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Make People Matter



More Than Money!

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Outside money floods into recall elections

Unprecedented amounts of money from outside Wisconsin are pouring into recall election efforts as the state has been thrust onto a national stage in a multi-state battle over worker rights, tax and spending policy, and partisan control.

Despite the fact a recall election for governor has not yet been authorized and he has no official opponent, Governor Scott Walker already has raised more than \$12 million in just over a year. That's more than any candidate for any state office in the state's history has ever raised, according to a January 24 Democracy Campaign analysis.

Walker broke his own fundraising record – slightly more than \$11 million to fund his winning campaign in the 2010 election for governor. In the governor's latest fundraising report, 61% of his individual contributions came from outside Wisconsin. Half of the money Walker raised came from just 33 donors who gave between \$20,000 and \$250,000. He got \$1 million in one week from just four people – \$250,000 each from three corporate executives from Missouri and another from Texas.

The Texas businessman, Bob Perry, had already given \$250,000 to Walker, so his total contributions now stand at \$500,000. Perry is best known for bankrolling a smear campaign waged by a group called Swift Boat Veterans for Truth in the 2004 presidential race.

Under normal circumstances, the most a candidate for governor can accept from an individual donor is \$10,000. But a loophole in Wisconsin law allows state officials targeted for recall to engage in unlimited fundraising from the time when paperwork is filed launching a recall petition drive to the date when an election is authorized.

WDC issued another report February 10 showing that seven interest groups that sponsored negative ads in last summer's senate recall elections raised \$6 out of every \$7 from outside Wisconsin during the last six months of 2011. In gearing up to influence more recall elections in 2012, these groups raised a total of \$10.2 million from all individuals, businesses and groups between July and December 2011 – \$8.8 million from outside Wisconsin and \$1.4 million from inside the state.

Two other groups likely to get involved in this year's possible recall of Walker – the national Republican Governors Association and its partisan counterpart the Democratic Governors Association – raised more than \$30 million in the last half of 2011. Of that, only \$335,945 came from Wisconsin donors.

WDC files ethics complaints against Justice Gableman

The Democracy Campaign filed complaints with two state agencies in late December calling for investigations of whether state Supreme Court Justice Michael Gableman violated ethics codes by receiving free legal services from a law firm that defended him against an earlier ethics complaint.

On December 20 WDC filed a formal request with the state Judicial Commission for an investigation of Gableman because the Michael Best & Friedrich law firm never billed the justice for representing him as he fought a Judicial Commission complaint accusing him of violating the judicial ethics code by lying about his opponent in a 2008 campaign ad. Gableman, who later defeated incumbent Justice Louis Butler in the race, was not found guilty of violating the ethics code because the Supreme Court deadlocked 3-3 on the complaint.

The Democracy Campaign filed a second complaint December 21 with the state Government Accountability Board alleging that Gableman violated a broader ethics code that prohibits state officials from receiving gifts. The complaint also accused Gableman of not listing the free legal services as a gift on his Statement of Economic Interest, which is a form filed yearly by most state officials that shows their income, debt and other financial relationships.

Imagining a new kind of politics

Democracy Campaign director Mike McCabe was the keynote speaker February 1 at the People's Legislature citizen assembly in Madison. About 300 people attended. Mike delivered a stinging indictment of money-soaked elections. "If airlines advertised like politicians, no one in America would fly," he quipped. He said the grassroots



m o b i l i z a t i o n prompted by the recall movement has created a "golden opportunity for political innovation" and he outlined alternatives to today's campaign tactics. "If there's to be any hope for the common good, we need uncommon politics," he told the audience.

Democracy Campaign goes to court to back voter ID challenge

In mid-January the Democracy Campaign filed legal briefs and affidavits in state court in support of the legal challenge to the state's new voter ID law mounted by the League of Women Voters of Wisconsin.

On February 7, WDC made identical filings in another state circuit court in support of a second challenge to the law by the civil rights groups NAACP and Voces de la Frontera. Democracy Campaign advocacy director Beverly Speer appeared at a Capitol press conference on February 8 with Voces de la Frontera staff and an attorney representing the group in its lawsuit.

WDC's brief argued that voter ID law is unconstitutional because it "creates an unlawful qualification to vote that is not enumerated in, and accordingly is prohibited by, the Wisconsin Constitution." An affidavit filed by the Democracy Campaign's director asserts that the law "will discourage and or prevent many members of certain classes of people from voting, including students, senior citizens, people of color, those with disabilities and those who are poor."

The affidavit addresses the stated justification for the law's enactment – preventing voter fraud – noting that "WDC was formed in 1995 and has closely monitored elections in Wisconsin since that time, and has seen no evidence" of widespread or even isolated voter fraud.

From the Big Money Blog **Flattering Grover Norquist**

If imitation is indeed the sincerest form of flattery, the Democratic establishment must be quite fond of Grover Norquist's tactics. Norquist is best known for the rigid anti-tax pledge he's managed to get almost all Republican members of Congress to sign. Now a major Democratic interest group is taking a page out of Norquist's playbook and insisting that any Democrat running for governor sign an equally rigid pledge to veto any state budget bill that does not restore collective bargaining for public employees. This is a blunder on multiple levels. See what we mean by reading the rest of the commentary online at blog.wisd.org/2012/02/flattering-grover-norquist.html.

WDC assails anti-disclosure bills; lawmakers hit pause button

In testimony at a January 12 senate committee hearing, the Democracy Campaign's director said proposed changes made by legislation introduced as Senate Bill 292 by West Bend Republican Glenn Grothman would be a "dagger to the heart of Wisconsin's campaign finance disclosure laws" and an "act of violence against the public's right to know what interests are behind campaign donations."

Grothman's scheme aimed to eliminate disclosure of the employer of campaign donors who give more than \$100. A senate committee approved SB 292, but not before making it even worse by raising the threshold for reporting either the occupation or employer of donors from \$100 to \$250.

WDC fired off a memo to all senators pointing out that the Democracy Campaign's searchable online

If SB 292 had been law for the past 20 years, the public would not be able to see the financial interests behind over a half million campaign donations.

database of contributors to state campaigns is "100% reliant on the disclosure law SB 292 would cripple."

Currently there are 673,804 records of individual contributions – complete with the occupation and employer of the donors – in WDC's database. If the senate committee's version of SB 292 had been in effect when the database was established, there would be only 105,582 records of contributions with the financial interests of the donors disclosed.

Just as Senate leaders opted to hold off on scheduling a floor debate and vote on SB 292, committee action commenced on another anti-disclosure measure. An assembly committee held a February 6 hearing on Assembly Bill 196, which would permanently block rules requiring disclosure of corporate election spending and prohibit any future rulemaking on the subject. WDC testified against the bill and followed up with a memo three days later countering claims made at the hearing by the bill's sponsor.

A scheduled February 9 senate hearing on legislation identical to AB 196 – introduced as Senate Bill 139 – was then cancelled and no committee vote has been set for AB 196.

Redistricting controversy Secrecy pacts come to light; legislators told to ignore public

As the Democracy Campaign sought to beat back legislative efforts to severely weaken campaign finance disclosure laws, secrecy reared its ugly head at the Capitol in another way with the revelation that last year Republican legislators signed legal agreements amounting to oaths of silence on plans to redraw legislative districts in ways designed to enhance Republican control of the state.

The redistricting plans were surreptitiously crafted and then enacted in a matter of days. The Democracy Campaign filed an open records request on June 28 seeking the redistricting maps and information about how the maps were drawn. WDC received no response to the open records request until well after the legislation was introduced about two weeks after the request was filed. A public hearing was hastily arranged for July 13. After that, we received a letter dated July 14 from Senate Republican leader Scott Fitzgerald saying he considered our request to be moot because the redistricting legislation had been introduced and the maps had thus been made public. WDC never got a response from the Assembly to its open records request.

The Senate approved the GOP-friendly redistricting plan on July 19 and the Assembly followed suit the next day. The governor signed it August 9.

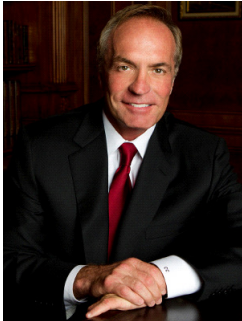
The civil rights group Voces de la Frontera is alleging in court that the secrecy agreements amounted to a violation of Wisconsin's open meetings law.

"Legislative leaders also violated the spirit if not the letter of our state's open records law," WDC director Mike McCabe said. "We now know that legislators were being shown the redistricting plan at the same time we were trying to get a look at it, but they ignored our information request. And they had members of the Legislature sworn to secrecy with binding legal agreements. This is a disgusting affront to the public's right to know."

The Democracy Campaign supports legislation introduced as Assembly Bill 198 that would take redistricting out of the hands of the politicians and empower two nonpartisan agencies to handle the task. The bill was introduced last July and still has not been given a public hearing.

The man behind the mine

With legislation aimed at reopening part of the northwoods to iron ore mining front and center on the Legislature's agenda, much has been written and said about the proposed new mine in the Penokee-Gogebic Range, but little attention has been paid to the man behind the project and the sprawling global conglomerate he is connected to.



Democracy Campaign first started noticing large campaign contributions from mining interests to Wisconsin politicians just over a year ago, long before the mining bill was introduced. All of the money came from out of state. Roughly a quarter of the donations came from mining magnate Chris Cline. The rest came from business associates and partners of the West Virginia billionaire as well as attorneys who have

provided him legal representation. Cline owns a vast network of mining companies. Among them is Foresight Reserves, which is part of the global asset management firm Carlyle Group, a highly controversial corporate behemoth with well-publicized ties to the Bush and bin Laden families and tentacles that reach across the defense, aerospace, automotive, health care, energy, real estate, technology, telecommunications and transportation industries. Carlyle Group first earned a mention on the Democracy Campaign's website in a 2005 report about 10 Illinois donors who had been convicted or indicted of extortion, fraud, bribery or other crimes or who were connected to state and federal criminal investigations at the time they were funneling money to three candidates for governor in Wisconsin.

The mining legislation sought by Cline and his partners bears a striking resemblance to model legislation written by the corporate-funded American Legislative Exchange Council based in Washington, D.C.



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