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# Wisconsin Legislative Council

## AMENDMENT MEMO

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**Memopublished:** February 15, 2024

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**2023 Senate Bill 741**

**Senate Amendment 2**

### **2023 SENATE BILL 741**

Senate Bill 741 makes several changes requested by the Ethics Commission (the commission) relating to campaign finance, conduits, lobbying, open records requests for records retained by the commission, and closing certain commission meetings.

#### **Campaign Finance**

##### **Registration Statement Information**

In addition to the requirements under current law, the bill adds additional information on a registration statement to form a committee. Under the bill, a person who files the statement must include the email address and personal telephone number of the candidate and of the committee treasurer and any other custodian of the committee books and records. Under the bill, the personal telephone numbers provided on the registration statements are confidential and not subject to inspection and copying as a public record.

##### **Second Candidate Committee**

The bill specifies, for an individual who holds a state or local elective office and who forms a second candidate committee to seek a different state or local elective office, the methods for transferring funds between committees, how to report those transfers, and how to dispose of funds remaining when one or both committees terminate.

##### **Terminating a Conduit; Residual Funds**

The bill establishes procedures for disbursing funds when a conduit terminates. Under current law, the conduit must first make a good faith effort to return remaining funds to the original contributors, their surviving spouses, or the executors of their estates. Under the bill, if the terminating conduit is unsuccessful in contacting the individuals who made the original contributions, their surviving spouses, or the executors of their estates, the conduit may donate those remaining funds to the common school fund or to a charitable organization, unless the charitable organization is affiliated with the conduit or a sponsoring organization.

##### **Administrative Suspension**

The bill allows a filing agent to terminate any committee that has been exempt, from filing campaign finance reports for more than three years. The bill also authorizes the commission to suspend a committee that does not respond to notices and communications sent by the commission.

## **Reporting of Express Advocacy**

The bill clarifies a political action committee, independent expenditure committee, or a person other than a committee that spends \$2,500 or more on express advocacy for a candidate at an election to include, in its reports to the commission, the dates on which financial obligations were incurred, the name and address of the obligees, the purpose for incurring the obligations, and the amount incurred for each act of express advocacy.

## **Conduit Filing Fee**

Under the bill, a conduit must pay an annual filing fee of \$100 to the commission by January 15 of each year, except that the requirement does not apply to a conduit in a year in which the conduit does not release contributions totaling more than \$2,500.

## **Lobbying**

Current law allows a lobbyist to make a personal contribution to a partisan elective state official or a candidate for an elective state office between the first day authorized by law for the circulation of nomination papers as a candidate at a general election or special election and the day of the general election or special election. The bill clarifies that the special election must be an election to fill a vacancy in a state office.

## **Closed Sessions**

The bill allows the commission to meet in closed session to consider whether there is a reasonable suspicion or probable cause to believe that a violation of the law occurred or is occurring based on a complaint or an audit report.

## **SENATE AMENDMENT 2**

Senate Amendment 2 retains the same provisions, with the following exceptions:

- Deletes the provisions relating to terminating a conduit.
- Specifies that a filing officer other than the commission may terminate a registrant that has been exempt from filing campaign finance reports for more than three years only if the registrant has not done any of the following:
  - Held an elective office during the three years prior to the proposed termination.
  - Filed a new or amended registration statement during the three years prior to the proposed termination.
  - After being exempt for more than three years from filing campaign finance reports, responded within 60 days from the date on which the filing officer attempted to contact the registrant using the contact information specified on the registrant's most current registration statement.

## **BILL HISTORY**

Senate Amendment 2 was offered by Senator Knodl on February 13, 2024. On February 15, 2024, the Senate Committee on Shared Revenue, Elections, and Consumer Protection adopted the amendment and passed the bill, as amended, on votes of Ayes, 5; Noes, 0.

For a full history of the bill, visit the Legislature's [bill history page](#).

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