

State of Misconsin 2019 - 2020 LEGISLATURE

LRB-2516/2 JK:cjs

2019 ASSEMBLY BILL 972

February 28, 2020 – Introduced by Representatives BROSTOFF, CABRERA, ANDERSON, HEBL, STUBBS, EMERSON, BOWEN, SPREITZER, SHANKLAND, NEUBAUER, CONSIDINE and SINICKI, cosponsored by Senators LARSON and SMITH. Referred to Committee on Campaigns and Elections.

AN ACT to create 11.0101 (25) (a) 3., subchapter XV of chapter 11 [precedes 11.1500], 20.521 (1) (r), 20.585 (1) (q), 20.585 (1) (r), 20.855 (4) (ba), 20.855 (4) (bb), 25.17 (1) (cm), 25.421 and 71.10 (3) of the statutes; relating to: the definition of political action committee for campaign finance purposes, public financing of campaigns, and making an appropriation.

Analysis by the Legislative Reference Bureau

Under this bill, for campaign finance purposes, a political action committee includes a person, other than an individual, that spends more than \$1,000 in a 12-month period on expenditures for express advocacy or communications that are susceptible to no reasonable interpretation other than an appeal to vote for or against a candidate, expenditures made to support or defeat a referendum, and contributions made to a candidate committee, legislative campaign committee, or political party.

Current law provides that a political action committee is a person, other than an individual, that either has express advocacy as its major purpose or spends more than 50 percent of its total spending in a 12-month period on expenditures for express advocacy, expenditures made to support or defeat a referendum, and contributions made to a candidate committee, legislative campaign committee, or political party.

The bill also creates a public campaign financing trust fund from which eligible candidates may receive amounts to finance their campaigns. Under the bill a candidate may apply to the Ethics Commission to receive public campaign financing.

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The candidate is eligible to receive the financing if he or she agrees to to accept contributions totalling no more than \$100 from any single contributor and accepts no other contributions. The amount of public financing that a candidate may receive is equal to six times the amount of the contributions received by the candidate, not including amounts that the candidate contributes from his or her personal funds. A candidate who is not in compliance with the campaign finance laws is not eligible for financing.

Finally, the bill provides that any individual filing a state income tax return who has a tax liability or who is entitled to a refund may designate \$2 for the public campaign financing trust fund. The designation does not increase an individual's tax liability or reduce an individual's refund. If the total designations are not sufficient to fully fund the costs of public campaign financing, including administrative costs, the bill appropriates additional moneys to finance those costs.

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. 11.0101 (25) (a) 3. of the statutes is created to read:
2	11.0101 (25) (a) 3. It spends more than \$1,000 in a 12-month period on
3	expenditures for express advocacy or communications that are susceptible to no
4	reasonable interpretation other than an appeal to vote for or against a candidate,
5	expenditures made to support or defeat a referendum, and contributions made to a
6	candidate committee, legislative campaign committee, or political party. In this
7	subdivision, spending does not include a committee's fundraising or administrative
8	expenses.
9	SECTION 2. Subchapter XV of chapter 11 [precedes 11.1500] of the statutes is
10	created to read:
11	CHAPTER 11
12	SUBCHAPTER XV
13	PUBLIC CAMPAIGN FINANCING

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1 **11.1500 Public financing.** (1) A candidate may apply to the commission, in $\mathbf{2}$ the manner prescribed by the commission, to receive public financing of the 3 candidate's campaign. A candidate may receive public financing under this subchapter if the candidate agrees to accept contributions totalling no more than 4 \$100 from any single contributor and accepts no other contributions, except as 5 6 provided under sub. (3). If the commission approves the candidate's application, the 7 commission shall certify to the state treasurer the amount of public financing that 8 the candidate shall receive from the public campaign financing trust fund.

9 (2) The state treasurer shall pay to any candidate who agrees to accept 10 contributions as provided under sub. (1) an amount equal to the amount of 11 contributions received by the candidate as provided under sub. (1), multiplied by 6, 12 as certified by the commission.

(3) A candidate who accepts public financing under this subchapter may
contribute his or her personal funds to the candidate's campaign, but those amounts
do not count towards the determination of public financing under this subchapter.

16 (4) No candidate who is out of compliance with the requirements and
17 limitations provided in this chapter may receive public financing under this
18 subchapter.

SECTION 3. 20.005 (3) (schedule) of the statutes: at the appropriate place, insert
 the following amounts for the purposes indicated:

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		020 Legislature – 4 - IBLY BILL 972				B-2516/2 JK:cjs CTION 3
1	20.521	Ethics commission				
2	(1) Er	THICS, CAMPAIGN FINANCE AND LOBB	YING			
3	RE	GULATION				
4	(r) I	Public campaign financing				
5	£	administration	SEG	А	-0-	-0-
6	20.585	Treasurer, state				
7	(1) C	USTODIAN OF STATE FUNDS				
8	(q) I	Public campaign financing	SEG	S	-0-	-0-
9	(r) I	Public campaign financing				
10	ε	administration	SEG	А	-0-	-0-
11	20.855	Miscellaneous appropriation	S			
12	(4) TA	AX, ASSISTANCE AND TRANSFER PAYMI	ENTS			
13	(ba) I	Public campaign financing trust				
14	f	und payments	GPR	S	-0-	-0-
15	(bb) I	Public campaign financing trust				
16	f	und transfer	GPR	S	-0-	-0-
17	SE	CTION 4. 20.521 (1) (r) of the stat	utes is cr	eated to read	:	
18	20	.521 (1) (r) Public campaign fin	ancing a	dministration	e. From th	e public
19	campaig	gn financing trust fund, the amou	nts in the	schedule for	the admini	stration
20	of subch	a. XV of ch. 11.				

21 SECTION 5. 20.585 (1) (q) of the statutes is created to read:

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1	20.585(1)(q) Public campaign financing. From the public campaign financing
2	trust fund, a sum sufficient to provide for payment of public financing to eligible
3	candidates under subch. XV of ch. 11.
4	SECTION 6. 20.585 (1) (r) of the statutes is created to read:
5	20.585 (1) (r) Public campaign financing administration. From the public
6	campaign financing trust fund, the amounts in the schedule for the administration
7	of subch. XV of ch. 11.
8	SECTION 7. 20.855 (4) (ba) of the statutes is created to read:
9	20.855 (4) (ba) Public campaign financing trust fund payments. A sum
10	sufficient equal to the amounts certified under s. 71.10 (3) to be paid into the public
11	campaign financing trust fund annually on August 15.
12	SECTION 8. 20.855 (4) (bb) of the statutes is created to read:
13	20.855 (4) (bb) Public campaign financing trust fund transfer. A sum sufficient
14	equal to the difference between the unencumbered balance in the public campaign
15	financing trust fund and the amounts required to provide public financing that
16	candidates qualify to receive from the public campaign financing trust fund, to be
17	transferred to the public campaign financing trust fund.
18	SECTION 9. 25.17 (1) (cm) of the statutes is created to read:
19	25.17 (1) (cm) Public campaign financing trust fund (s. 25.421);
20	SECTION 10. 25.421 of the statutes is created to read:
21	25.421 Public campaign financing trust fund. All moneys appropriated
22	under s. 20.855 (4) (ba) and (bb) constitute the public campaign financing trust fund
23	trust fund, to be expended for the purposes of subch. XV of ch. 11.
24	SECTION 11. 71.10 (3) of the statutes is created to read:

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71.10 (3) CAMPAIGN FUND. (a) Every individual filing an income tax return who
has a tax liability or is entitled to a tax refund may designate \$2 for the public
campaign financing trust fund for the use of eligible candidates under s. 11.1500. If
the individuals filing a joint return have a tax liability or are entitled to a tax refund,
each individual may make a designation of \$2 under this subsection.

6 (b) The secretary of revenue shall provide a place for those designations on the 7 face of the individual income tax return and shall provide next to that place a 8 statement that a designation will not increase tax liability. Annually, on August 15. 9 the secretary of revenue shall certify to the ethics commission, the department of administration, and the state treasurer the total amount of designations made 10 11 during the preceding fiscal year. If any individual attempts to place any condition 12or restriction upon a designation, that individual is deemed not to have made a 13designation on his or her tax return.

14 (c) The names of persons making designations under this subsection shall be15 strictly confidential.

16

SECTION 12. Initial applicability.

(1) The treatment of s. 71.10 (3) first applies to taxable years beginning on
January 1 of the year in which this subsection takes effect, except that if this
subsection takes effect after July 31, the treatment first applies to taxable years
beginning on January 1 of the year following the year in which this subsection takes
effect.

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(END)