person who is required to register under the campaign financing law disbands or ceases incurring obligations, making disbursements or accepting contributions or excess funds received by a registrant that may not be legally expended may generally be used for any lawful

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political purpose, returned to the original contributors or donated to a charitable organization or the common school fund.

The bill allows residual or excess funds to be transferred to the Wisconsin election campaign fund. The bill also requires residual contributions received by a personal campaign committee formed to support the campaign of a partisan state officeholder who seeks election to another office and, subsequently, decides not to run for that other office, which exceed 10% of the statutory disbursement level for the office that the candidate holds, to be either returned to the donors or transferred to the Wisconsin election campaign fund. In addition, the bill limits the amount of contributions which remain unencumbered after December 31 of an even-numbered year that a candidate for partisan state office or such a candidate's personal campaign committee may carry over from a general election campaign to another campaign to not more than 15% of the candidate's disbursement level. Under the bill, contributions in excess of that amount must be transferred to the Wisconsin election campaign fund.

**PERSUASIVE TELEPHONING**

The bill requires all persons (including political committees and groups) who engage in or retain a telephone bank operator to engage in persuasive telephoning with respect to an election to disclose certain information to the appropriate filing officer or agency for campaign finance reporting purposes. The bill defines "persuasive telephoning" as "contacting, by telephone, potential voters for the purpose of presenting them with information or viewpoints which could influence the attitudes of the voters toward candidates or referenda". Information that must be reported includes the name and address of the person; the name and address of any telephone bank operator who is retained; the amount paid to any such operator for the telephoning services; the total amount expended by the person to conduct persuasive telephoning; and if the person engaged in or retained an operator to engage in persuasive telephoning in more than one legislative district, the amount expended by the person within each legislative district for persuasive telephoning on behalf of each candidate or each personal campaign committee of a candidate for legislative office in that district.

The bill requires the information to be reported at the same time as regular campaign finance reports are filed. In addition, before beginning persuasive telephoning, any person who proposes to engage in or to retain a telephone bank operator to engage in such telephoning must file with the appropriate filing officer or agency a report that the person will be conducting persuasive telephoning. That officer is then directed to contact each candidate who is opposed by the telephoning to provide that information. The report must be filed before the telephoning is begun or, if an election is scheduled within 3 days of that time, at least 24 hours before the telephoning is begun.

The bill requires every person who engages in or retains a telephone bank operator to engage in persuasive telephoning to provide to the elections board, upon request, a copy of any question that was asked, in substantially identical form, of more than one individual during the telephoning.

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The bill requires each campaign finance registrant who or which does not engage in or retain any other person to engage in persuasive telephoning to file a statement to that effect with the appropriate filing officer or agency.

Under current law, the amount paid for any telephoning services done for the purpose of influencing the election or nomination of a candidate at an election is generally subject to disclosure by the person making payment for the services, together with the name and address of the payee. The disclosure is made to the appropriate filing officer or agency on regular campaign finance reports.

The bill also requires each candidate or personal campaign committee of a candidate to disclose to the appropriate filing officer or agency the telephone number and facsimile transmission number, if any, at which the candidate may be contacted.

In addition, the bill empowers the elections board, upon showing of probable cause to believe there is a violation of the campaign finance law, to obtain a search warrant to inspect records of a telecommunications utility. Currently, the board has no such authority.

Any person who violates these provisions in respect to a telephone communication in which the caller engages in persuasive telephoning is subject to a forfeiture (civil penalty) of \$1,000, or \$1 for each communication that is subject to disclosure which the person fails to disclose in a timely manner, whichever is greater.

**WISCONSIN ELECTION CAMPAIGN FUND:  
SOURCES AND USES OF FUNDS**

Under current law, the Wisconsin election campaign fund is financed through an individual income tax "checkoff". Every individual filing a state income tax return who has a tax liability or is entitled to a tax refund may direct that \$1 of general purpose revenue be transferred to the fund. Individuals filing a joint return may separately choose whether to direct that the \$1 transfer be made. All moneys transferred to the fund are placed in accounts for specified state offices, and candidates for those offices may qualify for grants from the fund to be used for specified campaign expenses. No moneys in the fund may be used for any other purpose.

The bill:

1. Increases the amount of the individual income tax checkoff for the Wisconsin election campaign fund from \$1 to \$3. Under the bill, individuals filing a joint return may separately choose whether to make the \$3 checkoff.

2. Eliminates a current state income and franchise tax deduction for certain business expenses that lobbyists incur. Currently, this deduction may be claimed for expenses incurred in direct connection with: a) appearances before, submission of statements to, or sending communications to a federal, state or local legislative body, a legislative committee or an individual legislator with respect to legislation or proposed legislation of direct interest to a taxpayer; or b) communications between a taxpayer and an organization of which the taxpayer is a member with respect to legislation or proposed legislation of direct interest to the taxpayer and the organization. Under the bill, dues paid to any organization remain deductible to the extent that they are attributable to expenses of these activities.

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3. Authorizes the state elections board to set aside an amount not exceeding 5% of the moneys transferred to the Wisconsin election campaign fund in each year, before distributions are made to candidate office accounts, to provide public information concerning the purpose and effect of the fund and the income tax checkoff for the fund. As part of the public information program, the board must prepare an easily understood description of the purpose and effect of the fund and the tax checkoff. The department of revenue is required to include and highlight the description in its income tax preparation instructions related to the tax checkoff.

4. Provides a sum sufficient appropriation from general purpose revenue to supplement the amounts otherwise available for campaign financing through the Wisconsin election campaign fund so as to enable all eligible candidates to receive the maximum grants for which they qualify.

The tax changes made by the bill first apply to tax returns for taxable years commencing on or after January 1, 1998.

**GRANT ELIGIBILITY  
REQUIREMENTS AND AMOUNTS**

Under current law, public financing from the Wisconsin election campaign fund is available to 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. To receive a grant, a candidate must file an application with the state elections board no later than the deadline for filing nomination papers. Following the primary election or the date on which a primary would be held, if required, the board determines which applicants meet the following eligibility requirements:

1. A candidate for a partisan state office at a general election must have received at least 6% of the total votes cast in the primary and won the primary. A candidate for a partisan state office at a special election must either: a) appear on the ballot or in the column of a political party whose candidate for the same office at the preceding general election received at least 6% of the vote; or b) receive at least 6% of the votes cast at the special election.

2. The candidate must have an opponent in the election.

3. The candidate must receive, during a specified time period, a specified amount through contributions from individuals of \$100 or less. For a candidate for the office of governor, lieutenant governor, secretary of state, state treasurer, attorney general, justice of the supreme court or superintendent of public instruction, the amount is 5% of the authorized disbursement level for the office which the candidate seeks. For a candidate for the office of state senator or representative to the assembly, the amount is 10% of the authorized disbursement level for the office which the candidate seeks.

Under current law, a candidate for any office who accepts a grant must comply with statutorily prescribed contribution and disbursement limitations, unless one or more of the candidate's opponents who receive at least 6% of the votes cast for all candidates for that office at the primary, if a primary was held, do not accept a grant and do not voluntarily comply with the contribution and disbursement limitations for that office. The maximum grant that a candidate may receive is that amount



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which, when added to all other contributions accepted from sources other than individuals, political party committees and legislative campaign committees, is equal to 45% of the authorized disbursement level for the office which the candidate seeks.

The bill:

1. Eliminates the requirement that, to be eligible to receive a grant from the Wisconsin election campaign fund, a candidate for a partisan state office must receive at least 6% of the total votes cast in the primary election. Also, it eliminates the 6% vote requirement for such a candidate at a special election.

2. Provides that the contributions of \$100 or less from individuals used to determine eligibility for a grant from the Wisconsin election campaign fund must be made by individuals who reside in the state.

3. Allows a candidate for state senator or representative to the assembly to receive 50% of the grant to which he or she would otherwise be entitled if the candidate raises an amount equal to at least 5% but less than 10% of the disbursement level for the office which the candidate seeks through contributions from individuals of \$100 or less, within the time period specified in current law. The bill also provides that, if within the next 14 days the candidate raises additional individual contributions of \$100 or less so that the total amount raised through such contributions is 10% or more of the disbursement level for the office, the candidate is eligible for the remainder of the grant.

4. Provides that, if a candidate who accepts a grant is notified by the elections board that an individual or committee acting independently of any candidate has incurred or intends to incur, or has made or intends to make, a disbursement in opposition to the candidate or in support of his or her opponent, the candidate must be given a supplementary grant from the Wisconsin election campaign fund in an amount equivalent to the proposed or actual obligation or disbursement.

5. Provides that, if a candidate for state office who accepts a grant from the Wisconsin election campaign fund is opposed by one or more candidates who do not agree to abide by the contribution and disbursement limitations for the office, the total grant available to the candidate who accepts a grant is increased by the amount of the maximum grant for the office (45% of the statutorily specified disbursement level for the office). In connection with this change and the preceding change, the bill waives the contribution limitation that applies to cumulative contributions received by a candidate from political party committees and the Wisconsin election campaign fund to enable a candidate to accept the full amount of his or her grants.

**ELECTRONIC 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. 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.

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The bill directs the board to accept a campaign finance report that is filed by means of electronic transmission from any registrant for whom the board serves as a filing agency. The bill also directs the board to 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. Under the bill, 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, together with a computer-generated copy of the report printed on paper. The paper copy must be signed and filed no later than the date currently prescribed by law for filing of the report. The bill directs the board to provide complete instructions to any registrant who or which wishes to file reports electronically under the bill.

**INITIAL APPLICABILITY**

All campaign finance changes under the bill apply to elections held on or after January 1, 1999.

**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 6 members appointed by the governor for staggered 6-year terms, subject to senate confirmation. Under the bill, no 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 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.

**ELIMINATION OF LEGISLATIVE  
PARTISAN CAUCUS STAFFS**

Currently, the joint committee on legislative organization (JCLO) or either house of the legislature may employ such number of research staff assigned to legislative party caucuses as in the judgment of JCLO or the committee on organization of either house are necessary to enable it to perform its functions and duties and to best serve the people of this state. The bill deletes this authority and deauthorizes all positions that are currently assigned to legislative party caucuses beginning on July 1, 1998.

**SENATE BILL 7****OTHER**

This bill will be referred to the joint survey committee on tax exemptions for a detailed analysis, which will be printed as an appendix to the bill.

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

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

8           **SECTION 2.** 5.05 (1) (b) of the statutes is amended to read:

9           5.05 (1) (b) In the discharge of its duties and upon notice to the party or parties  
10 being investigated, subpoena and bring before it any person in the state and require  
11 the production of any papers, books or other records relevant to an investigation. A  
12 circuit court may by order permit the inspection and copying of the accounts and the  
13 depositor's and loan records at any financial institution, as defined in s. 705.01 (3),  
14 doing business in the state or the records of any telecommunications utility, as  
15 defined in s. 196.01 (10), doing business in this state, to obtain evidence of any  
16 violation of ch. 11 upon showing by the board of probable cause to believe there is a  
17 violation and that such accounts and or records may have a substantial relation to  
18 the violation. In the discharge of its duties, the board may cause the deposition of

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1 witnesses to be taken in the manner prescribed for taking depositions in civil actions  
2 in circuit court.

3 **SECTION 3.** 7.08 (2) (c) and (cm) of the statutes are amended to read:

4 7.08 (2) (c) As soon as possible after the canvass of the spring and September  
5 primary votes, but no later than the first Tuesday in March and the 4th Tuesday in  
6 September, transmit to the state treasurer a certified list of all eligible candidates  
7 for state office who have filed applications under s. 11.50 (2) and whom the board  
8 determines to be eligible to receive payments from the Wisconsin election campaign  
9 fund. The board shall also transmit a similar list of candidates whom the board  
10 determines to be eligible to receive a supplementary grant under s. 11.50 (3) (c), (4)  
11 (e) or (9) (b) within 5 days after the candidates qualify to receive the grants. Each  
12 list shall contain each candidate's name, the mailing address indicated upon the  
13 candidate's registration form, the office for which the individual is a candidate and,  
14 the party or principle which he or she represents, if any, and, for a candidate whose  
15 application is approved under s. 11.50 (2) (bm) 1., an indication that the candidate  
16 is eligible for 50% of the amount that would have been available to the candidate if  
17 his or her application had been approved under s. 11.50 (2) (b). As soon as possible  
18 after receiving supplemental reports under s. 11.50 (2) (bm) 2., but no later than 28  
19 days after the date specified in s. 11.50 (2) (b) 5., the board shall transmit to the state  
20 treasurer a certified list of all candidates who are eligible for supplemental payments  
21 under s. 11.50 (2) (bm) 2.

22 (cm) As soon as possible after the canvass of a special primary, or the date that  
23 the primary would be held, if required, transmit to the state treasurer a certified list  
24 of all eligible candidates for state office who have filed applications under s. 11.50 (2)  
25 and whom the board determines to be eligible to receive a grant from the Wisconsin

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1 election campaign fund ~~prior to the election~~. The board shall also transmit a similar  
2 list of candidates, ~~if any, who have filed applications under s. 11.50 (2) and whom the~~  
3 board determines to be eligible to receive a supplementary grant under s. 11.50 (1)  
4 (a) 2. after the special election. The (4) (e) or (9) (b) within 5 days after the candidates  
5 qualify to receive the grants. Each list shall contain each candidate's name, the  
6 mailing address indicated upon the candidate's registration form, the office for which  
7 the individual is a candidate and, the party or principle which he or she represents,  
8 if any, and, for a candidate whose application is approved under s. 11.50 (2) (bm) 1.,  
9 an indication that the candidate is eligible for 50% of the amount that would have  
10 been available to the candidate if his or her application had been approved under s.  
11 11.50 (2) (b). As soon as possible after receiving supplemental reports under s. 11.50  
12 (2) (bm) 2., but not later than 28 days after the date specified in s. 11.50 (2) (b) 5., the  
13 board shall transmit to the state treasurer a certified list of all candidates who are  
14 eligible for supplemental payments under s. 11.50 (2) (bm) 2.

15 **SECTION 4.** 8.16 (5) of the statutes is repealed.

16 **SECTION 5.** 8.35 (4) (a) 1. a. and b. of the statutes are amended to read:

17 8.35 (4) (a) 1. a. ~~Donated to the former candidate's local or state political party~~  
18 if if the former candidate was a partisan candidate ~~or, donated to the former~~  
19 candidate's local or state political party, donated to the a charitable organization of  
20 the former candidate's choice or the charitable organization chosen or transferred to  
21 the board for deposit in the Wisconsin election campaign fund, as instructed by the  
22 former candidate or, if the candidate made no choice, by the former candidate's next  
23 of kin if the former candidate is deceased, or if no choice is made returned to the  
24 donors on a proportional basis; or

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1           b. If the former candidate was a nonpartisan candidate, donated to the a  
2 charitable organization of the former candidate's choice or the charitable  
3 organization chosen or transferred to the board for deposit in the Wisconsin election  
4 campaign fund, as instructed by the former candidate or, if the candidate made no  
5 choice, by the former candidate's next of kin if the former candidate is deceased; or

6           **SECTION 6.** 10.02 (3) (b) 2m. of the statutes is amended to read:

7           10.02 (3) (b) 2m. At the September primary, the elector shall select the party  
8 ballot of his or her choice or the ballot containing the names of the independent  
9 candidates for state office, and make a cross [X] in the square at the right of or  
10 depress the lever or button next to the candidate's name for each office for whom the  
11 elector intends to vote or insert or write in the name of the elector's choice for a party  
12 candidate, if any. ~~In order to qualify for participation in the Wisconsin election~~  
13 ~~campaign fund, a candidate for state office at the September primary, other than a~~  
14 ~~candidate for district attorney, must receive at least 6% of all votes cast on all ballots~~  
15 ~~for the office for which he or she is a candidate, in addition to other requirements.~~

16           **SECTION 7.** 11.01 (12s) of the statutes is repealed.

17           **SECTION 8.** 11.05 (3) (c) of the statutes is amended to read:

18           11.05 (3) (c) In the case of a committee, a statement as to whether the  
19 committee is a personal campaign committee, a political party committee, a  
20 legislative campaign committee, a support committee or a special interest  
21 committee.

22           **SECTION 9.** 11.05 (3) (m) of the statutes is created to read:

23           11.05 (3) (m) In the case of a personal campaign committee, the name of the  
24 candidate on whose behalf the committee was formed or intends to operate and the  
25 office or offices that the candidate seeks.

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1           **SECTION 10.** 11.05 (3) (o) of the statutes is repealed.

2           **SECTION 11.** 11.05 (3) (q) and (r) of the statutes are created to read:

3           11.05 (3) (q) If the committee, group or individual does not engage in or retain  
4 any other person to engage in persuasive telephoning, as defined in s. 11.095 (1) (a),  
5 a separate statement, signed by the same individual who signs the registration form,  
6 to this effect.

7           (r) In the case of a candidate or personal campaign committee of a candidate,  
8 the telephone number or numbers and the facsimile transmission number, if any, at  
9 which the candidate may be contacted.

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

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

17          **SECTION 13.** 11.06 (1) (a) of the statutes is amended to read:

18          11.06 (1) (a) An itemized statement giving the date, full name and street  
19 address of each contributor who has made a contribution in excess of \$20, or whose  
20 contribution if \$20 or less aggregates more than \$20 for the calendar year, together  
21 with the amount of the contribution and the cumulative total contributions made by  
22 that contributor for the calendar year and, if the contributor made the contribution  
23 through a conduit, the identity of the conduit.

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

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1           11.06 (1) (e) An itemized statement of contributions over \$20 from a single  
2 source donated to a charitable organization or to the common school fund, with the  
3 full name and mailing address of the donee, and a statement of contributions over  
4 \$20 transferred to the board for deposit in the Wisconsin election campaign fund.

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

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

15           **SECTION 16.** 11.06 (7m) (a) of the statutes is amended to read:

16           11.06 (7m) (a) If a committee which was registered under s. 11.05 as a political  
17 party committee ~~or legislative campaign committee~~ supporting candidates of a  
18 political party files an oath under sub. (7) affirming that it does not act in cooperation  
19 or consultation with any candidate who is nominated to appear on the party ballot  
20 of the party at a general or special election, that the committee does not act in concert  
21 with, or at the request or suggestion of, such a candidate, that the committee does  
22 not act in cooperation or consultation with such a candidate or agent or authorized  
23 committee of such a candidate who benefits from a disbursement made in opposition  
24 to another candidate, and that the committee does not act in concert with, or at the  
25 request or suggestion of, such a candidate or agent or authorized committee of such



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1 a candidate who benefits from a disbursement made in opposition to another  
2 candidate, the committee filing the oath may not make any contributions in support  
3 of any candidate of the party at the general or special election or in opposition to any  
4 such candidate's opponents exceeding the amounts specified in s. 11.26 (2), except as  
5 authorized in par. (c).

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

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

14 **SECTION 18.** 11.06 (11) (c) of the statutes is amended to read:

15 11.06 (11) (c) A contribution of money received from a conduit, accompanied by  
16 the information required under par. (a), is considered to be a contribution from the  
17 original contributor for purposes of s. 11.26 (1) and (4).

18 **SECTION 19.** 11.07 (5) of the statutes is amended to read:

19 11.07 (5) Any campaign treasurer or individual who knowingly receives a  
20 contribution made by an unregistered nonresident in violation of this section may  
21 not use or expend such contribution but shall immediately return it to the source or  
22 at the option of the campaign treasurer or individual, donate the contribution to a  
23 charitable organization or to the common school fund or transfer the contribution to  
24 the board for deposit in the Wisconsin election campaign fund.

25 **SECTION 20.** 11.095 of the statutes is created to read:

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1           **11.095 Regulation of certain telephoning activities. (1)** In this section:

2           (a) “Persuasive telephoning” means contacting, by telephone, potential voters  
3 for the purpose of presenting them with information or viewpoints which could  
4 influence the attitudes of the voters toward candidates or referenda. “Persuasive  
5 telephoning” does not include any contacts that are limited solely to an attempt to  
6 identify potential voters, to urge potential voters to participate in an election or to  
7 offer assistance to potential voters to enable them to participate in an election, or  
8 questioning a random or representative sample of a universe of potential voters in  
9 a voting jurisdiction or voting group in an attempt to infer, using standard statistical  
10 techniques and standard levels of statistical confidence, the attitudes or positions of  
11 the voters concerning candidates or issues or potential candidates or issues, or their  
12 knowledge of candidates or issues or potential candidates or issues.

13           (b) “Telephone bank operator” means any person who places or directs the  
14 placement of telephone calls to individuals and engages in or directs persuasive  
15 telephoning.

16           (2) Each individual who, or committee or group which, engages in or retains  
17 a telephone bank operator to engage in persuasive telephoning with respect to any  
18 election shall provide to the board, upon request, a copy of any question that was  
19 asked by the individual, committee or group, or by the operator, in substantially  
20 identical form, of more than one individual during the telephoning.

21           (3) Each individual who, or committee or group which, engages in or retains  
22 a telephone bank operator to engage in persuasive telephoning with respect to any  
23 election shall file a written report, on a form prescribed by the board, disclosing the  
24 name and address of the individual, committee or group; the name and address of any  
25 operator who is retained; the amount paid to any such operator for the telephoning

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1 services; the total amount expended by the individual, committee or group to conduct  
2 persuasive telephoning; and, if the individual, committee or group engaged in or the  
3 telephone bank operator engaged in such telephoning on behalf of the individual,  
4 committee or group in more than one legislative district, the amount expended by the  
5 individual, committee or group within each legislative district for persuasive  
6 telephoning performed on behalf of each candidate or each personal campaign  
7 committee of a candidate for legislative office in that district.

8 (4) Each individual who, or committee or group which, engages in or retains  
9 a telephone bank operator to engage in persuasive telephoning shall report the  
10 information specified in sub. (3) on the dates specified for filing reports under s. 11.20  
11 (2), (2m) and (4), unless all information relating to an election has previously been  
12 reported by the individual, committee or group. Each report shall cover the period  
13 specified in s. 11.20 (8).

14 (5) Each individual who, or committee or group which, engages in or retains  
15 a telephone bank operator to engage in persuasive telephoning shall report the  
16 information specified in sub. (3) to the filing officer under s. 11.02 of each candidate  
17 whose name appears on the ballot in opposition to a candidate on behalf of whom the  
18 individual, committee or group is conducting persuasive telephoning.

19 (6) Any individual who, or committee or group which, engages in or retains a  
20 telephone bank operator to engage in persuasive telephoning shall, prior to the time  
21 that the telephoning is to be commenced, or, if the telephoning is to be conducted in  
22 relation to an election that is scheduled to occur on a date within 3 days of the date  
23 that the telephoning is to be commenced, no later than 24 hours prior to the time that  
24 the telephoning is to be commenced, exclusive of Saturdays, Sundays and the days  
25 specified in s. 230.35 (4) (a), deliver a written report to the filing officer under s. 11.02

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1 of each candidate whose name appears on the ballot in opposition to a candidate on  
2 behalf of whom the individual, committee or group intends to conduct persuasive  
3 telephoning, of the intent of the individual, committee or group to conduct such  
4 telephoning at a time specified in the report. The filing officer shall then, by  
5 expeditious means, such as by telephone or facsimile transmission, provide such  
6 notice to each candidate whose name appears on the ballot in opposition to a  
7 candidate on behalf of whom the individual, committee or group intends to conduct  
8 persuasive telephoning. The filing officer shall also promptly mail a copy of that  
9 notice to each such candidate at the address shown on the nomination papers or  
10 declaration of candidacy of the candidate.

11 **SECTION 21.** 11.12 (2) of the statutes is amended to read:

12 11.12 (2) Any anonymous contribution exceeding \$10 received by a campaign  
13 or committee treasurer or by an individual under s. 11.06 (7) may not be used or  
14 expended. The contribution shall be donated to the common school fund or to any  
15 charitable organization or transferred to the board for deposit in the Wisconsin  
16 election campaign fund, at the option of the treasurer.

17 **SECTION 22.** 11.12 (6) of the statutes is renumbered 11.12 (6) (a) and amended  
18 to read:

19 11.12 (6) (a) ~~If any~~ Except as provided in par. (b), if an individual or committee  
20 incurs or intends to incur an obligation or makes or intends to make a disbursement  
21 of more than \$20 \$250 cumulatively is made to advocate the election or defeat of a  
22 clearly identified candidate by an individual or committee later than 15 days prior  
23 to a primary or election in which the candidate's name appears on the ballot without  
24 cooperation or consultation with a candidate or agent or authorized committee of a  
25 candidate who is supported or whose opponent is opposed, and not in concert with

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1 or at the request or suggestion of such a candidate, agent or committee, the  
2 individual or treasurer of the committee shall, ~~within 24 hours of making no later~~  
3 than 21 days prior to the activity intended to be funded by the incurred obligation  
4 or disbursement, inform the appropriate filing officer of the information required  
5 under s. 11.06 (1) in such manner as the board may prescribe. The information shall  
6 also be included in the next regular report of the individual or committee under s.  
7 11.20. For purposes of this subsection, obligations and disbursements cumulate  
8 beginning with the day after the last date covered on the preprimary or preelection  
9 report and ending with the day before the primary or election. Upon receipt of a  
10 report under this ~~subsection~~ paragraph, the filing officer shall, within 24 hours of  
11 receipt, mail a copy of the report to all candidates for any office in support of or  
12 opposition to one of whom a an incurred obligation or disbursement identified in the  
13 report is to be made.

14 **SECTION 23.** 11.12 (6) (b) of the statutes is created to read:

15 11.12 **(6)** (b) If the independently incurred obligation or disbursement  
16 described in par. (a) relates to a special primary or election not held concurrently with  
17 the spring or September primary or the spring or general election, the individual who  
18 or committee which incurs or intends to incur the obligation or makes or intends to  
19 make the disbursement shall inform the appropriate filing officer no later than 14  
20 days prior to the activity intended to be funded by the incurred obligation or  
21 disbursement.

22 **SECTION 24.** 11.16 (2) of the statutes is amended to read:

23 11.16 **(2)** LIMITATION ON CASH CONTRIBUTIONS. Every contribution of money  
24 exceeding \$50 shall be made by negotiable instrument or evidenced by an itemized  
25 credit card receipt bearing on the face the name of the remitter. No treasurer may

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1 accept a contribution made in violation of this subsection. The treasurer shall  
2 promptly return the contribution, ~~or donate it~~ the contribution to the common school  
3 fund or to a charitable organization or transfer the contribution to the board for  
4 deposit in the Wisconsin election campaign fund in the event that the donor cannot  
5 be identified.

6 **SECTION 25.** 11.16 (5) of the statutes is amended to read:

7 11.16 (5) ESCROW AGREEMENTS. Any personal campaign committee, or political  
8 party committee ~~or legislative campaign committee~~ may, pursuant to a written  
9 escrow agreement with more than one candidate, solicit contributions for and  
10 conduct a joint fund raising effort or program on behalf of more than one named  
11 candidate. The agreement shall specify the percentage of the proceeds to be  
12 distributed to each candidate by the committee conducting the effort or program.  
13 The committee shall include this information in all solicitations for the effort or  
14 program. All contributions received and disbursements made by the committee in  
15 connection with the effort or program shall be received and disbursed through a  
16 separate depository account under s. 11.14 (1) that is identified in the agreement.  
17 For purposes of s. 11.06 (1), the committee conducting the effort or program shall  
18 prepare a schedule in the form prescribed by the board supplying all required  
19 information under s. 11.06 (1) and items qualifying for exclusion under s. 11.31 (6)  
20 for the effort or program, and shall transmit a copy of the schedule to each candidate  
21 who receives any of the proceeds within the period prescribed in s. 11.06 (4) (c).

22 **SECTION 26.** 11.19 (title) and (1) of the statutes are amended to read:

23 **11.19 (title) ~~Dissolution~~ Carry-over of surplus funds; dissolution of**  
24 **registrants; termination reports. (1)** Whenever any registrant disbands or  
25 determines that obligations will no longer be incurred, and contributions will no

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1 longer be received nor disbursements made during a calendar year, and the  
2 registrant has no outstanding incurred obligations, the registrant shall file a  
3 termination report with the appropriate filing officer. Such report shall indicate a  
4 cash balance on hand of zero at the end of the reporting period and shall indicate the  
5 disposition of residual funds. Residual Except as provided in sub. (1m), residual  
6 funds may be used for any political purpose not prohibited by law, returned to the  
7 donors in an amount not exceeding the original contribution, transferred to the board  
8 for deposit in the Wisconsin election campaign fund, 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). If  
11 a termination report or suspension report under sub. (2) is not filed, the registrant  
12 shall continue to file periodic reports with the appropriate filing officer, no later than  
13 the dates specified in s. 11.20. This subsection does not apply to any registrant  
14 making an indication under s. 11.05 (2r).

15 **SECTION 27.** 11.19 (1m) and (6) of the statutes are created to read:

16 11.19 (1m) If the registration statement, under s. 11.05, of a personal campaign  
17 committee indicates that the committee was formed or operates for the purpose of  
18 influencing the election or nomination for election of a candidate who is a partisan  
19 state officeholder to any state or local office other than the office held by the  
20 candidate and, subsequently, the candidate or personal campaign committee files,  
21 under s. 11.05 (5), a change in the information in the registration statement  
22 indicating that the candidate is no longer seeking that other office, the candidate or  
23 personal campaign committee shall either return all contributions, attributable to  
24 the candidate's campaign for the office no longer sought, exceeding 10% of the  
25 disbursement level specified under s. 11.31 for the office that the candidate holds,

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1 minus disbursements and incurred obligations for that campaign, to the donors in  
2 an amount not exceeding their original contributions or donate an amount equal to  
3 any contributions not so returned exceeding 10% of the disbursement level specified  
4 under s. 11.31 for the office that the candidate holds, minus disbursements and  
5 incurred obligations for that campaign, to the board for crediting to the Wisconsin  
6 election campaign fund.

7 (6) No candidate or personal campaign committee of a candidate at the general  
8 election may retain beyond December 31 of an even-numbered year unencumbered  
9 contributions equal to more than 15% of the candidate's total disbursement level  
10 determined under s. 11.31 (1), adjusted as provided for under s. 11.31 (9). A  
11 candidate or treasurer of a personal campaign committee shall transfer excess  
12 contributions to the board for crediting to the Wisconsin election campaign fund.

13 **SECTION 28.** 11.21 (15) of the statutes is amended to read:

14 11.21 (15) Inform each candidate who files an application to become eligible to  
15 receive a grant from the Wisconsin election campaign fund of the dollar amount of  
16 the applicable disbursement limitation under s. 11.31 (1) or (1m), whichever is  
17 applicable, adjusted as provided under s. 11.31 (9), which applies to the office for  
18 which such person is a that candidate, exclusive of any additional disbursements  
19 authorized under s. 11.31 (3m). Failure to receive the notice required by this  
20 subsection does not constitute a defense to a violation of s. 11.27 (1) or 11.31.

21 **SECTION 29.** 11.21 (16) of the statutes is created to read:

22 11.21 (16) Accept from any registrant for whom the board serves as a filing  
23 officer any campaign finance report that is required to be filed under this chapter by  
24 means of electronic transmission. To facilitate implementation of this subsection,  
25 the board shall make available to registrants software that is designed to facilitate



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1 complete electronic filing under this subsection, at a price fixed by the board that  
2 may not exceed cost. Each registrant who or which files a report electronically under  
3 this subsection shall also file a copy of the report with the board that is recorded on  
4 a medium specified by the board, together with a computer-generated copy of the  
5 report printed on paper. The computer-generated copy of each report shall be signed  
6 by an authorized individual and filed with the board by each registrant no later than  
7 the time prescribed for filing of the report under this chapter. The board shall provide  
8 complete instructions to any registrant who or which wishes to file a report under  
9 this subsection.

10 **SECTION 30.** 11.23 (2) of the statutes is amended to read:

11 11.23 (2) Any anonymous contribution exceeding \$10 received by an individual  
12 or group treasurer may not be used or expended. The contribution shall be donated  
13 to the common school fund or to any charitable organization or transferred to the  
14 board for deposit in the Wisconsin election campaign fund, at the option of the  
15 treasurer.

16 **SECTION 31.** 11.24 (2) of the statutes is renumbered 11.24 (5).

17 **SECTION 32.** 11.24 (3) and (4) of the statutes are created to read:

18 11.24 (3) No individual under the age of 18 years may make a contribution to  
19 any candidate, or any personal campaign committee or support committee  
20 authorized under s. 11.05 (3) (p) of a candidate, for election or nomination to any of  
21 the offices under s. 11.26 (1) (a) to (c) or to any individual or committee under s. 11.06  
22 (7) acting solely in support of such a candidate or solely in opposition to the  
23 candidate's opponent.

24 (4) (a) No person may make a contribution to an incumbent partisan state  
25 elective official or to the personal campaign committee or support committee

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1 authorized under s. 11.05 (3) (p) of that official for the purpose of promoting that  
2 official's nomination or reelection to the office held by the official during the period  
3 beginning on the first Monday of January in each odd-numbered year and ending  
4 on the date of enactment of the biennial budget act, under s. 16.47, and thereafter  
5 during any legislative floorperiod, including any special or extraordinary session  
6 floorperiod.

7 (b) Notwithstanding par. (a), a person may make a contribution to an  
8 incumbent partisan state elective official against whom a recall petition has been  
9 filed during the period beginning on the date that the petition offered for filing is filed  
10 by the official under s. 9.10 (3) (b) and ending on the date of the recall election unless  
11 the official resigns at an earlier date under s. 9.10 (3) (c).

12 **SECTION 33.** 11.26 (1) (intro.) of the statutes is amended to read:

13 11.26 (1) (intro.) No individual, except an individual serving as a conduit, may  
14 make any contribution or contributions to a candidate for election or nomination to  
15 any of the following offices and to any individual or committee under s. 11.06 (7)  
16 acting solely in support of such a candidate or solely in opposition to the candidate's  
17 opponent to the extent of more than a total of the amounts specified per candidate:

18 **SECTION 34.** 11.26 (2) (intro.) of the statutes is amended to read:

19 11.26 (2) (intro.) No committee, including a committee serving as a conduit,  
20 other than a political party committee ~~or legislative campaign committee~~, and no  
21 individual serving as a conduit may make or transfer any contribution or  
22 contributions to a candidate for election or nomination to any of the following offices  
23 and to any individual or committee under s. 11.06 (7) acting solely in support of such  
24 a candidate or solely in opposition to the candidate's opponent to the extent of more  
25 than a total of the amounts specified per candidate:

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1           **SECTION 35.** 11.26 (4) of the statutes is amended to read:

2           11.26 (4) No individual, except an individual serving as a conduit, may make  
3 any contribution or contributions to all candidates for state and local offices and to  
4 any individuals who or committees which are subject to a registration requirement  
5 under s. 11.05, including ~~legislative campaign committees and~~ committees of a  
6 political party, to the extent of more than a total of \$10,000 in any calendar year.

7           **SECTION 36.** 11.26 (8) of the statutes is amended to read:

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

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

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

20           **SECTION 37.** 11.26 (9) (a) and (b) of the statutes are amended to read:

21           11.26 (9) (a) No individual who is a candidate for state or local office may receive  
22 and accept more than 65% of the value of the total disbursement level for candidates  
23 other than candidates challenging incumbent officeholders, as determined under s.  
24 11.31 (1) and adjusted as provided under s. 11.31 (9), for the office for which he or she  
25 is a candidate during any primary and election campaign combined from all

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1 committees subject to a filing requirement, including political party and legislative  
2 campaign committees. A candidate for state office whose grant or grants under s.  
3 11.50 exceed the contribution limitation authorized by this paragraph may exceed  
4 the contribution limitation otherwise applicable to the extent required to accept the  
5 full amount of the grant or grants received by the candidate under s. 11.50, but any  
6 contributions received and accepted by such a candidate from committees other than  
7 the Wisconsin election campaign fund reduce the amount of the grant or grants  
8 which the candidate may accept by an amount equal to such contributions.

9 (b) No individual who is a candidate for state or local office may receive and  
10 accept more than ~~45%~~ 15% of the value of the total disbursement level for candidates  
11 other than candidates challenging incumbent officeholders, as determined under s.  
12 11.31 (1) and adjusted as provided under s. 11.31 (9), for the office for which he or she  
13 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 38.** 11.26 (9) (c) of the statutes is renumbered 11.26 (9) (c) 1. and  
17 amended to read:

18 11.26 (9) (c) 1. For purposes of ~~pars. par. (a) and (b), a,~~ “committee” includes the  
19 Wisconsin election campaign fund.

20 **SECTION 39.** 11.26 (9) (c) 2. of the statutes is created to read:

21 11.26 (9) (c) 2. For the purposes of pars. (a) and (b), “committee” includes an  
22 individual who or a committee which is a conduit.

23 **SECTION 40.** 11.26 (12m) of the statutes is amended to read:

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1           11.26 **(12m)** For purposes of ~~this section~~ subs. (1) and (4), a contribution of  
2 money received from a conduit identified in the manner prescribed in s. 11.06 (11)  
3 (a) shall be considered a contribution received from the original contributor.

4           **SECTION 41.** 11.265 of the statutes is repealed.

5           **SECTION 42.** 11.31 (1) (a) to (d), (e) and (f) of the statutes are amended to read:

6           11.31 **(1)** (a) Candidates for governor, ~~\$1,078,200~~ \$2,000,000.

7           (b) Candidates for lieutenant governor, ~~\$323,475~~ \$250,000.

8           (c) Candidates for attorney general, ~~\$539,000~~ \$700,000.

9           (d) Candidates for secretary of state, state treasurer, justice or state  
10 superintendent, ~~\$215,625~~ \$250,000.

11           (e) Candidates for state senator, ~~\$34,500 total in the primary and election, with~~  
12 ~~disbursements not exceeding \$21,575 for either the primary or the election~~ \$80,000.

13           (f) Candidates for representative to the assembly, ~~\$17,250 total in the primary~~  
14 ~~and election, with disbursements not exceeding \$10,775 for either the primary or the~~  
15 ~~election~~ \$40,000.

16           **SECTION 43.** 11.31 (1m) of the statutes is created to read:

17           11.31 **(1m)** DISBURSEMENT LEVEL FOR CHALLENGERS. Notwithstanding sub. (1),  
18 if an incumbent officeholder seeks reelection, the disbursement level under sub. (1)  
19 for any other candidate for the same office is increased to 125% of the amount  
20 specified in sub. (1), adjusted as provided under sub. (9).

21           **SECTION 44.** 11.31 (2) of the statutes is amended to read:

22           11.31 **(2)** LIMITATION IMPOSED. No candidate for state office at a spring or general  
23 election who files a sworn statement and application to receive a grant from the  
24 Wisconsin election campaign fund may make or authorize total disbursements from  
25 the campaign treasury in any campaign to the extent of more than the amount

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

12 **SECTION 45.** 11.31 (3) of the statutes is amended to read:

13 11.31 (3) GUBERNATORIAL CAMPAIGNS. For purposes of compliance with the  
14 limitations imposed under sub. (2), candidates for governor and lieutenant governor  
15 of the same political party who both accept grants from the Wisconsin election  
16 campaign fund may agree to combine disbursement levels under sub. (1) (a) and (b),  
17 adjusted as provided under sub. (9), and reallocate the total level between them. The  
18 candidates shall each inform the board of any such agreement.

19 **SECTION 46.** 11.31 (3m) of the statutes is repealed and recreated to read:

20 11.31 (3m) INDEPENDENT DISBURSEMENTS; EXCEPTION. Notwithstanding subs.  
21 (1), (1m) and (2), if any incurred obligation or disbursement of more than \$250  
22 cumulatively is incurred or made by an individual or committee to advocate the  
23 election or defeat of a clearly identified candidate whose name appears on the ballot  
24 at an election and the incurred obligation or disbursement is incurred or made  
25 without cooperation or consultation with any candidate who is supported or who

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1 benefits from the obligation or disbursement or such a candidate's agent or  
2 authorized committee, and not in concert with, or at the request or suggestion of, any  
3 such candidate, agent or authorized committee, then each candidate whose name  
4 appears on the same ballot and who is opposed or whose opponent is supported by  
5 that advocacy may make or authorize total disbursements from the campaign  
6 treasury in excess of the amount prescribed in sub. (1) or (1m) but not to exceed the  
7 amount prescribed in sub. (1) or (1m) plus the total amount of incurred obligations  
8 and disbursements not previously reported as incurred obligations that are reported  
9 to the appropriate filing officer under s. 11.12 (6). For the purposes of this subsection,  
10 obligations and disbursements cumulate as provided in s. 11.12 (6) (a).

11 **SECTION 47.** 11.31 (4) of the statutes is repealed.

12 **SECTION 48.** 11.31 (9) of the statutes is created to read:

13 11.31 (9) COST-OF-LIVING ADJUSTMENT. (a) In this subsection, "consumer price  
14 index" means the average of the consumer price index over each 12-month period,  
15 all items, U.S. city average, as determined by the bureau of labor statistics of the U.S.  
16 department of labor.

17 (b) The dollar amounts of all disbursement limitations specified in sub. (1) shall  
18 be subject to a biennial cost-of-living adjustment to be determined by rule of the  
19 board in accordance with this subsection. To determine the adjustment, the board  
20 shall calculate the percentage difference between the consumer price index for the  
21 12-month period ending on December 31 of each odd-numbered year and the  
22 consumer price index for the base period, calendar year 1997. The board shall  
23 increase the disbursement limitations specified under sub. (1) by such amount each  
24 biennium, rounded to the nearest multiple of \$25 in the case of amounts of \$1 or more,  
25 which amount shall be in effect until a subsequent rule is promulgated under this

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1 subsection. Notwithstanding s. 227.24 (3), determinations under this subsection  
2 may be promulgated as an emergency rule under s. 227.24 without a finding of  
3 emergency.

4 **SECTION 49.** 11.38 (6) of the statutes is amended to read:

5 11.38 (6) Any individual or campaign treasurer who receives funds in violation  
6 of this section shall promptly return such funds to the contributor or, donate the  
7 funds to the common school fund or a charitable organization or transfer the funds  
8 to the board for deposit in the Wisconsin election campaign fund, at the treasurer's  
9 option.

10 **SECTION 50.** 11.50 (1) (a) 1. and 2. of the statutes are amended to read:

11 11.50 (1) (a) 1. With respect to a spring or general election, any individual who  
12 is certified under s. 7.08 (2) (a) as a candidate in the spring election for justice or state  
13 superintendent, or ~~an any individual who receives at least 6% of the vote cast for all~~  
14 ~~candidates on all ballots for any state office, except district attorney, for which the~~  
15 ~~individual is a candidate at the September primary and who is certified under s. 7.08~~  
16 (2) (a) as a candidate for ~~that~~ any state office, except district attorney, in the general  
17 election, or an individual who has been lawfully appointed and certified to replace  
18 either such individual on the ballot at the spring or general election; and who has  
19 qualified for a grant under sub. (2).

20 2. With respect to a special election, an individual who is certified under s. 8.50  
21 (1) (d) as a candidate in a special election ~~for state superintendent, or an individual~~  
22 ~~who is certified under s. 8.50 (1) (d) as a candidate in a special election for any state~~  
23 ~~office, except district attorney, on the ballot or column of a party whose candidate for~~  
24 ~~the same office at the preceding general election received at least 6% of the vote cast~~  
25 ~~for all candidates on all ballots for the office, or an individual who has been lawfully~~



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1 appointed and certified to replace either such an individual on the ballot at a special  
2 election, ~~or an individual who receives at least 6% of the vote cast for all candidates~~  
3 ~~on all ballots for any state office, except district attorney, at a partisan special~~  
4 ~~election; and who qualifies for a grant under sub. (2). Where the boundaries of a~~  
5 ~~district in which an individual seeks office have been changed since the preceding~~  
6 ~~general election such that it is not possible to calculate the exact number of votes that~~  
7 ~~are needed by that individual to qualify as an eligible candidate prior to an election~~  
8 ~~under this subdivision, the number of votes cast for all candidates for the office at the~~  
9 ~~preceding general election in each ward, combination of wards or municipality which~~  
10 ~~is wholly contained within the boundaries of the newly formed district shall be~~  
11 ~~calculated. If the candidate of the political party on whose ballot or column the~~  
12 ~~individual appears in the newly formed district obtained at least 6% of the number~~  
13 ~~of votes calculated, the individual is deemed to qualify as an eligible candidate prior~~  
14 ~~to the election under this subdivision.~~

15 **SECTION 51.** 11.50 (2) (b) 5. of the statutes is amended to read:

16 11.50 (2) (b) 5. The financial reports filed by or on behalf of the candidate as  
17 of the date of the spring or September primary, or the date that the special primary  
18 is or would be held, if required, indicate that the candidate has received at least the  
19 amount provided in this subdivision, from contributions of money, other than loans,  
20 made by individuals who reside in this state, which have been received during the  
21 period ending on the date of the spring primary and July 1 preceding such date in  
22 the case of candidates at the spring election, or the date of the September primary  
23 and January 1 preceding such date in the case of candidates at the general election,  
24 or the date that a special primary will or would be held, if required, and 90 days  
25 preceding such date or the date a special election is ordered, whichever is earlier, in

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1 the case of special election candidates, which contributions are in the aggregate  
2 amount of \$100 or less, and which are fully identified and itemized as to the exact  
3 source thereof. A contribution received from a conduit ~~which is identified by the~~  
4 ~~conduit as originating from an individual shall~~ may not be considered as a  
5 contribution made by ~~the~~ an individual for the purpose of qualifying for a grant under  
6 this subdivision. Only the first \$100 of an aggregate contribution of more than \$100  
7 may be counted toward the required percentage. For a candidate at the spring or  
8 general election for an office identified in s. 11.26 (1) (a) or a candidate at a special  
9 election, the required amount to qualify for a grant is 5% of the candidate's  
10 authorized disbursement limitation for candidates other than candidates  
11 challenging incumbent officeholders, as determined under s. 11.31. ~~For (1) and~~  
12 adjusted as provided under s. 11.31 (9). Except as provided in par. (bm), for any other  
13 candidate at the general election, the required amount to qualify for a grant is 10%  
14 of the candidate's authorized disbursement limitation for candidates other than  
15 candidates challenging incumbent officeholders, as determined under s. 11.31 (1)  
16 and adjusted as provided under s. 11.31 (9).

17 **SECTION 52.** 11.50 (2) (bm) of the statutes is created to read:

18 11.50 (2) (bm) 1. The board shall approve an application of an eligible candidate  
19 for whom the required amount to qualify for a grant under par. (b) 5. is 10% of the  
20 candidate's authorized disbursement level under s. 11.31 if the candidate meets the  
21 requirements of par. (b) 1. to 4. and the candidate receives contributions described  
22 under par. (b) 5. during the applicable time period, as indicated by the reports filed  
23 as of the dates specified under par. (b) 5., in an amount equal to at least 5% but less  
24 than 10% of the candidate's authorized disbursement limitation under s. 11.31.  
25 Except as provided in subd. 2., the amount of the grant available to a candidate

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1 whose application is approved under this subdivision is equal to 50% of the amount  
2 of the grant that would have been available to the candidate if his or her application  
3 had been approved under par. (b).

4 2. If, as of 21 days after the date specified in par. (b) 5., a supplemental financial  
5 report is filed by or on behalf of a candidate who qualifies for a grant under subd. 1.  
6 that indicates that the candidate received the required amount of contributions  
7 under par. (b) 5. during the period described under par. (b) 5. plus the immediately  
8 following 14 days, then the candidate shall be eligible for a supplemental grant equal  
9 to 50% of the amount of the grant that would have been available to the candidate  
10 if his or her application had been approved under par. (b). All information included  
11 in a supplemental report under this subdivision shall also be included in the  
12 candidate's next report under s. 11.20.

13 **SECTION 53.** 11.50 (2) (c) and (d) of the statutes are amended to read:

14 11.50 (2) (c) If a candidate has not filed financial reports as of the date of the  
15 spring primary, September primary, special primary, or date that the special primary  
16 would be held, if required, which indicate that he or she has met the qualification  
17 under par. (b) 5. or (bm) 1., the candidate may file a special report with the board.  
18 Such report shall be filed not later than the 7th day after the primary, or 7th day after  
19 the date the primary would be held, if required, and shall include such  
20 supplementary information as to sources of contributions which may be necessary  
21 to complete the candidate's qualification. The special report shall cover the period  
22 from the day after the last date covered on the candidate's most recent report, or from  
23 the date on which the first contribution was received or the first disbursement was  
24 made, whichever is earlier, if the candidate has not previously filed a report, to the

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1 date of such report. All information included on the special report shall also be  
2 included in the candidate's next report under s. 11.20.

3 (d) For purposes of qualification under par. (b) 4. and 5. or (bm), the financial  
4 reports of a former candidate are considered to be same as if filed by the candidate  
5 who is lawfully appointed to replace such candidate whenever a vacancy after  
6 nomination occurs.

7 **SECTION 54.** 11.50 (2) (f) of the statutes is amended to read:

8 11.50 (2) (f) The board shall inform each candidate in writing of the approval  
9 or disapproval of the candidate's application, as promptly as possible after the date  
10 of the spring primary, September primary, special primary, or date that the primary  
11 would be held, if required. ~~With respect to a candidate at a special election who~~  
12 ~~applies for a postelection grant under sub. (1) (a) 2., the board shall inform the~~  
13 ~~candidate in writing of the conditional approval or disapproval of the candidate's~~  
14 ~~application at the same time.~~

15 **SECTION 55.** 11.50 (2) (i) of the statutes is amended to read:

16 11.50 (2) (i) Notwithstanding par. (g), if an eligible candidate at the spring  
17 ~~election or a special nonpartisan~~ any election who accepts a grant is opposed by one  
18 or more candidates in the election, ~~or if an eligible candidate at the general election~~  
19 ~~or a special partisan election who accepts a grant is opposed by one or more~~  
20 ~~candidates in the election who receive at least 6% of the vote cast for all candidates~~  
21 ~~for the same office on all ballots at the September primary or a special partisan~~  
22 ~~primary if a primary was held, and in either case if any such opponent of the eligible~~  
23 ~~candidate does~~ who do not accept a grant under this section in whole or in part, the  
24 eligible candidate is not bound by the pledge made in his or her application to adhere  
25 to the contribution limitations prescribed in s. 11.26 (10) and the disbursement

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1 limitation prescribed under s. 11.31, unless each such opponent files an affidavit of  
2 voluntary compliance under s. 11.31 (2m).

3 **SECTION 56.** 11.50 (2m) of the statutes is created to read:

4 11.50 (2m) PUBLIC INFORMATION. (a) Annually, no later than August 15, the  
5 board may notify the state treasurer that an amount not exceeding 5% of the amount  
6 transferred to the fund in that year shall be placed in a public information account.

7 Moneys in this account shall be expended by the board for the purpose of providing  
8 public information concerning the purpose and effect of s. 71.10 (3) and this section.

9 (b) As part of the public information program under par. (a), the board shall  
10 prepare an easily understood description of the purpose and effect of s. 71.10 (3) and  
11 this section. The department of revenue shall include and highlight the description  
12 in its income tax preparation instructions relating to s. 71.10 (3).

13 (c) Any amount placed in the public information account that is not expended  
14 by the board in any year shall be retained in that account.

15 **SECTION 57.** 11.50 (3) (a) (intro.) of the statutes is amended to read:

16 11.50 (3) (a) (intro.) ~~Annually on August 15,~~ Immediately after apportionment  
17 under sub. (2m), the state treasurer shall annually apportion all moneys  
18 appropriated to the fund ~~shall be apportioned as follows by the state treasurer:~~

19 **SECTION 58.** 11.50 (3) (a) 1. and 2. of the statutes are amended to read:

20 11.50 (3) (a) 1. If an election for state superintendent is scheduled in the  
21 following year, 8% of the fund shall be placed in a superintendency account. From  
22 this account, an equal amount shall be disbursed to the campaign depository account  
23 of each eligible candidate by the state treasurer, except as provided in par. (c) and  
24 sub. (9) (b).

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1           2. If an election for justice is scheduled in the following year, 8% of the fund  
2 shall be placed in a supreme court account. From this account, an equal amount shall  
3 be disbursed to the campaign depository account of each eligible candidate by the  
4 state treasurer, except as provided in par. (c) and sub. (9) (b).

5           **SECTION 59.** 11.50 (3) (c) of the statutes is created to read:

6           11.50 (3) (c) If an eligible candidate for state superintendent or justice who  
7 receives and accepts a grant is opposed by an opponent whose name appears on a  
8 spring or special election ballot, and the board notifies the eligible candidate under  
9 s. 11.12 (6) (a) that an individual or committee acting independently has incurred or  
10 intends to incur an obligation or has made or intends to make a disbursement in  
11 opposition to the eligible candidate or in support of his or her opponent specified in  
12 this paragraph, the eligible candidate shall receive a supplementary grant  
13 equivalent to the amount of the proposed or actual obligation or disbursement. The  
14 board shall direct the state treasurer to make payment of the supplementary grant  
15 within 5 days after receipt of a report specified in this paragraph.

16           **SECTION 60.** 11.50 (4) (c), (cm) and (d) of the statutes are amended to read:

17           11.50 (4) (c) The legislative and special election campaign account shall be  
18 divided into a senate campaign account to receive 25% of the moneys, and an  
19 assembly campaign account to receive 75% of the moneys. Each account shall then  
20 be apportioned between all eligible candidates for the same office in the entire state,  
21 based on the assumption that all candidates who are eligible under sub. (2) (bm) 1.  
22 will also be eligible under sub. (2) (bm) 2. No apportionment shall be made by  
23 legislative district, except as provided in par. (e).

24           (cm) ~~Each~~ Except as provided in par. (e) and subs. (2) (bm) and (9) (b), each  
25 eligible candidate for the same office at a special election shall receive an equal

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1 amount, which amount shall be equivalent to the maximum grant which was payable  
2 to any candidate for that office at the most recent spring or general election. The  
3 amount shall be drawn from the senate campaign account and the assembly  
4 campaign account in the same proportions as the balance in each account bears to  
5 the total balance in both accounts at the time that payments are made. Whenever  
6 there are insufficient moneys in the senate campaign account and the assembly  
7 campaign account to make the payments required by this paragraph, payments shall  
8 be appropriately reduced or discontinued by the board.

9 (d) ~~Within~~ Except as provided in par. (e) and sub. (9) (b), within the accounts  
10 established under this subsection for each office at each general election, the entire  
11 amount of all available moneys shall be apportioned equally to all eligible  
12 candidates, based on the assumption that all candidates who are eligible under sub.  
13 (2) (bm) 1. will also be eligible under sub. (2) (bm) 2.

14 **SECTION 61.** 11.50 (4) (e) of the statutes is created to read:

15 11.50 (4) (e) If an eligible candidate for state office who receives and accepts a  
16 grant is opposed by an opponent who meets the applicable vote qualification  
17 requirement under sub. (1) (a), and the board notifies the eligible candidate under  
18 s. 11.12 (6) (a) that an individual or committee acting independently has incurred or  
19 intends to incur an obligation or has made or intends to make a disbursement in  
20 opposition to the eligible candidate or in support of his or her opponent specified in  
21 this paragraph, the eligible candidate shall receive a supplementary grant  
22 equivalent to the amount of the proposed or actual obligation or disbursement. The  
23 board shall direct the state treasurer to make payment of the supplementary grant  
24 within 5 days after receipt of a report specified in this paragraph.

25 **SECTION 62.** 11.50 (6) of the statutes is amended to read:

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1           11.50 (6) EXCESS MONEYS. If the amounts which are to be apportioned to each  
2 eligible candidate under subs. (3) and (4) are more than the amount which a  
3 candidate may accept under sub. (9), more than the amount for which the candidate  
4 qualifies under sub. (2) (bm), or more than the amount which a candidate elects to  
5 accept under sub. (10), the excess moneys shall be retained in the fund.

6           **SECTION 63.** 11.50 (9) of the statutes is renumbered 11.50 (9) (a) and amended  
7 to read:

8           11.50 (9) (a) The total grant available to an eligible candidate who does not  
9 receive a supplementary grant under par. (b) or sub. (3) (c) or (4) (e) may not exceed  
10 that amount which, when added to all other contributions accepted from sources  
11 other than individuals, and political party committees and legislative campaign  
12 committees, is equal to 45% of the disbursement level specified for candidates for the  
13 applicable office other than candidates challenging incumbent officeholders, as  
14 determined under s. 11.31 (1) and adjusted as provided under s. 11.31 (9). The total  
15 grants available to an eligible candidate who receives a supplementary grant under  
16 par. (b) or sub. (3) (c) or (4) (e) may not exceed the amount authorized under s. 11.26  
17 (9) (a). For the purposes of this paragraph, all contributions transferred to the  
18 candidate by a conduit shall be considered to have been accepted from a source other  
19 than an individual or political party committee.

20           (c) The board shall scrutinize accounts and reports and records kept under this  
21 chapter to assure that applicable limitations under ss. 11.26 (9) and 11.31 are not  
22 exceeded and any violation is reported. No candidate or campaign treasurer may  
23 accept grants exceeding the amount authorized by this subsection.

24           **SECTION 64.** 11.50 (9) (b) of the statutes is created to read:



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1           11.50 (9) (b) If an eligible candidate who accepts a grant is opposed by one or  
2 more eligible candidates in the election who do not accept a grant under this section,  
3 the total grant available to the eligible candidate shall be increased by an amount  
4 equal to 45% of the disbursement level specified for candidates for the applicable  
5 office other than candidates challenging incumbent officeholders, as determined  
6 under s. 11.31 (1) and adjusted as provided under s. 11.31 (9), unless each such  
7 opponent files an affidavit of voluntary compliance under s. 11.31 (2m). The board  
8 shall direct the state treasurer to make payment of the supplementary grant within  
9 5 days after it determines that a candidate qualifies to receive the grant under this  
10 paragraph.

11           **SECTION 65.** 11.60 (1) of the statutes is amended to read:

12           11.60 (1) Any Except as provided in sub. (3m), any person, including any  
13 committee or group, who or which violates this chapter may be required to forfeit not  
14 more than \$500 for each violation.

15           **SECTION 66.** 11.60 (3m) of the statutes is created to read:

16           11.60 (3m) Any person, including any committee or group, who or which  
17 violates s. 11.095 in respect to any telephone communication in which the caller  
18 engages in persuasive telephoning shall forfeit \$1,000, or \$1 for each such telephone  
19 communication with an individual that is subject to disclosure under s. 11.095 which  
20 the person fails to disclose under that section within the time prescribed under that  
21 section, whichever is greater.

22           **SECTION 67.** 11.61 (1) (a) of the statutes is amended to read:

23           11.61 (1) (a) Whoever intentionally violates s. 11.05 (1), (2), (2g) or (2r), 11.07  
24 (1) or (5), 11.10 (1), 11.12 (5), 11.23 (6) or 11.24 (1) may be fined not more than \$10,000  
25 or imprisoned not more than 3 years or both.

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1           **SECTION 68.** 13.14 (3) of the statutes is amended to read:

2           13.14 (3) TRAVEL; LEGISLATIVE PERSONNEL. The actual and necessary expenses  
3 of legislative policy research personnel, assistants to legislators and research staff  
4 assigned to legislative committees and ~~party caucuses~~ incident to attending  
5 meetings outside the capital shall be reimbursed from the appropriation under s.  
6 20.765 (1) (a) or (b).

7           **SECTION 69.** 13.20 (1) of the statutes is amended to read:

8           13.20 (1) NUMBER AND PAY RANGE OF LEGISLATIVE EMPLOYEES. The legislature or  
9 either house thereof may employ under the unclassified service such policy research  
10 personnel, assistants to legislators, research staff assigned to legislative committees  
11 and ~~party caucuses~~ and such clerical, professional or other assistants as in the  
12 judgment of the joint committee on legislative organization or the committee on  
13 organization in each house are necessary to enable it to perform its functions and  
14 duties and to best serve the people of this state.

15           **SECTION 70.** 15.07 (1) (a) 2. of the statutes is repealed.

16           **SECTION 71.** 15.61 of the statutes is amended to read:

17           **15.61 Elections board; creation.** There is created an elections board  
18 consisting of persons ~~who shall be 6 members~~ appointed by the governor for ~~2-year~~  
19 6-year terms as follows: ~~one member selected by the governor; one member each~~  
20 ~~designated by the chief justice of the supreme court, the speaker of the assembly, the~~  
21 ~~senate majority leader, the minority leader in each house of the legislature, and the~~  
22 ~~chief officer of each political party qualifying for a separate ballot under s. 5.62 (1)~~  
23 ~~(b) or (2) whose candidate for governor received at least 10% of the vote in the most~~  
24 ~~recent gubernatorial election. No member may hold any other office or employment~~  
25 in the government of this state or any political subdivision thereof or in any

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1 department. No member, for one year immediately prior to the date of appointment,  
2 may have been, or while serving on the board may become, a member of a political  
3 party, an officer or member of a committee in any partisan political club or  
4 organization or a candidate for any partisan elective public office.

5 **SECTION 72.** 19.42 (10) (a) of the statutes is repealed.

6 **SECTION 73.** 20.510 (1) (d) of the statutes is created to read:

7 20.510 (1) (d) *Election campaign fund supplement.* A sum sufficient to  
8 supplement the Wisconsin election campaign fund for the purpose of enabling all  
9 eligible candidates to receive the maximum grant for which the candidates qualify  
10 under s. 11.50 (9), to be transferred to the Wisconsin election campaign fund no later  
11 than the time required to enable timely payments to be made under s. 11.50 (5).

12 **SECTION 74.** 20.510 (1) (i) of the statutes is created to read:

13 20.510 (1) (i) *Electronic filing software.* All moneys received from registrants  
14 who purchase software to be utilized for electronic filing of campaign finance reports  
15 under s. 11.21 (16), for the purpose of providing that software.

16 **SECTION 75.** 20.510 (1) (q) of the statutes is amended to read:

17 20.510 (1) (q) *Wisconsin election campaign fund.* As a continuing  
18 appropriation, from the Wisconsin election campaign fund, the moneys determined  
19 under s. 11.50 to provide for payments to eligible candidates whose names are  
20 certified under s. 7.08 (2) (c) and (cm) and to provide for public information as  
21 authorized under s. 11.50 (2m).

22 **SECTION 76.** 20.923 (6) (h) of the statutes is amended to read:

23 20.923 (6) (h) Legislature: policy research personnel, assistants to legislators,  
24 research staff assigned to legislative committees ~~and party caucuses~~ and other  
25 persons employed under s. 13.20.

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1           **SECTION 77.** 25.42 of the statutes is amended to read:

2           **25.42 Wisconsin election campaign fund.** All moneys appropriated under  
3 s. ss. 20.510 (1) (d) and 20.855 (4) (b) together with all moneys deposited under ss.  
4 8.35 (4) (a), 11.07 (5), 11.12 (2), 11.16 (2), 11.19 (1), (1m) and (6), 11.23 (2) and 11.38  
5 (6), all moneys reverting to the state under s. 11.50 (8) and all gifts, bequests and  
6 devises received under s. 11.50 (13) constitute the Wisconsin election campaign fund,  
7 to be expended for the purposes of s. 11.50. All moneys in the fund not disbursed by  
8 the state treasurer shall continue to accumulate indefinitely.

9           **SECTION 78.** 71.05 (6) (a) 20. of the statutes is created to read:

10           71.05 **(6)** (a) 20. Any amount deducted under section 162 (e) (1) of the Internal  
11 Revenue Code because of the exception contained in section 162 (e) (5) of the Internal  
12 Revenue Code.

13           **SECTION 79.** 71.07 (5) (a) 8. of the statutes is created to read:

14           71.07 **(5)** (a) 8. Expenses under section 162 (e) (1) of the Internal Revenue Code  
15 that are deductible because of the exception contained in section 162 (e) (5) of the  
16 Internal Revenue Code.

17           **SECTION 80.** 71.10 (3) (a) of the statutes is amended to read:

18           71.10 **(3)** (a) Every individual filing an income tax return who has a tax liability  
19 or is entitled to a tax refund may designate ~~\$1~~ **\$3** for the Wisconsin election campaign  
20 fund for the use of eligible candidates under s. 11.50. If the individuals filing a joint  
21 return have a tax liability or are entitled to a tax refund, each individual may make  
22 a designation of ~~\$1~~ **\$3** under this subsection.

23           **SECTION 81.** 71.26 (1) (a) of the statutes is amended to read:

24           71.26 **(1)** (a) *Certain corporations.* Income of corporations organized under ch.  
25 185, except income of a cooperative sickness care association organized under s.

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1 185.981, or of a service insurance corporation organized under ch. 613, that is derived  
2 from a health maintenance organization as defined in s. 609.01 (2) or a limited  
3 service health organization as defined in s. 609.01 (3), or operating under subch. I  
4 of ch. 616 which are bona fide cooperatives operated without pecuniary profit to any  
5 shareholder or member, or operated on a cooperative plan pursuant to which they  
6 determine and distribute their proceeds in substantial compliance with s. 185.45,  
7 and the income, except the unrelated business taxable income as defined in section  
8 512 of the internal revenue code and except income that is derived from a health  
9 maintenance organization as defined in s. 609.01 (2) or a limited service health  
10 organization as defined in s. 609.01 (3), of all religious, scientific, educational,  
11 benevolent or other corporations or associations of individuals not organized or  
12 conducted for pecuniary profit. In computing unrelated business taxable income for  
13 the purposes of this paragraph, the expenses that are deductible under section 162  
14 (e) (1) of the Internal Revenue Code because of the exception contained in section 162  
15 (e) (5) of the Internal Revenue Code may not be deducted. This paragraph does not  
16 apply to the income of savings banks, mutual loan corporations or savings and loan  
17 associations. This paragraph applies to the income of credit unions except to the  
18 income of any credit union that is derived from public deposits for any taxable year  
19 in which the credit union is approved as a public depository under ch. 34 and acts as  
20 a depository of state or local funds under s. 186.113 (20). For purposes of this  
21 paragraph, the income of a credit union that is derived from public deposits is the  
22 product of the credit union's gross annual income for the taxable year multiplied by  
23 a fraction, the numerator of which is the average monthly balance of public deposits  
24 in the credit union during the taxable year, and the denominator of which is the  
25 average monthly balance of all deposits in the credit union during the taxable year.

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1           **SECTION 82.** 71.26 (2) (b) 1g. of the statutes is created to read:

2           71.26 (2) (b) 1g. In computing the net income under this paragraph of a  
3 corporation, conduit or common law trust that qualifies as a regulated investment  
4 company, real estate mortgage investment conduit or real estate investment trust,  
5 expenses that are deductible under section 162 (e) (1) of the Internal Revenue Code  
6 because of the exception contained in section 162 (e) (5) of the Internal Revenue Code  
7 may not be deducted.

8           **SECTION 83.** 71.26 (3) (e) 4. of the statutes is created to read:

9           71.26 (3) (e) 4. So that expenses that are deductible under section 162 (e) (1)  
10 of the Internal Revenue Code because of the exception contained in section 162 (e)  
11 (5) of the Internal Revenue Code may not be deducted.

12           **SECTION 84.** 71.34 (1) (ad) of the statutes is created to read:

13           71.34 (1) (ad) The expenses that are deductible under section 162 (e) (1) of the  
14 Internal Revenue Code because of the exception contained in section 162 (e) (5) of the  
15 Internal Revenue Code may not be deducted.

16           **SECTION 85.** 71.45 (2) (a) 15. of the statutes is created to read:

17           71.45 (2) (a) 15. By adding to federal taxable income the amount of any  
18 expenses that are deductible under section 162 (e) (1) of the Internal Revenue Code  
19 because of the exception contained in section 162 (e) (5) of the Internal Revenue Code.

20           **SECTION 86.** 230.08 (2) (f) of the statutes is amended to read:

21           230.08 (2) (f) All legislative officers and, in addition, policy research personnel,  
22 assistants to legislators, research staff assigned to legislative committees and party  
23 caucuses and other persons employed under s. 13.20.

24           **SECTION 87. Nonstatutory provisions.**

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1           (1) INITIAL TERMS OF OFFICE. The members of the elections board who are serving  
2           on the effective date of this subsection may continue to hold office until all members  
3           of the elections board who are initially appointed under this act are nominated by the  
4           governor and with the advice and consent of the senate appointed and qualified, at  
5           which time the members who are serving on the effective date of this subsection shall  
6           cease to hold office. Notwithstanding section 15.61 of the statutes, as affected by this  
7           act, of the members of the elections board who are initially appointed under this act,  
8           the governor shall designate 2 members to serve for terms expiring on May 1, 1999,  
9           2 members to serve for terms expiring on May 1, 2001, and 2 members to serve for  
10          terms expiring on May 1, 2003.

11          (2) ELIMINATION OF PARTISAN CAUCUS STAFFS.

12          (a) The authorized FTE positions for the assembly, funded from the  
13          appropriation under section 20.765 (1) (a) of the statutes, are decreased by 30.0 GPR  
14          positions on July 1, 1998, to eliminate staffing of party caucuses.

15          (b) The authorized FTE positions for the senate, funded from the appropriation  
16          under section 20.765 (1) (b) of the statutes, are decreased by 24.0 GPR positions on  
17          July 1, 1998, to eliminate staffing of party caucuses.

18           **SECTION 88. Initial applicability.**

19          (1) Except as provided in subsections (2) to (4), this act first applies to elections  
20          held on January 1, 1999.

21          (2) The treatment of sections 11.21 (16) and 20.510 (1) (i) of the statutes first  
22          applies with respect to campaign finance reports that are required to be filed after  
23          June 30, 1999.

24          (3) The treatment of sections 11.50 (2m) and (6), 71.05 (6) (a) 20., 71.07 (5) (a)  
25          8., 71.10 (3) (a), 71.26 (1) (a), (2) (b) 1g. and (3) (e) 4., 71.34 (1) (ad) and 71.45 (2) (a)

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1 15. of the statutes first applies to tax returns for taxable years beginning on January  
2 1, 1998.

3 (4) The treatment of section 11.31 (9) of the statutes first applies to adjustment  
4 of disbursement limitations for the biennium beginning on January 1, 1999.

5 **SECTION 89. Effective dates.** This act takes effect on the day after  
6 publication, except as follows:

7 (1) The treatment of sections 13.14 (3), 13.20 (1), 20.923 (6) (h) and 230.08 (2)  
8 (f) of the statutes takes effect on July 1, 1998.

9 (2) The treatment of section 20.510 (1) (d) of the statutes takes effect on  
10 January 1, 1999.

11 (END)