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Make People Matter



More Than Money!

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Living the Chinese curse, Wisconsin style

The adage “may you live in interesting times” is said to be the Chinese curse. In that case, Wisconsin is so cursed. Under the guise of balancing the current year’s budget, Governor Scott Walker put forward legislation stripping most public employees in Wisconsin of their collective bargaining rights and erecting new barriers to unionization. The move set off mass demonstrations on a scale never before seen at the Capitol and thrust Wisconsin into the national spotlight.

Walker’s action also inspired efforts to boycott businesses that donated to his campaign. A Facebook page called “Boycott Scott Walker Contributors” with over 23,000 followers and websites like BoycottWalker.com are directing people to wisdc.org to see lists of donors, causing a huge spike in traffic to WDC’s website. There were more than 9.3 million hits to the site in a six-week period from mid-February through the end of March. In a typical odd-numbered year, there are roughly 3 million hits for the entire year.



In their haste to ram the bill through, Walker’s legislative allies ignored the state’s open meetings law. A Dane County judge issued a temporary restraining order preventing the law from being published. That legal wrangling continues.

At the same time, the controversy turned the state Supreme Court election into a referendum on Walker’s policies. The election drew millions in special interest group spending (see page 2) and the nearly 1.5 million votes cast in



the April 5 election were almost double the number in the last high court race in 2009 when a grand total of 793,079 votes were tallied. The election was a photo finish, with challenger JoAnne Kloppenburg at first appearing to eke out a 204-vote victory. Then what has been called the Brookfield Blunder resulted in 14,000 votes being found in Waukesha County, with most favoring incumbent Justice David Prosser and giving him about a 7,000-vote edge. WDC joined many other observers in calling for investigations.

\$5.4 million spent on Supreme Court election campaigning

Nearly three dozen special interest groups and four candidates spent about \$5.4 million on the recent Wisconsin Supreme Court race mostly on volleys of negative television and radio advertisements, a Democracy Campaign tally showed.

Outside interest groups doled out \$4.5 million in the two months before the April 5 general election. The groups spent an estimated \$2.7 million to support incumbent Justice David Prosser and \$1.8 million to back his challenger, Assistant Attorney General JoAnne Kloppenburg.

The leading advertiser was the Greater Wisconsin Committee which spent nearly \$1.7 million to support Kloppenburg. One of the group's worst ads condemned Prosser for not prosecuting a Catholic priest in Green Bay accused of sexually abusing two boys when Prosser was Outagamie County district attorney in the late 1970s.

After Greater Wisconsin, the next four leading spenders doled out a combined \$2.65 million to back Prosser. Wisconsin Manufacturers & Commerce, the state's largest business group, spent nearly \$1.1 million in the race to create and air two television ads. One said "being weak on criminals is dangerous for Wisconsin families," and resembled tough-on-crime ads sponsored by the group in past Supreme Court races that distorted cases and decisions rendered by the state's high court.

Rounding out Prosser's top outside supporters were three ideological groups including Citizens for a Strong America, a right-wing organization with ties to the tea party and Americans for Prosperity. The group, which used a Beaver Dam postal box as its address, spent an estimated \$985,000. Club for Growth Wisconsin, the state arm of the national Club for Growth that backs conservative Republicans for federal offices, spent an estimated \$520,000 on Prosser's behalf. Tea Party Express, which was created in 2009 by a California political action committee and backs conservative causes and candidates for state and federal offices, spent about \$70,000 to help the incumbent justice.

The four candidates, including two eliminated in the February 15 primary, spent a combined \$913,238 through March 31. Prosser spent \$406,283 and Kloppenburg spent \$351,259.

Federal court upholds state's judicial public financing system

In a ruling issued March 31, the United States District Court for the Western District of Wisconsin rejected a challenge to the state's Impartial Justice Act by Wisconsin Right to Life and other plaintiffs and upheld the constitutionality of the law.

The legal challenge primarily focused on a feature of the new public financing system for state Supreme Court elections that makes participating candidates eligible for extra public funds if they face high-spending privately financed opposition or attacks by outside special interest groups. Those challenging the law argued such triggered "rescue funds" violated their free speech rights. The court ruled there is no evidence to show that providing public funds to enable a candidate to respond to attacks has a chilling effect on the speech of that candidate's opponents.

That this lower federal court ruled at all was something of a surprise because the U.S. Supreme Court already is reviewing a 13-year-old Arizona law with a similar rescue funds provision. A ruling is expected in late June. During oral arguments in late March, members of the high court sent signals suggesting five of the nine justices appear likely to vote to strike down Arizona's law.

Walker budget plan axes key funding for Impartial Justice Act

In an editorial published earlier this month, the *Milwaukee Journal Sentinel* said Wisconsin's new public financing system for state Supreme Court elections enables candidates to avoid conflicts of interest that come with taking money from people who might come before them at the court and frees candidates to actually go out and meet voters rather than having to focus on raising money.

That hasn't stopped Governor Scott Walker from proposing the elimination of a key funding source for the Impartial Justice Act in his two-year budget plan, which would effectively gut the program.

TAKE ACTION: Call the toll-free Legislative Hotline (800-362-9472 or 266-9960 in Madison) and urge your state senator and assembly representative to restore all existing funding sources for the Impartial Justice public financing program for state Supreme Court elections.

Railroad CEO charged in election money laundering scheme

Wisconsin & Southern Railroad Co. president and chief executive officer William Gardner was charged April 11 with two felony counts of making illegal campaign contributions. An investigation revealed that Gardner exceeded legal donation limits and also reimbursed employees with company money for donations they made to Governor Scott Walker.

Gardner agreed to plead guilty as part of a deal that will result in two years probation and cost the company \$166,900 in fines.

The Democracy Campaign flagged Gardner a year ago for making donations in excess of the annual limit of \$10,000. Those donations are referenced in the criminal complaint against Gardner.

On the same day Gardner was criminally charged, Governor Scott Walker announced \$25.5 million in state grants for freight rail upgrades in Wisconsin, with nearly \$14 million of the subsidies going to Gardner's Wisconsin & Southern Railroad Co.

Lobbyist's son handed patronage job, then resigns after furor

Earlier this month it came to light that Brian Deschane, the 27-year-old son of a longtime lobbyist with the Wisconsin Builders Association, was given an \$81,500-per-year job in Governor Scott Walker's administration overseeing environmental and regulatory matters and dozens of employees at the Department of Commerce despite having no college degree, no relevant technical expertise, little management experience and two drunken-driving convictions. His father's trade group gave more than \$121,000 to Walker's campaign.

Democracy Campaign director Mike McCabe spoke out against the move, saying the hiring had "all the markings of political patronage."

Two days later, the Walker administration announced it was returning Deschane to his previous job as a bureau director in the state Department of Regulation and Licensing, a post he was given in mid-January at an annual salary of \$64,728. Shortly thereafter, Deschane resigned that job too as charges of cronyism persisted.

Business giving dwarfs labor

A Democracy Campaign study issued in mid-March shows that on average business interests give \$12 to state candidates for every \$1 donated by labor unions. The business-to-labor ratio is \$104 to \$1 for Republicans and \$6 to \$1 for Democrats.

Campaign contributions from business interests have accounted for nearly \$3 of every \$4 accepted by Republican and Democratic candidates for statewide and legislative offices since 1999. Donations from banking, construction, manufacturing, insurance and other business interests totaled \$85.2 million between 1999 and October 18, 2010 – or 72% of the \$117.59 million in overall contributions during that period.

Meanwhile, labor union contributions totaled \$6.98 million, or 6% of the \$117.59 million total. The remaining 22% of contributions totaling \$25.41 million came from other interests not tied to organized labor or business.

The full report is available on WDC's website at www.wisdc.org/pr031711.php.

You are invited!

Wisconsin Democracy Campaign Annual Membership Meeting

with featured speaker John Nichols
Washington correspondent for *The Nation*
magazine and associate editor of
The Capital Times

**Tuesday, May 3
4 – 6:30 p.m.**

**Edgewater Hotel
666 Wisconsin Avenue
Madison**

**RSVP by Monday, April 25
608-255-4260 or kruse@wisdc.org**

Goodbye and thanks!

After eight years as the Democracy Campaign's outreach and development director, Debby Meyer left WDC's staff in January to take a new job as fund development director for the Wisconsin Council of the Blind.



During Debby's time with the Democracy Campaign she was a tireless coalition builder, forging and deepening relationships with countless statewide organizations and community groups. Debby

also took a lead role in developing an endowment program for the Democracy Campaign which culminated with the board's formal creation of the

Legacy Fund in 2009. She did consistently excellent work in the areas of fundraising and membership development, but some of her most notable contributions came in areas outside the scope of her formal duties, from improving the look of WDC's website and publications to promoting good staff chemistry and a positive office environment. She was a tremendous asset to the Democracy Campaign.

We miss Debby but also wish her nothing but the best in an exciting new professional challenge.

Hello and welcome!

Lenee Kruse joined the Democracy Campaign's staff in March as our new outreach and development director. A short time later Dane Varese was hired as redistricting coordinator. Both Lenee and Dane previously worked for U.S. Senator Russ Feingold.



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