

CAMPAIGN FINANCING

The following are excerpts from the “Campaign Finance Overview – Local Candidates” manual, which cover the topics that are more frequently asked by candidates. The complete manual is available upon request or can be found on the Wisconsin Ethics Commission website at https://ethics.wi.gov/Resources/CampaignFinanceOverview_LocalCandidates_2016.pdf. For a page with links to contribution limits, a filing schedule, and answers to common campaign finance questions, go to: <https://ethics.wi.gov/Pages/CampaignFinance/CampaignFinance.aspx>.

ELIGIBILITY FOR EXEMPTION

Committees may be eligible for exemption from filing campaign finance reports if campaign finance activity is low enough to meet certain criteria. These criteria are:

- 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 reversion (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.

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.

IN-KIND CONTRIBUTIONS

An in-kind contribution is any good, service or property offered to the candidate's campaign free of charge or at less than the usual cost for such goods, services or property. For example, if a campaign worker purchases stamps that are used for a mailing and is not reimbursed for the cost of the stamps, the value of the stamps is an in-kind contribution to the candidate's campaign from that campaign worker. When an individual is paid to work on behalf of a candidate by a political committee or some other person, the payment for those services is an in-kind contribution to the candidate's campaign. If a political committee or individual offers to provide food and beverages for a fundraiser at less than the ordinary market price, the difference between the ordinary market price and the cost to the campaign is an in-kind contribution from the political committee or individual.

PROHIBITED CONTRIBUTIONS

Certain contributions are prohibited by Wisconsin law. A candidate's campaign may not accept the following types of contributions:

- Anonymous contributions of more than \$10.00;
- Contributions in cash of more than \$100.00
- Contributions given in the name of someone other than the contributor (these are laundered contributions);
- Contributions from corporations, labor organizations, or federally recognized American Indian Tribes; (note: LLC's are defined as a corporation);
- Contributions in excess of limits set by law.

A candidate should monitor contributions from organizations that have not registered. If the candidate's campaign is notified that a contribution was received from an unregistered organization, the candidate should ensure that the contribution is lawful, and not accept any additional contributions from that organization if the committee cannot determine whether the contribution is lawful.