



Pushing for democracy since 1995
2005-2006 Annual Report



From the Director



The election is over. The campaign ads have stopped. Finally. Thankfully. It's all left me wondering . . . would anyone fly in America if airlines advertised the way politicians do?

It's bad enough watching them, but even worse is the fact that all those ads are the driving force behind the non-stop campaign money chase that has spawned a system of legalized extortion and bribery that is corrupting

our government and undermining our democracy.

The Democracy Campaign works on two fronts to fight this system. First, we track the money in state politics and expose the corruption. Second, we work to organize citizens to fight for reform. For example, we're building the People's Legislature, a grassroots citizen movement dedicated to taking back our government and rehabilitating our democracy. Now we're working overtime to establish a "Ruckus Corps" within the People's Legislature to cause a bigger stir than ever in support of reform when the Lobbyists' Legislature convenes its new session.

We don't expect the bosses at the Capitol to welcome us with open arms. Enabling the public to follow the money in Wisconsin politics and shining light on unethical and even illegal activity doesn't land us on too many Christmas card lists. But this fall Wisconsin voters put a scare into those who were running our state Legislature, and in doing so improved reform's prospects markedly.

Voters overcame formidable institutional obstacles to change—from incumbent-friendly district lines to huge cash advantages for current office holders—and delivered a mandate for reform to the Capitol. A strong throw-the-bums-out impulse produced a much larger turnover than anyone had predicted.

The criminal investigations are ongoing. Law enforcement authorities are using the Democracy Campaign's database of contributions to state officials in a continuing investigation of apparent corruption in state contracting. And a new legislative session is starting amid renewed hopes that reform is on the way. So our work goes on. . . .

We're going to continue to do everything in our power to fight against the corruption that has taken root in Wisconsin government. We are a small watchdog group without much money but with a fast-growing crowd of outraged citizens behind us. We'll make the best possible use of that people power.

Thank you for being there for us. And most of all, thanks for caring about what's happening to our government and our democracy.

Mike McCabe

2005-2006 Activity Report

Over the last year, the Wisconsin Democracy Campaign continued to work for clean government and a strong, vibrant democracy in Wisconsin —tracking the money in state politics, fighting government corruption and pushing for campaign finance reform, media reform and other pro-democracy reforms.

It was a milestone year for us as we celebrated our 10th Anniversary. We reflected on the last 10 years and saluted Senator Russ Feingold for his work on campaign finance reform at the federal level. We honored him with the "Mr. Smith Goes to Washington" Award.

In 2006 alone, the Democracy Campaign's work has generated more than 370 newspaper stories and over 275 radio or television stories. In the last year, WDC has—in partnership with other advocacy organizations—significantly expanded our collective capacity to get our message out across the state via radio. The Democracy Campaign became one of the founding co-sponsors of Wisconsin News Connection, a progressive radio news service that provides ready-to-air stories to Wisconsin commercial radio stations.

We also continued to maintain and expand Wisconsin's only searchable computer database of contributors to state campaigns, which now contains well over 400,000 records of campaign donations. WDC's donor database not only allows the public to follow the money in Wisconsin politics, but also enables the Democracy Campaign to produce a vast storehouse of research documenting the influence of money in Wisconsin politics. This research

capacity in turn provides leverage to advance the cause of political reform in Wisconsin.

Noteworthy developments during the past year include:

- WDC teamed up with Common Cause in Wisconsin and the League of Women Voters of Wisconsin to send an ethics questionnaire with six yes-or-no questions to all candidates for state office. The resulting 2006 ethics voter guide was posted on WDC's web site at www.wisdc.org/lwvquestions.php.

- Criminal investigations the Democracy Campaign helped trigger resulted in criminal charges and the successful prosecution of five top lawmakers. One was sentenced to a prison term and three of the others were sentenced to jail.

- Federal, state and local law enforcement authorities are using the Democracy Campaign's database of campaign contributors in a widening criminal investigation of possible pay-to-play corruption in state contracting.

- A key election reform the Democracy Campaign pushed for—the “paper trail” bill requiring any electronic voting equipment used in Wisconsin to produce a verifiable paper record—was signed into law in January 2006.

- Acting in response to a complaint filed by the Democracy Campaign, the state Elections Board ordered the Green campaign for Governor in late

August to dump \$468,000 in unlawful contributions from national special interest groups based in Washington, D.C. We raised similar objections when former congressman and now Milwaukee Mayor Tom Barrett moved money from his federal campaign to his governor's campaign in 2002.

- A new rule, long advocated for by WDC, approved last year by the state Elections Board to take effect on January 1, 2007, will prevent future candidates in Wisconsin from transferring funds from a federal campaign account to a state account to finance a run for state office.

- Ethics reform legislation introduced as Senate Bill 1 to replace the discredited state Elections Board and weak Ethics Board was killed by Assembly leaders. The bill is slated to come back early in the 2007 session.

- The Democracy Campaign continued developing the capacity of the People's Legislature citizen reform movement to press for change. A rally for reform was held at the Capitol in late October 2005. More than 400 people carrying brooms drove home the message that it's time to sweep out corruption. Less than a week after the rally, the state Senate took up and passed Senate Bill 1.

- In January 2006, the People's Legislature held the first-ever “public telling” to shine the spotlight on corruption in state government and challenge the state's top political leaders to answer for lack of progress on real reform. A standing-room-only crowd of over 300 people jammed a Capitol hearing room for the session. Two days after the event, an Assembly committee approved Senate Bill 1. Unfortunately, Republicans later decided behind closed doors not to bring Senate Bill 1 to a vote in the full

Assembly in the last week of the legislative session.

- WDC joined forces with Common Cause in Wisconsin and the League of Women Voters of Wisconsin in late June to call on Wisconsin television stations to demonstrate their commitment to election, public affairs and governmental coverage by airing at least two hours of weekly programming focused on the candidates or the issues during the six weeks leading up to the September primary election and the November general election.

- As part of WDC's “Our Democracy, Our Airwaves” campaign, the Democracy Campaign teamed up with the University of Wisconsin's NewsLab to monitor television news coverage in the state's top two TV markets as well as major markets in four other Midwest states. The resulting Midwest News Index showed in October 2006 that only 36 seconds out of a typical 30-minute evening newscast is devoted to election coverage.

- A bill—pushed by the Democracy Campaign for years—requiring out-of-state political committees to comply with the same campaign finance disclosure requirements as in-state committees was passed by the Legislature and signed into law by the governor in March 2006.

Teaching democracy

In addition to our continuing focus on campaign reform, media reform and other pro-democracy advocacy, WDC has started a civic education initiative, with a particular emphasis on citizenship education for youth.

The Democracy Campaign sponsored a democracy forum in La Crosse in March 2006 in cooperation with Viterbo University as well as student



organizations at both Viterbo and the UW-La Crosse. We also were part of a February public forum in Superior hosted by UW- Superior student organizations and the citizen group Save Our Unique Lands (SOUL), and did four presentations on the UW-Platteville campus the third week in March and three more in October. Also in October, a "Women, Money and Politics: Who's Winning?" forum was held at UW-Eau Claire sponsored by WDC and other area reform groups bringing in Joan Mandle of Democracy Matters. WDC's director also has spoken several times at student-run forums on the UW-Madison campus.

Helping WDC change the world

WDC became a member agency of Community Shares of Wisconsin in 2004. CSW is a charitable organization that generates funds for grassroots organizations that build social and economic equity and healthy environment through a workplace-based giving program and other fundraising efforts. We conservatively estimated that our participation as a new CSW member agency would generate \$2,000 in the first year. WDC proved popular among people who give through Community Shares and we sharply surpassed our first-year goal with over \$6,600 in donor designations from participants in the annual campaign. In our second year of participation, more than \$8,300 in support was generated for the Democracy Campaign. Thanks to all of you who donate to us in this way!



What's next?

Causing a ruckus

The next step in the People's Legislature reform movement is developing a corps of volunteers willing to engage in direct action and even civil disobedience if necessary on behalf of the cause of reform. This "Ruckus Corps" of citizen activists will take the fight for state government reform to the halls of the State Capitol and to street corners and meeting halls in hometowns across Wisconsin.

Training sessions are planned to prepare volunteers in advocacy tactics they can use not only at the Capitol but in their local communities as well. Then at key moments in the legislative process, the People's Legislature will be able to call on the corps to bring pressure to bear on lawmakers at the Capitol and also in their home districts.



Things looking up on reform front

Campaign finance reform's chances got better in late October of this year when two state senators—a Democrat and a Republican—who had a falling out over a previous campaign reform bill announced that they are again joining forces on a comprehensive reform proposal.

Republican Mike Ellis of Neenah and Democrat Jon Erpenbach of Middleton are reuniting around a plan calling for full disclosure of sham "issue ads" sponsored by special interests and public financing for candidates who agree to limit their spending. The new proposal provides a guaranteed funding source for the public financing and makes candidates eligible for supplemental public financing grants to counter attacks by special interest electioneering groups.

A number of newly elected members of the state Senate and Assembly ran on reform platforms including campaign finance reform and government ethics reform. In fact, 81 of the 132 members of the new Legislature either voted for ethics reform last session or pledged to support it during the 2006 campaign.

Leave a Legacy of Healthy Democracy

Planned Giving to the Democracy Campaign:

A way to keep government clean, accountable and democratic for generations to come

Please consider including the Wisconsin Democracy Campaign in your estate and major giving plans. When you include WDC in your will, you leave an ongoing legacy of clean, ethical and accountable government in Wisconsin.

For more information call the Democracy Campaign at 608-255-4260 or toll-free at 1-888-455-4260 and ask for Debby.

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Clean Water Action Council

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Coalition for Wisconsin Health

Coalition of Independent Living Centers

Coalition of Wisconsin Aging Groups

Common Cause in Wisconsin

Door County Environmental Council

John Muir Chapter of the Sierra Club

League of Women Voters of Wisconsin

Lutheran Office for Public Policy in Wisconsin

Madison Teachers Inc.

Midwest Environmental Advocates

National Farmers' Organization - Wisconsin

Peace Action Wisconsin

Progressive Dane

River Alliance of Wisconsin

Social Concerns Commission

WI Conference - United Church of Christ

1,000 Friends of Wisconsin

United Council of UW Students

Waukesha Area Citizens for Campaign Finance Reform

Wisconsin Audubon Council

Wisconsin Coalition for Advocacy

Wisconsin Community Action Program Association (WISCAP)

Wisconsin Council on Children and Families

Wisconsin Federation of Cooperatives

Wisconsin Gray Panthers

Wisconsin Homecare Organization

Wisconsin Interfaith Climate and Energy Campaign

Wisconsin League of Conservation Voters

Wisconsin Network for Peace and Justice

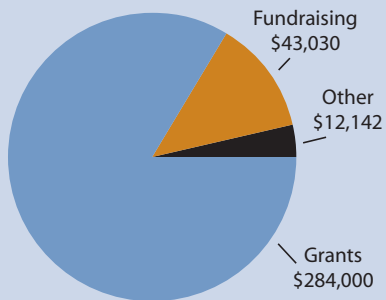
Wisconsin Public Interest Research Group

Wisconsin Retired Educators' Association

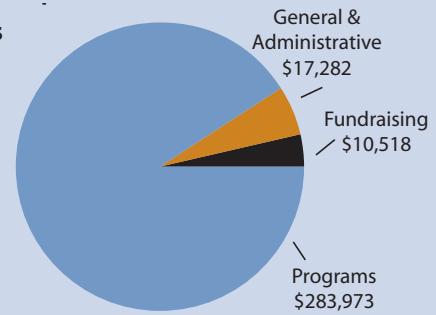


2005-2006 Wisconsin Democracy Campaign Financial Report

Income



Expenses



Grant Sources

Joyce Foundation
Brico Fund
Proteus Fund
Bremer Foundation
Evjue Foundation

Fundraising Sources

Individual donations
Event income
Coalition donations

Other Sources

Community Shares
of Wisconsin donations
Interest income
Honorariums



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