



**ASSEMBLY AMENDMENT 13,
TO ASSEMBLY SUBSTITUTE AMENDMENT 2,
TO 1995 ASSEMBLY BILL 37**

February 16, 1995 – Offered by Representatives BOCK and BLACK.

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 1, line 6: before that line insert:

3 **“SECTION 1.** 5.02 (13) of the statutes is amended to read:

4 5.02 (13) “Political party” or “party” means a state committee registered under
5 s. 11.05 organized exclusively for political purposes under whose name candidates
6 appear on a ballot at any election, and all county, congressional, legislative, local and
7 other affiliated committees authorized to operate under the same name. For
8 purposes of ch. 11, the term does not include a legislative campaign committee or a
9 committee filing an oath under s. 11.06 (7).

10 **SECTION 1e.** 11.001 (1) of the statutes is amended to read:

11 11.001 (1) The legislature finds and declares that our democratic system of
12 government can be maintained only if the electorate is citizens of the state are
13 informed and encouraged to participate in the election process as contributors,
14 candidates and electors. It further finds that excessive spending on campaigns for
15 public office jeopardizes, large contributions and independent campaign

1 expenditures by special interests jeopardize the integrity of elections and discourage
2 the participation of citizens in election campaigns. It is desirable to encourage the
3 broadest possible participation in financing campaigns by all citizens of the state, to
4 reduce the influence of special interests, to encourage the election of candidates who
5 have a broad and diverse base of support and to enable candidates to have an equal
6 opportunity to present their programs to the voters. ~~One of the most important~~
7 ~~sources of information to the voters is available through the campaign finance~~
8 ~~reporting system. Campaign reports provide information which aids the public in~~
9 ~~fully understanding the public positions taken by a candidate or political~~
10 ~~organization.~~ When the true source of support or extent of support for a candidate
11 is not fully disclosed, ~~or~~ when a candidate becomes overly dependent upon large
12 private contributors, or when special interests unduly influence a campaign either
13 through contributions or independent expenditures in support of or opposition to a
14 candidate, the democratic process is subjected to ~~a~~ potential corrupting influence
15 influences. The legislature therefore finds that the state has a compelling interest
16 in designing a system for fully disclosing contributions and expenditures made on
17 behalf of every candidate for public office, and in placing reasonable limitations on
18 such activities. ~~Such a system must make readily available to the voters complete~~
19 ~~information as to who is supporting or opposing which candidate or cause and to~~
20 ~~what extent, whether directly or indirectly.~~

21 (2) This chapter is intended to serve the public purpose of stimulating the
22 following purposes:

23 (a) To stimulate vigorous campaigns on a fair and equal basis and to,

24 (b) To provide for a better informed electorate.

1 **SECTION 1g.** 11.001 (2) of the statutes is renumbered 11.001 (2) (c) and amended
2 to read:

3 11.001 **(2)** (c) ~~This chapter is also intended to~~ To ensure fair and impartial
4 elections by precluding officeholders from utilizing the perquisites of office at public
5 expense in order to gain an advantage over nonincumbent candidates who have no
6 perquisites available to them.

7 **SECTION 1n.** 11.001 (2) (d) to (g) of the statutes are created to read:

8 11.001 **(2)** (d) To maintain the integrity of the democratic system in this state,
9 and public confidence in it.

10 (e) To promote full and free campaign discussion and debate.

11 (f) To relieve candidates for elective office and elective officeholders from
12 excessive fund-raising impediments to purposive political conduct and discourse.

13 (g) To control corruption and undue influence, or the appearance thereof, in the
14 financing of state election campaigns.

15 **SECTION 1r.** 11.01 (12s) of the statutes is amended to read:

16 11.01 **(12s)** "Legislative campaign committee" means a committee ~~which does~~
17 ~~not file an oath under s. 11.06 (7)~~ organized in either house of the legislature to
18 support candidates of a political party for legislative office.

19 **SECTION 1w.** 11.05 (2r) and (3) (p) of the statutes are amended to read:

20 11.05 **(2r)** GENERAL REPORTING EXEMPTIONS. Any person, committee or group,
21 ~~other than a committee or individual required to file an oath under s. 11.06 (7), who~~
22 or which does not anticipate accepting contributions, making expenditures or
23 incurring obligations in an aggregate amount in excess of \$1,000 in a calendar year
24 and does not anticipate accepting any contribution or contributions from a single
25 source, other than contributions made by a candidate to his or her own campaign,

1 exceeding \$100 in that year may indicate on its registration statement that the
2 person, committee or group will not accept contributions, incur obligations or make
3 expenditures in the aggregate in excess of \$1,000 in any calendar year and will not
4 accept any contribution or contributions from a single source, other than
5 contributions made by a candidate to his or her own campaign, exceeding \$100 in
6 such year. Any registrant making such an indication is not subject to any filing
7 requirement if the statement is true. The registrant need not file a termination
8 report. A registrant not making such an indication on a registration statement is
9 subject to a filing requirement. The indication may be revoked and the registrant
10 is then subject to a filing requirement as of the date of revocation, or the date that
11 aggregate contributions, expenditures or obligations for the calendar year exceed
12 \$1,000, or the date on which the registrant accepts any contribution or contributions
13 exceeding \$100 from a single source, other than contributions made by a candidate
14 to his or her own campaign, during that year, whichever is earlier. If the revocation
15 is not timely, the registrant violates s. 11.27 (1).

16 (3) (p) In the case of a support committee, a statement signed by the individual
17 on whose behalf the committee intends to operate affirming that the committee is the
18 only committee authorized to operate on his or her behalf, ~~unless the committee files~~
19 ~~a statement under s. 11.06 (7).~~”.

20 **2.** Page 1, line 6: substitute “**SECTION 1x.**” for “**SECTION 1.**”.

21 **3.** Page 2, line 9: after that line insert:

22 “**SECTION 2g.** 11.06 (1) (j) of the statutes is repealed.

23 **SECTION 3r.** 11.06 (7) and (7m) of the statutes are repealed.”.

24 **4.** Page 3, line 10: after that line insert:

1 **“SECTION 3g.** 11.10 (3) of the statutes is amended to read:

2 11.10 (3) Every committee shall appoint a treasurer. ~~Every individual under~~
3 ~~s. 11.06 (7) shall be deemed his or her own treasurer.~~ No expenditure may be made
4 or obligation incurred by or on behalf of a committee without the authorization of the
5 treasurer or designated agents. No contribution may be accepted and no expenditure
6 may be made or obligation incurred by any committee at a time when there is a
7 vacancy in the office of treasurer.

8 **SECTION 4r.** 11.12 (1) (a), (2) and (3) of the statutes are amended to read:

9 11.12 (1) (a) No contribution may be made or received and no expenditure may
10 be made or obligation incurred by a person or committee, except within the amount
11 authorized under s. 11.05 (1) and (2), in support of or in opposition to any specific
12 candidate or candidates in an election, other than through the campaign treasurer
13 of the candidate or the candidate’s opponent, ~~or by or through an individual or~~
14 ~~committee registered under s. 11.05 and filing a statement under s. 11.06 (7).~~

15 **(2)** Any anonymous contribution exceeding \$10 received by a campaign or
16 committee treasurer ~~or by an individual under s. 11.06 (7)~~ may not be used or
17 expended. The contribution shall be donated to the common school fund or to any
18 charitable organization at the option of the treasurer.

19 **(3)** All contributions, expenditures and incurred obligations exceeding \$10
20 shall be recorded by the campaign or committee treasurer ~~or the individual under s.~~
21 ~~11.06 (7).~~ He or she shall maintain such records in an organized and legible manner,
22 for not less than 3 years after the date of an election in which the registrant
23 participates. If a report is submitted under s. 11.19 (1), the records may be
24 transferred to a continuing committee or to the appropriate filing officer for
25 retention. Records shall include the information required under s. 11.06 (1).”.

1 **5.** Page 4, line 11: after that line insert:

2 “**SECTION 5g.** 11.16 (1) (a) and (b) of the statutes are amended to read:

3 11.16 (1) (a) No expenditure may be made or obligation incurred by a candidate,
4 or by any other person or committee to advocate the election or defeat of a clearly
5 identified candidate, ~~other than an individual who, or a committee which, has~~
6 ~~registered under s. 11.05 and filed an oath under s. 11.06 (7),~~ except by the campaign
7 treasurer of the candidate or other agent designated by the candidate and acting
8 under his or her authority.

9 (b) The treasurer of each committee and each individual who proposes to make
10 a expenditure to advocate the election or defeat of a clearly identified candidate shall
11 notify the treasurer or other agent designated under par. (a) of the candidate who is
12 supported or whose opponent is opposed and obtain the authorization of the
13 treasurer prior to making the expenditure. ~~This paragraph does not apply to an~~
14 ~~individual or committee filing an oath under s. 11.06 (7) with respect to the candidate~~
15 ~~who is supported or opposed.~~

16 **SECTION 5r.** 11.18 (6) of the statutes is amended to read:

17 11.18 (6) If an individual on whose behalf a support committee is authorized
18 to operate under s. 11.05 (3) (p) becomes a candidate, the committee shall be adopted
19 by the candidate as his or her personal campaign committee. ~~A support committee~~
20 ~~which files a statement under s. 11.06 (7) may not be adopted by a candidate as a~~
21 ~~personal campaign committee.”.~~

22 **6.** Page 5, line 2: after that line insert:

23 “**SECTION 6c.** 11.21 (9) of the statutes is repealed.

24 **SECTION 6g.** 11.21 (15) of the statutes is amended to read:

1 11.21 (15) Inform each candidate who files an application to become eligible to
2 receive a grant from the Wisconsin election campaign fund of the dollar amount of
3 the applicable expenditure limitation under s. 11.31 (1), adjusted as provided under
4 s. 11.31 (9), or under s. 11.31 (1m) which applies to ~~the office for which such person~~
5 ~~is a~~ that candidate. Failure to receive the notice required by this subsection does not
6 constitute a defense to a violation of s. 11.27 (1) or 11.31.

7 **SECTION 6n.** 11.22 (10) of the statutes is repealed.

8 **SECTION 6r.** 11.25 (1m) of the statutes is created to read:

9 11.25 (1m) No individual, other than a candidate, and no committee, other
10 than a personal campaign committee, may make disbursements which are to be used
11 to advocate the election or defeat of any clearly identified candidate in any election.

12 **SECTION 6w.** 11.26 (1) (intro.) of the statutes is amended to read:

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

18 **SECTION 6x.** 11.26 (2) (intro.) of the statutes is amended to read:

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

25 **SECTION 6y.** 11.26 (2) (a) of the statutes is amended to read:

1 11.26 (2) (a) Candidates for governor, lieutenant governor, secretary of state,
2 state treasurer, attorney general, state superintendent or justice, 4% of the value of
3 the expenditure level limitation specified in the schedule under s. 11.31 (1).”.

4 **7.** Page 6, line 11: strike through “level” and insert thereafter “limitation”.

5 **8.** Page 7, line 7: strike through “level” and insert thereafter “limitation”.

6 **9.** Page 7, line 11: after that line insert:

7 “**SECTION 11m.** 11.26 (10) of the statutes is amended to read:

8 11.26 (10) No candidate for state office who files a sworn statement and
9 application to receive a grant from the Wisconsin election campaign fund may make
10 contributions of more than 200% of the amounts specified in sub. (1) to the
11 candidate’s own campaign from the candidate’s personal funds or property or the
12 personal funds or property which are owned jointly or as marital property with the
13 candidate’s spouse, unless the board determines that the candidate is not eligible to
14 receive a grant, or the candidate withdraws his or her application under s. 11.50 (2)
15 (h), ~~or s. 11.50 (2) (i) applies.~~ For purposes of this subsection, any contribution
16 received by a candidate or his or her personal campaign committee from a committee
17 which is registered with the federal elections commission as the authorized
18 committee of the candidate under 2 USC 432 (e) shall be treated as a contribution
19 made by the candidate to his or her own campaign. The contribution limit of sub. (4)
20 applies to amounts contributed by such a candidate personally to the candidate’s own
21 campaign and to other campaigns, except that a candidate may exceed the limitation
22 if authorized under this subsection to contribute more than the amount specified to
23 the candidate’s own campaign, up to the amount of the limitation.”.

24 **10.** Page 7, line 15: after that line insert:

1 “**SECTION 12m.** 11.30 (2) (d) of the statutes is repealed.”.

2 **11.** Page 8, line 6: after that line insert:

3 “**SECTION 13c.** 11.31 (title) of the statutes is amended to read:

4 **11.31** (title) **Disbursement levels and limitations; calculation.**

5 **SECTION 13g.** 11.31 (1) (intro.) of the statutes is repealed and recreated to read:

6 11.31 (1) SCHEDULE. (intro.) No candidate may make or authorize total
7 expenditures from his or her campaign treasury in any campaign to the extent of
8 more than the following amount for each of the offices indicated:

9 **SECTION 13n.** 11.31 (1) (a) to (d), (e) and (f) of the statutes are amended to read:

10 11.31 (1) (a) Candidates for governor, ~~\$1,078,200~~ \$2,000,000.

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

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

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

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

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

20 **SECTION 13r.** 11.31 (2) and (2m) of the statutes are repealed.

21 **SECTION 13w.** 11.31 (3) of the statutes is amended to read:

22 11.31 (3) GUBERNATORIAL CAMPAIGNS. For purposes of compliance with the
23 limitations imposed under sub. (2) (1), candidates for governor and lieutenant
24 governor of the same political party ~~who both accept grants from the Wisconsin~~

1 election campaign fund may agree to combine expenditure levels limitations under
2 sub. (1) (a) and (b) and reallocate the total level limitation between them. The
3 candidates shall each inform the board of any such agreement.

4 **SECTION 13x.** 11.31 (3m) of the statutes is repealed.”.

5 **12.** Page 8, line 22: after that line insert:

6 “**SECTION 14m.** 11.31 (4) of the statutes is repealed.”.

7 **13.** Page 10, line 5: after that line insert:

8 “**SECTION 15c.** 11.40 (2) and (3) of the statutes are amended to read:

9 11.40 (2) No public utility or anyone connected therewith may offer or give any
10 special privilege to any candidate for public office or any committee or its members
11 or employes, ~~or any individual under s. 11.06 (7),~~ or to any 3rd party at the request
12 of or for the advantage of any of them.

13 (3) No candidate for public office or any committee or member or employe
14 thereof ~~or any individual under s. 11.06 (7)~~ may ask for or accept any special privilege
15 from any public utility.

16 **SECTION 15g.** 11.50 (2) (a) of the statutes is amended to read:

17 11.50 (2) (a) Any individual who desires to qualify as an eligible candidate may
18 file an application with the board requesting approval to participate in the fund. The
19 application shall be filed no later than the applicable deadline for filing nomination
20 papers under s. 8.10 (2) (a), 8.15 (1), 8.20 (8) (a) or 8.50 (3) (a), no later than 4:30 p.m.
21 on the 7th day after the primary or date on which the primary would be held if
22 required in the case of write-in candidates, or no later than 4:30 p.m. on the 7th day
23 after appointment in the case of candidates appointed to fill vacancies. The
24 application shall contain a sworn statement that the candidate and his or her

1 authorized agents have complied with the contribution limitations prescribed in s.
2 11.26 and the expenditure limitations prescribed under s. 11.31 at all times to which
3 such limitations have applied to his or her candidacy and will continue to comply
4 with the limitations at all times to which the limitations apply to his or her candidacy
5 for the office in contest, ~~unless the board determines that the candidate is not eligible~~
6 ~~to receive a grant, the candidate withdraws his or her application under par. (h), or~~
7 ~~par. (i) applies.~~

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

9 11.50 (2) (b) 5. The financial reports filed by or on behalf of the candidate as
10 of the date of the spring or September primary, or the date that the special primary
11 is or would be held, if required, indicate that the candidate has received at least the
12 amount provided in this subdivision, from contributions of money, other than loans,
13 made by individuals, which have been received during the period ending on the date
14 of the spring primary and July 1 preceding such date in the case of candidates at the
15 spring election, or the date of the September primary and January 1 preceding such
16 date in the case of candidates at the general election, or the date that a special
17 primary will or would be held, if required, and 90 days preceding such date or the
18 date a special election is ordered, whichever is earlier, in the case of special election
19 candidates, which contributions are in the aggregate amount of \$100 or less, and
20 which are fully identified and itemized as to the exact source thereof. A contribution
21 received from a conduit which is identified by the conduit as originating from an
22 individual shall be considered a contribution made by the individual. Only the first
23 \$100 of an aggregate contribution of more than \$100 may be counted toward the
24 required percentage. For a candidate at the spring or general election for an office
25 identified in s. 11.26 (1) (a) or a candidate at a special election, the required amount

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

5 **SECTION 15r.** 11.50 (2) (g) of the statutes is repealed.

6 **SECTION 15w.** 11.50 (2) (h) of the statutes is amended to read:

7 11.50 (2) (h) An eligible candidate who files an application under par. (a) may
8 file a written withdrawal of the application. A withdrawal of an application may be
9 filed with the board no later than the 7th day after the day of the primary in which
10 the person withdrawing the application is a candidate or the 7th day after the date
11 that the primary would be held, if required. ~~If an application is withdrawn in~~
12 ~~accordance with this paragraph, the person withdrawing the application is no longer~~
13 ~~bound by the statement filed under par. (a) after the date of the withdrawal.~~

14 **SECTION 15x.** 11.50 (2) (i) of the statutes is repealed.”

15 **14.** Page 10, line 11: strike through “level” and insert thereafter “limitation”.

16 **15.** Page 10, line 16: after that line insert:

17 “**SECTION 16m.** 11.50 (11) (e) of the statutes is amended to read:

18 11.50 (11) (e) No candidate may expend, authorize the expenditure of or incur
19 any obligation to expend any grant if he or she violates the pledge required under
20 sub. (2) (a) as a precondition to receipt of a grant, ~~except as authorized in sub. (2) (h)~~
21 ~~or (i).~~”

22 **16.** Page 11, line 10: after that line insert:

23 “**SECTION 19m. Nonstatutory provisions; legislative findings.** The
24 legislature, drawing on its collective experience with campaigns for public office and

1 on the independent evidence presented to it by qualified analysts, finds and declares
2 that:

3 (1) Wisconsin has historically experienced a high level of civic participation in
4 responsible government, which however is now in decline as the direct result of
5 campaign financing arrangements that have the clear tendency to distance voters
6 from the electoral process, and that cannot be successfully corrected under
7 applicable rulings of the U.S. supreme court.

8 (2) Current campaign financing arrangements, with their perceived
9 preferential access to lawmakers for special interests that are capable of
10 contributing sizeable sums to lawmakers' campaigns, have provoked public
11 disaffection with elective government, as manifested by declines in voting
12 percentages and in Wisconsin election campaign fund participation.

13 (3) The Wisconsin election campaign fund system has lost popular support
14 because it does not diminish the perceived preferential access of the special interests
15 and is therefore judged to be ineffective.

16 (4) Before 1976, Wisconsin in company with 33 other states had these matters
17 under regulatory control through a system of mandatory spending limits applicable
18 to all candidates for state elective office.

19 (5) In 1976, the U.S. supreme court, in *Buckley v. Valeo*, 424 U.S. 1, invalidated
20 all such spending limits while approving campaign contribution limits.

21 (6) Since that time campaign expenditures have risen steeply, doubling in
22 Wisconsin legislative races since 1980. The addition has been made up principally
23 by contributions from special interests.

1 (7) Contribution limits are inadequate by themselves to check this trend. So
2 long as spending is effectively unrestrained, contributions will find ways to protect
3 favored candidates from being outspent.

4 (8) Among such ways have been personal spending by wealthy candidates,
5 independent expenditures that favor or oppose an identified candidate, and the use
6 of political parties as conduits for the support of selected candidates.

7 (9) Experience shows in particular that so-called “independent” support —
8 whether by individuals, committees, or other entities — can be coordinated with a
9 candidate’s campaign, by means of informal “understandings”, without losing its
10 professedly independent character. Likewise, contributions to a political party for
11 ostensible “party-building” purposes can be and are routed, by design, to the support
12 of identified candidates.

13 (10) Public financing cannot cure the problem so long as spending limits are
14 so readily evadable. After 15 years of experience with the present law, and a 42%
15 decline in Wisconsin election campaign fund designations, it has become evident that
16 Wisconsin voters await some successful repair of the campaign finance system before
17 they will give it their financial support.

18 (11) The legislature agrees with the 1992 finding of the California commission
19 on campaign financing, made after 8 years of study, that an effective remedy to this
20 problem requires the reconsideration of *Buckley v. Valeo*. The legislature believes
21 with that commission that it is “strongly desirable to present the [Supreme] Court
22 with carefully researched data and arguments so that it can consider upholding
23 reasonable spending limitations.” This act is a step in that direction.

24 (12) The supreme court based its *Buckley* decision on a concern that spending
25 limits could restrict political speech, “by reducing the number of issues discussed, the

1 depth of their exploration, and the size of the audience reached.” The experience of
2 those engaged in the electoral process is otherwise. It is unlimited expenditure that
3 can drown or distort political discourse, in a flood of distractive repetition.

4 (13) The least distorted and most instructive channels of campaign
5 communication are often free or inexpensive: debates, call-in programs, local
6 interviews, and other voter connections that are not dependent on the power of
7 money.

8 (14) The expanded use of such low-cost channels, stimulated by the adoption
9 of sensible spending limits, would benefit political discourse by drawing candidates
10 out of the packaged world of media advertisements and into the real world of voter
11 engagement and accountability.

12 (15) Turning down the noise level of campaign communication, through
13 reasonable spending limits, increases the opportunity for newer and quieter voices
14 to be heard. It tends to increase the number, depth and diversity of ideas presented
15 to the public.

16 (16) Finally, a reasonable limit on campaign spending relieves candidates and
17 officeholders alike from the constant necessity of engaging in defensive fund raising,
18 arising as this does from the continual risk of massively financed opposition
19 challenges to everything they may say or do. The conduct both of campaigns and of
20 office will be thereby improved.”.

21 (END)