

NOTICE OF OPEN MEETING

Wisconsin Ethics Commission

212 East Washington Avenue, Third Floor Board Room

Madison, Wisconsin

Wednesday, November 9, 2016

Time: 9:00 A.M.

Open Session Agenda

A. Call to Order

B. Report of Appropriate Meeting Notice

C. Personal Appearances

Note: At the discretion of the Commission Chair, public appearances may be restricted to those related to agenda item D

D. Request for Advice – Formal Opinion Request from the Wisconsin Association of School Boards Regarding the Administration of [WIS. STAT. §11.0104](#)

E. Adjourn

Open session meeting materials are available online at: <http://ethics.wi.gov/content/november-9-2016-special-meeting>



Wisconsin Ethics Commission

212 East Washington Avenue | Third Floor | P.O. Box 7984 | Madison, WI 53707-7984
(608) 266-8123 | ethics@wi.gov | ethics.wi.gov

DATE: For the November 9, 2016 Commission Special Meeting

TO: Members, Wisconsin Ethics Commission

FROM: David Buerger, Staff Counsel

SUBJECT: Request for Formal Opinion – Daniel Mallin, on behalf of the Wisconsin Association of School Boards

I. Introduction

Staff received the attached request for advice from Daniel Mallin, Staff Counsel for the Wisconsin Association of School Boards (WASB). WASB's membership includes 422 school boards, whose clerks are the filing officers for candidates for school board as well as school district referenda. WASB is making this request not on behalf of any particular candidate or filing officer, but rather in furtherance of its mission to educate and inform its members as to the requirements of the law.

Attorney Mallin has asked whether, and under what circumstances, would a candidate who is participating in the 2017 spring election be eligible to claim and receive an exemption from filing campaign finance reports. Attorney Mallin also seeks answers on a number of further questions outlined at the end of this memo.

The Government Accountability Board (GAB) previously examined the language of [WIS. STAT. § 11.0104](#) and determined that it excluded an existing, non-exempt candidate from amending their registration to claim "exempt" status during the time period beginning with the filing of a candidate's ballot access documents and until the close of the reporting period after the election. However, the GAB did not speak to the broader question of how a candidate could otherwise claim the exemption under the new statute. GAB staff extended the interpretation of the Board for the 2016 election cycle, but that interpretation has not been approved by either the predecessor GAB or this Commission. This memo outlines the questions presented by Attorney Mallin and provides a brief legal analysis to guide the Commission in determining how to respond.

II. Relevant Statutes

The controlling statutory section, [WIS. STAT. § 11.0104](#), was created as part of the recent repeal and recreation of Chapter 11 through [2015 Wisconsin Act 117](#) and became effective on January 1, 2016.

Wisconsin Ethics Commissioners
Mac Davis | David R. Halbrooks | Robert Kinney | Peg Lautenschlager | Katie McCallum | Pat Strachota

Administrator
Brian M. Bell, MPA

11.0104 Reporting exemptions: limited activity.

(1)

(a) Except as provided in par. (b), any committee which does not anticipate accepting or making contributions, making disbursements, or incurring obligations, and any conduit which does not anticipate accepting or releasing contributions, in an aggregate amount exceeding \$2,000 in a calendar year may file an amended registration statement with the appropriate filing officer indicating that fact. The committee or conduit shall certify the amended registration in the manner required under s. [11.0103 \(3\) \(c\)](#) and shall include the information required to be reported by that committee or conduit on its continuing reports.

(b) In no case may a candidate committee file an amended registration under this section covering any period ending sooner than the date of the election in which the candidate committee is participating.

(2) Upon receipt of a properly executed amended registration by a committee or conduit, the appropriate filing officer shall suspend the requirement imposed upon that committee or conduit by this chapter to file continuing reports. An indication of limited activity under this section is effective only for the calendar year in which it is granted, unless the committee or conduit alters its status before the end of such year or files a termination report under s. [11.0105](#).

(3) An indication of limited activity made under sub. (1) may be revoked. If revoked, the committee or conduit shall comply with the reporting requirements applicable to the committee or conduit under this chapter as of the date of revocation, or the date that aggregate contributions, disbursements, or obligations for the calendar year exceed \$2,000. If the revocation is not timely, the committee or conduit violates s. [11.1201](#).

(4) A committee or conduit that files an amended registration statement under sub. (1) is not required to file a termination report under s. [11.0105](#).

[remainder of section omitted]

III. Discussion

A. Background

[2015 Wisconsin Act 117](#) repealed and recreated Chapter 11 effective January 1, 2016. The prior version of Chapter 11 permitted candidate committees with less than \$1,000 in activity per calendar year and who also did not accept more than \$100 from any single source, to claim an exemption from campaign finance reporting. [WIS. STAT. § 11.05\(2r\) \(2013\)](#). The new Chapter 11 continued the option of claiming an exemption from campaign finance reporting with the creation of [WIS. STAT. § 11.0104](#), which raised the maximum activity level to \$2,000, but added further restrictions on when the exemption could be claimed and limited the exemption to only being effective for the calendar year in which it was granted.

The Government Accountability Board deliberated regarding the numerous changes of [Act 117](#) at its December 2015 meeting, including the changes to the reporting exemption. At the meeting, the Board adopted the following motion regarding the interpretation of [WIS. STAT. § 11.0104\(1\)](#):

“Direct staff to apply [WIS. STAT. § 11.0104\(1\)](#) to (a) to exclude existing, non-exempt candidate committees from amending their registration to claim “exempt” status during the time period beginning with the filing of a candidate’s ballot access documents until the close of the reporting period after the election and (b) permit other amendments to registration statements.”

Minutes of the Government Accountability Board, page 4, lines 169-173. (December 15, 2015).

Since the enactment of [Act 117](#), GAB staff updated its forms and guidance to reflect the Board’s motion and provide additional guidance to candidates and filing officers. As part of that update, the following language was added to the [Campaign Registration Statement \(ETHCF-1\)](#):

[Statute § 11.0104\(2\)](#) states that exemption is effective only for the calendar year it is granted. If a committee wishes to renew its exempt status, it must file the [ETHCF-14 \(Exemption Reverification\)](#) or a new [ETHCF-1](#) before the closing of the first reporting period for which it would be required to file a report. Candidates on the ballot that calendar year may claim exemption when they first register, or renew their exemption from the previous calendar year, but a candidate on the ballot that calendar year may not claim exemption before the date of her/his election if he/she has not been on exempt status previously. See [statute §11.0104\(1\)\(b\)](#).

Similar language was included in the newly created [Exemption Re-verification \(ETHCF-14\)](#) and [Campaign Finance Overview](#) (see attached).

B. Analysis

1. General Interpretation of [WIS. STAT. § 11.0104](#)

The primary question asked by Atty. Mallin is how the Commission will be interpreting [WIS. STAT. § 11.0104](#) going forward. The purpose of statutory interpretation is to determine what the statute means so that it may be given its full, proper, and intended effect. *State ex rel. Kalal v. Circuit Court for Dane Cty.*, 2004 WI 58, ¶44. Statutory interpretation begins with the language of the statute. *Id.* at ¶45. Statutory language is given its common, ordinary, and accepted meaning. *Id.* Statutory language should also be interpreted in the context in which it is used; not in isolation, but as part of a whole; in relation to the language of surrounding or closely-related statutes; and reasonably, to avoid absurd or unreasonable results. *Id.* at ¶46. If the meaning of the statute is plain, the inquiry ordinarily ends there. *Id.* at ¶45. However, a literal reading of a statute may be rejected if it

would lead to an absurd or unreasonable result that does not reflect the legislature’s intent. *State v. Jennings*, 2003 WI 10, ¶11.

The GAB’s December motion appears to be based on a literal reading of [WIS. STAT. § 11.0104\(1\)\(b\)](#). However, it is not clear that the Board intended this motion to direct staff to allow candidates who were previously exempt to continue their exemption into the year of their election if they were exempt in the prior year. Such an interpretation would seem to contradict the plain language of [WIS. STAT. § 11.0104\(1\)\(b\)](#): “in no case may a candidate committee file an amended registration under this section covering any period ending sooner than the date of the election in which the candidate committee is participating.” However, this is the interpretation that was followed in 2016.

If taken at face value, [WIS. STAT. § 11.0104\(2\)](#), which limits exemptions to the calendar year in which they are granted, would have required all previously “exempt” committees to reapply for exemption in the new calendar year. As a literal reading of [WIS. STAT. § 11.0104\(1\)\(b\)](#) would prevent candidates who are participating in an election from claiming the exemption for any period ending prior to the date of the election per subparagraph [\(1\)\(b\)](#), all candidates participating in the 2016 Spring election would have been required to file campaign finance reports regardless of the level of their activity. This was not required by the GAB; arguably because these changes took effect in the middle of the 2016 Spring election cycle and it would have been unduly burdensome for filing officers and candidates across the state to change procedures effective January 1, 2016 when the bill had only been enacted December 16, 2015.

The additional language on the Campaign Registration Statement and other documents which states: “if he/she has not been on exempt status previously,” is an expansion of the Board’s original motion to address the statute’s silence regarding committees previously on exemption. Arguably, this additional language goes beyond a plain reading of [WIS. STAT. § 11.0104\(1\)\(b\)](#) and requires filing officers to treat candidates differently depending on when they first attempt to claim exemption. For example, a candidate who registers and does not claim exemption on December 31 must be denied the opportunity to claim the exemption January 1, but a candidate who registers for the first time January 1 can still claim the exemption. However, a literal reading of the statute while legally preferable, would deny all candidates participating in the election the ability to claim exemption even if they have little to no campaign activity, which would appear to be an absurd or unreasonable result.

There are also a variety of public policy reasons to avoid the literal interpretation. Requiring every candidate committee to file campaign finance reports even when there is little to no activity in a reporting period is administratively burdensome to filing officers and candidates and offers little benefit to the public. It would also likely result in a significant rate of non-compliance as many local candidates have never had to file a campaign finance report and would not know how to do so if required. Each incident of non-compliance would also need to be reported to the Commission under [WIS. STAT. § 11.0102\(3\)\(e\)](#), and the Commission would need to decide for each whether the violation was worth pursuing via civil enforcement or through a referral to the local district attorney.

Additionally, restricting exemptions would also require candidates to use separate depository accounts for their campaign funds. See [WIS. STAT. § 11.0201\(2\)\(b\)](#). Local candidates commonly use personal bank accounts as their campaign depositories out of convenience. This is permitted as long as the candidate is claiming the exemption from reporting. *Id.* However, if even low-activity local candidates must come off exemption in the year of their election, there is little point to permitting the use of a personal bank account as every election cycle the candidate would have to transfer the funds back into a separate account. Harmonizing these two statutes further supports continuing the previous interpretation as adopting a more literal interpretation of [WIS. STAT. § 11.0104](#) would essentially render the permissive aspect of [§ 11.0201\(2\)\(b\)](#) moot for at least one calendar year per term.

Finally, if there is no option for exemption once the candidate has declared an intent to participate in a future election, candidates who register well ahead of their election would be penalized by not being able to claim exemption even though they may have little to no campaign activity during those years. A potential compromise between the previous and literal interpretations to address this concern is to permit exemption after registration for a future election, but not in the year of the election.

2. Treatment of Campaign Registration Statements Claiming Exemption When Not Available

Attorney Mallin also asks how filing officers should handle Campaign Registration Statements where the candidate requests exemption, but it is not available. [WIS. ADMIN. CODE ETH 6.02\(2\)](#) states:

Any registration statement filed with a filing officer... which is insufficient or incomplete in some manner but substantially complies with law shall be accepted by such officer who shall then promptly notify the registration indicating the nature of the incompleteness or insufficiency. The registrant shall then have 15 days from the date of such notice to rectify the problem. If the incompleteness or insufficiency is not rectified by the registrant within 15 days from the date of the notice, the registration lapses and is not effective.

The request for exemption from reporting is part of the [Campaign Registration Statement](#), but does not in itself change the information presented on the form. The request is in addition to the underlying registration statement. As such, if the registration statement is otherwise valid, it would be administratively beneficial for filing officers to accept such registrations as complete and simply require the filing officer to notify the candidate that the exemption is denied. However, if the registration is incomplete in some manner, but otherwise substantially compliant, the filing officer should proceed as directed in [WIS. ADMIN. CODE ETH 6.02\(2\)](#).

3. Separate Depository Accounts

As indicated in the discussion of issue #1 above, [WIS. STAT. § 11.0201\(2\)\(b\)](#) only permits the use of a personal bank account by a candidate when they are exempt from the reporting requirement. While a separate provision, it does refer back to [WIS. STAT. § 11.0104](#) and so these two provisions should be harmonized if possible. If the Commission adopts a more literal interpretation of [WIS. STAT. § 11.0104](#), the depository instructions to the Campaign Registration Statement and other guidance should also address how to track funds that may move back and forth between a separate and commingled account.

4. Impact of a Primary Loss on the Ability to Claim Exemption

Attorney Mallin asks if a candidate loses at the primary, are they still considered to be “participating” in the election and therefore ineligible to claim exemption. The phrase “election in which the candidate committee is participating” is not defined in statute, but in the absence of a statutory definition, statutory interpretation requires that we give a word its ordinary and accepted meaning. *Door Cty. Highway Dep’t v. DILHR*, 137 Wis. 2d. 280, 293-94 (Ct. App. 1987). This can be done by consulting a recognized dictionary. *Id.* Participate is commonly defined as “to take or have a part or share”. *Participate Definition*, Dictionary.com, <http://www.dictionary.com/browse/participate> (last visited Nov. 1, 2016). In the election process, a candidate’s part is to seek election to an office. This can ordinarily only be done by either having one’s name on the ballot or by registering as a write-in candidate. In the absence of any statutory definition, it seems reasonable to consider a candidate who loses at the primary and who is not seeking election as a write-in as no longer participating as a candidate in an election.

This interpretation is further supported by the past practice of the Government Accountability Board and Elections Board under [WIS. STAT. § 11.19\(3\) \(2013\)](#), which provided that “in no case may a candidate or personal campaign committee file a termination or suspension report covering any period ending sooner than the date of the election in which the candidate or committee is participating.” Under that similar language, the policy of our predecessor agencies was to permit a candidate that lost in the primary to terminate with the next report even if it was before the general election. Therefore under the similar language of [WIS. STAT. § 11.0105\(1\)\(b\)](#) it should be reasonable that the candidate may claim exemption as of the time they cease to participate in the election as a candidate, if they were otherwise qualified.

5. Impact of Campaign Registration Timing on the Ability to Claim Exemption

Attorney Mallin asks what is the trigger for ineligibility to claim exemption. Depending on how the Commission generally interprets [WIS. STAT. § 11.0104](#), there are two potential triggering events. If the Commission continues the prior interpretation regarding exemptions, the statute only restricts a candidate who was registered, but not exempt from amending to claim the exemption in the year of their election.

However, if the Commission reads the statute more literally, the statute would restrict any candidate from claiming the exemption for any period ending sooner than the date of the election in which the candidate is participating, no matter how far in the future that may be. As such, a candidate who registers for an office with a future election date today is not eligible to claim exemption until after that future election.

6. Termination Under Exemption

A separate challenge with the new exemption provision is that posed by [WIS. STAT. § 11.0104\(4\)](#), which permits a committee under exemption to terminate their registration without filing a termination report. Allowing a committee under exemption to terminate without notifying the filing officer presents a serious administrative challenge. Without notice of termination, a filing officer would never know which committees need to renew their exemption and which have terminated. Additionally, without the termination report normally required under [WIS. STAT. § 11.0105](#), filing officers would be unable to audit the final distribution of the residual campaign funds to ensure that the candidate did not convert campaign funds to personal use.

These issues were previously identified by the GAB and communicated to the appropriate legislative committees for remedial legislation. These issues were also included in the legislative agenda approved by the Commission in October. This question was also raised by Atty. Mallin on behalf of the filing officers of WASB. Attorney Mallin specifically asks if the exemption/termination process is different for a challenger than an incumbent, if either loses in the general election.

In response to Atty. Mallin's specific inquiries, staff believes that regardless of whether an incumbent or challenger wins or loses, any candidate committee with less than \$2,000 in activity may claim the reporting exemption after the date of the election. Once exempt, [WIS. STAT. § 11.0104\(4\)](#) permits such an exempt candidate committee to terminate without filing the termination report otherwise required by [WIS. STAT. § 11.0105](#). However, there are two important caveats. First, due to the administrative necessity of knowing whether a committee still exists and is subject to further reporting, a filing officer should request any such terminating committee to provide notice to the filing officer, if not a full termination report. Second, an incumbent officeholder may not terminate their candidate committee while still holding office as the mere fact of holding office makes one a candidate under [WIS. STAT. § 11.0101\(1\)](#). See [WIS. STAT. § 11.0202\(1\)\(a\)](#). However, where an incumbent officeholder has submitted a termination request prior to the end of their term of office, the practice of the Government Accountability Board was to hold the termination pending the completion of the incumbent's term of office and not require any further reports subsequent to receipt of the termination request.

C. Response to Attorney Mallin's Request

Attorney Mallin has requested a formal opinion of the Commission under [WIS. STAT. § 19.46\(2\)\(c\)](#). While the Commission is obligated to review such a request and grant a hearing if requested, the Commission is not obligated to issue a formal opinion as

requested. While the Commission has not adopted any formal criteria for issuing formal opinions, staff suggests that one of the criteria should be that the issue has a strong chance of recurring.

In this case, the Legislature is aware of candidate and filing officer concerns regarding the new exemption process and revising [WIS. STAT. § 11.0104](#) to address those concerns is also part of the legislative agenda approved by the Commission in October. At this point it may be counterproductive to formalize the Commission's interpretation of this statute if the Commission has already asked for legislative action and the Legislature may change the statute in the near future. Additionally, while adopting a formal opinion would require the Commission to publish its response to Atty. Mallin, it would not necessarily be the best way to guide filing officers regarding the various changes made by [2015 Act 117](#).

In the alternative, the Commission may wish to exercise the options provided in [WIS. STAT. § 19.46\(2\)\(c\)\(4\)](#) to decline to provide a formal opinion and either refer the matter to the Attorney General for an opinion or to the standing legislative oversight committees for remedial legislation. In addition, the Commission could direct staff to issue a written response to Atty. Mallin consistent with its decision today so that his organization can advise its members while Commission staff follow that up with a broader communication to all filing officers with guidance on all the changes of [2015 Act 117](#) to promote consistent application of the new law.

IV. Questions Presented/Brief Answers

Below are the questions presented by Attorney Mallin along with brief examples of answers depending on whether the Commission chooses to continue the previous interpretation of the law or adopt a more literal interpretation (see Discussion section above). These examples are only intended to illustrate the potential range of answers and are not intended to limit the Commission to either answer.

1. Whether, and under what circumstances, would a candidate who is participating in the 2017 spring election be eligible to claim and receive an exemption from filing campaign finance reports that covers the January continuing report (transactions through December 31, 2016), the pre-primary report (if applicable), the pre-election report, and the July continuing report.

Previous Interpretation: A candidate registering for a future election may claim exempt status before January 1st in the year of their election, and may renew that exempt status in the year of their election. If previously exempt and wishing to renew, the candidate must file the Exemption Reverification form before the closing of the first reporting period of the new calendar year.

Literal Interpretation: A candidate registering for a future election may not claim exemption for any reports as of the date that they file/amend a campaign registration statement reflecting their intent to participate in the coming election and ending as of the date of that election.

2. Whether a candidate can claim an exemption:
 - a. On initial registration;
 - b. On an amended registration;
 - c. As a committee that registers on or before December 31, 2016;
 - d. As a committee that registers as a participant in the 2017 spring election only on or after January 1, 2017.

Previous Interpretation:

- a. *Yes.*
- b. *Yes, as long as the amendment is occurring earlier than the calendar year of the election or the candidate committee was previously exempt.*
- c. *Yes.*
- d. *Yes.*

Literal Interpretation:

- a. *No.*
- b. *Not before the election, but afterwards yes.*
- c. *The time the committee registers is irrelevant.*
- d. *The time the committee registers is irrelevant.*

3. To the extent that the Commission's answer to Question #1 is inconsistent with the statements, instructions, and guidance currently found on the Commission's forms and publications, does the Commission intend to amend those forms and publications?

Previous Interpretation: Yes, although no change should be necessary.

Literal Interpretation: Yes.

4. If the Commission's interpretation is that candidates who are participating in the 2017 spring election generally are ineligible to claim the reporting exemption, what should the local filing officer do if he/she receives a campaign registration statement (or an amended statement) from a candidate who is participating in the 2017 spring election that is otherwise complete, but on which the candidate has improperly claimed a reporting exemption that purports to be applicable to the entirety of the 2017 calendar year?
 - a. Reject the registration as insufficient and, if no replacement is filed, declare the candidate ineligible for the ballot.
 - b. Accept the registration as substantially complete and inform the candidate that he/she must file an amended registration within 15 days that does not claim the exemption. See [WIS. ADMIN. CODE ETH 6.02\(2\)](#).
 - c. Accept the registration as complete and simply inform the candidate that his/her request for a reporting exemption is denied in all respects.
 - d. Accept the registration as complete and inform the candidate that his/her request for a reporting exemption is granted only with respect to those 2017 reporting periods that end after the date of the spring election.
 - e. Other?

Previous Interpretation: Option (c).

Literal Interpretation: Option (c).

5. What affect does the scope and application of [WIS. STAT. § 11.0104\(1\)\(b\)](#) have on [§ 11.0201\(2\)\(b\)](#)?

Previous Interpretation: As [WIS. STAT. § 11.0201\(2\)\(b\)](#) requires a candidate to be exempt to use a personal bank account as his or her campaign committee depository, candidates who are not exempt are required to maintain a separate bank account as their campaign committee depository.

Literal Interpretation: Same.

6. If a candidate who is not exempt loses at the spring primary, are they still considered a candidate who is participating at the Spring election, or can they claim an exemption for the remainder of the 2017 calendar year right after the results of the primary election are known (assuming they are otherwise eligible for the exemption in terms of their aggregate contributions and disbursements)?

Previous Interpretation: A candidate who loses at the primary, but was not previously claiming the exemption may continue to seek election as a write-in and be required to report, or may cease seeking election and could claim exemption, if otherwise qualified.

Literal Interpretation: Same.

7. Regarding registrations (or amended registrations) filed in 2016 by candidates who indicate that they are participating in the 2017 Spring election, is the trigger for ineligibility to claim a reporting exemption:
- a. The registration (or amended registration) on which the candidate first expressly declares his/her participation in the 2017 spring election, or
 - b. The turning of the calendar to January 1.

Previous Interpretation: Option (b), assuming the candidate did not previously claim exemption in 2016.

Literal Interpretation: Option (a).

8. How does [WIS. STAT. § 11.0104\(4\)](#) apply to a candidate who loses in the spring election and who is not an incumbent school board member?

Previous Interpretation: Subsection (4) cannot be effectively administered as written. The Commission advises that a filing officer request that such a terminating committee notify the filing officer upon termination.

Literal Interpretation: [WIS. STAT. § 11.0104](#) permits a candidate to file an amended registration to claim exemption for any reporting period ending after the date of the election. Subsection (4) then would permit the committee to terminate without further notice to the filing officer.

9. How does [WIS. STAT. § 11.0104\(4\)](#) apply to a candidate who loses in the spring election, but who is an incumbent board member whose term of office does not expire until the 4th Monday in April?

Previous Interpretation: An incumbent may not terminate while still holding office. However, an incumbent may claim exemption if otherwise qualified. As regarding termination by an exempt candidate, subsection (4) cannot be effectively administered as written. The Commission advises that a filing officer request that such a terminating committee notify the filing officer upon termination.

Literal Interpretation: [WIS. STAT. § 11.0104](#) permits a candidate to file an amended registration to claim exemption for any reporting period ending after the date of the election. Subsection (4) then would permit the committee to terminate without further notice to the filing officer; however, the incumbent still could not terminate while holding office.

V. Additional Documents

1. [WASB request](#)
2. [Campaign Registration Statement \(ETHCF-1\)](#)
3. [Exemption Reverification \(ETHCF-14\)](#)
4. [Campaign Finance Overview – Local Candidates](#)
5. [Campaign Finance Checklist – Municipal and School District Candidates \(ETHCFIS-8\)](#)
6. [Minutes of the Government Accountability Board \(December 15, 2016\)](#)

WASB Request



122 W. WASHINGTON AVENUE, MADISON, WI 53703
DIRECTOR
PHONE: 608-257-2622-FAX: 608-257-8386

JOHN H. ASHLEY, EXECUTIVE

October 20, 2016

Wisconsin Ethics Commission
212 East Washington Avenue
Third Floor
P.O. Box 7984
Madison, Wisconsin 53707-7984

SENT VIA ELECTRONIC MAIL

RE: Request for an advisory opinion regarding the application of s. 11.0104 of the state statutes

Dear Commissioners of the Wisconsin Ethics Commission:

The Wisconsin Association of School Boards (WASB) currently has a membership consisting of the 422 school boards of public school districts in Wisconsin. The state's Cooperative Educational Service Agencies (CESAs) are also members of the WASB. Through its publications, educational seminars, and other services, the WASB routinely attempts to assist our members with their understanding and application of the Wisconsin elections laws and campaign finance laws as they pertain to school board elections and, at times, referenda. And, as you are already aware, school district clerks serve as local filing officers in connection with school board elections. School district clerks and their designees perform a variety of duties under the elections and campaign finance statutes.

We are writing to request, under s. 19.46(2) of the state statutes, a formal advisory opinion regarding the application of s. 11.0104 of the statutes to candidates for a local office who are participating in the 2017 spring election. Section 11.0104 was created by 2015 Wisconsin Act 117 and took effect on January 1, 2016.

As a preliminary matter, we wish to clarify that the WASB is requesting the advisory opinion in order to better advise our members through our publications, educational seminars, and other services. We are not requesting the opinion directly on behalf of, or at the express request of, any specific school board, school board member, or candidate. Further, although both of the undersigned individuals are licensed attorneys in Wisconsin, we are not submitting this request on behalf of any individual client.

In relevant part, s. 11.0104 provides as follows:

11.0104 Reporting exemptions: limited activity.

(1) (a) Except as provided in par. (b), any committee which does not anticipate accepting or making contributions, making disbursements, or incurring obligations, and any conduit which does not anticipate accepting or releasing contributions, in an aggregate amount exceeding \$2,000 in a calendar year may file an amended registration statement with the appropriate filing officer indicating that fact. The committee or conduit shall certify the amended registration in the manner required under s. 11.0103 (3) (c) and shall include the information required to be reported by that committee or conduit on its continuing reports.

(b) In no case may a candidate committee file an amended registration under this section covering any period ending sooner than the date of the election in which the candidate committee is participating.

(2) Upon receipt of a properly executed amended registration by a committee or conduit, the appropriate filing officer shall suspend the requirement imposed upon that committee or conduit by this chapter to file continuing reports. An indication of limited activity under this section is effective only for the calendar year in which it is granted, unless the committee or conduit alters its status before the end of such year or files a termination report under s. 11.0105.

[remainder of section omitted]

This request for an advisory opinion follows informal conversations that WASB Staff Counsel Daniel Mallin had with Commission Staff Counsel David Buerger during the month of October 2016. The WASB contacted Mr. Buerger seeking clarification and confirmation regarding the Ethics Commission's current guidance and enforcement position respecting s. 11.0104, as that statute applies to candidates for local office, and particularly to candidates who are participating in the 2017 spring election. Specifically, we were attempting to learn whether the Ethics Commission or its staff may be further clarifying any of the interpretive statements related to s. 11.0104 that appear in the following existing documents:

- The instructions to the ETHCF-1 Campaign Registration Statement form (as last revised in January 2016)

- The instructions to the ETHCF-14 Exemption Reverification form (as last revised, we believe, in January or February of 2016)
- The Campaign Finance Overview – Local Candidates manual (as revised by the former Government Accountability Board in March 2016; see especially pages 3-4)
- The ETHCFIS-8 Campaign Finance Checklist - Municipal and School District Candidates (as last revised in August 2016)

All four of the documents listed above are consistent in that they each state, or at least strongly imply, that a candidate who is participating (i.e., running for office) in the 2017 spring election generally is eligible to claim an exemption from filing campaign finance reports that would be applicable to the entirety of the 2017 calendar year (i.e., encompassing all reporting periods falling in the calendar year), provided that the candidate committee does not anticipate accepting contributions, making disbursements, or incurring obligations in an aggregate amount exceeding \$2,000 in the calendar year.

However, Mr. Buerger noted that the interpretation and guidance reflected in the documents listed above do not reflect decisions of the Commission and potentially could be deemed inconsistent with the most reasonable interpretation of s. 11.0104. Mr. Buerger further cautioned as follows in email correspondence:

I discussed our earlier phone conversations with Ethics Commission staff today and we do not have a firm answer on the interpretation and application of 11.0104.

I reviewed the prior sessions of the Government Accountability Board where 2015 Act 117 was discussed and it appears that the only relevant guidance the Board offered was that 11.0104(1) excludes existing, non-exempt candidates from amending their registration to claim “exempt” status during the time period beginning with the filing of a candidate’s ballot access documents and until the close of the reporting period after the election. However, this determination does not necessarily mean that all other candidates may claim the exemption. The Board did not speak to all potential scenarios. The instructions to the ETHCF-1 and other associated guidance to date appear to leave open the option to claim exemption by a candidate on the ballot in a given calendar year if they had previously been exempt, but this language does not appear to have been approved by the Board specifically and does not come from statute.

The exchange left the WASB in a position where we found it difficult to advise our members regarding the proper interpretation and application of s. 11.0104. At the same time, we believe the vast majority of school board candidates have historically claimed the reporting exemption on a continuous basis, even at the lower dollar thresholds that applied prior to 2015 Wisconsin Act 117. Moreover, school district clerks acting as local filing officers need clear guidance regarding when a registration statement is sufficiently complete, when they may lawfully

approve a reporting exemption, and when they must seek a campaign finance report from specific registered candidate committees. The issue is extremely time-sensitive as most candidates will be filing registration statements (or amended registration statements) throughout the next two months and a reporting period closes on December 31, 2016.

As a result, we are asking the Ethics Commission to issue a formal advisory opinion regarding the manner in which the Commission intends to interpret and enforce s. 11.0104 in relation to the 2017 spring election and to the candidates who register to participate in that election. The primary question is whether, and under what circumstances, would a candidate who is participating in the 2017 spring election be eligible to claim and receive an exemption from filing campaign finance reports that covers the January continuing report (transactions through December 31, 2016), the preprimary report (if applicable), the preelection report, and the July continuing report. Clarity regarding different specific scenarios would be greatly appreciated, including a candidate's eligibility to claim an exemption (1) on an initial registration; (2) on an amended registration; (3) as a committee that registers on or before December 31, 2016; (4) as a committee that registers as a participant in the 2017 spring election only on or after January 1, 2017, etc.

Particularly to the extent the Commission's answer to the primary question is inconsistent with the statements, instructions, and guidance currently found on the four GAB/Ethics Commission documents listed above, secondary questions include the following:

1. Does the Commission intend to amend those statements, instructions, and guidance?
2. If the Commission's interpretation is that candidates who are participating in the 2017 spring election generally are ineligible to claim the reporting exemption, what should the local filing officer do if he/she receives a campaign registration statement (or an amended statement) from a candidate who is participating in the 2017 spring election that is otherwise complete, but on which the candidate has improperly claimed a reporting exemption that purports to be applicable to the entirety of 2017 calendar year?
 - a. Reject the registration as insufficient and, if no replacement is filed, declare the candidate ineligible for the ballot.
 - b. Accept the registration as substantially complete and inform the candidate that he/she must file an amended registration within 15 days that does not claim the exemption. See [ETH 6.02\(2\)](#).
 - c. Accept the registration as complete and simply inform the candidate that his/her request for a reporting exemption is denied in all respects.
 - d. Accept the registration as complete and inform the candidate that his/her request for a reporting exemption is granted only with respect to those 2017 reporting periods that end after the date of the spring election.
 - e. Other?

3. What affect does the scope and application of s. 11.0104(1)(b) have on s. 11.0201(2)(b):

11.0201(2)(b) Notwithstanding par. (a), any candidate who serves as his or her own treasurer **and who is authorized to file and files an amended registration statement under s. 11.0104** may designate a single personal account as his or her candidate committee depository account, and may intermingle personal and other funds with campaign funds.

For example, if all local candidates participating in the 2017 spring election were deemed ineligible to claim an exemption under s. 11.0104 that covers the period from Jan. 1 through at least the date of the election, then is a consequence that any such candidate who has been using a single, comingled personal account for campaign funds through Dec. 31 would have to switch all campaign funds to a dedicated/segregated campaign account for at least the period of time that they cannot be exempt? *(Note the instructions appearing on the existing ETHCF-1 regarding depositories.)*

4. If a candidate who is not exempt loses in the spring primary, are they still considered a candidate who is participating in the Spring election, or can they claim an exemption for the remainder of the 2017 calendar year right after the results of the primary election are known (assuming they are otherwise eligible for the exemption in terms of their aggregate contributions and disbursements)?
5. Regarding registrations (or amended registrations) filed in 2016 by candidates who indicate that they are participating in the 2017 Spring election , is the trigger for ineligibility to claim a reporting exemption (1) the registration (or amended registration) on which the candidate first expressly declares his/her participation in the 2017 spring election, or (2) the turning of the calendar to January 1?
6. How does 11.0104(4) apply to, for example, a candidate who loses in the spring election and who is not an incumbent school board member? While such a candidate appears to be permitted to file a termination report after the election, could such a candidate also file an amended registration statement claiming an exemption covering the remainder of 2017, and then simply do nothing else such that their registration would lapse on December 31, 2017? What about a candidate who loses in the spring election but who is an incumbent board member whose term of office does not expire until the 4th Monday in April? Such an incumbent appears to be permitted to file a termination report once his/her term of office expires, but could such a candidate also file an amended registration statement after the 2017 spring election claiming the reporting exemption, and then simply allow their registration to lapse as of the close of calendar year (without filing a termination report)?

Thank you in advance for your time and your consideration of this request. Your responses will help us to better educate our member school boards and the local school district filing officers of their important obligations respecting the campaign finance laws. Our goal in communicating with the Commission and requesting an opinion on these matters is not to advocate for any particular result or for a change from the prevailing guidance (as identified above), but to simply understand the current interpretation, guidance, and enforcement position of the Ethics Commission as they relate to relatively new and untested statutory language.

Sincerely,

/s/

Daniel Mallin
Staff Counsel
Wisconsin Association of School Boards
122 W. Washington Ave, Suite 400
Madison, WI 53703
Direct Tel. 608-512-1708
dmallin@wasb.org

/s/

Barry Forbes
Associate Executive Director and Staff Counsel
Wisconsin Association of School Boards
122 W. Washington Ave, Suite 400
Madison, WI 53703
Direct Tel. 608-512-1703
bforbes@wasb.org

Campaign
Registration
Statement
(ETHCF-1)

Relevant Pages only

3. COMMITTEE TREASURER (Campaign finance correspondence is mailed to this address.)

Treasurer's Name	Telephone Number (residence)	
Address (number and street)	Telephone Number (employment)	
City, State and Zip Code	Treasurer Email Address	

4. PRINCIPAL OFFICERS OF COMMITTEE AND OTHER CUSTODIANS OF BOOKS AND ACCOUNTS

Attach additional listing if necessary. FOR INDEPENDENT AND LOCAL NONPARTISAN CANDIDATES ONLY: Indicate which officers or committee members are authorized to fill a vacancy in nomination due to death of candidate by an asterisk(*). See Wis. Stats. §8.35.

NAME	MAILING ADDRESS	Email Address	Phone #	POSITION

5. DEPOSITORY INFORMATION

Name of Financial Institution	
Address (number and street)	City, State and Zip Code

CERTIFICATION

MAJOR PURPOSE (For PACs, Independent Expenditure Committees, and Referendum Committees ONLY)

I certify that EITHER the committee has the major purpose of express advocacy, OR the committee uses more than 50% of its total spending in a 12-month period on expenditures for express advocacy activities (as specified for each committee type in statutory definitions, §11.0101 - see instructions below for details).

TREASURER

I, _____ (print full name) certify the information in this statement is true, correct and complete.

Signature _____, Treasurer. Date _____

CANDIDATE (or recall petitioner)

I, _____ (print full name) certify the information in this statement is true, correct and complete.

Signature _____, Candidate/Petitioner. Date _____

+++ EXEMPTION FROM FILING CAMPAIGN FINANCE REPORTS §11.0104 Wis. Stats. +++

You may be eligible for an exemption from filing campaign finance reports. Consult the Campaign Finance Overview for your type of committee to determine if your committee qualifies for exemption.

This registrant is eligible for exemption. This registrant will not accept contributions, make disbursements or incur obligations in an aggregate amount of more than \$2,000 in a calendar year. I am aware that per statute §11.0104(2), exempt status is effective only for the calendar year it is granted, and must be renewed each year if the committee wishes to remain exempt from filing reports.

This registrant is no longer eligible to claim exemption.

Signature of Candidate or Treasurer

Date

THE INFORMATION ON THIS FORM IS REQUIRED BY §§9.10(2)(d), 11.0203, 11.0303, 11.0403, 11.0503, 11.0603, 11.0803, 11.0903, WIS. STATS. FAILURE TO PROVIDE REQUIRED INFORMATION MAY SUBJECT YOU TO THE PENALTIES OF §§8.30(2), 11.1400, 11.1401, WIS. STATS.

Certification

The candidate and committee treasurer must sign the original registration statement of a candidate committee certifying that the information is true, correct, and complete. For a recall committee, the recall petitioner and the treasurer must both sign. A candidate serving as his/her own treasurer only needs to sign once. Non-candidate committees require only the treasurer's signature. Amendments to the registration may be signed by either the candidate or treasurer. If there is a change in treasurer, the new treasurer should sign.

Exemption From Filing Campaign Finance Reports

All committees must file campaign finance reports, unless they check the box to claim exemption and remain within those limits.

- A committee not collecting or spending more than \$2,000 total in a calendar year.
- Candidate committees and Party Committees must register before collecting or spending any money, but those committees may not have to file reports if they claim exemption.
- PACs and IECs do not have to register until they collect or spend more than \$2,500 in a calendar year. A PAC or IEC that is already registered, but will have limited activity for a calendar year, may claim exemption and would not have to file reports for that year.
- A referendum committee that does not collect or spend more than \$10,000 is not required to register. Because a referendum committee is unlikely to be active for multiple years, it would be rare for this type of committee to claim exemption.
- A recall committee that does not collect or spend more than \$2,000 is not required to register. A recall committee does not have to file reports unless it succeeds in forcing a recall election.

If a committee on exempt status exceeds any of the limits listed above:

- The committee must immediately file an amended ETHCF-1 with the appropriate filing officer, revoking the exempt status.
- The committee must report all campaign finance activity back to the beginning of the calendar year.

If a committee filed reports for the previous calendar year, and wishes to go on exempt status for the upcoming year, the committee must file a January Continuing report covering all activity through December 31st. Include an updated ETHCF-1 requesting exempt status for the upcoming year.

Renewing Exemption

Statute §11.0104(2) states that exemption is effective only for the calendar year it is granted. If a committee wishes to renew its exempt status, it must file the ETHCF-14 (Exemption Reverification) or a new ETHCF-1 before the closing of the first reporting period for which it would be required to file a report. Candidates on the ballot that calendar year may claim exemption when they first register, or renew their exemption from the previous calendar year, but a candidate on the ballot that calendar year may not claim exemption before the date of her/his election if he/she has not been on exempt status previously. See statute §11.0104(1) (b).

Amending a Registration Statement

When any of the information reported on the registration statement changes, the statement must be amended by filing a new ETHCF-1. The candidate or treasurer must file the new ETHCF-1 within **10 days** of the change, checking the "yes" box at the top of the form to indicate that it is an amendment.

Exemption Reverification (ETHCF-14)

+++ EXEMPTION FROM FILING CAMPAIGN FINANCE REPORTS §11.0104 Wis. Stats. +++

This registrant is eligible for exemption. This registrant will not accept contributions, make disbursements or incur obligations in an aggregate amount of more than \$2,000 in a calendar year. I am aware that per statute §11.0104(2), exempt status is effective only for the calendar year it is granted, and must be renewed each year if the committee wishes to remain exempt from filing reports.

This registrant is no longer eligible to claim exemption.

Signature of Candidate or Treasurer

Date

Committee Name

Calendar Year of Exemption

ETHID# (if necessary)

Exemption From Filing Campaign Finance Reports

All committees must file campaign finance reports, unless they check the box to claim exemption and remain within those limits.

- A committee not collecting or spending more than \$2,000 total in a calendar year.
- Candidate committees and Party Committees must register before collecting or spending any money, but those committees may not have to file reports if they claim exemption.
- PACs and IECs do not have to register until they collect or spend more than \$2,500 in a calendar year. A PAC or IEC that is already registered, but will have limited activity for a calendar year, may claim exemption and would not have to file reports for that year.
- A referendum committee that does not collect or spend more than \$10,000 is not required to register.
- A recall committee that does not collect or spend more than \$2,000 is not required to register. A recall committee does not have to file reports unless it succeeds in forcing a recall election.

If a committee on exempt status exceeds any of the limits listed above:

- The committee must immediately file an amended ETHCF-1 with the appropriate filing officer, revoking the exempt status.
- The committee must report all campaign finance activity back to the beginning of the calendar year.

If a committee filed reports for the previous calendar year, and wishes to go on exempt status for the upcoming year, the committee must file a January Continuing report covering all activity through December 31st. Include an updated ETHCF-1 requesting exempt status for the upcoming year.

Renewing Exemption

Statute §11.0104(2) states that exemption is effective only for the calendar year it is granted. If a committee wishes to renew its exempt status, it must file the ETHCF-14 (Exemption Reverification) or a new ETHCF-1 before the closing of the first reporting period for which it would be required to file a report. Candidates on the ballot that calendar year may claim exemption when they first register, or renew their exemption from the previous calendar year, but a candidate on the ballot that calendar year may not claim exemption before the date of her/his election if he/she has not been on exempt status previously. See statute §11.0104(1) (b).

Campaign Finance Overview Local Candidates

Relevant Pages only

campaign account. An individual who holds a state or local elective office may establish a second candidate committee under this subchapter for the purpose of pursuing a different state or local office.

To open the campaign account, it may be necessary to complete a request for Employer Identification Number (EIN) using form SS4. This form should be available from your financial institution or from an IRS office or website <http://www.irs.gov/charities/political/index.html>.

Item 6. Certification

The candidate and committee treasurer must sign the registration statement of a campaign committee certifying that the information is true, correct, and complete, and that the committee is authorized to act on the candidate's behalf.

Item 7. Exemption From Filing Campaign Finance Reports

Registrants who are eligible for an exemption from filing campaign finance reports should complete this section. The exemption requirements are explained below.

Amending a Registration Statement

When any of the information reported on the registration statement changes, the statement must be amended by filing a new ETHCF-1. The candidate or treasurer must file the new ETHCF-1 with the appropriate filing officer, checking the "yes" box at the top of the form to indicate that it is an amendment.

Penalty For Not Filing a Registration Statement

Failure to file the registration statement by the deadline for filing nomination papers prevents a candidate's name from appearing on the ballot. If a required statement or amendment is not filed on time, the registrant may be subject to a fine.

Candidates Seeking More Than One Office

An individual who holds a state or local elective office may establish a second candidate committee to pursue another office. If a second committee is established, that committee will register and file reports with to the appropriate filing officer.

If the candidate chooses to keep a single committee, copies of the registration and all reports should be filed with both filing officers, and each reported transaction should be labeled with the office to which it applies.

EXEMPTION FROM FILING CAMPAIGN FINANCE REPORTS

Eligibility

Committees may be eligible for an exemption from filing campaign finance reports if campaign finance activity is low enough to meet the following criteria:

The committee anticipates that it will not accept contributions, OR make disbursements, incur loans and other obligations in an aggregate amount exceeding \$2,000 in a calendar year.

The candidate or treasurer must sign and date the request for exemption on the campaign registration statement (ETHCF-1) or exemption reverification (ETHCF-14). An indication of limited activity (exemption) under this section is effective only for the calendar year in which it is granted. The candidate's contributions do count toward the total receipts of \$2,000 or less in a calendar year.

If a candidate committee wishes to renew its exempt status, it should file the ETHCF-14 or a new ETHCF-1. Candidates on the ballot may claim an exemption when they first register, or renew their exemption from the previous calendar year. HOWEVER, a candidate on the ballot in that calendar year, who did not previously claim the exemption, may not amend her/his registration to claim the exemption before the date of her/his election.

Financial Records During Exemption

When a committee is exempt, it is not required to file any campaign finance reports (ETHCF-2L, 2LE or 2a). However, the candidate or treasurer is required to keep financial records adequate to meet the requirements of campaign finance law. Records must be kept of all contributions to the committee and of all expenditures.

A candidate who is exempt from filing campaign finance reports may use a personal account as the campaign depository. The name and address of the financial institution must be provided on the ETHCF-1.

Revoking Exemption

If a decision is made at a later date to exceed the \$2,000 limit on contributions or disbursements, the committee must amend its campaign registration statement immediately, by checking the box: *"This registrant is no longer eligible to claim exemption"* on either the ETHCF-1 or ETHCF-14.

The committee is then required to file campaign finance reports beginning with the next regular report. The first report must cover all financial activity from January 1 of the current year, through the cutoff date of the required report.

MAJOR PROVISIONS OF CAMPAIGN FINANCE LAW

Contribution Limits

All candidates running for elected office must abide by contribution limits that vary depending on the office sought and the population of the district. The only contributors not subject to limits are the candidate contributing to his or her own election, and political party committees. To determine the limits for a candidate for local office, see the guidelines below and *check with the local clerk to get the current and exact amounts.*

Contribution limitations apply cumulatively to the entire primary and election campaign in which the candidate participates, whether or not there is a contested primary election.

Campaign Finance
Checklist
Municipal and School
District Candidates
(ETIS-8)

CAMPAIGN FINANCE CHECKLIST FOR 2017 MUNICIPAL AND SCHOOL DISTRICT CANDIDATES

Candidates should determine if they are required to make financial disclosure reports.

For Milwaukee City offices, the filing officer is the Milwaukee City Board of Election Commissioners. For all other municipal offices the filing officer is the municipal clerk. For school district offices, the filing officer is the school district clerk. Candidates should contact their filing officer for further information or to obtain any of the necessary forms.

If NOT claiming the exemption from reporting requirements:

- Obtain a copy of the ***Campaign Finance Overview – Local Candidates*** (Revised 2016) Manual from your filing officer and carefully review it with your treasurer.
- Complete and submit a ***January Continuing Campaign Finance Report (Form ETHCF-2L)*** to the filing officer no later than **January 16, 2017**, if registered before January 1, 2017. This report covers activity from July 1, 2016, or the date of registration (whichever is later), through December 31, 2016.
- Complete and submit a ***Pre-Primary Campaign Finance Report (Form ETHCF-2L)*** to the filing officer no later than **February 13, 2017**, if a primary is held. This report covers activity from January 1, 2017, through February 6, 2017.
- Complete and submit a ***Pre-Election Campaign Finance Report (Form ETHCF-2L)*** to the filing officer, no later than **March 27, 2017**. This report covers activity from February 7, 2017, through March 20, 2017, if a primary is held, **or** January 1, 2017, through March 20, 2017, if no primary is held.
- Complete and submit a ***July Continuing Campaign Finance Report (Form ETHCF-2L)*** to the filing officer no later than **July 15, 2017**. This report covers activity from March 21, 2017, through June 30, 2017.

Committees must file “Continuing Reports” until a termination report (ETHCF-2L) is filed.

For further information please contact the Wisconsin Ethics Commission.

Minutes of the
Government
Accountability Board
December 15, 2015

Relevant pages only

133 **MOTION:** Direct staff to require any segregated fund to register separately using the new
134 ETHCF-1 form, and report all activity and cash balances using the ETHCF-2 reporting form,
135 or CFIS website. Since segregated funds should not be required to report based on election
136 activity, the Board should direct staff to collect continuing reports from the segregated funds
137 in January and July of each year. Moved by Judge Vocke.

138
139 Board Members and staff discussed the purpose of segregated funds and the language in the
140 statute regarding registration and reporting. Some Board Members expressed concern that the
141 language does not explicitly describe a method for registering or reporting, and declined to
142 draft procedures that are not expressly authorized in statutes.

143
144 Judge Nichol said that since Judge Vocke’s motion was not seconded, the Board would move
145 on.

146
147 Issue #5. Ethics Specialist Adam Harvell explained that the new statutes are ambiguous about
148 the continuing reports required if a non-candidate committee does not support or oppose a
149 candidate. They are also unclear about when the reporting requirements begin and end.

150
151 Board Members and staff discussed the issue. Judge Vocke suggested that because reporting
152 would not be required for six months the Board should wait to take any action. The Board
153 took no action.

154
155 Judge Nichol called a recess for lunch at 12:37 p.m. The Board reconvened at 1:24 p.m.

156
157 Mr. Becker said that because of the Board’s reluctance to fill gaps in the language of the
158 legislation, staff would focus on some of the remaining issues and recommended motions but
159 not all of the issues raised in the materials.

160
161 Issue #6 – Should committees on “Exempt” status be required to file any reports? The Board
162 did not discuss this issue, and took no action.

163
164 Issue #7. Mr. Becker discussed the issue of when a candidate committee can choose to go on
165 “Exempt” status. He said the new legislation provides that a candidate committee may not
166 amend its registration statement sooner than the date of the election in which the candidate
167 committee is participating (§11.0104(1)(b)).

168
169 **MOTION:** Direct staff to apply Wis. Stat. §11.0104(1) to (a) to exclude existing, non-exempt
170 candidate committees from amending their registration to claim “exempt” status during the
171 time period beginning with the filing of a candidate’s ballot access documents until the close
172 of the reporting period after the election and (b) permit other amendments to registration
173 statements. Moved by Judge Vocke, seconded by Judge Froehlich. Motion carried.

174
175 Issue #8. Mr. Becker discussed how staff should handle reporting of financial activity that is
176 specifically exempted from the definition of “Contribution” or “Disbursement.”

177
178 **MOTION:** Direct staff to require reporting of all financial activity by any registered
179 committee. However, if a transaction does not fall under the definition of “Contribution” or
180 “Disbursement,” or is otherwise not required to be itemized, the Board directs staff to accept a

