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Wisconsin Raises Contribution Limits, Eases Federal PAC Requirements

On December 16, 2015, Wisconsin Gov. Scott Walker signed 2015 Wisconsin Act 117, which became effective January 1, 2016 (the Act). Among other changes, the Act eases the registration requirements for federal political action committees (PACs) and raises contribution limits.

Federal PAC Registration

Previously, Wisconsin required a federal PAC to register after contributing \$300 in the state during a calendar year. Under the Act, a federal PAC must register and report on state forms only if (i) more than 50 percent of its total spending in a 12-month period consists of contributions or expenditures for express advocacy and (ii) the federal PAC makes or accepts more than \$2,500 in contributions in a calendar year to support or oppose a candidate. The Wisconsin Government Accountability Board (G.A.B.) anticipates that many previously registered committees will be able to terminate their registrations under the new threshold. The board will automatically terminate the registrations of PACs that do not email the G.A.B. by March 31, 2016, to confirm that they wish to remain registered.

In addition, Wisconsin recently readdressed its requirement that a corporation that sponsored a PAC (*i.e.*, paid for its establishment and administration) must register and file reports in the state. The G.A.B. informally advised us on December 28, 2015, that the requirement no longer will be enforced, though filers should check their filing requirements with the G.A.B. Under the Act, a corporation's payments of its PAC's administrative and solicitation expenses are unlimited and not reportable. Specifically, such payments have been exempted from the definition of "contribution."

PAC Contribution Limits

The Act raises the limits on PAC contributions per election cycle (primary and general together) as follows:

- For Governor, from \$43,128 to \$86,000;
- For Lieutenant Governor, from \$12,939 to \$26,000;
- For Attorney General, from \$21,560 to \$44,000;
- For State Treasurer, Secretary of State, Superintendent of Public Instruction, or Justice of the Supreme Court, from \$8,625 to \$18,000;
- For State Senator, from \$1,000 to \$2,000;

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- For Assembly Representative, from \$500 to \$1,000;
- For Court of Appeals Judge in districts with a county with a population of more than 500,000, from \$3,000 to \$6,000;
- For Court of Appeals Judge in other districts, from \$2,500 to \$5,000;
- For Circuit Judge in circuits or District Attorney in prosecutorial units having a population of more than 300,000, from \$3,000 to \$6,000;
- For Circuit Judge in other circuits or District Attorney in other prosecutorial units, from \$1,000 to \$2,000; and
- For local candidates, from (i) the greater of \$200 or .75 cents times the number of inhabitants of the jurisdiction or district, but not more than \$2,500 per election cycle, to (ii) the greater of \$400 or 2 cents times the number of inhabitants of the jurisdiction or district, but not more than \$5,000 per election cycle.

The Act also raises the limit on PAC contributions per calendar year to a political party committee or legislative campaign committee from \$6,000 to \$12,000. PAC contributions to other PACs are still unlimited.

Individual Contribution Limits

The Act raises the limits on individual contributions per election cycle (primary and general together) as follows:

- For a candidate for statewide office (including Justice of the Supreme Court), from \$10,000 to \$20,000;
- For State Senator, from \$1,000 to \$2,000;
- For State Assembly Representative, from \$500 to \$1,000;

- For Court of Appeals Judge in districts with a county with a population of more than 500,000, from \$3,000 to \$6,000;
- For Court of Appeals Judge in other districts, from \$2,500 to \$5,000;
- For Circuit Judge in circuits or District Attorney in prosecutorial units having a population of more than 300,000, from \$3,000 to \$6,000;
- For Circuit Judge in other circuits or District Attorney in other prosecutorial units, from \$1,000 to \$2,000; and
- For local candidates, from (i) the greater of \$250 or 1 cent times the number of inhabitants of the jurisdiction or district, but not more than \$3,000 per election cycle, to (ii) the greater of \$500 or 2 cents times the number of inhabitants of the jurisdiction or district, but not more than \$6,000 per election cycle.

The Act also removes the aggregate individual contribution limit of \$10,000 to all candidates, parties and PACs in a calendar year. That limit has not been enforced since 2014, pursuant to *McCutcheon v. FEC*. Thus, individual contributions to PACs, parties and legislative campaign committees are still unlimited.

Corporate Activity

Corporate contributions to PACs, parties and candidates are still prohibited. However, corporations may now contribute \$12,000 per calendar year to a segregated fund established and administered by a political party or legislative campaign committee for purposes other than making contributions to a candidate committee or disbursements for express advocacy.

Please contact us with any questions.

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