

## Inside

### Page 2

ID not required to vote Nov. 4  
Road builders seek budget protection

### Page 3

Judge blesses dark money schemes

### Page 4

Shake-up needed in failing jobs agency



**October 2014**

**Edition No. 92**

**On the Web:**  
**[www.wisdc.org](http://www.wisdc.org)**

A MEMBER OF  
**COMMUNITY  
SHARES**  
OF WISCONSIN

## Insurance industry gives a lot, gets more

The decision by Governor Scott Walker and state legislators to reject federal funds to expand Wisconsin's BadgerCare program forced an estimated 87,000 state residents seeking health care coverage to purchase private insurance, a boon for insurance companies worth up to \$350 million a year, according to an analysis by Citizen Action of Wisconsin.

A Democracy Campaign analysis issued earlier this month showed that insurance interests have donated close to \$1.3 million to Walker over the last five years and nearly \$1 million to current legislators over the same period.

"Poll after poll show the public wants the state to take the federal money to expand health care coverage. This is a classic case of the public wanting one thing, an industry that gives a lot to politicians wanting another, and lawmakers granting the industry its wish," WDC director Mike McCabe said.

When asked about the apparent relationship between his decision to turn down the federal funds and insurance industry campaign donations, Walker struggled to respond, telling a TV news reporter: "Actually if you think about it, it's just the opposite. It means fewer people would be on insurance actually, if...in the end...if there were...more people there they'd be under Medicaid. It's not a, for us, it has no decision one way or the other."



## No ID needed to vote on Nov. 4

Voters in this fall's general election in Wisconsin will not be required to possess a state-issued photo ID in order to cast a ballot, thanks to a ruling by the U.S. Supreme Court blocking a lower court order that the voter ID law be implemented.

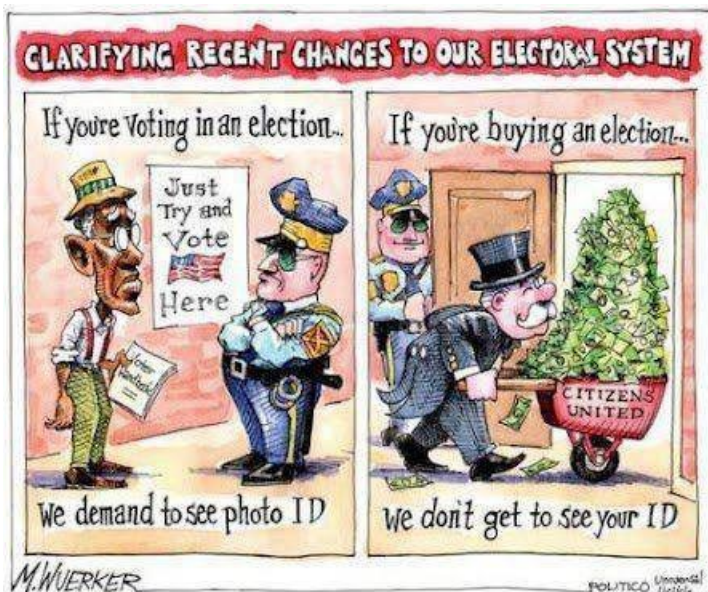
The long-term fate of the law is still to be decided. All that is known for now is that the law will not be in effect for the November 4 election.

The legal debate over Wisconsin's law prompted one of the nation's most respected judges to issue a blistering critique of voter ID requirements. Federal appeals court Judge Richard Posner, a Reagan appointee, rejected the chief justification for the law, writing: "Some of the 'evidence' of voter-impersonation fraud is downright goofy, if not paranoid."

The judge noted "there is compelling evidence that voter-impersonation fraud is essentially nonexistent in Wisconsin."

Posner went on to say: "As there is no evidence that voter-impersonation fraud is a problem, how can the fact that a legislature says it's a problem turn it into one? If the Wisconsin legislature says witches are a problem, shall Wisconsin courts be permitted to conduct witch trials?"

He concluded: "There is only one motivation for imposing burdens on voting that are ostensibly designed to discourage voter-impersonation fraud, if there is no actual danger of such fraud, and that is to discourage voting by persons likely to vote against the party responsible for imposing the burdens."



## Road builders buy place on ballot

With most voters focused on deciding the races for governor and attorney general as well as some contests for congressional seats, little attention has been paid to a proposed constitutional amendment on transportation funding that voters will be asked to ratify on November 4.

The proposal would give budget protection to road building and other transportation needs that no other state programs have. Lawmakers submitted the change in the state constitution for voter approval at the request of road building interests.

WDC's database shows that from January 2011 through the end of 2013, special interests backing the ballot question, led by road building companies, gave \$21.6 million to Wisconsin politicians and political action committees.



## WDC's donor database updated

The Democracy Campaign added more than 60,000 new records of campaign contributions to its online donor database on October 12, updating it to reflect the most recently reported campaign activity.

Amazingly, all the work that goes into collecting and processing this data for inclusion in our searchable computer database is the labor of a single person, WDC data analyst David Julseth.

If you value this tool enabling the public to follow the money in Wisconsin politics, please **help us sustain** the painstaking and time-consuming work that makes this marvelous instrument of accountability possible by **using the enclosed reply card and return envelope to send a generous tax-deductible gift.**



## Rogue judge OKs dark \$ scam

Three weeks before the fall general election, U.S. District Judge Rudolph Randa ordered Wisconsin election officials to stop enforcing the state law banning supposedly independent interest groups from coordinating their election-season activities with candidates for office.

Randa's ruling was in response to a lawsuit filed by the right-wing Milwaukee-based group Citizens for Responsible Government against the Wisconsin Government Accountability Board. Attorney General J.B. Van Hollen refused to represent the GAB in the case, and Randa ruled in the case just a day after a private attorney was hired to defend the state election agency.



*Judge Rudolph Randa*

Randa had earlier ordered a halt to a state criminal investigation known as a "John Doe" probe focusing on alleged coordination between "issue advocacy" groups and Governor Scott Walker's campaign.

That ruling was reversed by the federal 7th Circuit Court of Appeals which ruled that the John Doe investigation was a state matter and ordered Randa to dismiss the federal case.

A national campaign finance law expert said he expected Randa's latest order to also be reversed by the 7th Circuit appeals court because it contradicts U.S. Supreme Court decisions about the legality of such campaign coordination.

"(Judge Randa) refuses to accept what he was told—that the law is not as he wishes it were," said Larry Noble of the national Campaign Legal Center and former general counsel for the Federal Election Commission. "He keeps trying to limit the application of the law in a way that has never been required by the Supreme Court."

WDC director Mike McCabe said "if Randa's ruling is allowed to stand, all of the political money in Wisconsin could be kept out of public view. Candidates would be able to steer big donors to groups that keep donations secret and then team with these dark money groups to carry out their election campaigns. Evidence of who is paying to put politicians in office would vanish from sight."

## High court conflicted in Doe case

In late September, a federal appeals court sharply admonished a lower-court judge for overstepping his bounds and made it clear that state prosecutors have not exceeded their authority or acted in bad faith in investigating apparent campaign wrongdoing in Wisconsin.

The 7th Circuit federal appeals court in Chicago threw out U.S. District Judge Rudolph Randa's order halting the John Doe investigation and directing prosecutors to destroy documents presented to the court in the case. The appellate court also ordered Randa to dismiss the federal case against the prosecutors, ruling that it was a state matter. Kicking the case back to the state courts means its fate may ultimately rest with the state Supreme Court.

Citing data from the Democracy Campaign, news media reported that four of the high court's seven justices are mired in conflicts of interest in the John Doe case because three groups that are known targets of the investigation—Wisconsin Club for Growth, Wisconsin Manufacturers and Commerce and Citizens for a Strong America—spent more than \$8 million over the past seven years to get the four elected to the office.

Wisconsin Club for Growth spent an estimated \$400,000 backing Annette Ziegler in 2007, \$507,000 supporting Michael Gableman in 2008, \$520,000 for David Prosser in 2011 and \$350,000 for Patience Roggensack in 2013. Citizens for a Strong America spent an estimated \$985,000 to help Prosser.

WDC research shows Wisconsin Manufacturers and Commerce spent an estimated \$2.2 million on Ziegler's behalf, \$1.76 million for Gableman, \$1.1 million for Prosser and \$500,000 for Roggensack. A 2013 WMC memo obtained by the Democracy Campaign claims the group spent even more than WDC has been able to account for. The memo claims the group spent \$2.5 million to help elect Ziegler in 2007, \$2.25 million for Gableman in 2008 and \$2 million for Prosser in 2011. The memo was written before the 2013 race was completed and thus does not include a claim about the group's spending that year.

In 2010 the four justices approved changes to the state judicial ethics code written by WMC and the Wisconsin Realtors Association that would enable them to rule on the John Doe case despite the conflicts of interest created by the election spending on their behalf by the three groups.

## 'I made myself a rule'

Recently a \$500 charitable gift to the Democracy Campaign arrived in the mail accompanied by the following note:

"There's a candidate I want to (financially) support in this fall's election...and then the thought came to me that whatever good feeling I have about how this person would perform in office, a donation is basically the purchase of attacks ads so I made myself a rule that any such donation gets a matching donation to WDC."

Good rule.

## Time for shake-up at WEDC

On September 17 the Democracy Campaign joined with Citizen Action of Wisconsin to call for Governor Scott Walker to resign as chairman of the

troubled Wisconsin Economic Development Corporation because of glaring conflicts of interest. For example, less than a month after the WEDC board approved a \$6 million tax credit for Ashley Furniture Industries, the company's owners gave \$20,000 to Walker's re-election campaign.

Since its inception, WEDC has been plagued by a stream of embarrassing revelations, including internal bickering and management strife, a damning audit showing the agency wasn't keeping track of whether subsidized loans were being repaid, and media exposure of a scheme to funnel aid to companies that outsourced jobs to foreign countries.

"Governor Walker is raising huge sums of campaign money from company executives and, as chairman of the WEDC, is in a position to reward them with public subsidies ranging from tax breaks to low-interest loans and state grants," WDC director Mike McCabe said.



200 S Paterson St. Suite 100  
Madison, WI 53703

608 255-4260  
[www.wisdc.org](http://www.wisdc.org)



Find us on  
**Facebook**



follow us on  
**twitter**