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January 26, 2012

TO: All Senators

FROM: Mike McCabe, Director, Wisconsin Democracy Campaign

SUBJECT: MORE disclosure, not LESS

The Wisconsin Democracy Campaign strongly opposes **Senate Bill 292** – either in its original form as introduced or in its amended form after committee approval – because this legislation represents an abandonment of Wisconsin’s longstanding commitment to giving the public the ability to see the financial interests of campaign donors.

In our testimony at the January 12 committee hearing, we called the proposed changes made by SB 292 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.”

We offered this assessment before the committee approved an amendment raising the threshold triggering reporting of the occupation and employer of contributors from \$100 to \$250.

The Democracy Campaign created the state’s only searchable online database of contributions to candidates for state office and has managed this database for over 15 years. This tool enables the people of our state to follow the money in Wisconsin politics. It is 100% reliant on the disclosure law SB 292 would cripple.

Today there are 673,804 records of individual contributions – complete with the occupation and employer of the donors – in this database. A total of 568,222 of these contributions, or 84%, are \$250 or less. If the approach to disclosure proposed in SB 292 had been the law of the land at the time our database was established, there would be only 105,582 records of contributions the public could see. Citizens would not be able to see the financial interests of more than a half-million contributors to state campaigns. Going forward, if SB 292 is enacted, Wisconsin can expect to see a dramatic decrease in the number of future campaign donors whose financial interests are known.

This is not the only reason SB 292 should be rejected. In recent years Wisconsin has seen two instances of major campaign contributors – one a major Republican donor and the other a major Democratic donor – convicted of felony money laundering. In both instances, law enforcement officials asked for our assistance in identifying employees of the donors’ companies who made campaign contributions. Passage of SB 292 would make such investigations much more difficult if not impossible.

Wisconsin needs more disclosure, not less. The senate should reject this legislation and turn its attention to enhancing disclosure of election financing. For starters, you should close the magic words loophole that enables phony “issue ad” groups to play word games to dance around disclosure requirements.