

Wisconsin Ethics Commission

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October 11, 2016

Wisconsin Democracy Campaign c/o Matthew Rothschild, Executive Director 203 S. Paterson St. Ste #100 Madison, WI 53703

RE: In the Matter of Case No. 2016-ETH-028

Mr. Rothschild:

Wisconsin Statutes provide that the Wisconsin Ethics Commission shall have the responsibility for the administration of ch. 11, subchapter II of ch. 13, and subchapter III of ch. 19. Any person may file a complaint with the Commission alleging a violation of these laws. <u>WIS. STAT. § 19.49(2)(b)1</u>. If the Commission reviews a complaint and fails to find that there is reasonable suspicion that a violation has occurred or is occurring, the Commission is required to dismiss the complaint. <u>WIS. STAT. § 19.49(2)(b)3</u>.

On September 1, 2016, you filed a complaint with the Wisconsin Ethics Commission alleging that the Wisconsin Liberty Fund and its treasurer Dean Knudson had violated Chapter 11. Specifically, you allege that <u>WIS. STAT. § 11.0202(2)(c)</u> prohibits Representative Knudson from establishing a second candidate committee unless it is for the purpose of pursuing a different state or local office. On this point, we agree. However, Mr. Knudson did not form a second candidate committee; he formed a political action committee. Chapter 11, as recreated by 2015 Act 117 does not prohibit a candidate from forming a separate political action committee. As your complaint indicates, an amendment to explicitly prohibit such activity was rejected by the Legislature. While you allege that its rejection was because legislators believed such conduct was already prohibited under 2015 Act 117, the exchange you cited appears to reference the coordination prohibition of <u>WIS. STAT. § 11.1203</u> as the basis for why the amendment was unnecessary, not that forming a political action committee.

In accordance with the above, the Wisconsin Ethics Commission, at its October 10, 2016 meeting reviewed your complaint and adopted a motion to dismiss the complaint for lack of reasonable suspicion that the law has been violated.

Sincerely,

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David Buerger Staff Counsel Wisconsin Ethics Commission

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