



State of Wisconsin

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January 8, 2016

MEMORANDUM

To: Representative Vos

From: Joseph T. Kreye, Legal Services Manager

Subject: Corporate contributions to a segregated fund

This memorandum is in response to your question concerning advice recently issued by the Government Accountability Board. The board has advised interested parties that 2015 Wisconsin Act 117 does not require the reporting of corporate contributions to a segregated fund established by a political party or legislative campaign committee. The board also indicated that the board has no way to track such contributions unless the entities receiving the contributions choose to disclose them. The following is my response to the advice disseminated by the board.

Act 117 requires political parties and legislative campaign committees to report contributions to segregated funds established by the parties and committees. The act also requires political parties and legislative campaign committees to register with the board. The act does not require the separate registration of a segregated fund because the fund itself is not an entity subject to registration.

Section 11.1104 (6) of the statutes allows a political party or legislative campaign committee to establish a segregated fund to use for purposes other than making contributions to a candidate committee or making disbursements for express advocacy. Political parties and legislative campaign committees may accept contributions to their segregated funds in unlimited amounts, with one exception. A corporation, cooperative, labor organization, or tribe may make contributions totaling no more than \$12,000 each year to a segregated fund. Corporations, cooperatives, labor organizations, and tribes are prohibited from making any other contributions to political parties and legislative campaign committees.

Political parties and legislative campaign committees must register with the board. Furthermore, under sections 11.0304 and 11.0404 of the statutes each political party and legislative campaign committee must make full reports of all contributions received by the party or committee. The reports must include the date and the name and street address of each person who has made a contribution. Corporations, cooperatives, labor organizations, and tribes are considered "persons" for campaign finance purposes. Contributions by corporations, cooperatives, labor organizations, and tribes are not excluded from the definition of "contribution" and are therefore subject to reporting.

Please contact me if you have any further questions or concerns.