



State of Wisconsin
2015 - 2016 LEGISLATURE

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JK&TKK:all

**ASSEMBLY AMENDMENT 10,
TO ASSEMBLY BILL 387**

October 21, 2015 – Offered by Representatives BERCEAU, ZAMARRIPA, KESSLER and WACHS.

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 4, line 7: after “940.03” insert “or 946.13”.

3 **2.** Page 14, line 2: after that line insert:

4 **“11.001 Declaration of policy. (1)** The legislature finds and declares that our
5 democratic system of government can be maintained only if the electorate is
6 informed. It further finds that excessive spending on campaigns for public office
7 jeopardizes the integrity of elections. It is desirable to encourage the broadest
8 possible participation in financing campaigns by all citizens of the state, and to
9 enable candidates to have an equal opportunity to present their programs to the
10 voters. One of the most important sources of information to the voters is available
11 through the campaign finance reporting system. Campaign reports provide
12 information which aids the public in fully understanding the public positions taken
13 by a candidate or political organization. When the true source of support or extent

1 of support is not fully disclosed, or when a candidate becomes overly dependent upon
2 large private contributors, the democratic process is subjected to a potential
3 corrupting influence. The legislature therefore finds that the state has a compelling
4 interest in designing a system for fully disclosing contributions and disbursements
5 made on behalf of every candidate for public office, and in placing reasonable
6 limitations on such activities. Such a system must make readily available to the
7 voters complete information as to who is supporting or opposing which candidate or
8 cause and to what extent, whether directly or indirectly. This chapter is intended to
9 serve the public purpose of stimulating vigorous campaigns on a fair and equal basis
10 and to provide for a better informed electorate.

11 **(2)** This chapter is also intended to ensure fair and impartial elections by
12 precluding officeholders from utilizing the perquisites of office at public expense in
13 order to gain an advantage over nonincumbent candidates who have no perquisites
14 available to them.

15 **(3)** This chapter is declared to be enacted pursuant to the power of the state to
16 protect the integrity of the elective process and to assure the maintenance of free
17 government.”.

18 **3.** Page 27, line 7: after that line insert:

19 **“(5) REPORTING OF EXPENDITURES AND CONTRIBUTIONS MADE OUTSIDE OF THIS STATE.**

20 (a) In this subsection:

21 1. “Candidate” means an individual who holds or seeks or is the subject of a
22 recall petition for an office other than a state or local office.

23 2. “Contribution” means a gift, subscription, loan, advance, or transfer of
24 money, tangible personal property, or services.

1 (b) Notwithstanding the reporting requirements that would otherwise apply
2 under this chapter, but subject to the applicable thresholds for submitting reports,
3 a political action committee, independent expenditure committee, conduit, or recall
4 committee registered under this chapter shall include in a report any expenditures
5 or contributions made during the immediately preceding reporting period on express
6 advocacy for a clearly identified candidate, issue advocacy, or to support or oppose
7 the recall of an elective official holding an office other than a state or local office.”.

8 **4.** Page 34, line 4: after “name” insert “and address”.

9 **5.** Page 41, line 1: after “name” insert “and address”.

10 **6.** Page 48, line 1: after “name” insert “and address”.

11 **7.** Page 53, line 15: after “name” insert “and address”.

12 **8.** Page 57, line 14: delete “\$5,000” and substitute “\$100”.

13 **9.** Page 58, line 12: delete “\$5,000” and substitute “\$100”.

14 **10.** Page 61, line 22: after “name” insert “and address”.

15 **11.** Page 65, line 23: delete “\$5,000” and substitute “\$100”.

16 **12.** Page 66, line 21: delete “\$5,000” and substitute “\$100”.

17 **13.** Page 69, line 16: after “name” insert “and address”.

18 **14.** Page 74, line 21: after “name” insert “and address”.

19 **15.** Page 80, line 7: after “name” insert “and address”.

20 **16.** Page 83, line 17: delete “\$5,000” and substitute “\$100”.

21 **17.** Page 84, line 13: delete “\$5,000” and substitute “\$100”.

22 **18.** Page 84, line 24: after that line insert:

1 **“11.1002 Social welfare organizations.** Every entity organized under
2 section 501 (c) (4) of the Internal Revenue Code that makes or accepts a contribution,
3 makes a disbursement, or incurs an obligation to support or oppose a candidate or
4 a recall in a calendar year in an aggregate amount in excess of \$10,000 shall register
5 and report in the same manner that political action committees are required to
6 register and report under subch. V of this chapter.

7 **11.1003 Other persons; registering and reporting.** Every person, other
8 than a committee, that makes or accepts contributions, makes disbursements, or
9 incurs obligations in a calendar year in an aggregate amount in excess of \$3,000 shall
10 register and report in the same manner that a political action committee is required
11 to register and report under subch. V of this chapter.”.

12 **19.** Page 89, line 4: after “(4) (b)” insert “and s. 11.1115”.

13 **20.** Page 94, line 10: delete the material beginning with “or” and ending with
14 “(6)” on line 12.

15 **21.** Page 96, line 12: after that line insert:

16 **“11.1115 Individual contributions. (1)** No individual may make any
17 contribution or contributions in excess of \$10,000 in any calendar year to any
18 committee, other than a candidate committee, which has as its major purpose
19 expressly advocating the election or defeat of a clearly identified candidate.

20 **(2)** No individual may make any contribution or contributions in excess of
21 \$10,000 in any calendar year to a political party.”.

22 **22.** Page 97, line 3: delete “a disbursement” and substitute “an expenditure
23 for issue advocacy or”.

24 **23.** Page 97, line 6: delete lines 6 and 7 and substitute “party.”.

- 1 **24.** Page 97, line 8: delete “a disbursement” and substitute “an expenditure
2 for issue advocacy or”.
- 3 **25.** Page 97, line 8: delete “(2) (a)” and substitute “(2)”.
- 4 **26.** Page 97, line 10: delete “disbursement” and substitute “expenditure”.
- 5 **27.** Page 97, line 12: delete “disbursement” and substitute “expenditure”.
- 6 **28.** Page 97, line 14: delete “disbursement” and substitute “expenditure”.
- 7 **29.** Page 97, line 19: delete lines 19 to 23.
- 8 **30.** Page 101, line 12: delete the material beginning with “the” and ending
9 with “use” on line 13 and substitute “an individual’s personal gain”.
- 10 **31.** Page 103, line 14: after “communication” insert “containing express
11 advocacy the cost of which exceeds \$100 and”.
- 12 **32.** Page 103, line 16: after “which” insert “exceeds \$100 and which”.
- 13 **33.** Page 103, line 25: after “disbursement,” insert “the cost of which exceeds
14 \$100,”.
- 15 **34.** Page 121, line 1: before that line insert:
16 “**SECTION 61g.** 180.0750 of the statutes is created to read:
17 **180.0750 Shareholder objection to corporate political expenditures.**
18 **(1)** In this section, “disbursement” has the meaning given in s. 11.0101 (10).
19 **(2) (a)** For each corporate fiscal year, before making any disbursement, a
20 corporation shall give written notice to its shareholders of its intent to make one or
21 more disbursements during that fiscal year. The corporation is required to give only
22 one notice under this paragraph for each corporate fiscal year, which notice may
23 coincide with notice of the corporation’s annual shareholders’ meeting.

1 (b) For purposes of par. (a), a corporation may establish a record date for
2 determining the shareholders entitled to notice under par. (a).

3 (c) The notice under par. (a) shall be dated and shall include a form that the
4 shareholder may complete and return to the corporation to express objection to any
5 disbursement during the applicable fiscal year. This form shall clearly identify the
6 applicable address for returning the form by U.S. mail and any other acceptable
7 method for return of the form.

8 **(3)** Any shareholder receiving notice under sub. (2) may object to the
9 corporation's making of disbursements during the applicable fiscal year by
10 completing the form specified in sub. (2) (c) and returning it to the corporation within
11 30 days after the date stated on the notice.

12 **(4)** (a) Not later than 3 months after the end of each corporate fiscal year, a
13 corporation shall calculate the total value of its expenditures for disbursements
14 made during that fiscal year.

15 (b) If a corporation receives a timely objection from a shareholder under sub.
16 (3), within 4 months after the end of the fiscal year for which the objection applies,
17 the corporation shall do all of the following:

18 1. Notwithstanding s. 180.0640, make payment to the objecting shareholder of
19 an amount determined by multiplying the total value of corporate expenditures for
20 disbursements calculated under par. (a) by the objecting shareholder's percentage of
21 ownership in the corporation. For purposes of this subdivision, the objecting
22 shareholder's percentage of ownership is determined according to the number of
23 shares held by the objecting shareholder as of the record date under sub. (2) (b) or,
24 if there is none, as of the date of the notice under sub. (2) (a), divided by the total
25 number of issued and outstanding shares of the corporation.

1 2. Provide the objecting shareholder with the corporation's calculation under
2 par. (a), along with detailed information as to the method and figures used in making
3 the calculation.

4 **SECTION 61r.** 180.1540 of the statutes is created to read:

5 **180.1540 Shareholder objection to corporate political expenditures.**

6 **(1)** In this section:

7 (a) "Disbursement" has the meaning given in s. 11.01 (7) but is limited to
8 political activity or political purposes related to this state.

9 (b) "Foreign corporation" means a foreign corporation authorized to transact
10 business in this state.

11 (c) "Shareholder" means a foreign corporation's shareholder that is a resident
12 of this state.

13 **(2)** (a) For each corporate fiscal year, before making any disbursement, a
14 foreign corporation shall give written notice to its shareholders of its intent to make
15 one or more disbursements during that fiscal year. The foreign corporation is
16 required to give only one notice under this paragraph for each corporate fiscal year,
17 which notice may coincide with notice of the foreign corporation's annual
18 shareholders' meeting.

19 (b) For purposes of par. (a), a foreign corporation may establish a record date
20 for determining the shareholders entitled to notice under par. (a).

21 (c) The notice under par. (a) shall be dated and shall include a form that the
22 shareholder may complete and return to the foreign corporation to express objection
23 to any disbursement during the applicable fiscal year. This form shall clearly
24 identify the applicable address for returning the form by U.S. mail and any other
25 acceptable method for return of the form.

1 **(3)** Any shareholder receiving notice under sub. (2) may object to the foreign
2 corporation's making of disbursements during the applicable fiscal year by
3 completing the form specified in sub. (2) (c) and returning it to the foreign corporation
4 within 30 days after the date stated on the notice.

5 **(4)** (a) Not later than 3 months after the end of each corporate fiscal year, a
6 foreign corporation shall calculate the total value of its expenditures for
7 disbursements made during that fiscal year.

8 (b) If a foreign corporation receives a timely objection from a shareholder under
9 sub. (3), within 4 months after the end of the fiscal year for which the objection
10 applies, the foreign corporation shall do all of the following:

11 1. Notwithstanding s. 180.1505 (3) and any restriction under the law of the
12 foreign corporation's jurisdiction of formation, make payment to the objecting
13 shareholder of an amount determined by multiplying the total value of corporate
14 expenditures for disbursements calculated under par. (a) by the objecting
15 shareholder's percentage of ownership in the foreign corporation. For purposes of
16 this subdivision, the objecting shareholder's percentage of ownership is determined
17 according to the number of shares held by the objecting shareholder as of the record
18 date under sub. (2) (b) or, if there is none, as of the date of the notice under sub. (2)
19 (a), divided by the total number of issued and outstanding shares of the foreign
20 corporation.

21 2. Provide the objecting shareholder with the foreign corporation's calculation
22 under par. (a), along with detailed information as to the method and figures used in
23 making the calculation.”.

24 **35.** Page 124, line 6: after that line insert:

