



2001 SENATE BILL 62

February 23, 2001 - Introduced by Senators BURKE, HARSDORF, ERPENBACH and ROSENZWEIG, cosponsored by Representatives MUSSER, TRAVIS and BOCK. Referred to Committee on Judiciary, Consumer Affairs, and Campaign Finance Reform.

1 **AN ACT to repeal** 11.01 (5m), 11.01 (12s), 11.05 (3) (o), 11.05 (9) (b), 11.06 (11),
2 11.24 (1m), 11.26 (9) (c), 11.26 (12m), 11.265, 11.31 (2m), 11.50 (2) (h), 11.50 (2)
3 (i), 11.50 (3) and 13.625 (1) (c) 1. and 2.; **to renumber** 11.05 (2r) (title), 11.05
4 (9) (a), 11.24 (2) and 11.50 (7); **to renumber and amend** 11.05 (1), 11.05 (2),
5 11.05 (2r), 11.12 (6), 11.50 (1) (a) 1., 11.50 (1) (a) 2., 11.50 (9) and 13.625 (1) (c)
6 (intro.); **to amend** 5.02 (13), 7.08 (2) (c) and (cm), 7.70 (3) (e) 1., 8.30 (2), 8.35
7 (4) (a) 1. a. and b., 8.35 (4) (c) and (d), 10.02 (3) (b) 2m., 11.05 (3) (c), 11.05 (3)
8 (n), 11.05 (5), 11.05 (12) (b), 11.05 (13), 11.06 (1) (intro.), 11.06 (1) (e), 11.06 (2),
9 11.06 (4) (b), 11.06 (5), 11.06 (7m) (a), 11.06 (7m) (c), 11.07 (1), 11.07 (5), 11.09
10 (3), 11.10 (1), 11.12 (2), 11.12 (4), 11.12 (5), 11.14 (3), 11.16 (2), 11.16 (5), 11.19
11 (title), 11.19 (1), 11.20 (1), 11.20 (7), 11.20 (9), 11.20 (10) (a), 11.20 (12), 11.21 (2),
12 11.21 (15), 11.21 (16), 11.22 (3), 11.23 (1), 11.23 (2), 11.26 (1) (a) to (c), 11.26 (2)
13 (a), 11.26 (4), 11.26 (8), 11.26 (9) (a) and (b), 11.26 (10), 11.31 (1) (intro.), 11.31
14 (1) (a) to (d), 11.31 (1) (e) and (f), 11.31 (2), 11.31 (3), 11.38 (1) (a) 2., 11.38 (1) (a)

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1 3., 11.38 (6), 11.38 (8) (b), 11.50 (2) (a), 11.50 (2) (b) 5., 11.50 (2) (c), 11.50 (2) (g),
2 11.50 (5), 11.50 (6), 11.50 (9) (title), 11.50 (11) (e), 11.60 (4), 11.61 (1) (a), 13.625
3 (1) (b) 3., 13.625 (2), 13.625 (6), 15.61, 20.510 (1) (q), 25.42, 71.10 (3) (a), 71.10
4 (3) (b) and 71.26 (1) (a); **to repeal and recreate** 11.05 (9) (title) and 11.50 (4);
5 and **to create** 7.08 (2) (cs), 11.01 (13) and (20), 11.01 (16) (a) 3., 11.05 (1) (b),
6 11.05 (2) (b), 11.05 (3) (m), 11.05 (3) (r), 11.06 (2m) (b) to (d), 11.12 (2m), 11.12
7 (6) (c) and (d), 11.12 (8) and (9), 11.19 (1m) and (6), 11.24 (1v), 11.24 (1w), 11.24
8 (4), 11.26 (8m), 11.26 (8n), 11.31 (1) (de), 11.31 (1m), 11.31 (3p), 11.31 (9), 11.50
9 (1) (a) 1. (intro.), 11.50 (1) (a) 2m., 11.50 (1) (am), 11.50 (1) (bm) and (cm), 11.50
10 (2) (j), 11.50 (2m), 11.50 (2s), 11.50 (2w), 11.50 (7) (bm), 11.50 (9) (a) 1. and 2.,
11 11.50 (9) (b) and (ba), 11.50 (14), 13.625 (3m), 20.855 (4) (ba), 71.05 (6) (a) 21.,
12 71.07 (5) (a) 9., 71.07 (6n), 71.10 (4) (cn), 71.26 (2) (b) 1g., 71.26 (3) (e) 4., 71.34
13 (1) (ad), 71.45 (2) (a) 16. and 806.04 (11m) of the statutes; **relating to:** campaign
14 financing, lobbying regulation, designations for the Wisconsin election
15 campaign fund by individuals filing state income tax returns, income and
16 franchise tax deductions for certain business expenses related to lobbying,
17 creating a nonrefundable individual income tax credit for certain campaign
18 contributions, composition and staffing of the elections board, providing
19 exemptions from emergency rule procedures, granting rule-making authority,
20 and making appropriations.

Analysis by the Legislative Reference Bureau

This bill makes numerous changes in the campaign financing law. The bill also makes changes to the lobbying regulation and income and franchise tax laws and to the composition and staffing of the elections board. Significant changes include:

SENATE BILL 62**FILING OF CAMPAIGN FINANCE REPORTS*****1. Exemptions from registration and reporting***

Currently, any individual who accepts contributions, makes disbursements, or incurs obligations, and any committee or group that makes or accepts contributions, makes disbursements, or incurs obligations, in connection with one or more elections for state or local office or one or more state or local referenda exceeding \$25 cumulatively within a calendar year is potentially subject to requirements to register with the appropriate filing officer and to file campaign finance reports.

This bill provides that an individual who accepts contributions, makes disbursements, or incurs obligations or a group that makes or accepts contributions, makes disbursements, or incurs obligations in connection with one or more referenda is not subject to registration and reporting requirements until the individual or group engages in activity exceeding \$100 cumulatively within a calendar year.

The bill also permits an individual or committee to claim an exemption from reporting requirements if the individual or committee does not accept contributions, make disbursements, or incur obligations exceeding \$1,000 cumulatively within a calendar year with respect to an election for state office, and does not accept contributions exceeding \$100 from a single source cumulatively within a calendar year. If an individual or committee does not accept contributions, make disbursements, or incur obligations with respect to an election for any state office but accepts contributions, makes disbursements, or incurs obligations with respect to an election for local office, the bill permits the individual or committee to claim an exemption from reporting requirements only if the individual or committee does not accept contributions, make disbursements, or incur obligations exceeding \$100 cumulatively within a calendar year.

2. Electronic filing

Currently, reports under the campaign finance law must be filed by certain dates specified by law and must cover time periods specified by law. 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. Each registrant for whom the elections board serves as a filing agency and who or that accepts contributions in a total amount or value of \$20,000 or more during a campaign period, or a biennial period for a registrant other than a candidate or personal campaign or support committee, must file reports with the board electronically. Any registrant who or that files a report electronically must also file a copy of the report recorded on a medium prescribed by the board.

This bill requires each committee that is currently required to file its campaign finance reports electronically to file those reports within 24 hours after a reportable transaction occurs. Under the bill, once a registrant becomes subject to an electronic reporting requirement, the requirement continues to apply until a termination report is filed, regardless of the level of continuing financial activity of the registrant. In accordance with current law, the bill also requires registrants who file electronically to file copies of reports, at the times currently prescribed by law,

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recorded on a medium prescribed by the board. The change applies effective with reports filed on or after the day on which the bill becomes law.

3. Special reporting by certain registrants

Currently, a committee making contributions or a candidate or other individual or committee accepting contributions, making disbursements, or incurring obligations in support of or opposition to a candidate is generally required to file a report no later than the eighth day before a primary or election at which the candidate seeks nomination or election to office. The report must disclose contributions made or accepted, disbursements made, and obligations incurred through the 14th day prior to the primary or election. Currently, if a candidate for state office receives one or more contributions from a single contributor aggregating \$500 or more during the 14-day period preceding an election, the candidate must report to the elections board the information currently required to be disclosed pertaining to contributions received by the candidate no later than 24 hours following receipt of any such contribution or contributions.

This bill requires each candidate at the general or a special election for a major state office (the office of governor, lieutenant governor, attorney general, secretary of state, state treasurer, superintendent of public instruction, justice of the supreme court, state senator, or representative to the assembly) who does not accept a public grant (see below) and who makes any disbursement after the candidate has accumulated cash in his or her campaign depository or has made disbursements in his or her campaign exceeding a combined total of 75% of the amount of the disbursement limitation for the office that the candidate seeks, to file daily reports, by electronic mail or facsimile transmission, with the elections board and with each candidate whose name appears on the ballot for the office in connection with which the disbursement is made. The daily reports may be filed no later than 24 hours after each disbursement is made, and must include the information that is currently required to be reported pertaining to disbursements made by candidates. The daily reports must be filed during the time period beginning with the later of the date of the disbursement that triggers the requirement or the 7th day after the applicable primary election or the date that a primary would be held, if required, and ending with date of the election at which the candidate seeks office.

The bill similarly requires each committee that makes any disbursement for the purpose of advocating the election or defeat of a candidate for a major state office at the general election or a special election independently of any candidate who is supported or whose opponent is opposed, within 60 days of that election or the primary for that election, to file daily reports, by electronic mail or facsimile transmission, with the elections board and with each candidate whose name appears on the ballot for the office in connection with which the disbursement is made. These daily reports must be filed no later than 24 hours after each disbursement is made, and must include information specifying the date and purpose of the disbursement, the payee, the name of each candidate who is supported or whose opponent is opposed, and the total amount of disbursements made in support of or in opposition to that candidate.

SENATE BILL 62**4. *Mass communications***

Currently, individuals who accept contributions, organizations which make or accept contributions, or individuals who or organizations which incur obligations or make disbursements for the purpose of influencing an election for state or local office are generally required to register with the appropriate filing officer and to file financial reports with that officer, regardless of whether they act in conjunction with or independently of any candidate who is supported or opposed

With certain exceptions, this bill imposes registration and reporting requirements, in addition, upon any individual who or organization that, within 60 days of an election and by means of a newspaper, periodical, commercial billboard, radio station, television station, mass mailing, or telephone bank operator, makes a communication which includes the name or likeness of a candidate at that election, an office to be filled at that election, or a political party. The bill, however, does not require registration and reporting if the communication is made by a corporation, cooperative, or nonpolitical voluntary association and is limited to the corporation's, cooperative's, or association's members, shareholders, or subscribers.

5. *Timeliness in filing reports*

Currently, where a requirement is imposed under the campaign finance law for filing of a report by a specified date, the requirement may be satisfied by depositing the report with the U.S. postal service no later than the date provided by law for receipt of the report.

This bill permits satisfaction of the filing requirement only by delivering a report to the appropriate filing officer or agency on or before the date provided by law for receipt of the report or by depositing the report with the U.S. postal service no later than the third day before that date.

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. 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 file reports with the appropriate filing officer within 24 hours of making such a disbursement, if the disbursement is made less than 15 days before a primary or election and if the cumulative amount of such disbursements exceeds \$20.

This bill:

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1. 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	500,000
Attorney general	539,000	700,000
Secretary of state	215,625	250,000
State treasurer	215,625	250,000
Supreme court justice	215,625	300,000
State superintendent	215,625	250,000
State senator	34,500	100,000
Representative to the assembly	17,250	50,000

2. Provides that the total disbursement limitation for a candidate whose name appears on the ballot at a primary election and who receives less than twice as many votes at that election as another candidate for the same office is 120% of the amount provided for the candidate receiving the greatest number of votes for that office.

3. Creates a biennial cost-of-living adjustment that causes the statutory disbursement levels to be adjusted biennially, beginning in 2004, in accordance with a formula tied to the “consumer price index” determined by the U.S. department of labor.

4. 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 cumulative independent disbursements *or obligations* exceeding \$20 during that period to be so reported.

5. Increases the disbursement limitation of any candidate who accepts a public grant by: a) an amount equal to any independent disbursements that are made to oppose that candidate, or to support that candidate’s opponent, exceeding 10% of the disbursement limitation for the office that the candidate seeks; and b) the total amount of disbursements exceeding the amount of the disbursement limitation for that office made by any opposing candidate who does not accept a public grant.

6. Repeals the procedure by which a candidate who would not otherwise be subject to statutory disbursement limitations may voluntarily agree to comply with these limitations.

7. Repeals the exemption from disbursement limitations that currently applies to any candidate who accepts a grant from the Wisconsin election campaign fund and who is opposed by a major opponent who could have qualified for a grant but declines to accept one. Under the bill, the candidate accepting the grant remains bound by the applicable disbursement limitations.

CONTRIBUTION LIMITATIONS

Current law limits the amount of contributions which may be given to and accepted by a candidate for state or local office. Currently, individuals are subject to limitations on the amount of contributions made cumulatively to a particular

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candidate and on the aggregate total of contributions made to all candidates. An individual making a contribution to a candidate for statewide office may contribute up to \$10,000, an individual making a contribution to a candidate for the office of state senator may contribute up to \$1,000, and an individual making a contribution to a candidate for the office of representative to the assembly may contribute up to \$500. However, an individual may not contribute more than \$10,000 annually to all candidates combined.

Under this bill, the limitation on individual contributions to candidates for statewide offices is \$1,000, the limitation on individual contributions to candidates for the office of state senator is \$500, and the limitation on individual contributions to candidates for the office of representative to the assembly is \$250. The annual limitation on individual contributions to all candidates under the bill is \$5,000.

Under current law, committees other than political party committees and legislative campaign committees are subject to limitations on the amount of contributions made cumulatively to a particular candidate. A committee may contribute up to \$43,238 to a candidate for statewide office. Current law also limits the cumulative amount of contributions that a committee may make annually to a particular political party, limits the cumulative amount of contributions that a political party may accept annually from a particular committee, and limits the aggregate total of contributions that a political party may accept during any biennium from all committees. Currently, a committee may annually contribute up to \$6,000 to a particular political party, a political party may annually accept up to \$6,000 from a particular committee, and a political party may accept up to \$150,000 in contributions from all committees during any biennium.

Under this bill, the limitation on committee contributions to candidates for statewide office is increased to \$45,000, the limitation on committee contributions to a particular political party, and on the annual amount that a political party may accept from a particular committee, is increased to \$12,000, and the aggregate limitation on contributions that a political party may accept during a biennium from all committees is increased to \$300,000.

Currently, no candidate who accepts a grant from the Wisconsin election campaign fund or who files an affidavit affirming his or her voluntary compliance with statutory disbursement limitations may make contributions to his or her own campaign exceeding 200% of the limitations applicable to other individuals making contributions to his or her campaign. This bill provides, instead, that no candidate who accepts a grant from the Wisconsin election campaign fund may make contributions to his or her own campaign exceeding \$1,000.

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

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overall limitations on the aggregate contributions that may be accepted by a candidate from entities other than individuals.

This bill eliminates the special status of legislative campaign committees, thus causing them to be treated in the same manner as other special interest committees for the purpose of contribution limitations.

OTHER CONTRIBUTION RESTRICTIONS

This bill creates the following new prohibitions on contributions:

1. 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.

2. It prohibits any committee from making a contribution to any special interest committee. The prohibition does not apply to a committee that is affiliated with a labor organization that transfers a contribution to another committee that is affiliated with the same labor organization.

3. It prohibits any personal campaign committee or support committee authorized by a prospective candidate from making a contribution to any other such committee.

4. It prohibits any lobbyist from making a contribution to a partisan elective state official or candidate for a partisan elective state office or to such an official's or candidate's personal campaign committee, except that the bill permits a lobbyist to make a campaign contribution to a candidate for elective state office, or to the personal campaign committee of such a candidate, if the candidate seeks office in the jurisdiction or district where the lobbyist resides. Currently, a lobbyist may make a contribution to any partisan elective state official or candidate for a partisan elective state office in the year that an official or candidate seeks election between June 1 and the day of the general election.

5. It prohibits a member of the legislature, or a member's personal campaign committee, from soliciting a lobbyist or principal to arrange for another person to make a campaign contribution to that member or committee. Currently, an elective state official is prohibited from soliciting a lobbyist or principal to make a prohibited campaign contribution.

6. It prohibits any registrant from accepting any contribution made by a committee or group that does not maintain an office or street address within this state at the time that the contribution is made, unless that committee or group is registered with the federal election commission under federal law. Federal law generally requires registration and reporting by organizations only when they receive contributions or make expenditures with respect to elections for federal office.

Currently, if a registrant receives a contribution, the registrant must deposit the contribution in its campaign depository account no later than the end of the fifth business day commencing after receipt, unless the registrant returns the

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contribution before that time. A registrant must report the occupation and principal place of employment of any individual who makes any contribution or contributions to a registrant exceeding \$100 in amount or value cumulatively within a calendar year. This bill provides that whenever a registrant receives a contribution in the form of money the registrant must obtain this information from a contributor, if required, before depositing the contributor's contribution in its campaign depository account. Under the bill, if the registrant does not obtain the required information within the period prescribed for making deposits, the registrant must return the contribution.

CONTRIBUTIONS THROUGH CONDUITS

Currently, if an individual or organization receives a political contribution consisting of money and transfers the contribution to another individual or organization without exercising discretion as to the amount to be transferred and the individual to whom or the organization to which the transfer is made, the contribution is considered to be made by the original contributor for purposes of reporting by the ultimate recipient. The contribution is also treated as an individual contribution for purposes of determining compliance with contribution limitations and qualifying contributions for public grants. The individual or organization making the transfer is called a "conduit" under the law. In most cases, a conduit is required to register and file campaign finance reports unless the conduit does not transfer any contributions to candidates or to personal campaign, legislative campaign, or political party committees.

This bill treats a contribution of money transferred by a conduit as a contribution from the conduit rather than from the individual contributor for purposes of reporting by the ultimate recipient and for purposes of determining contribution limitations and qualifying contributions for public grants. Thus, under this bill, a contribution of money that is transferred by a conduit that is a committee is included within the overall limitation on contributions that a candidate may derive from public grants and from contributions received from committees. In addition, these contributions may not be used to qualify for a public grant.

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

This 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

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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 10% of the candidate's disbursement level. Under the bill, contributions in excess of that amount must be transferred to the Wisconsin election campaign fund.

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.

This bill:

1. Increases the amount of the individual income tax checkoff for the Wisconsin election campaign fund from \$1 to \$5, effective for tax returns filed for taxable years beginning on or after January 1 following the day on which the bill becomes law. Under the bill, individuals filing a joint return may separately choose whether to make the \$5 checkoff. The bill also permits individuals to determine whether to designate their checkoffs for a "general account," which is distributed to all candidates who qualify for a grant, or for the account of an eligible political party, which is distributed to all candidates representing that party who qualify for a grant. However, if there are insufficient moneys in these accounts to permit any candidate who qualifies for a grant from receiving the full amount for which the candidate qualifies, the bill provides for the deficiency to be drawn from state general purpose revenue.

2. 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.

3. Provides that, if a grant is used to purchase an advertisement from a broadcast or communications medium, the advertisement may not include any voice other than the voice of the candidate to whom the grant is provided.

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

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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 whether a candidate who applies for a grant meets the following eligibility requirements:

1. If the candidate seeks a partisan state office at a general election, the candidate must have received at least 6% of the total votes cast in the primary and have won the primary. If the candidate seeks a partisan state office at a special election, the candidate 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 at least one of the candidate's opponents who received at least 6% of the votes cast for all candidates for that office at a partisan primary, if a primary was held, does not accept a grant and does not voluntarily agree to comply with the contribution and disbursement limitations for that office. The maximum grant that a candidate may receive is that amount 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.

Currently, the elections board must notify the state treasurer that a candidate has qualified to receive a grant as soon as possible after the board is able to determine that the candidate has qualified to receive the grant. The state treasurer then has three business days to transmit the grant to the candidate.

This bill:

1. Decreases the percentage of the total votes cast that a candidate for a partisan state office must receive in order to be eligible to receive a grant from the Wisconsin election campaign fund to 2% of the total votes cast in the primary election.

2. Provides that a candidate for the office of state senator or representative to the assembly must receive contributions equal to only 5% of the authorized disbursement level for the office which the candidate seeks in order to qualify for a grant, but provides that the contributions of \$100 or less from individuals used by a candidate for any state office to determine eligibility for a grant from the Wisconsin

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election campaign fund must be made by individuals who reside in this state and, in the case of a candidate for legislative office, by individuals at least 50% of whom reside in a county having territory within the district in which the candidate seeks office.

3. Provides that a candidate who applies for a grant may not accept any contribution from any committee other than a political party committee. If the candidate has accepted any contribution from a committee other than a political party committee during the campaign for the office that the candidate is currently seeking, the candidate must return the contribution to the contributor or donate the contribution to a charitable organization or to the Wisconsin election campaign fund or the common school fund before filing an application for a grant. The candidate may, however, later accept a contribution from a committee other than a political party committee if the candidate is determined by the elections board to be ineligible to receive a grant, after the date of that determination.

4. Increases the maximum grant that a candidate for the office of justice of the supreme court or superintendent of public instruction may receive to 75% of the authorized disbursement level for the office that the candidate seeks and provides that the maximum grant that a candidate for any other state office may receive is 45% of the authorized disbursement level for the office that the candidate seeks, unless the candidate qualifies to receive a supplemental grant (see below).

5. Provides that a candidate who accepts a grant shall receive a supplemental grant in an amount equal to: a) the amount of any independent disbursements that are made to oppose that candidate, or to support that candidate's opponent, exceeding 10% of the disbursement limitation for the office that the candidate seeks; and b) the total amount of disbursements exceeding the amount of the disbursement limitation for that office made by an opposing candidate who does not accept a grant.

6. Requires the elections board and state treasurer to electronically transmit supplemental grants to qualifying candidates who so request within 24 hours after the candidates qualify to receive the supplemental grants.

INITIAL APPLICABILITY

All campaign finance changes under the bill apply to elections held on or after the day on which the bill becomes law.

TAX CREDITS AND DEDUCTIONS

The bill eliminates a current state income and franchise tax deduction for certain business expenses that lobbyists incur, effective for tax returns filed for taxable years beginning on or after January 1, 2003. Currently, this deduction may be claimed for expenses incurred in direct connection with: 1) 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 2) 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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This bill also creates an income tax credit for individuals who make one or more contributions to a state or county committee or a political party or a candidate for state office who files an application for a grant from the Wisconsin election campaign fund in which the candidate agrees to be bound by disbursement and self-contribution limitations, if the application is accepted by the elections board. In order to be eligible for a credit, a contribution to a political party committee must be made to a committee of a party that qualifies for a separate ballot or column or row on the ballot, and a contribution to a candidate must be made to a candidate for office in the same jurisdiction or district in which the claimant resides. The maximum credit that may be claimed for any contribution is \$50 within any taxable year; the maximum credit that may be claimed for all contributions is \$100 within any taxable year. The credit is nonrefundable; no refund will be paid if the amount of the credit for which the claimant is otherwise eligible exceeds his or her tax liability.

ELECTIONS BOARD

Under current law, the governor appoints all members of the elections board as follows: 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 at the September primary whose candidate for governor at the most recent gubernatorial election received at least 10% of the vote (currently, the Republican and the Democratic parties).

This bill increases the potential number of political parties that may designate an individual to the governor for appointment to the board. Under the bill, any political party that qualified for a separate ballot at the preceding September primary may designate an individual to the governor for appointment to the board.

This bill also increases the authorized FTE positions for the board by 1.0 GPR campaign finance investigator position and 1.0 GPR auditor position.

NONSEVERABILITY

Currently, if any part of an act is found by a court to be invalid, those parts that are valid are severed from the invalid part and the severed parts continue in force. This bill provides that if any part of the act resulting from enactment of the bill relating to reporting of mass media activities, reporting of disbursements by committees acting independently of candidates and by candidates who decline to accept public grants, and provision of supplemental grants to candidates who are opposed or whose opponents are supported by those disbursements is found by a court to be invalid, then all of those parts of the act are void.

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.

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

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

9 7.08 (2) (c) As soon as possible after the canvass of the spring and September
10 primary votes, but no later than the first Tuesday in March and the 4th Tuesday in
11 September, transmit to the state treasurer a certified list of all eligible candidates
12 for state office who have filed applications under s. 11.50 (2) and ~~whom~~ who the board
13 determines ~~to be~~ are eligible to receive payments from the Wisconsin election
14 campaign fund. The board shall also electronically transmit a similar list of
15 candidates who the board determines are eligible to receive a grant under s. 11.50
16 (9) (b) or (ba) within 24 hours after any candidate qualifies to receive such a grant.
17 Each list shall contain each candidate's name, the mailing address indicated upon
18 the candidate's registration form, the office for which the individual is a candidate
19 and the party or principle which he or she represents, if any.

20 (cm) As soon as possible after the canvass of a special primary, or the date that
21 the primary would be held, if required, transmit to the state treasurer a certified list

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1 of all eligible candidates for state office who have filed applications under s. 11.50 (2)
2 and ~~whom~~ who the board determines ~~to be~~ are eligible to receive a grant from the
3 Wisconsin election campaign fund prior to the election. The board shall also transmit
4 a similar list of candidates, if any, who have filed applications under s. 11.50 (2) and
5 ~~whom~~ who the board determines ~~to be~~ are eligible to receive a grant under s. 11.50
6 (1) (a) 2. after the special election. The board shall electronically transmit a similar
7 list of candidates who the board determines are eligible to receive a grant under s.
8 11.50 (9) (b) or (ba) within 24 hours after any candidate qualifies to receive such a
9 grant. Each list shall contain each candidate's name, the mailing address indicated
10 upon the candidate's registration form, the office for which the individual is a
11 candidate and the party or principle which he or she represents, if any.

12 **SECTION 3.** 7.08 (2) (cs) of the statutes is created to read:

13 7.08 (2) (cs) In each even-numbered year, certify to the state treasurer for the
14 period beginning with the month following certification and ending with the month
15 in which the next certification is made by the board:

16 1. No later than July 1, the name of each political party that qualifies under
17 s. 11.50 (1) (am) 1. as an eligible political party as of the preceding June 1 and whose
18 state chairperson has filed a request to establish an account for the party under s.
19 11.50 (2s) (a).

20 2. No later than December 15, the name of each political party that qualifies
21 under s. 11.50 (1) (am) 2. as an eligible political party as of the date of the preceding
22 general election and whose state chairperson has filed a written request to establish
23 an account for the party under s. 11.50 (2s) (a).

24 **SECTION 4.** 7.70 (3) (e) 1. of the statutes is amended to read:

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1 7.70 (3) (e) 1. After each September primary, the name of each candidate not
2 defeated in the primary who receives at least ~~6%~~ 2% of the total vote cast for all
3 candidates on all ballots at the primary for each separate state office except district
4 attorney, and the percentage of the total vote received by that candidate. ~~Such~~ The
5 percentage shall be calculated within each district in the case of legislative
6 candidates.

7 **SECTION 5.** 8.30 (2) of the statutes is amended to read:

8 8.30 (2) If no registration statement has been filed by or on behalf of a candidate
9 for state or local office in accordance with s. 11.05 (2g) ~~or (2r)~~ by the applicable
10 deadline for filing nomination papers by ~~such~~ the candidate, or the deadline for filing
11 a declaration of candidacy for an office for which nomination papers are not filed, the
12 name of the candidate may not appear on the ballot. This subsection may not be
13 construed to exempt a candidate from applicable penalties if he or she files a
14 registration statement later than the time prescribed in ss. 11.01 (1) and 11.05 (2g).

15 **SECTION 6.** 8.35 (4) (a) 1. a. and b. of the statutes are amended to read:

16 8.35 (4) (a) 1. a. ~~Donated to the former candidate's local or state political party~~
17 if If the former candidate was a partisan candidate ~~or, donated to the former~~
18 candidate's local or state political party, donated to the a charitable organization of
19 ~~the former candidate's choice or the charitable organization chosen or transferred to~~
20 the board for deposit in the Wisconsin election campaign fund, as instructed by the
21 former candidate or, if the candidate left no instruction, by the former candidate's
22 next of kin ~~if the former candidate is deceased, or if no choice is made returned to the~~
23 donors ~~on a proportional basis; or~~

24 b. If the former candidate was a nonpartisan candidate, donated to the a
25 charitable organization ~~of the former candidate's choice or the charitable~~

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1 organization chosen or transferred to the board for deposit in the Wisconsin election
2 campaign fund, as instructed by the former candidate or, if the candidate left no
3 instruction, by the former candidate's next of kin if the former candidate is deceased;
4 or

5 **SECTION 7.** 8.35 (4) (c) and (d) of the statutes are amended to read:

6 8.35 (4) (c) The transfer to the replacement candidate under par. (b) shall be
7 made and reported to the appropriate filing officer in a special report submitted by
8 the former candidate's campaign treasurer. If the former candidate is deceased and
9 was serving as his or her own campaign treasurer, the former candidate's petitioner
10 or personal representative shall file the report and make the transfer required by
11 par. (b), if any and file the report. The report shall be made in the manner provided
12 under s. 11.21 (16), if applicable, or otherwise at the appropriate interval under s.
13 11.20 (2) or (4) and shall include a complete statement of all contributions,
14 disbursements and incurred obligations pursuant to s. 11.06 (1) covering the period
15 from the day after the last date covered on the former candidate's most recent report
16 to the date of disposition.

17 (d) The newly appointed candidate shall file his or her report in the manner
18 provided under s. 11.21 (16), if applicable, or otherwise at the next appropriate
19 interval under s. 11.20 (2) or (4) after his or her appointment. The appointed
20 candidate shall include any transferred funds moneys in his or her first report.

21 **SECTION 8.** 10.02 (3) (b) 2m. of the statutes is amended to read:

22 10.02 (3) (b) 2m. At the September primary, the elector shall select the party
23 ballot of his or her choice or the ballot containing the names of the independent
24 candidates for state office, and make a cross **X** next to or depress the lever or button
25 next to the candidate's name for each office for whom the elector intends to vote or

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1 insert or write in the name of the elector's choice for a party candidate, if any. In order
2 to qualify for participation in the Wisconsin election campaign fund, a candidate for
3 state office at the September primary, other than a candidate for district attorney,
4 must receive at least ~~6%~~ 2% of all votes cast on all ballots for the office for which he
5 or she is a candidate, in addition to other requirements.

6 **SECTION 9.** 11.01 (5m) of the statutes is repealed.

7 **SECTION 10.** 11.01 (12s) of the statutes is repealed.

8 **SECTION 11.** 11.01 (13) and (20) of the statutes are created to read:

9 11.01 **(13)** "Mass mailing" means the distribution of 50 or more pieces of
10 substantially identical material.

11 **(20)** "Telephone bank operator" means any person who places or directs the
12 placement of telephone calls to individuals.

13 **SECTION 12.** 11.01 (16) (a) 3. of the statutes is created to read:

14 11.01 **(16)** (a) 3. A communication that is made by means of one or more
15 communications media or a mass mailing, or through a telephone bank operator,
16 other than a communication that is exempt from reporting under s. 11.29, that is
17 made during the period beginning on the 60th day preceding an election and ending
18 on the date of that election and that includes a name or likeness of a candidate whose
19 name is certified under s. 7.08 (2) (a) or 8.50 (1) (d) to appear on the ballot at that
20 election, the name of an office to be filled at that election, or the name of a political
21 party.

22 **SECTION 13.** 11.05 (1) of the statutes is renumbered 11.05 (1) (a) and amended
23 to read:

24 11.05 **(1)** (a) Except as provided in s. 9.10 (2) (d), every committee, other than
25 a personal campaign committee, ~~and every political group subject to registration~~

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1 ~~under s. 11.23 which~~ that makes or accepts contributions, incurs obligations or
2 makes disbursements in a calendar year in an aggregate amount in excess of \$25
3 shall file a statement with the appropriate filing officer giving the information
4 required by sub. (3). In the case of any committee other than a personal campaign
5 committee, the statement shall be filed by the treasurer. A personal campaign
6 committee shall register under sub. (2g) ~~or (2r)~~.

7 **SECTION 14.** 11.05 (1) (b) of the statutes is created to read:

8 11.05 (1) (b) Every political group subject to registration under s. 11.23 which
9 makes or accepts contributions, incurs obligations, or makes disbursements in a
10 calendar year in an aggregate amount in excess of \$100 shall file a statement with
11 the appropriate filing officer giving the information required by sub. (3).

12 **SECTION 15.** 11.05 (2) of the statutes is renumbered 11.05 (2) (a) and amended
13 to read:

14 11.05 (2) (a) Except as provided in s. 9.10 (2) (d), every individual, other than
15 a candidate or agent of a candidate, who accepts contributions, incurs obligations,
16 or makes disbursements with respect to one or more elections for state or local office
17 in a calendar year in an aggregate amount in excess of \$25 shall file a statement with
18 the appropriate filing officer giving the information required by sub. (3). An
19 individual who guarantees a loan on which an individual, committee or group subject
20 to a registration requirement defaults is not subject to registration under this
21 subsection solely as a result of such default.

22 **SECTION 16.** 11.05 (2) (b) of the statutes is created to read:

23 11.05 (2)(b) Every individual who accepts contributions, incurs obligations, or
24 makes disbursements with respect to one or more referenda in a calendar year in an

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1 aggregate amount in excess of \$100 shall file a statement with the appropriate filing
2 officer giving the information required by sub. (3).

3 **SECTION 17.** 11.05 (2r) (title) of the statutes is renumbered 11.06 (2m) (title).

4 **SECTION 18.** 11.05 (2r) of the statutes is renumbered 11.06 (2m) (a) and
5 amended to read:

6 11.06 **(2m)** (a) Any person, committee or group, other than a ~~committee or an~~
7 individual or committee required to file an oath under s. 11.06 (7), who or which does
8 not anticipate accepting contributions, making disbursements or incurring
9 obligations in an aggregate amount in excess of \$1,000 in a calendar year and does
10 not anticipate accepting any contribution or contributions from a single source, other
11 than contributions made by a candidate to his or her own campaign, exceeding \$100
12 in that year may indicate on its registration statement that the person, committee
13 or group will not accept contributions, incur obligations or make disbursements in
14 the aggregate in excess of \$1,000 in any calendar year and will not accept any
15 contribution or contributions from a single source, other than contributions made by
16 a candidate to his or her own campaign, exceeding \$100 in such any calendar year.
17 Any registrant making such an indication is not subject to any filing requirement if
18 the statement is true. The registrant need not file a termination report. A registrant
19 not making such an indication on a registration statement is subject to a filing
20 requirement. The indication may be revoked and the registrant is then subject to a
21 filing requirement as of the date of revocation, or the date that aggregate
22 contributions, disbursements or obligations for the calendar year exceed \$1,000, or
23 the date on which the registrant accepts any contribution or contributions exceeding
24 \$100 from a single source, other than contributions made by a candidate to his or her

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1 own campaign, during that any calendar year, whichever is earlier. ~~If the revocation~~
2 ~~is not timely, the registrant violates s. 11.27 (1).~~

3 **SECTION 19.** 11.05 (3) (c) of the statutes is amended to read:

4 11.05 (3) (c) In the case of a committee, a statement as to whether the
5 committee is a personal campaign committee, a political party committee, a
6 ~~legislative campaign committee~~, a support committee or a special interest
7 committee.

8 **SECTION 20.** 11.05 (3) (m) of the statutes is created to read:

9 11.05 (3) (m) In the case of a personal campaign committee, the name of the
10 candidate on whose behalf the committee was formed or intends to operate and the
11 office or offices that the candidate seeks.

12 **SECTION 21.** 11.05 (3) (n) of the statutes is amended to read:

13 11.05 (3) (n) In the case of a labor organization, or separate segregated fund
14 under s. 11.38 (1) (a) 2. ~~or conduit established by a labor organization~~, a statement
15 as to whether the organization is incorporated, and if so, the date of incorporation
16 and whether or not such incorporation is under ch. 181.

17 **SECTION 22.** 11.05 (3) (o) of the statutes is repealed.

18 **SECTION 23.** 11.05 (3) (r) of the statutes is created to read:

19 11.05 (3) (r) In the case of a candidate or personal campaign committee of a
20 candidate, the telephone number or numbers and a facsimile transmission number
21 or electronic mail address, if any, at which the candidate may be contacted.

22 **SECTION 24.** 11.05 (5) of the statutes is amended to read:

23 11.05 (5) CHANGE OF INFORMATION. Any change in information previously
24 submitted in a statement of registration shall be reported by the registrant to the
25 appropriate filing officer within 10 days following the change. This period does not

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1 apply in case of change of an indication made under sub. ~~(2r)~~ s. 11.06 (2m), which
2 shall be reported no later than the date that a registrant is subject to a filing
3 requirement under sub. ~~(2r)~~ s. 11.06 (2m). Any such change may be reported only by
4 the individual or by the officer who has succeeded to the position of an individual who
5 signed the original statement; but in the case of a personal campaign committee, a
6 candidate or campaign treasurer may report a change in the statement except as
7 provided in s. 11.10 (2), and in the case of any other committee or group, the chief
8 executive officer or treasurer indicated on the statement may report a change. If a
9 preexisting support committee is adopted by a candidate as his or her personal
10 campaign committee, the candidate shall file an amendment to the committee's
11 statement under this subsection indicating that all information contained in the
12 statement is true, correct and complete.

13 **SECTION 25.** 11.05 (9) (title) of the statutes is repealed and recreated to read:

14 11.05 (9) (title) DEPOSIT OF CONTRIBUTIONS.

15 **SECTION 26.** 11.05 (9) (a) of the statutes is renumbered 11.05 (9).

16 **SECTION 27.** 11.05 (9) (b) of the statutes is repealed.

17 **SECTION 28.** 11.05 (12) (b) of the statutes is amended to read:

18 11.05 (12) (b) Except as authorized under sub. (13), a committee, group or
19 individual other than a candidate or agent of a candidate shall comply with sub. (1)
20 or (2) no later than the 5th business day commencing after receipt of the first
21 contribution by such committee, group or individual, and before making any
22 disbursement. No committee, group or individual, other than a candidate or agent
23 of a candidate, may accept any contribution or contributions exceeding ~~\$25 in the~~
24 ~~aggregate~~ the amount specified in sub. (1) or (2) during a calendar year at any time

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1 when the committee, group or individual is not registered under this section except
2 within the initial 5-day period authorized by this paragraph.

3 **SECTION 29.** 11.05 (13) of the statutes is amended to read:

4 11.05 (13) BANK ACCOUNT AND POSTAL BOX; EXEMPTION. An individual, committee
5 or group does not violate this section by accepting a contribution and making a
6 disbursement in the amount required to rent a postal box, or in the minimum amount
7 required by a bank or trust company to open a checking account, prior to the time of
8 registration, if the disbursement is properly reported on the first report submitted
9 under s. 11.20 or 11.21 (16) after the date that the individual, committee or group is
10 registered, whenever a reporting requirement applies to the registrant.

11 **SECTION 30.** 11.06 (1) (intro.) of the statutes is amended to read:

12 11.06 (1) CONTENTS OF REPORT. (intro.) Except as provided in subs. (2), (2m),
13 (3) and (3m) and ~~ss.11.05 (2r)~~ and s. 11.19 (2), each registrant under s. 11.05 shall
14 make full reports, upon a form prescribed by the board and signed by the appropriate
15 individual under sub. (5), of all contributions received, contributions or
16 disbursements made, and obligations incurred. Each report shall contain the
17 following information, covering the period since the last date covered on the previous
18 report, unless otherwise provided:

19 **SECTION 31.** 11.06 (1) (e) of the statutes is amended to read:

20 11.06 (1) (e) An itemized statement of contributions over \$20 from a single
21 source donated to a charitable organization or to the common school fund, with the
22 full name and mailing address of the donee, and a statement of contributions over
23 \$20 transferred to the board for deposit in the Wisconsin election campaign fund.

24 **SECTION 32.** 11.06 (2) of the statutes is amended to read:

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1 11.06 (2) DISCLOSURE OF CERTAIN INDIRECT DISBURSEMENTS. Notwithstanding
2 sub. (1), if a disbursement is made or obligation incurred by an individual other than
3 a candidate or by a committee or group which is not primarily organized for political
4 purposes, and the disbursement does not constitute a contribution to any candidate
5 or other individual, committee or group, the disbursement or obligation is required
6 to be reported only if the purpose is to expressly advocate the election or defeat of a
7 clearly identified candidate or the adoption or rejection of a referendum or if the
8 disbursement is made or the obligation is incurred to make a communication that is
9 specified in s. 11.01 (16) (a) 3. The exemption provided by this subsection shall in no
10 case be construed to apply to a political party, ~~legislative campaign~~, personal
11 campaign or support committee.

12 **SECTION 33.** 11.06 (2m) (b) to (d) of the statutes are created to read:

13 11.06 (2m) (b) Any individual or committee who or which is required to file an
14 oath under s. 11.06 (7) and who or which accepts contributions, makes disbursements
15 or incurs obligations for the purpose of supporting or opposing one or more
16 candidates for state office and who or which does not anticipate accepting
17 contributions, making disbursements or incurring obligations in an aggregate
18 amount in excess of \$1,000 in a calendar year and does not anticipate accepting any
19 contribution or contributions from a single source exceeding \$100 in that year may
20 indicate on its registration statement that the individual or committee will not
21 accept contributions, incur obligations or make disbursements in the aggregate in
22 excess of \$1,000 in any calendar year and will not accept any contribution or
23 contributions from a single source exceeding \$100 in any calendar year. Any
24 registrant making such an indication is not subject to any filing requirement if the
25 statement is true. The registrant need not file a termination report. A registrant not

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1 making such an indication on a registration statement is subject to a filing
2 requirement. The indication may be revoked and the registrant is then subject to a
3 filing requirement as of the date of revocation, or the date on which aggregate
4 contributions, disbursements or obligations for the calendar year exceed \$1,000, or
5 the date on which the registrant accepts any contribution or contributions exceeding
6 \$100 from a single source during any calendar year, whichever is earlier.

7 (c) Any individual or committee who or which is required to file an oath under
8 s. 11.06 (7) and who or which accepts contributions, makes disbursements or incurs
9 obligations for the purpose of supporting or opposing one or more candidates for local
10 office but not for the purpose of supporting or opposing any candidate for state office
11 and who or which does not anticipate accepting contributions, making
12 disbursements or incurring obligations in an aggregate amount in excess of \$100 in
13 a calendar year may indicate on its registration statement that the individual or
14 committee will not accept contributions, incur obligations or make disbursements in
15 the aggregate in excess of \$100 in any calendar year and will not accept any
16 contribution or contributions from a single source, other than contributions made by
17 a candidate to his or her own campaign, exceeding \$100 in any calendar year. Any
18 registrant making such an indication is not subject to any filing requirement if the
19 statement is true. The registrant need not file a termination report. A registrant not
20 making such an indication on a registration statement is subject to a filing
21 requirement. The indication may be revoked and the registrant is then subject to a
22 filing requirement as of the date of revocation, or the date that aggregate
23 contributions, disbursements or obligations for the calendar year exceed \$100,
24 whichever is earlier.

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1 (d) If a revocation by a registrant under this subsection is not timely, the
2 registrant violates s. 11.27 (1).

3 **SECTION 34.** 11.06 (4) (b) of the statutes is amended to read:

4 11.06 (4) (b) Unless it is returned or donated within 15 days of receipt, a
5 contribution must be reported as received and accepted on the date received. This
6 ~~subsection~~ paragraph applies notwithstanding the fact that the contribution is not
7 deposited in the a campaign depository account by the closing date for the a reporting
8 period as provided in s. 11.20 (8) or the reporting deadline provided in s. 11.21 (16).

9 **SECTION 35.** 11.06 (5) of the statutes is amended to read:

10 11.06 (5) REPORT MUST BE COMPLETE. A registered individual or treasurer of a
11 group or committee shall make a good faith effort to obtain all required information.
12 The first report shall commence no later than the date that the first contribution is
13 received and accepted or the first disbursement is made. Each report shall be filed
14 with the appropriate filing officer on the dates designated in s. 11.20 and, if the
15 registrant files reports under s. 11.21 (16), at the times specified in s. 11.21 (16). The
16 individual or the treasurer of the group or committee shall certify to the correctness
17 of each report. In the case of a candidate, the candidate or treasurer shall certify to
18 the correctness of each report. If a treasurer is unavailable, any person designated
19 as a custodian under s. 11.05 (3) (e) may certify to the correctness of a report.

20 **SECTION 36.** 11.06 (7m) (a) of the statutes is amended to read:

21 11.06 (7m) (a) If a committee which was registered under s. 11.05 as a political
22 party committee ~~or legislative campaign committee~~ supporting candidates of a
23 political party files an oath under sub. (7) affirming that it does not act in cooperation
24 or consultation with any candidate who is nominated to appear on the party ballot
25 of the party at a general or special election, that the committee does not act in concert

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1 with, or at the request or suggestion of, such a candidate, that the committee does
2 not act in cooperation or consultation with such a candidate or agent or authorized
3 committee of such a candidate who benefits from a disbursement made in opposition
4 to another candidate, and that the committee does not act in concert with, or at the
5 request or suggestion of, such a candidate or agent or authorized committee of such
6 a candidate who benefits from a disbursement made in opposition to another
7 candidate, the committee filing the oath may not make any contributions in support
8 of any candidate of the party at the general or special election or in opposition to any
9 such candidate's opponents exceeding the amounts specified in s. 11.26 (2), except as
10 authorized in par. (c).

11 **SECTION 37.** 11.06 (7m) (c) of the statutes is amended to read:

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

19 **SECTION 38.** 11.06 (11) of the statutes is repealed.

20 **SECTION 39.** 11.07 (1) of the statutes is amended to read:

21 11.07 **(1)** Every nonresident committee or group making contributions and
22 every nonresident individual, committee or group making disbursements exceeding
23 ~~\$25 cumulatively~~ the amount specified in s. 11.05 (1) or (2) in a calendar year within
24 this state shall file the name, mailing and street address and the name and the
25 mailing and street address of a designated agent within the state with the office of

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1 the secretary of state. An agent may be any adult individual who is a resident of this
2 state. After any change in the name or address of such agent the new address or
3 name of the successor agent shall be filed within 30 days. Service of process in any
4 proceeding under this chapter or ch. 12, or service of any other notice or demand may
5 be made upon such agent.

6 **SECTION 40.** 11.07 (5) of the statutes is amended to read:

7 11.07 (5) Any campaign treasurer or individual who knowingly receives a
8 contribution made by an unregistered nonresident in violation of this section may
9 not use or expend such contribution but shall immediately return it to the source or
10 at the option of the campaign treasurer or individual, donate the contribution to a
11 charitable organization or to the common school fund or transfer the contribution to
12 the board for deposit in the Wisconsin election campaign fund.

13 **SECTION 41.** 11.09 (3) of the statutes is amended to read:

14 11.09 (3) Each registrant whose filing officer is the board, who or which makes
15 disbursements in connection with elections for offices which serve or referenda
16 which affect only one county or portion thereof, except a candidate, personal
17 campaign committee, political party committee or other committee making
18 disbursements in support of or in opposition to a candidate for state senator,
19 representative to the assembly, court of appeals judge or circuit judge, shall file a
20 duplicate original of each financial report filed with the board with the county clerk
21 or board of election commissioners of the county in which the elections in which the
22 registrant participates are held. Such reports shall be filed no later than the dates
23 specified under s. 11.20 (2) and (4) for the filing of each report with the board. This
24 subsection does not apply to a registrant who or which files reports under s. 11.21
25 (16).

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1 **SECTION 42.** 11.10 (1) of the statutes is amended to read:

2 11.10 (1) Each candidate in an election shall appoint one campaign treasurer.
3 Except as provided in s. 11.14 (3), each candidate shall designate one campaign
4 depository account within 5 business days after the candidate receives his or her first
5 contribution and before the candidate makes or authorizes any disbursement in
6 behalf of his or her candidacy. If a candidate adopts a preexisting support committee
7 as his or her personal campaign committee, the candidate shall make such
8 designation within 5 business days of adoption. The person designated as campaign
9 treasurer shall be the treasurer of the candidate's personal campaign committee, if
10 any. The candidate may appoint himself or herself or any other elector as campaign
11 treasurer. A registration statement under s. 11.05 (2g) ~~or (2r)~~ must be filed jointly
12 by every candidate and his or her campaign treasurer. The candidate does not
13 qualify for ballot placement until this requirement is met. Except as authorized
14 under s. 11.06 (5), the campaign treasurer or candidate shall certify as to the
15 correctness of each report required to be filed, and the candidate bears the
16 responsibility for the accuracy of each report for purposes of civil liability under this
17 chapter, whether or not the candidate certifies it personally.

18 **SECTION 43.** 11.12 (2) of the statutes is amended to read:

19 11.12 (2) Any anonymous contribution exceeding \$10 received by a campaign
20 or committee treasurer or by an individual under s. 11.06 (7) may not be used or
21 expended. The contribution shall be donated to the common school fund or to any
22 charitable organization or transferred to the board for deposit in the Wisconsin
23 election campaign fund, at the option of the treasurer.

24 **SECTION 44.** 11.12 (2m) of the statutes is created to read:

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1 11.12 (2m) If the campaign treasurer of a registrant receives a contribution in
2 the form of money that is made by an individual who has made contributions to the
3 registrant cumulatively within a calendar year exceeding \$100 in amount or value,
4 and the contributor has not provided to the treasurer the information required under
5 s. 11.06 (1) (b), the treasurer shall obtain the information from the contributor before
6 depositing the contribution in the campaign depository account. If the treasurer does
7 not receive the information within the period prescribed under s. 11.14 (1), the
8 treasurer shall return the contribution to the contributor.

9 **SECTION 45.** 11.12 (4) of the statutes is amended to read:

10 11.12 (4) Each registrant shall report contributions, disbursements and
11 incurred obligations in accordance with s. 11.20 and, if the registrant files reports
12 under s. 11.21 (16), in accordance with s. 11.21 (16). Except as permitted under s.
13 11.06 (2), (3) and (3m), each report shall contain the information which is required
14 under s. 11.06 (1).

15 **SECTION 46.** 11.12 (5) of the statutes is amended to read:

16 11.12 (5) If any contribution or contributions of \$500 or more cumulatively are
17 received by a candidate for state office or by a committee or individual from a single
18 contributor later than 15 days prior to a primary or election such that it is not
19 included in the preprimary or preelection report submitted under s. 11.20 (3), the
20 treasurer of the committee or the individual receiving the contribution shall within
21 24 hours of receipt inform the appropriate filing officer of the information required
22 under s. 11.06 (1) in such manner as the board may prescribe. The information shall
23 also be included in the treasurer's or individual's next regular report. For purposes
24 of the reporting requirement under this subsection, only contributions received
25 during the period beginning with the day after the last date covered on the

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1 preprimary or preelection report, and ending with the day before the primary or
2 election need be reported. This subsection does not apply to a registrant who or
3 which files reports under s. 11.21 (16).

4 **SECTION 47.** 11.12 (6) of the statutes is renumbered 11.12 (6) (a) and amended
5 to read:

6 11.12 (6) (a) If any an individual or committee incurs an obligation or makes
7 a disbursement of more than \$20 cumulatively is made to advocate the election or
8 defeat of a clearly identified candidate by an individual or committee later than 15
9 days prior to a primary or election in which the candidate's name appears on the
10 ballot without cooperation or consultation with a candidate or agent or authorized
11 committee of a candidate who is supported or whose opponent is opposed, and not in
12 concert with or at the request or suggestion of such a candidate, agent or committee,
13 the individual or treasurer of the committee shall, within 24 hours of after incurring
14 the obligation or making the disbursement, inform the appropriate filing officer of
15 the information required under s. 11.06 (1) in such manner as the board may
16 prescribe. The information shall also be included in the next regular report of the
17 individual or committee under s. 11.20. For purposes of this subsection, paragraph,
18 obligations and disbursements cumulate beginning with the day after the last date
19 covered on the preprimary or preelection report and ending with the day before the
20 primary or election. Upon receipt of a report under this subsection paragraph, the
21 filing officer shall, within 24 hours of receipt, mail a copy of the report to all
22 candidates for any office in support of or opposition to one of whom a an incurred
23 obligation or disbursement identified in the report is incurred or made. A committee
24 that files a report pertaining to a disbursement under par. (c) is not required to file

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1 a report pertaining to the same disbursement under this paragraph. This paragraph
2 does not apply to a committee that files reports under s. 11.21 (16).

3 **SECTION 48.** 11.12 (6) (c) and (d) of the statutes are created to read:

4 11.12 (6) (c) If any committee identified under s. 11.05 (3) (c) makes any
5 disbursement for the purpose of supporting the election or defeat of a candidate for
6 a state office specified in s. 11.31 (1) (a) to (de), (e), or (f), or any such candidate who
7 seeks a nomination for such an office at a primary election, during any period
8 beginning on the 60th day preceding the election or primary and ending on the date
9 of that election or primary, without cooperation or consultation with a candidate or
10 agent, or authorized committee of a candidate who is supported or whose opponent
11 is opposed, and not in concert with or at the request or suggestion of such a candidate,
12 agent, or committee, the committee shall file daily reports with the board and with
13 each candidate whose name is certified to appear on the ballot for the office in
14 connection with which the disbursement is made, by electronic mail or facsimile
15 transmission, on each day beginning with the date on which the committee indicates
16 an intent to support or oppose that candidate in its statement under s. 11.06 (7) and
17 ending on the date of the election at which the candidate seeks office. Each report
18 shall contain the information required under s. 11.06 (1) pertaining to each
19 disbursement made by the committee, together with the name of each candidate who
20 is supported or whose opponent is opposed and the total amount of disbursements
21 made in support of or in opposition to that candidate. The committee shall file each
22 report no later than 24 hours after the disbursement identified in the report is made.

23 (d) All information reported by a registrant under this subsection shall also be
24 included in the next regular report of the registrant under s. 11.20.

25 **SECTION 49.** 11.12 (8) and (9) of the statutes are created to read:

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1 11.12 (8) If a candidate for a state office specified in s. 11.31 (1) (a) to (de), (e),
2 or (f) who does not accept a grant under s. 11.50 makes any disbursement after that
3 candidate has accumulated cash in his or her campaign depository account or has
4 made disbursements during his or her campaign, as defined in s. 11.31 (7), exceeding
5 a combined total of 75% of the amount specified in s. 11.31 (1) (a) to (de), (e), or (f),
6 as adjusted under s. 11.31 (9), for the office that the candidate seeks, that candidate
7 or the candidate's personal campaign committee shall file daily reports with the
8 board and with each candidate whose name is certified to appear on the ballot for the
9 office in connection with which the disbursement is made, by electronic mail or
10 facsimile transmission, on each day beginning with that date or the 7th day after the
11 primary election or the date that a primary would be held, if required, whichever is
12 later, and ending on the date of the election at which the candidate seeks office. Each
13 report shall contain information pertaining to each disbursement made by the
14 candidate or committee and shall be filed no later than 24 hours after that
15 disbursement is made. Each report shall include the same information concerning
16 each disbursement that is required to be reported for other disbursements under s.
17 11.06 (1). The information shall also be included in the next regular report of the
18 candidate or committee under s. 11.20.

19 (9) Whenever a report is required to be filed with a candidate by electronic mail
20 or facsimile transmission under this section, the report shall be filed at the address
21 or number of the candidate or personal campaign committee as shown on the
22 registration statement of the candidate or committee. If no electronic mail address
23 or facsimile transmission number is shown, the report shall be filed at the mailing
24 address shown on the statement.

25 **SECTION 50.** 11.14 (3) of the statutes is amended to read:

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1 11.14 (3) Notwithstanding sub. (1), any candidate who serves as his or her own
2 campaign treasurer and who is authorized to make and makes an indication on his
3 or her registration statement under s. ~~11.05 (2r)~~ 11.06 (2m) that he or she will not
4 accept contributions, make disbursements or incur obligations in an aggregate
5 amount exceeding \$1,000 in a calendar year, and will not accept any contribution or
6 contributions from a single source, other than contributions made by the candidate
7 to his or her own campaign, exceeding \$100 in a calendar year, may designate a single
8 personal account as his or her campaign depository account, and may intermingle
9 personal and other funds with campaign funds. If a separate depository account is
10 later established by the candidate, the candidate shall transfer all campaign funds
11 in the personal account to the new depository account. Disbursements made from
12 such personal account need not be identified in accordance with s. 11.16 (3).

13 **SECTION 51.** 11.16 (2) of the statutes is amended to read:

14 11.16 (2) LIMITATION ON CASH CONTRIBUTIONS. Every contribution of money
15 exceeding \$50 shall be made by negotiable instrument or evidenced by an itemized
16 credit card receipt bearing on the face the name of the remitter. No treasurer may
17 accept a contribution made in violation of this subsection. The treasurer shall
18 promptly return the contribution, ~~or donate it~~ the contribution to the common school
19 fund or to a charitable organization or transfer the contribution to the board for
20 deposit in the Wisconsin election campaign fund in the event that the donor cannot
21 be identified.

22 **SECTION 52.** 11.16 (5) of the statutes is amended to read:

23 11.16 (5) ESCROW AGREEMENTS. Any personal campaign committee, or political
24 party committee ~~or legislative campaign committee~~ may, pursuant to a written
25 escrow agreement with more than one candidate, solicit contributions for and

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1 conduct a joint fund raising effort or program on behalf of more than one named
2 candidate. The agreement shall specify the percentage of the proceeds to be
3 distributed to each candidate by the committee conducting the effort or program.
4 The committee shall include this information in all solicitations for the effort or
5 program. All contributions received and disbursements made by the committee in
6 connection with the effort or program shall be received and disbursed through a
7 separate depository account under s. 11.14 (1) that is identified in the agreement.
8 For purposes of s. 11.06 (1), the committee conducting the effort or program shall
9 prepare a schedule in the form prescribed by the board supplying all required
10 information under s. 11.06 (1) and items qualifying for exclusion under s. 11.31 (6)
11 for the effort or program, and shall transmit a copy of the schedule to each candidate
12 who receives any of the proceeds within the period prescribed in s. 11.06 (4) (c).

13 **SECTION 53.** 11.19 (title) of the statutes is amended to read:

14 **11.19** (title) **Dissolution Carry-over of surplus funds; dissolution of**
15 **registrants; termination reports.**

16 **SECTION 54.** 11.19 (1) of the statutes is amended to read:

17 11.19 (1) Whenever any registrant disbands or determines that obligations will
18 no longer be incurred, and contributions will no longer be received nor disbursements
19 made during a calendar year, and the registrant has no outstanding incurred
20 obligations, the registrant shall file a termination report with the appropriate filing
21 officer. Such report shall indicate a cash balance on hand of zero at the end of the
22 reporting period and shall indicate the disposition of residual funds. Residual
23 Except as provided in sub. (1m), residual funds may be used for any political purpose
24 not prohibited by law, returned to the donors in an amount not exceeding the original
25 contribution, transferred to the board for deposit in the Wisconsin election campaign

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1 fund or donated to a charitable organization or the common school fund. The report
2 shall be filed and certified as were previous reports, and shall contain the
3 information required by s. 11.06 (1). A registrant to which s. 11.055 (1) applies shall
4 pay the fee imposed under that subsection with a termination report filed under this
5 subsection. If a termination report or suspension report under sub. (2) is not filed,
6 the registrant shall continue to file periodic reports with the appropriate filing
7 officer, no later than the dates specified in s. 11.20 and, if the registrant files reports
8 under s. 11.21 (16), no later than the times specified in s. 11.21 (16). This subsection
9 does not apply to any registrant making an indication under s. ~~11.05 (2r)~~ 11.06 (2m).

10 **SECTION 55.** 11.19 (1m) and (6) of the statutes are created to read:

11 11.19 (1m) If the registration statement, under s. 11.05, of a personal campaign
12 committee indicates that the committee was formed or operates for the purpose of
13 influencing the election or nomination for election of a candidate who is a partisan
14 state officeholder to any state or local office other than the office held by the
15 candidate, and, subsequently, the candidate or personal campaign committee files,
16 under s. 11.05 (5), a change in the information in the registration statement
17 indicating that the candidate is no longer seeking that other office, the candidate or
18 personal campaign committee shall either return all contributions attributable to
19 the candidate's campaign for the office no longer sought exceeding 10% of the
20 disbursement level specified under s. 11.31 for the office that the candidate holds,
21 minus disbursements and incurred obligations for that campaign, to the donors in
22 an amount not exceeding their original contributions, or donate an amount equal to
23 any contributions not so returned exceeding 10% of the disbursement level specified
24 under s. 11.31 for the office that the candidate holds, minus disbursements and

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1 incurred obligations for that campaign, to the board for crediting to the Wisconsin
2 election campaign fund.

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

9 **SECTION 56.** 11.20 (1) of the statutes is amended to read:

10 11.20 (1) All reports required by s. 11.06 which relate to activities which
11 promote or oppose candidates for state office or statewide referenda and all reports
12 under s. 11.08 shall be filed with the board. All reports required by s. 11.06 which
13 relate to activities which promote or oppose candidates for local office or local
14 referenda shall be filed with the appropriate filing officer under s. 11.02, except
15 reports filed under s. 11.08. Each registrant shall file the reports required by this
16 section. If the registrant is subject to a requirement under s. 11.21 (16) to report
17 electronically the same information that is reportable under this section, the
18 registrant shall, in addition, file the reports required by this section recorded on a
19 medium specified by the board.

20 **SECTION 57.** 11.20 (7) of the statutes is amended to read:

21 11.20 (7) ~~In~~ Except as otherwise required under s. 11.21 (16), in the event that
22 any report is required to be filed under this section chapter on a nonbusiness day, it
23 may be filed on the next business day thereafter.

24 **SECTION 58.** 11.20 (9) of the statutes is amended to read:

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1 11.20 (9) Except as provided in ss. ~~11.05 (2r)~~ 11.06 (2m) and 11.19 (2), the duty
2 to file reports under this section continues until a termination report is filed in
3 accordance with s. 11.19.

4 **SECTION 59.** 11.20 (10) (a) of the statutes is amended to read:

5 11.20 (10) (a) Where a requirement is imposed under this section for the filing
6 of a financial report which is to be received by the appropriate filing officer no later
7 than a certain date, the requirement may be satisfied either by actual receipt of the
8 report by the prescribed time for filing at the office of the filing officer, or by filing a
9 report with the U.S. postal service by first class mail with sufficient prepaid postage,
10 addressed to the appropriate filing officer, no later than the 3rd day before the date
11 provided by law for receipt of such report.

12 **SECTION 60.** 11.20 (12) of the statutes is amended to read:

13 11.20 (12) If a candidate is unopposed in a primary or election, the obligation
14 to file the reports required by this chapter does not cease. Except as provided in ss.
15 ~~11.05 (2r)~~ 11.06 (2m) and 11.19 (2), a registrant who makes or receives no
16 contributions, makes no disbursements or incurs no obligations shall so report on the
17 dates designated in subs. (2) and (4).

18 **SECTION 61.** 11.21 (2) of the statutes is amended to read:

19 11.21 (2) Furnish to each registrant prescribed forms for the making of reports
20 and statements. Forms shall be sent by 1st class mail not earlier than 21 days and
21 not later than 14 days prior to the applicable filing deadline under s. 11.20, and
22 addressed to the attention of the treasurer or other person indicated on the
23 registration statement. Forms need not be sent to a registrant who has made an
24 indication that aggregate contributions, disbursements and obligations will not
25 exceed the amount specified under s. ~~11.05 (2r)~~ 11.06 (2m) or to a registrant who has

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1 been granted a suspension under s. 11.19 (2). Forms for reports shall not be sent by
2 the board to a registrant if the registrant is required to file reports with the board
3 in an electronic format. Whenever any notice of filing requirements under this
4 chapter is sent to a candidate's campaign treasurer, the board shall also send a notice
5 to the candidate if he or she has appointed a separate treasurer. Failure to receive
6 any form or notice does not exempt a registrant from compliance with this chapter.

7 **SECTION 62.** 11.21 (15) of the statutes is amended to read:

8 11.21 (15) Inform each candidate who files an application to become eligible to
9 receive a grant from the Wisconsin election campaign fund of the dollar amount of
10 the applicable disbursement limitation under s. 11.31 (1) or (1m), adjusted as
11 provided under s. 11.31 (9), which applies to the office for which such person is a
12 candidate. Failure to receive the notice required by this subsection does not
13 constitute a defense to a violation of s. 11.27 (1) or 11.31.

14 **SECTION 63.** 11.21 (16) of the statutes is amended to read:

15 11.21 (16) Require each registrant for whom the board serves as filing officer
16 and who or which accepts contributions in a total amount or value of \$20,000 or more
17 during a campaign period to file each campaign finance report that is required to be
18 filed under this chapter in an electronic format, and accept from any other registrant
19 for whom the board serves as a filing officer any campaign finance report that is
20 required to be filed under this chapter in an electronic format. A registrant who or
21 which becomes subject to a requirement to file reports in an electronic format under
22 this subsection shall initially file the registrant's report in an electronic format for
23 the period which includes the date on which the registrant becomes subject to the
24 requirement or, if the registrant is required to report transactions within 24 hours
25 of their occurrence, within 24 hours after the date on which the registrant becomes

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1 subject to the requirement. To facilitate implementation of this subsection, the board
2 shall specify, by rule, a type of software that is suitable for compliance with the
3 electronic filing requirement under this subsection. The board shall provide copies
4 of the software to registrants at a price fixed by the board that may not exceed cost.
5 Each registrant who or which files a report under this subsection in an electronic
6 format shall also file a copy of the report with the board that is recorded on a medium
7 specified by the board. The copy shall be signed by an authorized individual and filed
8 with the board by each registrant no later than the time prescribed for filing of the
9 report under this chapter. If a registrant is a committee, the copy shall be certified
10 by an authorized individual and filed with the board by the registrant no later than
11 24 hours after the occurrence of any transaction that is reportable under s. 11.06 (1).
12 If a registrant or other person becomes subject to a requirement to report
13 electronically under this subsection, the registrant or other person shall continue to
14 report electronically regardless of the amount of contributions accepted or
15 expenditures made by the registrant or other person, until a termination report is
16 filed. The board shall provide complete instructions to any registrant who or which
17 files a report under this subsection. In this subsection, the “campaign period” of a
18 candidate, personal campaign committee or support committee begins and ends with
19 the “campaign” of the candidate whose candidacy is supported, as defined in s. 11.26
20 (17), and the “campaign period” of any other registrant begins on January 1 of each
21 odd-numbered year and ends on December 31 of the following year. Section 990.001
22 (4) does not apply to the computation of time permitted for compliance with the filing
23 requirements under this subsection.

24 **SECTION 64.** 11.22 (3) of the statutes is amended to read:

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1 11.22 (3) Furnish to each registrant prescribed forms for the making of reports
2 and statements. Forms shall be sent by 1st class mail not earlier than 21 days and
3 not later than 14 days prior to the applicable filing deadline under s. 11.20 and
4 addressed to the attention of the treasurer or other person indicated on the
5 registration statement. Forms need not be sent to a registrant who has made an
6 indication that aggregate contributions, disbursements and obligations will not
7 exceed the amount specified under s. ~~11.05 (2r)~~ 11.06 (2m) or to a registrant who has
8 been granted a suspension under s. 11.19 (2). Whenever any notice of the filing
9 requirements under this chapter is sent to a candidate's campaign treasurer, the
10 filing officer shall also send a notice to the candidate if he or she has appointed a
11 separate treasurer. Failure to receive any form or notice does not exempt a registrant
12 from compliance with this chapter.

13 **SECTION 65.** 11.23 (1) of the statutes is amended to read:

14 11.23 (1) Any group or individual may promote or oppose a particular vote at
15 any referendum in this state. Before making disbursements, receiving contributions
16 or incurring obligations in excess of \$25 \$100 in the aggregate in a calendar year for
17 such purposes, the group or individual shall file a registration statement under s.
18 11.05 (1), or (2) ~~or (2r)~~. In the case of a group the name and mailing address of each
19 of its officers shall be given in the statement. Every group and every individual
20 under this section shall designate a campaign depository account under s. 11.14.
21 Every group shall appoint a treasurer, who may delegate authority but is jointly
22 responsible for the actions of his or her authorized designee for purposes of civil
23 liability under this chapter. The appropriate filing officer shall be notified by a group
24 of any change in its treasurer within 10 days of the change under s. 11.05 (5). The

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1 treasurer of a group shall certify the correctness of each statement or report
2 submitted by it under this chapter.

3 **SECTION 66.** 11.23 (2) of the statutes is amended to read:

4 11.23 (2) Any anonymous contribution exceeding \$10 received by an individual
5 or group treasurer may not be used or expended. The contribution shall be donated
6 to the common school fund or to any charitable organization or transferred to the
7 board for deposit in the Wisconsin election campaign fund, at the option of the
8 treasurer.

9 **SECTION 67.** 11.24 (1m) of the statutes is repealed.

10 **SECTION 68.** 11.24 (1v) of the statutes is created to read:

11 11.24 (1v) No registrant may accept any contribution made by a committee or
12 group that does not maintain an office or street address within this state at the time
13 that the contribution is made unless that committee or group is registered with the
14 federal election commission under 2 USC 433 (a).

15 **SECTION 69.** 11.24 (1w) of the statutes is created to read:

16 11.24 (1w) No candidate or personal campaign committee of a candidate who
17 applies for a grant under s. 11.50 may accept any contribution from a committee
18 other than a political party committee.

19 **SECTION 70.** 11.24 (2) of the statutes is renumbered 11.24 (5).

20 **SECTION 71.** 11.24 (4) of the statutes is created to read:

21 11.24 (4) (a) No person may make a contribution to an incumbent partisan state
22 elective official or to the personal campaign committee or support committee
23 authorized under s. 11.05 (3) (p) of that official for the purpose of promoting that
24 official's nomination or reelection to the office held by the official during the period
25 beginning on the first Monday of January in each odd-numbered year and ending

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1 on the date of enactment of the biennial budget act and thereafter during any
2 legislative floorperiod, including any special or extraordinary session floorperiod.

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

8 **SECTION 72.** 11.26 (1) (a) to (c) of the statutes are amended to read:

9 11.26 (1) (a) Candidates for governor, lieutenant governor, secretary of state,
10 state treasurer, attorney general, state superintendent or justice, ~~\$10,000~~ \$1,000.

11 (b) Candidates for state senator, ~~\$1,000~~ \$500.

12 (c) Candidates for representative to the assembly, ~~\$500~~ \$250.

13 **SECTION 73.** 11.26 (2) (a) of the statutes is amended to read:

14 11.26 (2) (a) Candidates for governor, lieutenant governor, secretary of state,
15 state treasurer, attorney general, state superintendent or justice, ~~4% of the value of~~
16 ~~the disbursement level specified in the schedule under s. 11.31 (1)~~ \$45,000.

17 **SECTION 74.** 11.26 (4) of the statutes is amended to read:

18 11.26 (4) No individual may make any contribution or contributions to all
19 candidates for state and local offices and to any individuals who or committees which
20 are subject to a registration requirement under s. 11.05, including legislative
21 campaign committees and committees of a political party, to the extent of more than
22 a total of ~~\$10,000~~ \$5,000 in any calendar year.

23 **SECTION 75.** 11.26 (8) of the statutes is amended to read:

24 11.26 (8) (a) No political party as defined in s. 5.02 (13) may receive more than
25 a total of ~~\$150,000~~ \$300,000 in value of its contributions in any biennium from all

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1 other committees, excluding ~~contributions from legislative campaign committees~~
2 and transfers between party committees of the party. In this paragraph, a biennium
3 commences with January 1 of each odd-numbered year and ends with December 31
4 of each even-numbered year.

5 (b) No such political party may receive more than a total of ~~\$6,000~~ \$12,000 in
6 value of its contributions in any calendar year from any specific committee or its
7 subunits or affiliates, excluding ~~legislative campaign~~ and political party committees.

8 (c) No committee, other than a political party ~~or legislative campaign~~
9 committee, may make any contribution or contributions, directly or indirectly, to a
10 political party under s. 5.02 (13) in a calendar year exceeding a total value of ~~\$6,000~~
11 \$12,000.

12 **SECTION 76.** 11.26 (8m) of the statutes is created to read:

13 11.26 (8m) (a) Except as provided in par. (b) and sub. (8n), no committee may
14 make a contribution to any other committee except a political party, personal
15 campaign, or support committee.

16 (b) Paragraph (a) does not apply to any contribution made by a committee that
17 is affiliated with a labor organization to any other committee that is affiliated with
18 the same labor organization.

19 **SECTION 77.** 11.26 (8n) of the statutes is created to read:

20 11.26 (8n) No personal campaign committee or support committee that is
21 authorized under s. 11.05 (3) (p) may make a contribution to any other personal
22 campaign or support committee that is authorized under s. 11.05 (3) (p).

23 **SECTION 78.** 11.26 (9) (a) and (b) of the statutes are amended to read:

24 11.26 (9) (a) ~~No~~ Except as authorized under this paragraph, no individual who
25 is a candidate for state or local office may receive and accept more than 65% of the

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1 value of the total disbursement level, as determined under s. 11.31 (1) and as
2 adjusted as provided under s. 11.31 (9) but without respect to any adjustment under
3 s. 11.31 (1m), for the office for which he or she is a candidate during any primary and
4 election campaign combined from the Wisconsin election campaign fund and all
5 committees subject to a filing requirement, including political party and legislative
6 campaign committees. A candidate for state office whose grant under s. 11.50
7 exceeds the contribution limitation authorized by this paragraph may exceed the
8 contribution limitation otherwise applicable to the extent required to accept the full
9 amount of the grant received by the candidate under s. 11.50, but any contributions
10 accepted by such a candidate from political party committees reduce the amount of
11 the grant which the candidate may accept by an amount equal to such contributions.

12 (b) No Except as authorized under this paragraph, no individual who is a
13 candidate for state or local office may receive and accept more than 45% of the value
14 of the total disbursement level, as determined under s. 11.31 (1) and as adjusted as
15 provided under s. 11.31 (9) but without respect to any adjustment under s. 11.31 (1m),
16 for the office for which he or she is a candidate during any primary and election
17 campaign combined from all committees other than political party and legislative
18 campaign committees subject to a filing requirement.

19 **SECTION 79.** 11.26 (9) (c) of the statutes is repealed.

20 **SECTION 80.** 11.26 (10) of the statutes is amended to read:

21 11.26 (10) No candidate for state office who files a sworn statement and
22 application to receive a grant from the Wisconsin election campaign fund may make
23 contributions of more than ~~200%~~ of the amounts specified in sub. (1) \$1,000 to the
24 candidate's own campaign from the candidate's personal funds or property or the
25 personal funds or property which are owned jointly or as marital property with the

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1 candidate's spouse, unless the board determines that the candidate is not eligible to
2 receive a grant, the candidate withdraws his or her application under s. 11.50 (2) (h),
3 or s. 11.50 (2) (i) applies. For purposes of this subsection, any contribution received
4 by a candidate or his or her personal campaign committee from a committee which
5 is registered with the federal elections commission as the authorized committee of
6 the candidate under 2 USC 432 (e) shall be treated as a contribution made by the
7 candidate to his or her own campaign. The contribution limit of sub. (4) applies to
8 amounts contributed by such a candidate personally to the candidate's own
9 campaign and to other campaigns, except that a candidate may exceed the limitation
10 if authorized under this subsection to contribute more than the amount specified to
11 the candidate's own campaign, up to the amount of the limitation.

12 **SECTION 81.** 11.26 (12m) of the statutes is repealed.

13 **SECTION 82.** 11.265 of the statutes is repealed.

14 **SECTION 83.** 11.31 (1) (intro.) of the statutes is amended to read:

15 11.31 (1) SCHEDULE. (intro.) The following levels of disbursements are
16 established with reference to the candidates listed below. The levels are subject to
17 adjustment under subs. (1m) and (9). Except as provided in sub. (2), such levels do
18 not operate to restrict the total amount of disbursements which are made or
19 authorized to be made by any candidate in any primary or other election.

20 **SECTION 84.** 11.31 (1) (a) to (d) of the statutes are amended to read:

21 11.31 (1) (a) Candidates for governor, \$1,078,200 \$2,000,000.

22 (b) Candidates for lieutenant governor, \$323,475 \$500,000.

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

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

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1 **SECTION 85.** 11.31 (1) (de) of the statutes is created to read:

2 11.31 (1) (de) Candidates for justice, \$300,000.

3 **SECTION 86.** 11.31 (1) (e) and (f) of the statutes are amended to read:

4 11.31 (1) (e) Candidates for state senator, ~~\$34,500~~ \$100,000 total in the primary
5 and election, with disbursements not exceeding ~~\$21,575~~ \$60,000 for either the
6 primary or the election.

7 (f) Candidates for representative to the assembly, ~~\$17,250~~ \$50,000 total in the
8 primary and election, with disbursements not exceeding ~~\$10,775~~ \$30,000 for either
9 the primary or the election.

10 **SECTION 87.** 11.31 (1m) of the statutes is created to read:

11 11.31 (1m) DISBURSEMENT LEVEL FOR CANDIDATES IN COMPETITIVE PRIMARY
12 ELECTIONS. The total disbursement level for any candidate whose name appears on
13 the ballot as a candidate for an office at a primary election and who receives less than
14 twice as many votes at that election as another candidate for the same office is 120%
15 of the amount specified in sub. (1) for the candidate who receives the greatest number
16 of votes in the primary election, adjusted as provided in sub. (9).

17 **SECTION 88.** 11.31 (2) of the statutes is amended to read:

18 11.31 (2) LIMITATION IMPOSED. No candidate for state office at a spring or general
19 election who files a sworn statement and application to receive a grant from the
20 Wisconsin election campaign fund may make or authorize total disbursements from
21 the his or her campaign treasury in any campaign to the extent of more than the
22 amount prescribed in sub. (1) or (1m), whichever is applicable, adjusted as provided
23 under sub. (9), unless the board determines that the candidate is not eligible to
24 receive a grant, ~~the candidate withdraws his or her application under s. 11.50 (2) (h),~~
25 or ~~s. 11.50 (2) (i)~~ sub. (3p) applies. No candidate for state office at a special election

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1 who files a sworn statement and application to receive a grant from the Wisconsin
2 election campaign fund may make or authorize total disbursements from ~~the his or~~
3 ~~her~~ campaign treasury in any campaign to the extent of more than the amount
4 prescribed under sub. (1), adjusted as provided under sub. (9), for the preceding
5 spring or general election for the same office, unless the board determines that the
6 candidate is not eligible to receive a grant, ~~the candidate withdraws his or her~~
7 ~~application under s. 11.50 (2) (h), or s. 11.50 (2) (i) sub. (3p) applies.~~

8 **SECTION 89.** 11.31 (2m) of the statutes is repealed:

9 **SECTION 90.** 11.31 (3) of the statutes is amended to read:

10 11.31 (3) GUBERNATORIAL CAMPAIGNS. For purposes of compliance with the
11 limitations imposed under sub. (2), candidates for governor and lieutenant governor
12 of the same political party who both accept grants from the Wisconsin election
13 campaign fund may agree to combine disbursement levels under sub. (1) (a) and (b),
14 adjusted as provided under sub. (9), and reallocate the total level between them. The
15 candidates shall each inform the board of any such agreement.

16 **SECTION 91.** 11.31 (3p) of the statutes is created to read:

17 11.31 (3p) CANDIDATES RECEIVING ADDITIONAL GRANTS; EXCEPTION. If a candidate
18 receives a grant under s. 11.50 (9) (b) or (ba), the disbursement limitation of that
19 candidate for the campaign in which the grant is received is increased by the amount
20 of that grant.

21 **SECTION 92.** 11.31 (9) of the statutes is created to read:

22 11.31 (9) ADJUSTMENT OF DISBURSEMENT LEVELS. (a) In this subsection,
23 “consumer price index” means the average of the consumer price index over each
24 12-month period, all items, U.S. city average, as determined by the bureau of labor
25 statistics of the U.S. department of labor.

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1 (b) The dollar amounts of all disbursement limitations specified in sub. (1) shall
2 be subject to a cost-of-living adjustment to be determined by rule of the board in
3 accordance with this subsection. To determine the adjustment, the board shall
4 calculate the percentage difference between the consumer price index for the
5 12-month period ending on December 31 of each odd-numbered year and the
6 consumer price index for calendar year 2003. For each biennium, the board shall
7 adjust the disbursement limitations specified under sub. (1) by that percentage to the
8 extent required to reflect any difference, rounded to the nearest multiple of \$25 in
9 the case of amounts of \$1 or more, which amount shall be in effect until a subsequent
10 rule is promulgated under this subsection. Notwithstanding s. 227.24 (1) (a), (2) (b),
11 and (3), determinations under this subsection may be promulgated as an emergency
12 rule under s. 227.24 without providing evidence that the emergency rule is necessary
13 for the public peace, health, safety, or welfare, and without a finding of emergency.

14 **SECTION 93.** 11.38 (1) (a) 2. of the statutes is amended to read:

15 11.38 (1) (a) 2. Notwithstanding subd. 1., any such corporation or association
16 may establish and administer a separate segregated fund and solicit contributions
17 from individuals to the fund to be utilized by such corporation or association, for the
18 purpose of supporting or opposing any candidate for state or local office but the
19 corporation or association may not make any contribution to the fund. The fund shall
20 appoint a treasurer and shall register as a political committee under s. 11.05. A
21 parent corporation or association engaging solely in this activity is not subject to
22 registration under s. 11.05, but shall register and file special reports on forms
23 prescribed by the board disclosing its administrative and solicitation expenses on
24 behalf of such fund. A corporation not domiciled in this state need report only its
25 expenses for administration and solicitation of contributions in this state together

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1 with a statement indicating where information concerning other administration and
2 solicitation expenses of its fund may be obtained. The reports shall be filed with the
3 filing officer for the fund specified in s. 11.02 in the manner provided under s. 11.21
4 (16), if applicable, or otherwise in the manner in which continuing reports are filed
5 under s. 11.20 (4) and (8).

6 **SECTION 94.** 11.38 (1) (a) 3. of the statutes is amended to read:

7 11.38 (1) (a) 3. No corporation or association specified in subd. 1. may expend
8 more than a combined total of \$500 annually for solicitation of contributions to a fund
9 established under subd. 2. ~~or to a conduit.~~

10 **SECTION 95.** 11.38 (6) of the statutes is amended to read:

11 11.38 (6) Any individual or campaign treasurer who receives funds in violation
12 of this section shall promptly return such funds to the contributor ~~or~~, donate the
13 funds to the common school fund or a charitable organization or transfer the funds
14 to the board for deposit in the Wisconsin election campaign fund, at the treasurer's
15 option.

16 **SECTION 96.** 11.38 (8) (b) of the statutes is amended to read:

17 11.38 (8) (b) Except as authorized in s. 11.05 (12) (b) and (13), prior to making
18 any disbursement on behalf of a political group which is promoting or opposing a
19 particular vote at a referendum and prior to accepting any contribution or making
20 any disbursement to promote or oppose a particular vote at a referendum, a
21 corporation or association organized under ch. 185 shall register with the
22 appropriate filing officer specified in s. 11.02 and appoint a treasurer. The
23 registration form of the corporation or association under s. 11.05 shall designate an
24 account separate from all other corporation or association accounts as a campaign
25 depository account, through which all moneys received or expended for the adoption

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1 or rejection of the referendum shall pass. The corporation or association shall file
2 periodic reports under s. 11.20 and under s. 11.21 (16), if applicable, providing the
3 information required under s. 11.06 (1).

4 **SECTION 97.** 11.50 (1) (a) 1. (intro.) of the statutes is created to read:

5 11.50 (1) (a) 1. (intro.) For purposes of qualification for a grant from the general
6 account:

7 **SECTION 98.** 11.50 (1) (a) 1. of the statutes is renumbered 11.50 (1) (a) 1. a. and
8 amended to read:

9 11.50 (1) (a) 1. a. With respect to a spring or general election, any individual
10 who is certified under s. 7.08 (2) (a) as a candidate in the spring election for justice
11 or state superintendent, or ~~an~~ any individual who receives at least ~~6%~~ 2% of the vote
12 cast for all candidates on all ballots for any state office, except district attorney, for
13 which the individual is a candidate at the September primary and who is certified
14 under s. 7.08 (2) (a) as a candidate for that office in the general election, or an
15 individual who has been lawfully appointed and certified to replace either such
16 individual on the ballot at the spring or general election; and who has qualified for
17 a grant under sub. (2).

18 **SECTION 99.** 11.50 (1) (a) 2. of the statutes is renumbered 11.50 (1) (a) 1. b. and
19 amended to read:

20 11.50 (1) (a) 1. b. With respect to a special election, an individual who is certified
21 under s. 8.50 (1) (d) as a candidate in a special election for state superintendent, or
22 an individual who is certified under s. 8.50 (1) (d) as a candidate in a special election
23 for any state office, except district attorney, on the ballot or column of a party whose
24 candidate for the same office at the preceding general election received at least ~~6%~~
25 2% of the vote cast for all candidates on all ballots for the office, or an individual who

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

15 **SECTION 100.** 11.50 (1) (a) 2m. of the statutes is created to read:

16 11.50 (1) (a) 2m. For purposes of qualification for a grant from a political party
17 account, an individual who is certified under s. 7.08 (2) (a) in the general election or
18 a special election as the candidate of an eligible political party for a state office, other
19 than district attorney, or an individual who has been lawfully appointed and certified
20 to replace such an individual on the ballot at the general or a special election and who
21 has qualified for a grant under sub. (2).

22 **SECTION 101.** 11.50 (1) (am) of the statutes is created to read:

23 11.50 (1) (am) "Eligible political party" means any of the following:

24 1. A party qualifying under s. 5.62 (1) (b) for a separate ballot or one or more
25 separate columns or rows on a ballot for the period beginning on the date of the

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1 preceding general election and ending on the day before the general election that
2 follows that election.

3 2. A party qualifying under s. 5.62 (2) for a separate ballot or one or more
4 separate columns or rows on a ballot for the period beginning on the preceding June
5 1, or if that June 1 is in an odd-numbered year, the period beginning on June 1 of the
6 preceding even-numbered year, and ending on May 31 of the 2nd year following that
7 June 1.

8 **SECTION 102.** 11.50 (1) (bm) and (cm) of the statutes are created to read:

9 11.50 (1) (bm) "General account" means the account in the fund created under
10 sub. (2w).

11 (cm) "Political party account" means an account in the fund created under sub.
12 (2s).

13 **SECTION 103.** 11.50 (2) (a) of the statutes is amended to read:

14 11.50 (2) (a) Any individual who desires to qualify as an eligible candidate may
15 file an application with the board requesting approval to participate in the fund. The
16 application shall be filed no later than the applicable deadline for filing nomination
17 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.
18 on the 7th day after the primary or date on which the primary would be held if
19 required in the case of write-in candidates, or no later than 4:30 p.m. on the 7th day
20 after appointment in the case of candidates appointed to fill vacancies. The
21 application shall contain a sworn statement that the candidate and his or her
22 authorized agents have complied with the contribution limitations prescribed in s.
23 11.26 and the disbursement limitations ~~prescribed~~ imposed under s. 11.31 (2), as
24 adjusted under s. 11.31 (9), at all times to which such limitations have applied to his
25 or her candidacy and will continue to comply with the limitations at all times to

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1 which the limitations apply to his or her candidacy for the office in contest, unless
2 the board determines that the candidate is not eligible to receive a grant, ~~the~~
3 ~~candidate withdraws his or her application under par. (h), or par. (i) sub. (3p) applies.~~
4 The application shall also contain a sworn statement that the candidate and his or
5 her agents have not accepted any contribution made by a committee other than a
6 political party committee during the campaign, or, if any such contribution has been
7 accepted, that the contribution has been returned or donated as provided in par. (j),
8 and the candidate and his or her agents will not accept any such contribution during
9 the campaign, unless the candidate is determined by the board to be ineligible to
10 receive a grant after the date of that determination.

11 **SECTION 104.** 11.50 (2) (b) 5. of the statutes is amended to read:

12 11.50 (2) (b) 5. The financial reports filed by or on behalf of the candidate as
13 of the date of the spring or September primary, or the date that the special primary
14 is or would be held, if required, indicate that the candidate has received an amount
15 equal to at least the amount provided in this subdivision 5% of the applicable
16 authorized disbursement limitation, as determined under s. 11.31 (1) and adjusted
17 under s. 11.31 (9) but without respect to any adjustment under s. 11.31 (1m), from
18 contributions of money, other than loans, made by individuals who reside in this
19 state and, in the case of a candidate for legislative office, by individuals at least 50%
20 of whom reside in a county having territory within the legislative district in which
21 the candidate seeks office, which contributions have been received during the period
22 ending on the date of the spring primary and July 1 preceding such date in the case
23 of candidates at the spring election, or the date of the September primary and
24 January 1 preceding such date in the case of candidates at the general election, or
25 the date that a special primary will or would be held, if required, and 90 days

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1 preceding such date or the date a special election is ordered, whichever is earlier, in
2 the case of ~~special election candidates~~ at a special election, which contributions are
3 in the aggregate amount of \$100 or less, and which contributions are fully identified
4 and itemized as to the exact source thereof. ~~A contribution received from a conduit~~
5 ~~which is identified by the conduit as originating from an individual shall be~~
6 ~~considered a contribution made by the individual. Only the first \$100 of an aggregate~~
7 ~~contribution of more than \$100 may be counted toward the required percentage. For~~
8 ~~a candidate at the spring or general election for an office identified in s. 11.26 (1) (a)~~
9 ~~or a candidate at a special election, the required amount to qualify for a grant is 5%~~
10 ~~of the candidate's authorized disbursement limitation under s. 11.31. For any other~~
11 ~~candidate at the general election, the required amount to qualify for a grant is 10%~~
12 ~~of the candidate's authorized disbursement limitation under s. 11.31.~~

13 **SECTION 105.** 11.50 (2) (c) of the statutes is 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., the candidate may file a special report with the board. Such report
18 shall be filed not later than the 7th day after the primary, or 7th day after the date
19 the primary would be held, if required, and shall include such supplementary
20 information as to sources of contributions which may be necessary to complete the
21 candidate's qualification. The special report shall cover the period from the day after
22 the last date covered on the candidate's most recent report, or from the date on which
23 the first contribution was received or the first disbursement was made, whichever
24 is earlier, if the candidate has not previously filed a report, to the date of such report.
25 All information included on the special report shall also be included in the

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1 candidate's next report under s. 11.20. This paragraph does not apply to a candidate
2 who files reports under s. 11.21 (16).

3 **SECTION 106.** 11.50 (2) (g) of the statutes is amended to read:

4 11.50 (2) (g) A candidate who voluntarily files an application to receive a grant
5 in accordance with this subsection accepts and agrees to comply with the
6 contribution limitations prescribed in s. 11.26 and the disbursement limitations
7 imposed under s. 11.31 (2), as adjusted under s. 11.31 (9), as binding upon himself
8 or herself and his or her agents during the campaign of that candidate as defined in
9 s. 11.31 (7), as a precondition to receipt of a grant under this section, unless the board
10 determines that the candidate is not eligible to receive a grant, ~~the candidate~~
11 ~~withdraws the application under par. (h), or par. (i)~~ s. 11.31 (3p) applies.

12 **SECTION 107.** 11.50 (2) (h) of the statutes is repealed.

13 **SECTION 108.** 11.50 (2) (i) of the statutes is repealed.

14 **SECTION 109.** 11.50 (2) (j) of the statutes is created to read:

15 11.50 (2) (j) If a candidate who desires to apply for a grant has accepted, or the
16 candidate's personal campaign committee has accepted, a contribution from a
17 committee other than a political party committee during the campaign for the office
18 that the candidate seeks, the candidate shall, before filing an application to receive
19 a grant, return the contribution or its monetary equivalent to the contributor, or, at
20 the contributor's option, donate an amount equal to the contribution to the fund or
21 to the common school fund. If the board later determines that the candidate is
22 ineligible to receive a grant, the candidate may then accept contributions from
23 committees other than political party committees after the date of that
24 determination.

25 **SECTION 110.** 11.50 (2m) of the statutes is created to read:

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1 11.50 (2m) PUBLIC INFORMATION. (a) Annually, no later than September 1, the
2 board may notify the state treasurer that an amount not exceeding 5% of the amount
3 transferred to the fund in that year shall be placed in a public information account.
4 Moneys in this account shall be expended by the board for the purpose of providing
5 public information concerning the purpose and effect of this section and s. 71.10 (3).

6 (b) As part of the public information program under par. (a), the board shall
7 prepare an easily understood description of the purpose and effect of this section and
8 s. 71.10 (3).

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

11 **SECTION 111.** 11.50 (2s) of the statutes is created to read:

12 11.50 (2s) POLITICAL PARTY ACCOUNTS. (a) There is established a political party
13 account for each eligible political party. Each political party account consists of all
14 moneys designated by individuals for deposit in that account under s. 71.10 (3) (a).

15 (b) From the account of each eligible political party, the board shall apportion
16 moneys to eligible candidates representing that party who qualify to receive grants.
17 Whenever an eligible candidate representing an eligible political party receives a
18 grant, the state treasurer shall first make payment of the grant from the political
19 party account of that party, to the extent that sufficient moneys are available in that
20 account to make payment of the grant.

21 (c) If a political party for which an account is established under this subsection
22 ceases to be an eligible political party, the board shall transfer the unencumbered
23 balance of that account to the general account.

24 **SECTION 112.** 11.50 (2w) of the statutes is created to read:

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1 11.50 (2w) GENERAL ACCOUNT. There is established a general account within
2 the fund consisting of all moneys designated by individuals for deposit in that
3 account under s. 71.10 (3) (a).

4 **SECTION 113.** 11.50 (3) of the statutes is repealed.

5 **SECTION 114.** 11.50 (4) of the statutes is repealed and recreated to read:

6 11.50 (4) PAYMENT OF GRANT AMOUNTS. The state treasurer shall make payment
7 of each grant to an eligible candidate from the political party account of that
8 candidate's political party, if any, if there are sufficient moneys in that account to
9 make full payment of the grant, and then from the general account. If there are
10 insufficient moneys in the general account to make full payment of a grant, the state
11 treasurer shall supplement the general account from the appropriation under s.
12 20.855 (4) (ba) in an amount sufficient to make full payment of the grant. Except as
13 provided in sub. (10), the amount of each grant is the amount specified in sub. (9).

14 **SECTION 115.** 11.50 (5) of the statutes is amended to read:

15 11.50 (5) TIME OF DISBURSEMENT. The state treasurer shall make the
16 disbursements of grants under sub. (9) (a) to the campaign depository account of each
17 eligible candidate ~~under subs. (3) and (4)~~ by the end of the 3rd business day following
18 notice from the board under s. 7.08 (2) (c) or (cm). If an eligible candidate notifies the
19 state treasurer of the information required to make electronic transfers to the
20 candidate's campaign depository account, the state treasurer shall transfer to the
21 candidate any supplemental grants under sub. (9) (b) or (ba) for which the candidate
22 qualifies immediately following notice from the board under s. 7.08 (2) (c) or (cm).
23 Eligible candidates for governor and lieutenant governor of the same political party
24 may combine accounts if desired.

25 **SECTION 116.** 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), or more than the amount which a candidate
4 elects to accept under sub. (10), the excess moneys shall be retained in the fund.

5 **SECTION 117.** 11.50 (7) of the statutes is renumbered 11.50 (7) (a).

6 **SECTION 118.** 11.50 (7) (bm) of the statutes is created to read:

7 11.50 (7) (bm) If a grant is used to purchase an advertisement from a broadcast
8 communications medium, the advertisement may not include any voice other than
9 the voice of the eligible candidate to whom the grant is provided.

10 **SECTION 119.** 11.50 (9) (title) of the statutes is amended to read:

11 11.50 (9) (title) ~~LIMITATION ON~~ AMOUNT OF GRANTS.

12 **SECTION 120.** 11.50 (9) of the statutes is renumbered 11.50 (9) (a) (intro.) and
13 amended to read:

14 11.50 (9) (a) (intro.) ~~The~~ Except as provided in pars. (b) and (ba), the total grant
15 available to an eligible candidate may not exceed an amount equal to the lesser of the
16 percentage specified in this paragraph or that amount which, when added to all other
17 contributions accepted from sources other than individuals, political party
18 committees and legislative campaign committees by the candidate, is equal to 45%
19 the disbursement level specified for the applicable office, as determined under s.
20 11.31 (1) and adjusted as provided under s. 11.31 (9) but without respect to any
21 adjustment under s. 11.31 (1m). The board shall scrutinize accounts and reports and
22 records kept under this chapter to assure that applicable limitations under ss. 11.26
23 (9) and 11.31 are not exceeded and any violation is reported. No candidate or
24 campaign treasurer may accept grants exceeding the amount authorized by this
25 subsection. The percentage is:

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1 **SECTION 121.** 11.50 (9) (a) 1. and 2. of the statutes are created to read:

2 11.50 (9) (a) 1. For an eligible candidate for the office of justice or the office of
3 state superintendent, 75% of the disbursement limitation.

4 2. For an eligible candidate for any other state office, 45% of the disbursement
5 limitation.

6 **SECTION 122.** 11.50 (9) (b) and (ba) of the statutes are created to read:

7 11.50 (9) (b) If an eligible candidate who accepts a grant is opposed by one or
8 more candidates whose names are certified under s. 7.08 (2) (a) or 8.50 (1) (d) to
9 appear on the ballot, and if a committee identified under s. 11.05 (3) (c) makes any
10 disbursement for the purpose of opposing the election of the eligible candidate who
11 accepts a grant or for the purpose of supporting a certified opponent of that candidate
12 without cooperation or consultation with any certified opposing candidate or such a
13 candidate's agent or authorized committee, and not in concert with, or at the request
14 or suggestion of any certified opposing candidate's agent or authorized committee,
15 then the board shall make an additional grant to the eligible candidate who accepts
16 a grant in an amount equal to the total amount or value of disbursements made for
17 the purpose of supporting the election of the certified opposing candidate or for the
18 purpose of opposing the election of the eligible candidate who accepts the grant,
19 exceeding 10% of the disbursement limitation for the office that the eligible
20 candidate seeks as reported by committees under s. 11.12 (6) (c).

21 (ba) If an eligible candidate who accepts a grant is opposed by one or more
22 candidates who are required, or whose personal campaign committees are required,
23 to file a report under s. 11.12 (8), then the board shall make an additional grant to
24 the eligible candidate who accepts a grant in an amount equal to the total amount
25 or value of disbursements made by the opposing candidate or candidates exceeding

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1 the amount specified under s. 11.31 (1) (a) to (de), (e), or (f) for the office which the
2 candidate seeks, as reported by the opposing candidate under s. 11.12 (8).

3 **SECTION 123.** 11.50 (11) (e) of the statutes is amended to read:

4 11.50 (11) (e) No candidate may expend, authorize the expenditure of or incur
5 any obligation to expend any grant if he or she violates the pledge required under
6 sub. (2) (a) as a precondition to receipt of a grant, ~~except as authorized in sub. (2) (h)~~
7 ~~or (i).~~

8 **SECTION 124.** 11.50 (14) of the statutes is created to read:

9 11.50 (14) CERTIFICATIONS TO SECRETARY OF REVENUE. (a) In each
10 even-numbered year, the board shall certify to the secretary of revenue:

11 1. No later than July 1, the name of each political party that qualifies under
12 sub. (1) (am) 1. as an eligible political party as of the preceding June 1 and whose
13 state chairperson has filed a request to establish an account for the party under sub.
14 (2s) (a).

15 2. No later than December 15, the name of each political party that qualifies
16 under sub. (1) (am) 2. as an eligible political party as of the date of the preceding
17 general election.

18 (b) As soon as possible after receiving a valid application from an eligible
19 candidate under sub. (2) (a) and determining that the candidate is eligible to receive
20 a grant, the board shall certify to the secretary of revenue the full name of that
21 candidate as the name appears on the candidate's nomination papers.

22 (c) In each certification under this subsection, the board shall specify the
23 expiration date of the certification.

24 **SECTION 125.** 11.60 (4) of the statutes is amended to read:

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1 11.60 (4) Actions under this section arising out of an election for state office or
2 a statewide referendum may be brought by the board or by the district attorney of
3 the county where the violation is alleged to have occurred, except as specified in s.
4 11.38. Actions under this section arising out of an election for local office or local
5 referendum may be brought by the district attorney of the county where the violation
6 is alleged to have occurred. Actions under this section arising out of an election for
7 county office or a county referendum may be brought by the county board of election
8 commissioners of the county wherein the violation is alleged to have occurred. In
9 addition, whenever a candidate or personal campaign committee or agent of a
10 candidate is alleged to have violated this chapter, action may be brought by the
11 district attorney of any county any part of which is contained within the jurisdiction
12 or district in which the candidate seeks election. If a violation concerns a district
13 attorney or circuit judge or candidate for such offices, the action shall be brought by
14 the attorney general. If a violation concerns the attorney general or a candidate for
15 such office, the governor may appoint special counsel under s. 14.11 (2) to bring suit
16 in behalf of the state. The counsel shall be independent of the attorney general and
17 need not be a state employe at the time of appointment.

18 **SECTION 126.** 11.61 (1) (a) of the statutes is amended to read:

19 11.61 (1) (a) Whoever intentionally violates s. 11.05 (1), (2), or (2g) or (2r), 11.07
20 (1) or (5), 11.10 (1), 11.12 (5), 11.23 (6), or 11.24 (1) may be fined not more than \$10,000
21 or imprisoned for not more than 4 years and 6 months or both.

22 **SECTION 127.** 13.625 (1) (b) 3. of the statutes is amended to read:

23 13.625 (1) (b) 3. Food, meals, beverages, money or any other thing of pecuniary
24 value, ~~except that a lobbyist may make a campaign contribution to a partisan elective~~
25 ~~state official or candidate for national, state or local office or to the official's or~~

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1 candidate's personal campaign committee; but a lobbyist may make a contribution
2 to which par. (c) applies only as authorized in par. (c).

3 **SECTION 128.** 13.625 (1) (c) (intro.) of the statutes is renumbered 13.625 (1) (c)
4 and amended to read:

5 13.625 (1) (c) ~~Except as permitted in this subsection, make~~ Make a campaign
6 contribution, as defined in s. 11.01 (6), to a partisan elective state official for the
7 purpose of promoting the official's election to any national, state or local office, or to
8 a candidate for a partisan elective state office to be filled at the general election or
9 a special election, or the official's or candidate's personal campaign committee. ~~A~~
10 ~~campaign contribution to a partisan elective state official or candidate for partisan~~
11 ~~elective state office or his or her personal campaign committee may be made in the~~
12 ~~year of a candidate's election between June 1 and the day of the general election,~~
13 ~~except that: a lobbyist may make a campaign contribution to a candidate for a~~
14 ~~partisan elective state office, or to the personal campaign committee of such a~~
15 ~~candidate, if the candidate seeks office in the jurisdiction or district where the~~
16 ~~lobbyist resides.~~

17 **SECTION 129.** 13.625 (1) (c) 1. and 2. of the statutes are repealed.

18 **SECTION 130.** 13.625 (2) of the statutes is amended to read:

19 13.625 (2) No principal may engage in the practices prohibited under sub. (1)
20 (b) and (c) except that a principal may make a campaign contribution, as defined in
21 s. 11.01 (6), to a partisan elective state official or candidate for partisan elective state
22 office or his or her personal campaign committee in the year of an official's or
23 candidate's election between June 1 and the day of the general election unless, in the
24 case of a member of the legislature or candidate for legislative office, the legislature
25 has not concluded its final floor period or is in special or extraordinary session. This

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1 subsection does not apply to the furnishing of transportation, lodging, food, meals,
2 beverages or any other thing of pecuniary value which is also made available to the
3 general public.

4 **SECTION 131.** 13.625 (3m) of the statutes is created to read:

5 13.625 (3m) No member of the legislature and no personal campaign
6 committee of a member of the legislature may solicit a lobbyist or principal to arrange
7 for another person to make a campaign contribution to that member or personal
8 campaign committee.

9 **SECTION 132.** 13.625 (6) of the statutes is amended to read:

10 13.625 (6) Subsections (1) (b) and (c), (2) and (3) do not apply to the furnishing
11 of anything of pecuniary value by an individual who is a lobbyist or principal to a
12 relative of the individual or an individual who resides in the same household as the
13 individual, nor to the receipt of anything of pecuniary value by that relative or
14 individual residing in the same household as the individual. Subsections (1) (b), (2)
15 and (3) do not apply to the furnishing of anything of pecuniary value, except a
16 campaign contribution, as defined in s. 11.01 (6), by a lobbyist to a relative of the
17 lobbyist or an individual who resides in the same household as the lobbyist, nor to
18 the receipt of any such thing by that relative or individual residing in the same
19 household as the individual.

20 **SECTION 133.** 15.61 of the statutes is amended to read:

21 **15.61 Elections board; creation.** There is created an elections board
22 consisting of persons who shall be appointed by the governor for 2-year terms as
23 follows: one member selected by the governor; one member each designated by the
24 chief justice of the supreme court, the speaker of the assembly, the senate majority
25 leader, the minority leader in each house of the legislature, and the chief officer of

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1 each political party ~~qualifying~~ that qualified for a separate ballot under s. 5.62 (1)
2 (b) or (2) ~~whose candidate for governor received at least 10% of the vote in the most~~
3 ~~recent gubernatorial~~ preceding September primary election.

4 **SECTION 134.** 20.510 (1) (q) of the statutes is amended to read:

5 20.510 (1) (q) *Wisconsin election campaign fund.* As a continuing
6 appropriation, from the Wisconsin election campaign fund, the moneys determined
7 under s. 11.50 to provide for payments to eligible candidates whose names are
8 certified under s. 7.08 (2) (c) and (cm) and to provide for public information as
9 authorized under s. 11.50 (2m).

10 **SECTION 135.** 20.855 (4) (ba) of the statutes is created to read:

11 20.855 (4) (ba) *Wisconsin election campaign fund supplement.* A sum sufficient
12 equal to the amounts required to make full payment of grants which candidates
13 qualify to receive from the Wisconsin election campaign fund, to be transferred from
14 the general fund to the Wisconsin election campaign fund no later than the time
15 required to make payments of grants under s. 11.50 (5).

16 **SECTION 136.** 25.42 of the statutes is amended to read:

17 **25.42 Wisconsin election campaign fund.** All moneys appropriated under
18 s. 20.855 (4) (b) and (ba) together with all moneys deposited under ss. 8.35 (4) (a),
19 11.07 (5), 11.12 (2), 11.16 (2), 11.19 (1), (1m) and (6), 11.23 (2) and 11.38 (6), all moneys
20 reverting to the state under s. 11.50 (8) and all gifts, bequests and devises received
21 under s. 11.50 (13) constitute the Wisconsin election campaign fund, to be expended
22 for the purposes of s. 11.50. All moneys in the fund not disbursed by the state
23 treasurer shall continue to accumulate indefinitely.

24 **SECTION 137.** 71.05 (6) (a) 21. of the statutes is created to read:

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1 71.05 **(6)** (a) 21. Any amount deducted under section 162 (e) (1) of the Internal
2 Revenue Code because of the exception contained in section 162 (e) (5) of the Internal
3 Revenue Code.

4 **SECTION 138.** 71.07 (5) (a) 9. of the statutes is created to read:

5 71.07 **(5)** (a) 9. Expenses under section 162 (e) (1) of the Internal Revenue Code
6 that are deductible because of the exception contained in section 162 (e) (5) of the
7 Internal Revenue Code.

8 **SECTION 139.** 71.07 (6n) of the statutes is created to read:

9 71.07 **(6n)** CAMPAIGN CONTRIBUTION TAX CREDIT. (a) *Definitions.* In this
10 subsection:

11 1. "Candidate" means a candidate, as defined in s. 11.01 (1), for state office who
12 files an application under s. 11.50 (2) for a grant from the Wisconsin election
13 campaign fund that has been accepted by the elections board.

14 2. "Claimant" means an individual who makes a contribution to a candidate
15 and who resides within the same electoral district as the candidate to whom that
16 contribution is made.

17 3. "Contribution" means a contribution, as defined in s. 11.01 (6), made to a
18 candidate or political party committee by an individual for which the individual
19 receives a receipt on a form prescribed by the department.

20 4. "Department" means the department of revenue.

21 5. "Electoral district" means the geographical area that constitutes the
22 jurisdiction of the office that a candidate seeks.

23 6. "Political party committee" means a state or county committee of a political
24 party, as defined in s. 5.02 (13), that on the first day of the taxable year in which a

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1 contribution is made is a recognized political party as defined in s. 5.02 (16m) and
2 is registered with the elections board under s. 11.05 (1).

3 7. "State office" has the meaning given in s. 5.02 (23).

4 (b) *Filing claims.* Subject to the limitations provided in this subsection, a
5 claimant may claim as a credit against the tax imposed under s. 71.02, up to the
6 amount of those taxes, an amount equal to the claimant's contribution not exceeding
7 \$50 for each candidate to whom or political party committee to which the claimant
8 makes a contribution.

9 (c) *Limitation.* The total amount of the credits under this subsection shall not
10 exceed \$100 in a taxable year for each claimant.

11 (d) *Time period.* No credit may be allowed under this subsection unless it is
12 claimed within the time period under s. 71.75 (2).

13 (e) *Administration.* 1. Subsection (9e) (d), to the extent that it applies to the
14 credit under that subsection, applies to the credit under this subsection.

15 2. The department shall create and make available to candidates a form to be
16 used by candidates and political party committees in issuing receipts for
17 contributions.

18 **SECTION 140.** 71.10 (3) (a) of the statutes is amended to read:

19 71.10 (3) (a) Every individual filing an income tax return who has a tax liability
20 or is entitled to a tax refund may designate \$1 \$5 for transfer to the Wisconsin
21 election campaign fund for the use of eligible candidates under s. 11.50. If the
22 individuals filing a joint return have a tax liability or are entitled to a tax refund,
23 each individual may make a designation of \$1 \$5 under this subsection. Each
24 individual making a designation shall indicate whether the amount designated by
25 that individual shall be placed in the general account for the use of all eligible

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1 candidates for state office, or in the account of an eligible political party whose name
2 is certified to the secretary of revenue under s. 11.50 (14). If an individual does not
3 indicate that the amount of his or her designation shall be placed in the account of
4 a particular eligible political party, that amount shall be placed in the general
5 account.

6 **SECTION 141.** 71.10 (3) (b) of the statutes is amended to read:

7 71.10 (3) (b) The secretary of revenue shall provide a place for those
8 designations under par. (a) on the face of the individual income tax return and shall
9 provide next to that place a statement that a designation will not increase tax
10 liability. ~~Annually on August 15~~ The secretary shall also provide and highlight a
11 place in the instructions that accompany the return for any information submitted
12 to the secretary by the elections board under s. 11.50 (2m) without cost to the board.
13 No later than the 15th day of each month, the secretary of revenue shall certify to
14 the elections board, the department of administration and the state treasurer ~~under~~
15 ~~s. 11.50~~ the total amount of designations made on returns processed by the
16 department of revenue during the preceding ~~fiscal year~~ month and the amount of
17 designations made during that month for the general account and for the account of
18 each eligible political party. If any individual attempts to place any condition or
19 restriction upon a designation not authorized under par. (a), that individual is
20 deemed not to have made a designation on his or her tax return.

21 **SECTION 142.** 71.10 (4) (cn) of the statutes is created to read:

22 71.10 (4) (cn) Campaign contribution tax credit under s. 71.07 (6n).

23 **SECTION 143.** 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 does not apply to income that is realized from the sale
18 of or purchase and subsequent sale or redemption of lottery prizes if the winning
19 tickets were originally bought in this state. This paragraph applies to the income of
20 credit unions except to the income of any credit union that is derived from public
21 deposits for any taxable year in which the credit union is approved as a public
22 depository under ch. 34 and acts as a depository of state or local funds under s.
23 186.113 (20). For purposes of this paragraph, the income of a credit union that is
24 derived from public deposits is the product of the credit union's gross annual income
25 for the taxable year multiplied by a fraction, the numerator of which is the average

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1 monthly balance of public deposits in the credit union during the taxable year, and
2 the denominator of which is the average monthly balance of all deposits in the credit
3 union during the taxable year.

4 **SECTION 144.** 71.26 (2) (b) 1g. of the statutes is created to read:

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

11 **SECTION 145.** 71.26 (3) (e) 4. of the statutes is created to read:

12 71.26 (3) (e) 4. So that expenses that are deductible under section 162 (e) (1)
13 of the Internal Revenue Code because of the exception contained in section 162 (e)
14 (5) of the Internal Revenue Code may not be deducted.

15 **SECTION 146.** 71.34 (1) (ad) of the statutes is created to read:

16 71.34 (1) (ad) The expenses that are deductible under section 162 (e) (1) of the
17 Internal Revenue Code because of the exception contained in section 162 (e) (5) of the
18 Internal Revenue Code may not be deducted.

19 **SECTION 147.** 71.45 (2) (a) 16. of the statutes is created to read:

20 71.45 (2) (a) 16. By adding to federal taxable income the amount of any
21 expenses that are deductible under section 162 (e) (1) of the Internal Revenue Code
22 because of the exception contained in section 162 (e) (5) of the Internal Revenue Code.

23 **SECTION 148.** 806.04 (11m) of the statutes is created to read:

24 806.04 (11m) CAMPAIGN FINANCE REGISTRATION. Any person who proposes to
25 publish, disseminate or broadcast, or causes to be published, disseminated or

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1 broadcast, any communication may commence a proceeding under this section to
2 determine the application to that person of a registration requirement under s. 11.05
3 (1), (2) or (2g).

SECTION 149. Nonstatutory provisions.

4
5 (1) ELECTIONS BOARD APPOINTMENTS. Notwithstanding sections 15.07 (1) (c) and
6 15.61 of the statutes, each political party that qualified for a separate ballot under
7 section 5.62 (1) (b) or (2) of the statutes at the September primary election preceding
8 the effective date of this subsection, but that did not designate an individual to the
9 governor for appointment to the elections board under section 15.61 of the statutes
10 may designate an individual to the governor for appointment to the elections board
11 to serve for a term expiring on May 1 of the odd-numbered year following the
12 appointment.

13 (2) NONSEVERABILITY. Notwithstanding section 990.01 (11) of the statutes, if a
14 court finds that all or any portion of section 11.01 (16) (a) 3., 11.12 (6) (c) or (8), or 11.50
15 (9) (b) or (ba) of the statutes, as created by this act, or section 11.06 (2) of the statutes,
16 as affected by this act, is unconstitutional, then sections 11.01 (16) (a) 3., 11.12 (6)
17 (c) and (8) and 11.50 (9) (b) and (ba) of the statutes, as created by this act, and the
18 treatment of section 11.06 (2) of the statutes by this act are void in their entirety.

SECTION 150. Appropriation changes; elections board.

19
20 (1) In the schedule under section 20.005 (3) of the statutes for the appropriation
21 to the elections board under section 20.510 (1) (a) of the statutes, as affected by the
22 acts of 2001, the dollar amount is increased by \$76,100 for fiscal year 2001-02 and
23 the dollar amount is increased by \$85,100 for fiscal year 2002-03 to increase the
24 authorized FTE positions for the elections board by 1.0 GPR campaign finance

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1 investigator position and 1.0 GPR auditor position and to fund supporting expenses
2 for these positions.

3 **SECTION 151. Initial applicability.**

4 (1) Except as provided in subsections (1) and (2), this act first applies to
5 elections held on the day after publication.

6 (2) The treatment of sections 11.50 (2m), 71.05 (6) (a) 21., 71.07 (5) (a) 9. and
7 (6n), 71.10 (3) (a) and (4) (cn), 71.26 (1) (a), (2) (b) 1g., and (3) (e) 4., 71.34 (1) (ad), and
8 71.45 (2) (a) 16. of the statutes first applies to claims filed for taxable years beginning
9 on January 1 of the year in which this subsection takes effect, except that if this
10 subsection takes effect after July 31 this act first applies to claims filed for taxable
11 years beginning on January 1 of the year following the year in which this subsection
12 takes effect.

13 (3) The treatment of section 11.31 (9) of the statutes first applies to adjustments
14 for the biennium beginning on January 1, 2004.

15 (END)