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State of Misconsin 2013 - 2014 LEGISLATURE



2013 ASSEMBLY BILL 298

August 23, 2013 – Introduced by Representatives Hebl, Shankland, Kolste, Berceau, Zamarripa, Bernard Schaber, Sinicki, Kessler, Wright, Genrich, Doyle, Kahl, Jorgensen, Ohnstad and Milroy. Referred to Joint Committee on Finance.

AN ACT to renumber and amend 7.70 (3) (e); to amend 5.02 (12s), 5.35 (6) (b), 5.37 (4), 5.62 (1) (a), 5.62 (3), 5.81 (4), 5.91 (1), 5.91 (6), 8.15 (7), 8.16 (1), 8.20 (8) (a), 8.20 (9), 8.35 (4) (c), 8.50 (3) (b), 10.02 (3) (b) 2., 10.06 (1) (e), 10.06 (1) (i), 11.06 (1) (jm), 11.16 (5), 11.26 (17) (a), 11.31 (title), 11.31 (1) (intro.), 11.31 (7) (b) to (d) and 11.31 (8); and to create 5.62 (5), 7.08 (2) (c), 7.08 (2) (cm), 7.70 (3) (e) 1., 8.16 (5), 8.35 (4) (b), 10.02 (3) (b) 2m., 11.21 (15), 11.26 (9) (c), 11.26 (10), 11.26 (13), 11.31 (2), 11.31 (2m), 11.31 (3), 11.31 (3m), 11.31 (4), 11.31 (6), 11.31 (10), 11.50, 14.58 (20), 20.511 (1) (q), 20.855 (4) (b), 25.17 (1) (ys), 25.42 and 71.10 (3) of the statutes; relating to: creation of a Wisconsin election campaign fund, making appropriations, and providing penalties.

Analysis by the Legislative Reference Bureau

This bill authorizes each individual filing a state income tax return who has a tax liability or is owed a refund to designate that \$1 of general purpose revenue be transferred to an election campaign fund administered by the Government Accountability Board (GAB) and the state treasurer. Under the bill, any candidate for a partisan state office, except district attorney, who receives at least 6 percent of

the total vote cast on all ballots for the office the candidate seeks at the partisan primary and whose name is certified as a candidate in the general election is eligible to receive a grant from the fund to finance campaign expenses. The bill places the names of independent candidates on the partisan primary ballot in order to permit these candidates to qualify to receive grants. However, as under current law, a voter who votes for a party candidate for any office is not permitted to vote for any candidates not representing that party, including independent candidates. The independent candidates continue to appear on the general election ballot regardless of the number of votes they receive at the primary. A candidate for state superintendent of public instruction or justice of the supreme court who is nominated at the primary may also qualify to receive grants. In addition, a candidate for a state office at a special partisan election may qualify to receive a grant if he or she represents a party whose candidate for the same office at the most recent general election received at least 6 percent of the total vote cast for the office or if he or she actually receives at least 6 percent of the total vote cast for the office at the special election. A candidate whose name appears on the ballot at a special election for the office of state superintendent may also qualify.

The moneys in the fund are apportioned as follows: 1) in those years in which there is an election for supreme court justice, candidates for that office may receive 8 percent of the money in the fund which is divided equally among them; 2) in those years in which there is an election for state superintendent, candidates for that office may receive 8 percent of the money in the fund which is divided equally between them; 3) the remainder is apportioned among the candidates for partisan state executive offices, who may receive 25 percent of the remaining money in the fund, and candidates for legislative office, who may receive 75 of the remaining money in the fund. The fund is further apportioned among candidates for the executive offices according to a specified formula. All eligible candidates for the same office may receive equal grants. If a candidate for an office does not accept a grant, the amount for which the candidate could have qualified is potentially payable to any opposing candidates for the same office who accept grants. To complete his or her qualification, a candidate must receive contributions of money from individuals during a specified period in amounts of \$100 or less cumulatively from each individual. For a candidate for a statewide office or any candidate at a special election, the contributions must equal at least 5 percent of the candidate's statutory disbursement (expenditure) level. For other candidates, the contributions must equal at least 10 percent of the candidate's statutory disbursement level. candidate for an office who accepts a grant must agree to abide by the statutory disbursement level unless the candidate is opposed by a candidate whose name appears on the ballot and who receives at least 6 percent of the total vote for the same office at the primary if a primary was held and that candidate does not accept a grant or does not abide by the statutory disbursement level. As under current law, a candidate who does not accept a grant is not bound by any disbursement level, but such a candidate may voluntarily agree to abide by the disbursement level by filing an affidavit with GAB affirming that intention.

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Under the bill, grants are paid directly to each eligible candidate. Grants may be used only for office supplies or postage, or for the purchase of services from printers, graphic arts or advertising providers, or communications media. A candidate must return any unspent and unencumbered grant moneys to the state.

Under current law, no candidate for state office may receive more than 45 percent of his or her statutory disbursement level from committees other than political party committees. The bill treats grant moneys as committee contributions, thus reducing the amount of nonparty committee contributions that a candidate who accepts a grant may receive. The maximum amount that a candidate may receive is that amount, when added to all other nonparty committee contributions received by the candidate, equal to 45 percent of the candidate's disbursement level. If there is insufficient money within any account in the fund to make full payment of the grants to which all eligible candidates are entitled at any election, GAB is directed to proportionally reduce grant payments.

The bill transfers \$1,128,600 from the general fund to the Wisconsin election campaign fund, which is approximately equivalent to the amount that was transferred from the campaign fund to the general fund in 2011 when the campaign fund existed under former law. Under the bill, initial grants are payable at the first election that follows the day the bill becomes law by at least 60 days, but the initial transfer of moneys from income tax designations is made on August 15 following the calendar or taxable year in which the first designations are made.

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:

Section 1. 5.02 (12s) of the statutes is amended to read:

5.02 (12s) "Partisan primary" means the primary held the 2nd Tuesday in August to nominate candidates to be voted for at the general election and to determine which candidates for state offices other than district attorney may participate in the Wisconsin election campaign fund.

Section 2. 5.35 (6) (b) of the statutes is amended to read:

5.35 **(6)** (b) At each polling place in the state where a consolidated ballot under s. 5.655 is used or an electronic voting system is utilized at a partisan primary election incorporating a ballot upon which electors may mark votes for candidates of more than one recognized political party or for candidates of a recognized political

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party and independent candidates, the municipal clerk or board of election commissioners shall prominently post a sign in the form prescribed by the board warning electors in substance that on any ballot with votes cast for candidates of more than one recognized political party or any ballot with votes cast for candidates of any recognized political party and independent candidates, no votes cast for any candidates for partisan office will be counted unless a preference for a party or for the independent candidates is made. If the elector designates a preference, only votes cast for candidates of that preference will be counted.

Section 3. 5.37 (4) of the statutes is amended to read:

5.37 (4) Voting machines may be used at primary elections when they comply with subs. (1) and (2) and the following provisions: All candidates' names entitled to appear on the ballots at the primary shall appear on the machine; the elector cannot vote for candidates of more than one party, whenever the restriction applies, and an elector who votes for candidates of any party may not vote for independent candidates at the partisan primary; the elector may secretly select the party for which he or she wishes to vote or the independent candidates in the case of the partisan primary; the elector may vote for as many candidates for each office as he or she is lawfully entitled to vote for, but no more.

Section 4. 5.62 (1) (a) of the statutes is amended to read:

5.62 (1) (a) At the partisan primary, the following ballot shall be provided for the nomination of candidates of recognized political parties for national, state and county offices and independent candidates for state office in each ward, in the same form as prescribed by the board under s. 7.08 (1) (a), except as authorized in s. 5.655. The ballots shall be made up of the several party tickets with each party entitled to participate in the primary under par. (b) or sub. (2) having its own ballot, except as

authorized in s. 5.655. The independent candidates for state office other than district attorney shall have a separate ballot for all such candidates under s. 5.64 (1) (e), except as authorized in s. 5.655. The ballots shall be secured together at the bottom. The party ballot of the party receiving the most votes for president or governor at the last general election shall be on top with the other parties arranged in descending order based on their vote for president or governor at the last general election. The ballots of parties qualifying under sub. (2) shall be placed after the parties qualifying under par. (b), in the same order in which the parties filed petitions with the board. Any ballot required under par. (b) 2. shall be placed next in order. The ballot listing the independent candidates shall be placed at the bottom. At polling places where voting machines are used, each party and the independent candidates shall be represented in one or more separate columns or rows on the ballot. At polling places where an electronic voting system is used other than an electronic voting machine, each party and the independent candidates may be represented in separate columns or rows on the ballot.

Section 5. 5.62 (3) of the statutes is amended to read:

5.62 (3) The board shall designate the official primary ballot arrangement for statewide offices and district attorney within each prosecutorial district by using the same procedure as provided in s. 5.60 (1) (b). On each ballot and on each separate column or row on the ballot, the candidates for office shall be listed together with the offices which they seek in the following order whenever these offices appear on the partisan primary ballot: governor, lieutenant governor, attorney general, secretary of state, state treasurer, U.S. senator, U.S. representative in congress, state senator, representative to the assembly, district attorney and the county offices. Below the

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names of the independent candidates shall appear the party or principle of the candidates, if any, in 5 words or less, as shown on their nomination papers.

Section 6. 5.62 (5) of the statutes is created to read:

5.62 (5) At the partisan primary, an elector may vote for the candidates of only one party, or the elector may vote for any of the independent candidates for state office listed; but the elector may not vote for more than one candidate for a single office. A space shall be provided on the ballot for an elector to write in the name of his or her choice as a party candidate for any office, including a party candidate of a party whose name appears on the ballot, column, or row designated for independent candidates, as provided in sub. (1) (b) or (2) (b), but no space shall be provided for an elector to write in the names of independent candidates.

SECTION 7. 5.81 (4) of the statutes is amended to read:

5.81 (4) In partisan primary elections, if a ballot contains the names of candidates of more than one party or the names of party candidates and independent candidates, it shall provide a space for electors to designate a party preference or a preference for independent candidates. Failure to designate a preference does not invalidate any votes cast by an elector, except as provided in s. 7.50 (1) (d).

Section 8. 5.91 (1) of the statutes is amended to read:

5.91 (1) It enables an elector to vote in secrecy and to select the party for which or the independent candidates for whom an elector will vote in secrecy at a partisan primary election.

Section 9. 5.91 (6) of the statutes is amended to read:

5.91 **(6)** The voting device or machine permits an elector in a primary election to vote for the candidates of the recognized political party or the independent candidates of his or her choice, and the automatic tabulating equipment or machine

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rejects any ballot on which votes are cast in the primary of more than one recognized political party, except where a party or independent candidate designation is made or where an elector casts write-in votes for candidates of more than one party on a ballot that is distributed to the elector.

Section 10. 7.08 (2) (c) of the statutes is created to read:

7.08 (2) (c) As soon as possible after the canvass of the spring and partisan primary votes, but no later than the first Tuesday in March and the 4th Tuesday in August, transmit to the state treasurer a certified list of all eligible candidates for state office who have filed applications under s. 11.50 (2) and whom the board determines to be eligible to receive grants from the Wisconsin election campaign fund. The list shall contain each candidate's name, the mailing address indicated on the candidate's registration statement, the office the candidate seeks, and the party or principle the candidate represents, if any.

Section 11. 7.08 (2) (cm) of the statutes is created to read:

7.08 (2) (cm) As soon as possible after the canvass of a special primary, or the date that the primary would be held, if required, transmit to the state treasurer a certified list of all eligible candidates for state office who have filed applications under s. 11.50 (2) and whom the board determines to be eligible to receive a grant under s. 11.50 (1) (a) 2. after the special election. The list shall contain each candidate's name the mailing address indicated on the candidate's registration statement, the office the candidate seeks, and the party or principle the candidate represents, if any.

Section 12. 7.70 (3) (e) of the statutes is renumbered 7.70 (3) (e) (intro.) and amended to read:

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- 7.70 **(3)** (e) (intro.) The chairperson of the board or the chairperson's designee shall make a special statement to the board as soon as possible after the canvass of the general election certifying:
- 2. After the general election, the name of each political party which receives at least one percent of the vote cast in such election for any statewide office.
 - **SECTION 13.** 7.70 (3) (e) 1. of the statutes is created to read:
- 7.70 (3) (e) 1. After each partisan primary, the name of each candidate not defeated in the primary who receives at least 6 percent of the total vote cast for all candidates on all ballots at the primary for each separate state office except district attorney, and the percentage of the total vote received by that candidate. In the case of legislative candidates, the percentage shall be calculated within each legislative district.
 - **Section 14.** 8.15 (7) of the statutes is amended to read:
- 8.15 (7) A candidate may not run in more than one party primary at the same time. No filing official may accept nomination papers for the same person in the same election for more than one party. An independent candidate at a partisan primary or other election may not file nomination papers as the candidate of a recognized political party for the same office at the same election. A person who files nomination papers as the candidate of a recognized political party may not file nomination papers as an independent candidate for the same office at the same election.
 - **Section 15.** 8.16 (1) of the statutes is amended to read:
- 8.16 (1) Except as provided in sub. (2), the person who receives the greatest number of votes for an office on a party ballot at any partisan primary, regardless of whether the person's name appears on the ballot, shall be the party's candidate for the office, and the person's name shall so appear on the official ballot at the next

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election. All independent candidates shall appear on the general election ballot regardless of the number of votes received by such candidates at the partisan primary.

Section 16. 8.16 (5) of the statutes is created to read:

8.16 (5) A candidate for a partisan state office except district attorney may also qualify to receive a grant under s. 11.50 if the candidate meets the requirements specified in s. 11.50; however, a candidate who qualifies under this section to have his or her name appear on the official ballot at the general election shall appear on that ballot regardless of whether the candidate qualifies to receive a grant under s. 11.50.

Section 17. 8.20 (8) (a) of the statutes is amended to read:

8.20 (8) (a) Nomination papers for independent candidates for any office to be voted upon at a general election or partisan primary and general election, except president, vice president and presidential elector, may be circulated no sooner than April 15 preceding the election and may be filed no later than 5 p.m. on the June 1 preceding the partisan primary, except as authorized in this paragraph. If an incumbent fails to file nomination papers and a declaration of candidacy by 5 p.m. on June 1 preceding the partisan primary, all candidates for the office held by the incumbent, other than the incumbent, may file nomination papers no later than 72 hours after the latest time prescribed in this paragraph. No extension of the time for filing nomination papers applies if the incumbent files written notification with the filing officer or agency with whom nomination papers are filed for the office which the incumbent holds, no later than 5 p.m. on the 2nd Friday preceding the latest time prescribed in this paragraph for filing nomination papers, that the incumbent is not

a candidate for reelection to his or her office, and the incumbent does not file nomination papers for that office within the time prescribed in this paragraph.

SECTION 18. 8.20 (9) of the statutes is amended to read:

8.20 (9) Persons nominated by nomination papers without a recognized political party designation shall be placed on the official ballot at the general election and at any partisan election to the right or below the recognized political party candidates in their own column or row designated "Independent". At the partisan primary, the names of persons nominated for state office by nomination papers without a recognized political party designation shall be placed on a separate ballot or, if a consolidated paper ballot under s. 5.655 (2), an electronic voting system, or voting machines are used, in a column or row designated as "Independent". If the candidate's name already appears under a recognized political party it may not be listed on the independent ballot, column or row.

Section 19. 8.35 (4) (b) of the statutes is created to read:

8.35 (4) (b) Notwithstanding par. (a), any unspent and unencumbered moneys received by a candidate from the Wisconsin election campaign fund shall be immediately transferred to any candidate who is appointed to replace that candidate, upon filing of proper application by the replacement candidate under s. 11.50 (2). If there is no candidate appointed or if no proper application is filed within 7 days of the date on which the vacancy occurs, the moneys shall revert to the state as provided in s. 11.50 (8). For purposes of qualification, contributions received and disbursements made by the former candidate are considered to have been received or made by the replacement candidate.

SECTION 20. 8.35 (4) (c) of the statutes is amended to read:

8.35 (4) (c) The transfer shall be reported to the appropriate filing officer in a special report submitted by the former candidate's campaign treasurer. If the former candidate is deceased and was serving as his or her own campaign treasurer, the former candidate's petitioner or personal representative shall file the report and make the transfer required by par. (b), if any. The report shall include a complete statement of all contributions, disbursements and incurred obligations pursuant to s. 11.06 (1) covering the period from the day after the last date covered on the former candidate's most recent report to the date of disposition.

Section 21. 8.50 (3) (b) of the statutes is amended to read:

8.50 (3) (b) Except as otherwise provided in this section, the provisions for the partisan primary under s. 8.15 are applicable to all partisan primaries held under this section, and the provisions for spring primaries under s. 8.10 are applicable to all nonpartisan primaries held under this section. In a special partisan primary or election, the order of the parties on the ballot shall be the same as provided under s. 5.62 (1) or 5.64 (1) (b). The names of independent candidates for state office at a special partisan election shall not appear on the primary ballot. No primary is required for a nonpartisan election in which not more than 2 candidates for an office appear on the ballot or for a partisan election in which not more than one candidate for an office appears on the ballot of each recognized political party. In every special election except a special election for nonpartisan state office where no candidate is certified to appear on the ballot, a space for write-in votes shall be provided on the ballot, regardless of whether a special primary is held.

Section 22. 10.02 (3) (b) 2. of the statutes is amended to read:

10.02 (3) (b) 2. At a <u>special</u> partisan primary, the elector shall select the party ballot of his or her choice and shall make a cross (X) next to or depress the lever or

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button next to the candidate's name for each office for whom the elector intends to vote, or shall insert or write in the name of the elector's choice for a candidate.

SECTION 23. 10.02 (3) (b) 2m. of the statutes is created to read:

10.02 (3) (b) 2m. At the partisan primary, the elector shall select the party ballot of his or her choice or the ballot containing the names of the independent candidates for state office and make a cross (X) or depress the lever or button next to the selected candidate's name for each office for whom the elector intends to vote or shall insert or write in the name of the elector's choice for a party candidate, if any. In order to qualify for participation in the Wisconsin election campaign fund, a candidate for state office at the partisan primary, other than a candidate for district attorney, must receive at least 6 percent of all votes cast on all ballots for the office that the candidate seeks, in addition to other requirements.

Section 24. 10.06 (1) (e) of the statutes is amended to read:

10.06 (1) (e) As soon as possible following the state canvass of the spring primary vote, but no later than the first Tuesday in March, the board shall send a type B notice certifying to each county clerk the list of candidates for the spring election. When no state spring primary is held, this notice shall be sent under par. (c). The board shall also in any case send a certified list of candidates under s. 11.50 to the state treasurer pursuant to s. 7.08 (2) (c). When there is a referendum, the board shall send type A and C notices certifying each question to the county clerks as soon as possible, but no later than the first Tuesday in March.

Section 25. 10.06 (1) (i) of the statutes is amended to read:

10.06 (1) (i) As soon as possible after the state canvass, but no later than the 4th Tuesday in August, the board shall send a type B notice certifying the list of candidates and, type A and C notices certifying each question for any referendum to

each county clerk for the general election, and a certified list of candidates under s.

11.50 to the state treasurer pursuant to s. 7.08 (2) (c).

SECTION 26. 11.06 (1) (jm) of the statutes is amended to read:

11.06 (1) (jm) A copy of any separate schedule prepared or received pursuant to an escrow agreement under s. 11.16 (5). A candidate or personal campaign committee receiving contributions under such an agreement and attaching a separate schedule under this paragraph may indicate the percentage of the total contributions received, disbursements made and exclusions claimed under s. 11.31 (6) without itemization, except that amounts received from any contributor pursuant to the agreement who makes any separate contribution to the candidate or personal campaign committee during the calendar year of receipt as indicated in the schedule shall be aggregated and itemized if required under par. (a) or (b).

Section 27. 11.16 (5) of the statutes is amended to read:

11.16 (5) Escrow agreements. Any personal campaign committee, political party committee or legislative campaign committee may, pursuant to a written escrow agreement with more than one candidate, solicit contributions for and conduct a joint fund raising effort or program on behalf of more than one named candidate. The agreement shall specify the percentage of the proceeds to be distributed to each candidate by the committee conducting the effort or program. The committee shall include this information in all solicitations for the effort or program. All contributions received and disbursements made by the committee in connection with the effort or program shall be received and disbursed through a separate depository account under s. 11.14 (1) that is identified in the agreement. For purposes of s. 11.06 (1), the committee conducting the effort or program shall prepare a schedule in the form prescribed by the board supplying all required

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- information under s. 11.06 (1) and items qualifying for exclusion under s. 11.31 (6) for the effort or program, and shall transmit a copy of the schedule to each candidate who receives any of the proceeds within the period prescribed in s. 11.06 (4) (c).
 - **Section 28.** 11.21 (15) of the statutes is created to read:
- 11.21 (15) Inform each candidate who files an application to become eligible to receive a grant from the Wisconsin election campaign fund of the dollar amount of the applicable disbursement limitation under s. 11.31 that applies to the office the candidate seeks. Failure to receive the notice required by this subsection does not constitute a defense to a violation of s. 11.27 (1) or 11.31.
 - **SECTION 29.** 11.26 (9) (c) of the statutes is created to read:
- 11 11.26 **(9)** (c) For purposes of pars. (a) and (b), a "committee" includes the Wisconsin election campaign fund.
 - **Section 30.** 11.26 (10) of the statutes is created to read:
 - a grant from the Wisconsin election campaign fund may make contributions of more than 200 percent of the amounts specified in sub. (1) to the candidate's own campaign from the candidate's personal funds or property or the personal funds or property of the candidate that are owned jointly or as marital property with the candidate's spouse, unless the board determines that the candidate is not eligible to receive a grant, the candidate withdraws his or her application under s. 11.50 (2) (h), or s. 11.50 (2) (i) applies. For purposes of this subsection, any contribution received by a candidate or his or her personal campaign committee from a committee that is registered with the federal election commission as the authorized committee of the candidate under 2 USC 432 (e) shall be treated as a contribution made by the candidate to his or her own campaign. The contribution limit of sub. (4) applies to

| amounts contributed by such a candidate personally to the candidate's own |
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| campaign and to other campaigns, except that a candidate may exceed the limitation |
| if authorized under this subsection to make contributions exceeding the amount |
| specified to the candidate's own campaign, up to the authorized excess amount. |
| Section 31. 11.26 (13) of the statutes is created to read: |
| 11.26 (13) Except as provided in sub. (9), grants received from the Wisconsin |
| election campaign fund are not subject to limitation by this section. |
| Section 32. 11.26 (17) (a) of the statutes is amended to read: |
| 11.26 (17) (a) For purposes of application of the limitations imposed in subs. |
| (1), (2) , and (9) , and (10) , the "campaign" of a candidate begins and ends at the times |
| specified in this subsection. |
| Section 33. 11.31 (title) of the statutes is amended to read: |
| 11.31 (title) Disbursement levels and limitations; calculation. |
| Section 34. 11.31 (1) (intro.) of the statutes is amended to read: |
| 11.31 (1) Schedule. (intro.) The following levels of disbursements are |
| established with reference to the candidates listed below. The $\underline{\text{Except}}$ as $\underline{\text{provided in}}$ |
| $\underline{\mathrm{sub.}}$ (2), the levels do not operate to restrict the total amount of disbursements which |
| are made or authorized to be made by any candidate in any primary or other election. |
| Section 35. 11.31 (2) of the statutes is created to read: |
| 11.31 (2) LIMITATION IMPOSED. No candidate for state office at a spring or general |
| election who files a sworn statement and application to receive a grant from the |
| Wisconsin election campaign fund may make or authorize total disbursements from |
| his or her campaign depository account to the extent of more than the amount |
| prescribed in sub. (1) , unless the board determines that the candidate is not eligible |
| to receive a grant, the candidate withdraws his or her application under s. 11.50 (2) |

(h), or s. 11.50 (2) (i) applies. No candidate for state office at a special election who files a sworn statement and application to receive a grant from the Wisconsin election campaign fund may make or authorize total disbursements from his or her campaign depository account in any campaign to the extent of more than the amount prescribed in sub. (1) for the preceding spring or general election for the same office, unless the board determines that the candidate is not eligible to receive a grant, the candidate withdraws his or her application under s. 11.50 (2) (h), or s. 11.50 (2) (i) applies.

Section 36. 11.31 (2m) of the statutes is created to read:

11.31 (2m) Voluntary Limitation. Any candidate to whom sub. (2) and s. 11.26 (10) do not apply may file an affidavit with his or her filing officer affirming that he or she has adhered to, and will adhere to, the limitations imposed under sub. (2) and s. 11.26 during his or her entire campaign. The limitations then apply to that candidate unless the candidate withdraws the affidavit by notifying his or her filing officer in writing no later than the 7th day after the primary in which the person filing the affidavit is a candidate, or the 7th day after the date that the primary would be held, if no primary is required.

Section 37. 11.31 (3) of the statutes is created to read:

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

Section 38. 11.31 (3m) of the statutes is created to read:

11.31 (3m) Unopposed candidates; exception. Notwithstanding subs. (1) and (2), if all candidates for state senator or representative to the assembly in a legislative district who are certified under s. 7.08 (2) (a) to have their names appear on the partisan primary ballot of all parties recognized under s. 5.62 (1) (b) or (2) have no opponent whose name is certified to appear on the same primary ballot, or if no primary is required for all candidates of parties recognized under s. 5.62 (1) (b) or (2) for state senator or representative to the assembly in a legislative district who are certified under s. 8.50 (1) (d) to have their names appear on a special partisan election ballot, then the separate limitations imposed under sub. (1) for disbursements during the primary and election periods do not apply to candidates for that office in that election, and the candidates are bound only by the total limitations specified for the primary and election combined.

Section 39. 11.31 (4) of the statutes is created to read:

11.31 (4) Allocation. Except as provided in sub. (3m), whenever a separate disbursement level is specified for a primary and election under sub. (1), a candidate who disburses less than the authorized level in the primary may not reallocate the balance to increase the authorized level in the election. Whenever a separate disbursement level is not specified for a primary and election under sub. (1), a candidate may allocate disbursements between the primary and election campaign within the total level of disbursements specified in sub. (1) in any proportion desired, and may carry over unexpended contributions from a primary campaign to an election campaign.

Section 40. 11.31 (6) of the statutes is created to read:

11.31 **(6)** EXCLUSIONS. In computing the limitations under this section, a candidate may exclude any of the following:

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- 1. Contributions returned to the contributor.
- 2 2. Loan repayments made.
- 3. Inaugural expenses paid from a campaign depository account under s. 11.25 3
- (2) (b). 4

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- 5 4. Expenses incurred as a result of a recount.
- 6 5. All federal, state, and local taxes paid.
- 7 6. Any reimbursement paid to a candidate for the candidate's travel expenses.
 - 7. The gross receipts from the sale at an auction of any materials contributed to a candidate and reported by the candidate as a disbursement at the time the contribution is made.
 - 8. All refunds or deposits paid.
 - 9. The cost of services and materials purchased from a service provider for the purpose of compliance with the electronic filing requirement under s. 11.21 (16).
 - 10. The cost of facilities rental, entertainment expense, food and beverages, including the preparation and service thereof that is contracted to an outside provider, if utilized for a meal, sale, rally, or similar fund raising event or program that is intended for political purposes.
 - **Section 41.** 11.31 (7) (b) to (d) of the statutes are amended to read:
 - 11.31 (7) (b) Disbursements which are made before a campaign period for goods to be delivered or services to be rendered in connection with the campaign are allocated to charged against the disbursement level limitation for that campaign.
 - (c) Disbursements which are made after a campaign to retire a debt incurred in relation to a campaign are allocated to charged against the disbursement level limitation for that campaign.

| (d) Disbursements which are made outside a campaign period and to which par. |
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| (b) or (c) does not apply are not subject to any disbursement level <u>limitation</u> . Such |
| disbursements are subject to s. 11.25 (2). |
| SECTION 42. 11.31 (8) of the statutes is amended to read: |
| 11.31 (8) Certain contributions excluded. The levels specified in limitations |
| imposed under this section do not apply to a gift of anything of value constituting a |
| contribution made directly to a registrant by another, but the levels <u>limitations</u> do |
| apply to such a gift when it is received and accepted by the recipient or if received |
| in the form of money, when disbursed. |
| Section 43. 11.31 (10) of the statutes is created to read: |
| 11.31 (10) Surplus materials excluded. Disbursements constituting surplus |
| materials acquired in connection with a previous campaign of a candidate are not |
| subject to limitation by this section if the materials were previously reported as a |
| disbursement by that candidate for the previous campaign. |
| Section 44. 11.50 of the statutes is created to read: |
| 11.50 Wisconsin election campaign fund. (1) Definitions. For purposes |
| of this section: |
| (a) "Eligible candidate" means: |
| 1. With respect to a spring or general election, any individual who is certified |
| under s. 7.08 (2) (a) as a candidate in the spring election for justice or state |
| superintendent, or an individual who receives at least 6 percent of the vote cast for |
| all candidates on all ballots for any state office, except district attorney, for which the |
| individual is a candidate at the partisan primary and who is certified under s. 7.08 |

(2) (a) as a candidate for that office in the general election, or an individual who has

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been lawfully appointed and certified to replace either such individual on the ballot at the spring or general election; and who has qualified for a grant under sub. (2).

- 2. With respect to a special election, an individual who is certified under s. 8.50 (1) (d) as a candidate in a special election for state superintendent, or an individual who is certified under s. 8.50 (1) (d) as a candidate in a special election for any state office, except district attorney, on the ballot or column of a party whose candidate for the same office at the preceding general election received at least 6 percent of the vote cast for all candidates on all ballots for the office, or an individual who has been lawfully appointed and certified to replace either such individual on the ballot at a special election, or an individual who receives at least 6 percent of the vote cast for all candidates on all ballots for any state office, except district attorney, at a partisan special election; and who qualifies for a grant under sub. (2). Where the boundaries of a district in which an individual seeks office have been changed since the preceding general election such that it is not possible to calculate the exact number of votes that are needed by that individual to qualify as an eligible candidate prior to an election under this subdivision, the number of votes cast for all candidates for the office at the preceding general election in each ward, combination of wards or municipality which is wholly contained within the boundaries of the newly formed district shall be calculated. If the candidate of the political party on whose ballot or column the individual appears in the newly formed district obtained at least 6 percent of the number of votes calculated, the individual is as an eligible candidate prior to the election under this subdivision.
 - (b) "Fund" means the Wisconsin election campaign fund.
 - (c) "Grant" means a contribution received from the fund.

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(d) "Printing services" means printing, imprinting, lithographing, photolithographing, rotogravure, gravure, letterpress, mimeographing, stenciling, photostating, multilithing, multigraphing, steel die engraving, silkscreening, or by any other means reproducing or manufacturing political advertisements or campaign devices of any kind, including campaign literature, billboard advertising, special clothing, buttons, pens, stickers, banners and streamers, in support of or in opposition to any candidate, political party, or referendum, whether or not a charge is assessed for the materials or services, except materials or services provided by a candidate or individual, committee, or group subject to a filing requirement under this chapter.

(2) Participation; application. (a) Any individual who desires to qualify as an eligible candidate may file an application with the board requesting approval to receive a grant from the fund. Except as provided in par. (e), the application shall be filed no later than the applicable deadline for filing nomination 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. on the 7th day after the primary or date on which the primary would be held if required in the case of write-in candidates, or no later than 4:30 p.m. on the 7th day after appointment in the case of candidates appointed to fill vacancies. The application shall contain a sworn statement that the candidate and his or her authorized agents have complied with the contribution limitations prescribed in s. 11.26 and the disbursement limitations prescribed under s. 11.31 at all times to which those limitations have applied to his or her candidacy and will continue to comply with the limitations at all times to which the limitations apply to his or her candidacy for the office in contest, unless the board determines that the candidate is not eligible to receive a

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- grant, the candidate withdraws his or her application under par. (h), or par. (i) applies.
 - (b) The board shall approve the application of an eligible candidate for participation if all of the following apply:
 - 1. The application is timely.
- 2. The candidate is certified under s. 7.08 (2) (a) or 8.50 (1) (d) to appear upon the spring, general, or special election ballot.
 - 3. The candidate has an opponent who is certified for placement on the election ballot as a candidate for the same office.
 - 4. The financial reports filed by or on behalf of the candidate as of the date of the spring or partisan primary, or the date that the special primary is or would be held, if required, indicate that his or her statement filed with the application under par. (a) is true.
 - 5. The financial reports filed by or on behalf of the candidate as of the date of the spring or partisan primary, or the date that the special primary is or would be held, if required, indicate that the candidate has received at least the amount provided in this subdivision, from contributions of money, other than loans, made by individuals, which have been received during the period ending on the date of the spring primary and beginning on July 1 preceding that date in the case of candidates at the spring election, or ending on the date of the partisan primary and beginning on January 1 preceding that date in the case of candidates at the general election, or ending on the date that a special primary will or would be held, if required, and beginning 90 days preceding such date or on the date a special election is ordered, whichever is earlier, in the case of special election candidates, which contributions are in the aggregate amount of \$100 or less, and which are fully identified and

itemized as to the exact source thereof. A contribution received from a conduit which is identified by the conduit as originating from an individual shall be considered a contribution made by the individual. Only the first \$100 of an aggregate contribution of more than \$100 may be counted toward the required percentage. For a candidate at the spring or general election for an office identified in s. 11.26 (1) (a) or a candidate at a special election, the required amount to qualify for a grant is 5 percent of the candidate's authorized disbursement limitation under s. 11.31. For any other candidate at the general election, the required amount to qualify for a grant is 10 percent of the candidate's authorized disbursement limitation under s. 11.31.

- (c) If a candidate has not filed financial reports as of the date of the spring primary, partisan primary, special primary, or date that the special primary would be held, if required, which indicate that he or she has met the qualification under par. (b) 5., the candidate may file a special report with the board. The report shall be filed not later than the 7th day after the primary, or 7th day after the date the primary would be held, if required, and shall include such supplementary information as to sources of contributions which may be necessary to complete the candidate's qualification. The special report shall cover the period from the day after the last date covered on the candidate's most recent report, or from the date on which the first contribution was received or the first disbursement was made, whichever is earlier, if the candidate has not previously filed a report, to the date of the report. All information included on the special report shall also be included in the candidate's next report under s. 11.20.
- (d) For purposes of qualification under par. (b) 4. and 5., the financial reports of a former candidate are considered to be the same as if filed by the candidate who

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is lawfully appointed to replace that candidate whenever a vacancy after nomination occurs.

- (e) Whenever a candidate who files nomination papers is unopposed on the deadline for filing the papers but is later opposed by a write-in candidate who qualifies for ballot placement, the application deadline under par. (a) is the same for the candidate who files nomination papers as for his or her opponent.
- (f) The board shall inform each candidate in writing of the approval or disapproval of the candidate's application, as promptly as possible after the date of the spring primary, partisan primary, special primary, or date that the primary would be held, if required. With respect to a candidate at a special election who applies for a postelection grant under sub. (1) (a) 2., the board shall inform the candidate in writing of the conditional approval or disapproval of the candidate's application at the same time.
- (g) A candidate who voluntarily files an application to receive a grant in accordance with this subsection accepts and agrees to comply with the contribution limitations prescribed in s. 11.26 and the disbursement limitations imposed under s. 11.31 as binding upon himself or herself and his or her agents during the campaign as defined in s. 11.31 (7), as a precondition to receipt of a grant under this section, unless the board determines that the candidate is not eligible to receive a grant, the candidate withdraws the application under par. (h), or par. (i) applies.
- (h) An eligible candidate who files an application under par. (a) may file a written withdrawal of the application. A withdrawal of an application may be filed with the board no later than the 7th day after the day of the primary in which the person withdrawing the application is a candidate or the 7th day after the date that the primary would be held, if required. If an application is withdrawn in accordance

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with this paragraph, the person withdrawing the application is no longer bound by the statement filed under par. (a) after the date of the withdrawal.

- (i) Notwithstanding par. (g), if an eligible candidate at the spring election or a special nonpartisan election who accepts a grant is opposed by one or more candidates in the election, or if an eligible candidate at the general election or a special partisan election who accepts a grant is opposed by one or more candidates in the election who receive at least 6 percent of the vote cast for all candidates for the same office on all ballots at the partisan primary or a special primary if a primary was held, and in either case if any such opponent of the eligible candidate does not accept a grant under this section in whole or in part, the eligible candidate is not bound by the pledge made in his or her application to adhere to the contribution limitations prescribed in s. 11.26 and the disbursement limitation prescribed under s. 11.31, unless each such opponent files an affidavit of voluntary compliance under s. 11.31 (2m).
- (3) Nonpartisan candidates. (a) Annually on August 15, all moneys appropriated to the fund shall be apportioned as follows by the state treasurer:
- 1. If an election for state superintendent is scheduled in the following year, 8 percent of the fund shall be placed in a superintendency account. From this account, an equal amount shall be disbursed to the campaign depository account of each eligible candidate by the state treasurer.
- 2. If an election for justice is scheduled in the following year, 8 percent of the fund shall be placed in a justice account. From this account, an equal amount shall be disbursed to each eligible candidate by the state treasurer.
 - 3. The balance shall be apportioned under sub. (4).

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- SECTION 44
- (b) If a vacancy occurs in the office of state superintendent after August 15 in any year and an election is scheduled to fill the vacancy at the spring election in the following year, the state treasurer shall transfer an amount not exceeding 8 percent of the moneys transferred to the fund on the preceding August 15 to the account for the office in which the vacancy occurs, those moneys to be drawn from any account within the accounts created under sub. (4) in the amount or amounts specified by the board.
- (4) Partisan and special election candidates. (a) After apportionment under sub. (3), the remaining moneys shall constitute the partisan campaign account.
- (b) In the partisan campaign account, 25 percent of the moneys shall be apportioned into an executive campaign account and 75 percent of the moneys shall be apportioned into a legislative and special election campaign account.
- (c) The executive campaign account shall be divided into accounts for each executive office as provided in this paragraph. The apportionment of moneys in the executive campaign account shall be made as follows:
- 1. Sixty-seven percent to be apportioned between all eligible candidates for governor.
- Eight percent to be apportioned between all eligible candidates for lieutenant governor.
- 3. Seventeen percent to be apportioned between all eligible candidates for attorney general.
- 4. Four percent to be apportioned between all eligible candidates for state treasurer.
- 24 5. Four percent to be apportioned between all eligible candidates for secretary of state. 25

- (d) The legislative and special election campaign account shall be divided into a senate campaign account to receive 25 percent of the moneys and an assembly campaign account to receive 75 percent of the moneys. Each account shall then be apportioned between all eligible candidates for the same office in the entire state. No apportionment shall be made by legislative district.
- (e) Each eligible candidate for the same office at a special election shall receive an amount equal to the maximum grant that was payable to any candidate for that office at the most recent spring or general election. The amount shall be drawn from the senate campaign account and the assembly campaign account in the same proportions as the balance in each account bears to the total balance in both accounts at the time that payments are made. Whenever there are insufficient moneys in the senate campaign account and the assembly campaign account to make the payments required by this paragraph, payments shall be proportionately reduced or discontinued by the board.
- (f) Within the accounts established under this subsection for each office at each general election, the entire amount of all available moneys shall be apportioned equally to all eligible candidates.
- (5) TIME OF DISBURSEMENT. The state treasurer shall make the disbursements to the campaign depository account of each eligible candidate under subs. (3) and (4) by the end of the 3rd business day following notice from the board under s. 7.08 (2) (c) or (cm).
- (5m) Combination of accounts. Eligible candidates for governor and lieutenant governor of the same political party may combine accounts if desired.
- (6) Excess Moneys. If the amounts which are to be apportioned to each eligible candidate under subs. (3) and (4) are more than the amount which a candidate may

- **SECTION 44**
- accept under sub. (9), or more than the amount which a candidate elects to accept under sub. (10), the excess moneys shall be retained in the fund.
- (7) UTILIZATION. Grants distributed under this section may be utilized only for deposit in a campaign depository account under s. 11.10. Grants may be expended only for one or more of the following:
 - (a) Purchase of services from a communications medium.
 - (b) Printing, graphic arts, or advertising services.
 - (c) Office supplies.
 - (d) Postage.
- (8) Lapsing grants. All grants disbursed under sub. (5) remain the property of the state until disbursed or encumbered for a lawful purpose. All grant moneys that are unspent and unencumbered by a candidate on the day after the election in which the candidate participates shall revert to the state. All deposits and refunds derived from grant moneys that are received by a candidate at any time after the day of the election in which the candidate participates shall revert to the state. All reversions shall be returned to the board by the candidate. The board shall deposit the amounts received in the fund.
- (9) LIMITATION ON GRANTS. The total grant available to an eligible candidate may not exceed the amount that, when added to all other contributions accepted from sources other than individuals, political party committees and legislative campaign committees, is equal to 45 percent of the disbursement level specified for the applicable office under s. 11.31. The board shall scrutinize accounts and reports and records kept under this chapter to assure that applicable limitations under ss. 11.26 (9) and 11.31 are not exceeded and any violation is reported. No candidate or

- campaign treasurer may accept grants exceeding the amount authorized by this subsection.
- (10) VOLUNTARY LIMITATION. Any eligible candidate may by written request limit his or her participation in the fund to a lesser amount than that authorized under sub. (9).
- (10m) Return of Grants. An individual who receives a grant prior to an election in which he or she is a candidate and who desires to return any portion of the grant shall return that portion no later than the 2nd Tuesday in October preceding a general election, the 4th Tuesday preceding a spring election or the 3rd Tuesday preceding a special election. A candidate who returns all or any portion of a grant under this subsection remains bound by the candidate's statement filed under sub. (2) (a).
 - (11) Use restricted. (a) No grant may be utilized in any primary.
- (b) No person may expend, authorize the expenditure of, or incur any obligation to expend a grant for any purpose other than to advance the candidacy by lawful means of the specific candidate or candidates who qualify for the grant.
- (c) No person may expend, authorize the expenditure of, or incur any obligation to expend a grant except for a purpose authorized by sub. (7).
- (d) No person may authorize the expenditure of or incur any obligation to expend a grant or other contribution after the date of any election where the moneys contained in the contribution are returnable to the state under sub. (8).
- (e) No candidate may expend, authorize the expenditure of, or incur any obligation to expend any grant if he or she violates the pledge required under sub.

 (2) (a) as a precondition to receipt of a grant, except as authorized in sub. (2) (h) or (i).

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| SECTION | 11 |

- (f) No person may prepare or transmit to a registrant under this chapter or to the board any evidence which purports to demonstrate the amount or purpose for which a grant has been used if that evidence specifies an amount or purpose for which a payment is received other than the true amount or purpose.
- (g) If any person violates pars. (a) to (f), the person is liable to the state in a civil action brought by the board for conversion, for treble the amount of the moneys wrongfully expended, and in addition is subject to penalties as provided in ss. 11.60 and 11.61.
- (12) PROOF OF PAYMENT. No later than the next due date for continuing reports under s. 11.20 (4) which occurs at least 30 days after an election in which a candidate receives a grant, or no later than 30 days after each special election in which a candidate receives a grant, whichever is earlier, the candidate or his or her campaign treasurer shall deliver or transmit to the board by 1st class mail, sufficient proof of payment for all disbursements made from grants distributed under this section. This subsection does not restrict the authority of the board to audit records under ss. 5.05 (2) and 13.94 (1) (k).
- (13) Donations to fund. Any committee or other person may make an unrestricted contribution to the fund by gift or bequest.
 - **Section 45.** 14.58 (20) of the statutes is created to read:
- 14.58 (20) Election campaign fund. Make disbursements to each candidate who is certified under s 7.08 (2) (c) or (cm) by the government accountability board as eligible to receive moneys from the Wisconsin election campaign fund.
 - **Section 46.** 20.511 (1) (q) of the statutes is created to read:
- 20.511 (1) (q) Wisconsin election campaign fund. From the Wisconsin election campaign fund, a sum sufficient equal to the amounts determined under s. 11.50 to

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| 1 | provide grants to eligible candidates whose names are certified under s. 7.08 (2) (c |
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| 2 | or (cm). |
| 3 | Section 47. 20.855 (4) (b) of the statutes is created to read: |
| 4 | 20.855 (4) (b) Election campaign fund payments. A sum sufficient equal to the |
| 5 | amounts determined under s. 71.10 (3) to be paid into the Wisconsin election |
| 6 | campaign fund annually on August 15. |
| 7 | Section 48. 25.17 (1) (ys) of the statutes is created to read: |
| 8 | 25.17 (1) (ys) Wisconsin election campaign fund (s. 25.42); |
| 9 | Section 49. 25.42 of the statutes is created to read: |
| 10 | 25.42 Wisconsin election campaign fund. All moneys appropriated under |
| 11 | s. 20.855 (4) (b) together with all moneys reverting to the state under s. 11.50 (8), and |
| 12 | all gifts and bequests received under s. $11.50 (13)$, constitute the Wisconsin election |
| 13 | campaign fund, to be expended for the purposes of s. 11.50. All moneys in the fund |
| 14 | not disbursed by the state treasurer shall continue to accumulate indefinitely. |
| 15 | Section 50. 71.10 (3) of the statutes is created to read: |
| 16 | 71.10 (3) CAMPAIGN FUND. (a) Every individual filing an income tax return who |
| 17 | has a tax liability or is entitled to a tax refund may designate \$1 for the Wisconsin |
| 18 | election campaign fund for the use of eligible candidates under s. 11.50. If the |
| 19 | individuals filing a joint return have a tax liability or are entitled to a tax refund |
| 20 | each individual may make a designation of \$1 under this subsection. |
| 21 | (b) The secretary of revenue shall provide a place for designations under par |
| 22 | (a) on the face of the individual income tax return and shall provide next to that place |
| 23 | a statement that a designation will not increase income tax liability. Annually or |
| 24 | August 15, the secretary of revenue shall certify to the government accountability |

board, the department of administration, and the state treasurer under s. 11.50 the

SECTION 50

- total amount of designations made for the preceding fiscal year. If any individual attempts to place any condition or restriction upon a designation, the designation is invalid and the secretary of revenue shall not certify the designation as provided under this paragraph.
- (c) The names of individuals making designations under this subsection are confidential.

SECTION 51. Nonstatutory provisions.

(1) The government accountability board shall allocate the amount transferred to the Wisconsin election campaign fund under Section 52 of this act within the subaccounts of the fund to reflect the same allocation that existed within the Wisconsin election campaign fund on June 30, 2011.

SECTION 52. Fiscal changes.

(1) There is transferred \$1,128,600 from the general fund to the Wisconsin election campaign fund, as created by this act.

Section 53. Initial applicability.

- (1) This act, except for the treatment of section 71.10 (3) of the statutes, first applies with respect to grants payable for elections held at least 60 days after the effective date of this subsection.
- (2) The treatment of section 71.10 (3) of the statutes 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 of section 71.10 (3) of the statutes first applies to taxable years beginning on January 1 of the year following the year in which this subsection takes effect.