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Out of Politics!

November
2002

Dane County Sheriff's Office

CHVALA, CHARLES JOSEPH
135293
10/23/02 12:16:13 PM

Dane County Sheriff's Office

JENSEN, SCOTT RICHARD
135366
10/24/02 9:03:07 AM

Dane County Sheriff's Office

FOTI, STEVEN MICHAEL
135367
10/24/02 9:13:42 AM

Dane County Sheriff's Office

SCHULTZ, SHERRY LIN
135196
10/22/02 12:21:20 PM

Nearly all men can stand adversity, but if you want to test a man's character, give him power.
— Abraham Lincoln

Scandal claims more casualties, produces leadership shakeup

As the number of felony charges against top legislative leaders approaches four dozen, the Capitol corruption scandal now qualifies as the biggest and most far-reaching scandal in Wisconsin political history.

Never before have the Senate majority leader and Assembly speaker been criminally charged at the same time, and never before have the legislature's two top leaders been forced to give up their leadership positions in disgrace.

The charges include:

Senator Chuck Chvala – 20 felony counts, including extortion, illegal campaign contributions and misconduct in public office. If convicted, he faces up to 85 years in prison and \$200,000 in fines. Resigned as Senate majority leader and now faces a possible recall election.

Representative Scott Jensen – Three felony counts of misconduct in public office and one misdemeanor count of misuse of public position for private gain. If convicted of all three felonies, he could face up to 15 years in prison and \$30,000 in fines. And he could face an additional year in prison and a \$5,000 fine if convicted on the misdemeanor count. He stepped down as Assembly speaker, but was reelected in the 98th Assembly District.

Senator Brian Burke – 18 felony counts, including misconduct in public office, fraudulently concealing public records, withholding a subpoenaed document and alteration of subpoenaed documents. Once co-chair

of the powerful Joint Finance Committee and a candidate for state attorney general, Burke ended his bid for attorney general and did not seek reelection to the Senate. If convicted on all counts, he could face up to 100 years in prison and fines of \$180,000.

Representative Steve Foti – One felony count of misconduct in public office. If convicted, he faces up to five years in prison and a \$10,000 fine. He was reelected by voters in the 38th Assembly District and was reelected Assembly majority leader by his legislative colleagues.

Representative Bonnie Ladwig – One misdemeanor count of misuse of a public position for private gain. If convicted, she faces up to a year in jail and a \$5,000 fine. Ladwig stepped down as assistant Assembly majority leader, but ran unopposed in the 63rd Assembly District.

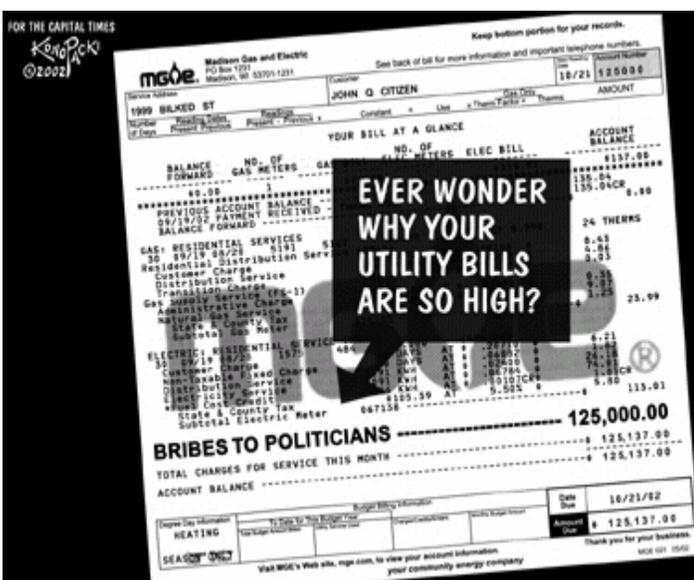
In addition to the five lawmakers, three legislative staffers have so far been charged. Foti aide Sherry Schultz is charged with one felony count of misconduct in public office and faces up to five years in prison and a \$10,000 fine. Burke aide Tanya Bjork is charged with two misdemeanors and could face up to 15 months in jail and \$11,000 in fines. Another Burke aide, Raghu Devaguptapu, is charged with five civil offenses and could be fined up to \$2,500.

Chvala and Burke face the stiffest potential penalties because the criminal complaints against them allege they used their positions to obtain campaign contributions in exchange for legislation.

The Chvala complaint also details a money laundering scheme that routed corporate contributions that are illegal in Wisconsin through out-of-state committees and back to a front group Chvala directed to benefit selected Senate candidates. The donations include numerous five-figure contributions from Madison Gas and Electric utility company to the Kansas Democratic Party, which in turn sent the money to Chvala's group, Independent Citizens for Democracy.

How a bill becomes law – revised

For an unflattering glimpse into the real world of lawmaking, check out www.madison.com/wisconsinstatejournal/pdf_files/Chvala_complaint.pdf and www.madison.com/wisconsinstatejournal/pdf_files/Jenson_complaint.pdf. It's not a pretty picture.



PROBLEM

Broadcasters reap windfall profits from 36,000 political ads aired on state's top TV stations

Local television stations in Wisconsin's three largest TV markets aired 35,644 campaign ads this year and charged candidates, political parties and issue groups nearly \$12.8 million for the air time.

Nationally, \$995.5 million was spent to air 1.5 million ads on 561 stations in the nation's top 100 markets through Election Day.

In Wisconsin, the most ads ran on Madison stations, where 12,268 ads aired from January 1 through November 5 at a cost of \$3,137,823. Milwaukee stations charged the most for political ads, taking in \$6,742,981 to air campaign ads 11,379 times. Green Bay stations took in \$2,870,930 for 11,997 ads.

"These ads were 36,000 doses of poison," WDC executive director Mike McCabe said. "Not only did they smear candidates with half-truths and outright lies, but they cost a fortune and candidates had to sell their souls to special interest donors to be able to pay for the air time."

According to Federal Communications Commission figures, the profits of the nation's TV stations average 33%, compared to average profits of Fortune 500 companies of 6.8%.

SOLUTION

McCain, Feingold introduce free air time bill, launch next phase of campaign finance reform battle

In late October, U.S. Senators Russ Feingold (D-Wisconsin), John McCain (R-Arizona) and Richard Durbin (D-Illinois) introduced **S. 3124**, the Political Campaign Broadcast Activity Improvement Act, in the Senate. The bill requires TV and radio stations – as part of the public interest obligation they incur when they receive a free broadcast license – to air at least two hours a week of candidate-centered or issue-centered programming before elections.

The bill also would free candidates from the need to raise huge sums of money to buy TV ads by providing

providing qualified candidates and parties up to \$750 million worth of broadcast vouchers that could be used to buy air time on television and radio stations in each two-year election cycle. In addition, the legislation closes loopholes in the "lowest unit cost" provision in federal law to ensure that candidates receive the same advertising rates that stations give to their high-volume, year-round commercial advertisers.

A detailed summary of S. 3124 is available online at <http://freeairtime.org/docs/index.php?DocID=36>.



Contact your members of Congress and urge them to support S. 3124. If you don't know how to reach your U.S. senators and representative, contact information is available at:

<http://www.vote-smart.org/index.phtml>.

Think you know politics? Then play the game!

The national Free Air Time Campaign and state partners including the Wisconsin Democracy Campaign are ratcheting up efforts to educate the public about the extent to which the TV industry is profiteering on democracy. One of the educational tools is a web site – www.GreedyTV.org. A feature of the site is "I'm Running for Congress," an interactive game about money and politics.

If you haven't played the game, check it out. If you have already tried your hand, spread the word about windfall profits in the TV industry and the need for free air time by urging friends, neighbors and colleagues to visit [GreedyTV.org](http://www.GreedyTV.org).

The Free Air Time Campaign's goal is to collect 100,000 signatures in support of the new McCain-Feingold free air time bill. To learn about ways you can help the campaign reach the goal, go to <http://freeairtime.org/docs/index.phpDocID=14>.



Speakers Bureau:

Help spread the reform message, invite WDC to address your group

If you belong to a service club, neighborhood association or other community group, you can help the cause of political reform by arranging for a speaker from the Wisconsin Democracy Campaign to address your group. To line up a speaker, call **toll-free 888-455-4260** or locally in Madison at **255-4260**. Or just drop us a line by e-mail to **wisdc@wisdc.org**. Topics addressed by members of WDC's speakers bureau include:

- political corruption at the Capitol
- the cause and effect of Wisconsin's changing political culture
- the case for campaign finance reform & details of specific reform proposals

- television's role in politics and the need for free air time
- campaign finance reform and the First Amendment

Checkbook democracy: Money rules as 4 of 5 races won by candidates who spent the most

Legislative candidates who spent the most money on their campaigns won 82% of the races, a Wisconsin Democracy Campaign analysis of campaign activity before the 2002 election shows.

In the Senate, 88% of races were won by the leading spenders, while 81% of Assembly races were won by candidates who spent the most. More details are available on the Democracy Campaign's web site at **www.wisdc.org**.



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