



State of Wisconsin
2011 – 2012 LEGISLATURE



LRB-4300/1
JTK:jld:jf

2011 BILL

1 **AN ACT** *to create* 11.64 (3) and 19.43 (4m) of the statutes; **relating to:** disclosure
2 of donations and transfers to and expenditures from election-related criminal
3 defense funds and disclosure of gifts to state public officials and candidates for
4 election-related criminal defense purposes.

Analysis by the Legislative Reference Bureau

Currently, with certain exceptions, no person may make or authorize a disbursement (expenditure) to be made or an obligation to be incurred from moneys solicited for political purposes for a purpose that is other than political. One exception permits a candidate or public official who is being investigated for, or who is charged with or convicted of, a criminal violation of the campaign finance or prohibited election practice laws to utilize a contribution received from a contributor to a campaign finance account for the purpose of financing a defense fund that is established to make expenditures supporting or defending the candidate, the official, an agent of the candidate or official, or a dependent of the candidate, official, or agent, who is being investigated for or who is charged with or convicted of a criminal violation of the campaign finance or prohibited election practice laws.

This bill provides that, if a candidate or public official receives a donation or transfers a contribution to such a fund, the candidate or public official must file a report with the appropriate filing officer or agency disclosing the full name and street address of the donor or contributor and the amount received or transferred. The bill also requires a candidate or official to disclose the date, amount, and purpose of any expenditure made from such a fund. The bill requires each report to be made within

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seven days after the donation is received, the contribution is transferred, or the expenditure is made. If a candidate or public official is currently subject to an electronic filing requirement, the report must be made electronically.

Violators are subject to a forfeiture (civil penalty) of not more than \$500 for each violation. Intentional violators are guilty of a misdemeanor and are subject to a fine of not more than \$1,000 or imprisonment for not more than six months, or both.

Currently, most state public officials and candidates for state public office must file annual statements of economic interests with the Government Accountability Board (GAB). With certain exceptions, the reports must include the identity of each person from whom the official received any gift having an aggregate value of more than \$50 within the taxable year preceding the time of filing.

This bill provides that, if an official or candidate receives a gift that is currently required to be disclosed and that is solicited or made for the purpose of making expenditures supporting or defending the official or candidate, an agent of the official or candidate, or a dependent of the official, candidate, or agent, while the official, candidate, or agent is being investigated for, or is charged with or convicted of, a violation of the campaign finance or prohibited election practice laws, the official or candidate must file a special report with GAB disclosing the person from whom the gift was received and the date and amount of the gift. The bill requires the report to be filed electronically within seven days after the gift is received.

Violators are subject to a forfeiture of not more than \$500 for each violation. Intentional violators are guilty of a misdemeanor and are subject to a fine of not less than \$100 nor more than \$5,000 or imprisonment for not more than one year or both for each violation.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 11.64 (3) of the statutes is created to read:

2 **11.64 (3)** If a candidate or public official receives a donation to a defense fund
3 created under sub. (1) or transfers a contribution to a such a fund, the candidate or
4 public official shall file a report with the appropriate filing officer disclosing the full
5 name and street address of the donor or contributor and the amount received or
6 transferred. If a candidate or public official makes an expenditure from a defense
7 fund created under sub. (1), the candidate or public official shall file a report with the
8 appropriate filing officer disclosing the date, amount, and purpose of the
9 expenditure. The candidate or official shall file each report under this subsection so

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1 that it is received by the filing officer no later than 7 days after the donation is
2 received, the contribution is transferred, or the expenditure is made. If the candidate
3 or official is subject to an electronic reporting requirement under s. 11.21 (16), the
4 candidate or official shall file the report electronically. A candidate or official shall
5 file each report under this subsection in the manner specified by the board.

6 **SECTION 2.** 19.43 (4m) of the statutes is created to read:

7 19.43 **(4m)** If an official required to file or a candidate for state public office who
8 receives a gift that is subject to disclosure under s. 19.44 (1) (g) and that is solicited
9 or made for the purpose of making expenditures supporting or defending the official
10 or candidate, an agent of the official or candidate, or a dependent of the official,
11 candidate, or agent, while the official, candidate, or agent is being investigated for,
12 or is charged with or convicted of, a violation of ch. 11 or 12, the official or candidate
13 shall file a special report with the board disclosing the person from whom the gift was
14 received and the date and amount of the gift. The official or candidate shall file each
15 report under this subsection so that it is received by the board no later than 7 days
16 after the official or candidate receives the gift. An official or candidate shall file each
17 report under this subsection in the manner specified by the board.

18 **SECTION 3. Initial applicability.**

19 (1) This act first applies with respect to donations received, contributions
20 transferred, expenditures made, or gifts received after the effective date of this
21 subsection.

22 (END)