Inside

Page 2

Supreme Court race sets records Justices call for campaign reform

Page 3

Push starts for Clean Elections bill Thompson conviction reversed Help WDC fight for reform

Page 4

Study of city election financing OK'd Lobbyists outnumber reporters 80-1 \$15M in election funds kept secret



April 2007

Edition No. 54

On the Web: www.wisdc.org



WDC asks for ethics probe of Ziegler

High court winner had conflicts of interest as circuit judge

The Wisconsin Democracy Campaign asked the Wisconsin Judicial Commission on March 19 to investigate whether state Supreme Court candidate Annette Ziegler violated the Judicial Code of Conduct by handling cases as a Washington County circuit court judge in which she or her husband had a significant financial or business relationship with one of the parties involved in the cases.

The Democracy Campaign's request cited nine cases handled by Ziegler involving banks and other businesses in which she owned \$50,000 worth of stock or more. Seven other cases cited in WDC's request involve West Bend Savings Bank which paid Ziegler's husband for serving on its board of directors and for renting space he owns to the bank. In addition, Ziegler received a multi-million dollar loan from the bank. Part of the judicial code of conduct says a conflict of interest occurs when judges or their family members are a party in a case or "an officer, director or trustee of a party" in a case before them.

Most of the cases involved small claims and money judgments ranging from \$532 to nearly \$47,000, a small business bankruptcy, mortgage foreclosure and automobile repossessions. The financial institutions brought the complaints seeking the money, equipment and autos and won. Two cases involving auto injuries remain open and another case was settled out of court.

WDC identified the court cases in its request to the Judicial Commission by reviewing several dozen cases Ziegler handled from 2004 to date and comparing the parties in those cases with the companies she listed investments with in her Statement of Economic Interests filed with the State Ethics Board. Electronic court records show Ziegler did not withdraw from the cases or inform the parties about her financial ties as required by the state judicial ethics code.

The commission was scheduled to meet on the matter within days of when this edition of the *Big Money Bulletin* went to press. The commission informed the Democracy Campaign it planned to take up the request for an investigation at an April 20 meeting.

Ziegler won the April 3 election, outpolling her opponent, Madison lawyer Linda Clifford, by a wide margin. If the Judicial Commission decides to launch an investigation and ultimately file a formal complaint with the state Supreme Court, it would mark the first time the state's highest court has considered an ethics complaint against one of its own members.

Ugly court race smashes records

A race the Democracy Campaign's director called a "cash-soaked, special interest-contaminated smearfest" in April 10 testimony to a Senate committee was the most expensive state Supreme Court race in Wisconsin's history. By a long shot.

Just how expensive it was won't be known for sure until July when final campaign finance reports are filed. Those reports will show that both Ziegler and her opponent Linda Clifford topped the \$1 million mark in fundraising and campaign spending.

Along with the \$828,889 Ziegler reported spending through March 19, it is known that she also had nearly \$103,000 in cash on hand and dumped another \$250,000 of her family's money into her account in the final days of the campaign, bringing her total to nearly \$1.2 million. And that doesn't count campaign contributions she accepted from others in the final two weeks of the campaign.

Clifford disclosed spending \$605,914 through March 19 and had close to \$161,000 more in the bank at that point. She then put another \$300,000 of her money into her campaign fund for the final push, bringing her total to almost \$1.1 million, with two weeks worth of fundraising still unaccounted for.

Interest groups outspent the candidates, pouring more than \$3 million into the race. A single group, the big business lobby Wisconsin Manufacturers and Commerce, accounts for \$2.2 million of this total.

When an official tally of overall spending is finally possible in late July, it is expected to surpass \$6 million. The previous record for total spending in a Supreme Court race was just under \$1.4 million.



Abrahamson, Wilcox, Ziegler call for reform of judicial campaigns

Moments after learning she had won a seat on the Wisconsin Supreme Court, Annette Ziegler was talking about changing the way campaigns for the bench are run. "I'm hopeful that there could be some changes," she said after soundly defeating Madison attorney Linda Clifford, 58% to 42%.

Her campaign spokesman Mark Graul said Ziegler was open to reforms making campaigns less costly and more focused on specific ideas.

"I'm concerned about the Supreme Court, and I'm concerned with the types of campaigns and the huge money coming in. I think truly there's a need for campaign reform."

- Retiring Justice Jon Wilcox

Even before the votes were counted, the man Ziegler is replacing on the court, retiring Justice Jon Wilcox, was saying the heated campaign for the seat he is giving up convinced him that reforms are needed.

"I'm concerned about the Supreme Court, and I'm concerned with the types of campaigns and the huge money coming in," Wilcox said. "I think truly there's a need for campaign reform in this area."

After the election, Supreme Court Chief Justice Shirley Abrahamson told a Senate committee that she believes future campaigns should be publicly funded.

Chief Justice Shirley Abrahamson told senators that public financing for Supreme Court elections can ensure the public maintains trust and confidence in the judiciary. The risk that the public will believe judges are beholden to those who donate to their campaigns is inherent in privately funded races, she said.

"The public's awareness of the problems of funding judicial campaigns and the public's perception of possible influence by campaign contributors tends to increase with the amount of money raised and spent," Abrahamson said.

Clean Elections bill to be offered

The longest serving state lawmaker in Wisconsin history, Senator Fred Risser, and his fellow Madison Democrat, Representative Mark Pocan, announced on April 10 their plans to introduce legislation calling for full public financing of all state elections.

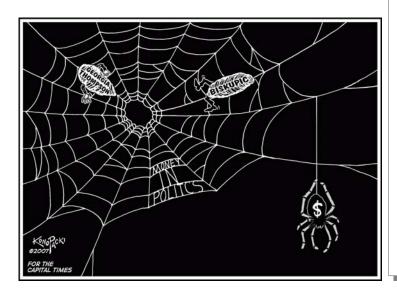
The reform plan is modeled after the highly successful systems already operating in Arizona and Maine and recently enacted in Connecticut.

The announcement came in the wake of the most expensive state Supreme Court race in history. Weeks before the April 3 election, two Democratic members of the Assembly's freshman class – Gordon Hintz of Oshkosh and Steve Hilgenberg of Dodgeville – proposed creating a system of full public financing of state Supreme Court races, modeled after North Carolina's law. The legislation has been introduced as **Assembly Bill 250**.

Thompson conviction tossed out

In a rare reversal of a jury verdict, a federal appeals court earlier this month overturned the conviction of state purchasing officer Georgia Thompson on fraud charges for allegedly steering a state travel contract to a firm whose top executives made large campaign donations to Governor Jim Doyle.

Thompson was investigated by U.S. Attorney Steven Biskupic, indicted by a federal grand jury in January 2006, convicted in June by a jury in Milwaukee and sentenced to 18 months in prison by federal judge Rudolph Randa in September. But the appeals court threw out the conviction, with one judge on the three-judge panel calling the prosecutor's case against Thompson "beyond thin."



Help Us Fight for Voter-Owned Elections

achieved an important January we breakthrough in the fight for government and real democracy - ethics reform legislation creating a new politically independent enforcement agency with an unlimited budget for investigations. That victory is sweet - especially since the same ethics bill was killed by legislative leaders just nine months earlier – but it is just a first step. Now it's on to the much bigger fight for campaign finance reform.

We've got momentum on our side. We need your help – right now – as we seek to take advantage of that momentum.

You can help us build on our win on ethics reform by making a special gift specifically for our legislative lobbying efforts at the Capitol. Please consider giving \$25 or \$50 or \$100 – or whatever you can see your way clear to give right now.

To make your contribution, just use the reply card and return envelope in this edition of the *Big Money Bulletin*. Keep in mind that donations to WDC for our Legislative Lobby Campaign will be used for direct advocacy at the Capitol and are <u>not tax deductible</u>. If you want to make a tax-deductible contribution, just write "C3" on the reply card and we'll use your gift to support our research and education activities.

With your help, state lawmakers will hear from us – loudly and clearly – about the need to act now on campaign finance reform. But they also need to hear directly from you!

Call Governor Doyle: 608-266-1212

Call the Legislative Hotline: 800-362-9472

Tell them we've seen what we get when we do democracy the way the lobbyists and special interest donors want it done. It's time to do it in a way that serves the public. Tell them it's time for voter-owned elections.

Study of city elections OK'd

The Madison City Council on March 20 approved a resolution establishing a seven-member citizen study committee on clean elections charged with issuing recommendations on how to implement a system of full public financing of city elections for council members, mayor and municipal judge.

The study committee will be appointed by the mayor and confirmed by the council elected on April 3. The committee is supposed to report back its recommendations within six months.

80 lobbyists for every reporter

Consolidation of media ownership is changing the news gathering business and putting the squeeze on newsrooms. That is having a profound impact on the ability of the media to keep an eye on what's going on in state government. According to the trade publication *Broadcast Engineering*, there are currently only about 500 reporters covering state legislatures across the nation. There are roughly 40,000 registered lobbyists – five per legislator – seeking to influence government decisions at the state level.

\$15M in election funds kept hidden

Special interest groups spent \$19 million on electioneering aimed at deciding last fall's races for governor, attorney general and state legislature, and \$15 million of that went for undisclosed "issue ads" that left voters with little clue of who was behind the advertising and no idea of who paid for the campaigning, the Democracy Campaign found.

The \$19 million spent in 2006 is three times more than groups spent in 2002 and 11 times more than they spent in 1998.



210 N. Bassett St. Suite 215 Madison, WI 53703

608 255-4260 www.wisdc.org