

Inside

Page 2

Key reform mission accomplished
Campaign finance reform on deck

Page 3

Reform ideas popping up all over
Ethics reform enough, some say
Campaign spending sets records

Page 4

“Then you win”

Get Big Money



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Ethics reform bill passed, signed into law

Win creates momentum as bigger reform battles loom

A special legislative session called by Governor Jim Doyle ended successfully when the governor signed an ethics bill into law February 2 that creates new tools for fighting government corruption and helps revive meaningful enforcement of ethical standards and accountability in state government.

The new law replaces the weak, ineffective state Ethics Board and overly partisan and dysfunctional Elections Board with a politically independent enforcement agency under the direction of a nonpartisan Government Accountability Board with an unlimited budget for investigations.

Both houses of the Wisconsin Legislature overwhelmingly passed the ethics reform bill on January 30. The 97-2 vote in the Assembly culminated a whirlwind of activity that day. The Legislature's Joint Finance Committee unanimously approved the bill in the morning, the full Senate unanimously passed it without amendment in the early afternoon, and the Assembly vote followed a few hours later.

“This is an important step, but it's only a first step. I hope this will be the first of many legislative victories that serve to restore Wisconsin's good name,” Democracy Campaign director Mike McCabe said.



Governor Jim Doyle signs the ethics reform bill into law as WDC director Mike McCabe (third from left), other reform advocates and legislative supporters look on.

Key reform goal met by ethics bill

When the Democracy Campaign put forward its five-step “Power to the Voter” agenda in 2004, one of the things it called for was “independent ethics and campaign finance law enforcement by restructuring the state Elections Board and Ethics Board into a single agency with expanded enforcement powers and more resources, under the direction of a politically independent board.”

The People’s Legislature, co-sponsored by the Democracy Campaign, also went on record in favor of the reform in January 2005.

This goal was accomplished with passage of the ethics reform bill that was signed into law by the governor as 2007 Wisconsin Act 1. In a statement issued after the Legislature overwhelmingly approved the reform legislation, the Democracy Campaign called it “a significant improvement over the outdated and ineffective system of enforcement of ethical standards that the new oversight and enforcement agency will replace. Wisconsin’s ethics, campaign finance, elections and lobbying laws have not been faithfully, consistently and rigorously enforced in recent years. The painfully apparent shortcomings of the existing enforcement agencies have played an important role in opening the door to political corruption in our state.”

WDC’s statement went on to applaud the governor and legislative leaders for the “bipartisan collaboration they demonstrated in making ethics enforcement reform a reality” and express hope they will “take the other necessary steps to win back Wisconsin’s reputation for honorable politics and clean government.”



Mike McCabe celebrates the ethics reform victory with Common Cause in Wisconsin’s Jay Heck and League of Women Voters of Wisconsin director Andrea Kaminski.

Up next: Campaign reform

As significant as the ethics reform victory is, it is the beginning of reform, not the end. The new ethics enforcement law needs to be accompanied by other essential reforms, most notably a top-to-bottom overhaul of Wisconsin’s campaign finance laws.

Governor Doyle echoed this sentiment in his State of the State Address on January 30:

“Tonight, we’ve talked about an aggressive agenda of change and reform. And some pretty big change happened just today. Earlier this afternoon, Republicans and Democrats joined together to agree on the most sweeping ethics reform in 30 years – creating a strong Government Accountability Board that will have the power to enforce our laws, investigate and bring prosecutions against those who violate the public trust. It is a model for what can happen when people in both parties set aside differences and do what’s right....”

But we shouldn’t stop there. Every two years, our TV sets are bombarded by nasty and negative ads from shadowy groups that don’t play by the same rules as everyone else. But we can put a stop to it. Tonight, I ask you to end the phony issue ads and require these groups to follow our campaign finance laws. They should disclose their donors, abide by contribution limits, and be forbidden from taking corporate contributions that would otherwise be illegal. Let’s pass this vital reform now, and clean up Wisconsin’s airways.

Finally, we need to improve the way campaigns are financed in Wisconsin. Today, we have new leadership and a new opportunity to achieve consensus. I have asked Speaker Huebsch and Senator Robson to work with me to come up with a strong, comprehensive bill that can win the support of both parties. Let’s get this done, and do what’s right for the people of Wisconsin.”

The governor has pledged to put money in his proposed state budget to pay for campaign finance reform, and has indicated his willingness to call the Legislature back into special session to act on campaign reform legislation this fall.

Democracy Campaign director Mike McCabe has had a series of meetings with the governor’s chief of staff and other aides in the governor’s office to discuss campaign reform ideas.

More reform cooking at Capitol. . .

With ethics enforcement reform signed, sealed and delivered, attention now shifts to other areas much in need of reform – from campaign financing and lobbying to the way legislative districts are drawn.

Legislation is being introduced to close a gaping loophole in Wisconsin's campaign finance laws allowing special interests and political party front groups to avoid disclosing their electioneering efforts and ignore limits on campaign contributions. Full disclosure of secret special interest spending – euphemistically called “issue ads” – would not only plug huge holes that have been blown in the state's campaign finance disclosure laws, but also would restore meaning to state laws limiting campaign donations including Wisconsin's century-old ban on corporate contributions.

Proposals calling for comprehensive rewrites of laws governing campaign financing and establishing public financing of state election campaigns also are being introduced. One plan already has been introduced as Senate Bill 12 by Republican Senator Mike Ellis and Democratic Senator Jon Erpenbach. Another plan, based on the Clean Money systems in place in states like Arizona and Maine, is being put forward by Senator Fred Risser and Representative Mark Pocan, both Madison Democrats.

Bills also are being written to reform legislative redistricting and block the “revolving door” allowing lawmakers to become lobbyists as soon as they leave office and letting state regulators move swiftly into jobs with the industries they oversaw.

. . . while some at Capitol say ethics reform is all that's needed



Secret special interest ads drive 2006 campaign spending spree

Candidates and special interests spent \$32.3 million on the 2006 governor's race where surges of vicious and deceptive advertising again hijacked a meaningful discussion of the issues that concern voters.

Campaign spending in the latest four-year cycle from 2003 through 2006 jumped 38% from the \$23.5 million spent in the 2002 cycle and nearly quadrupled the \$8.6 million spent in the 1998 governor's race.



Seven candidates for governor and lieutenant governor spent \$19.8 million on their campaigns, led by Governor Jim Doyle whose \$10.6 million in spending shattered the old record held by former Governor Scott McCallum, who spent \$7.7 million on his unsuccessful campaign against Doyle in 2002. Doyle's 2006 opponent, Republican Mark Green, came close to McCallum's old mark by spending \$7.6 million.

Special interest group spending on disclosed electioneering – called independent expenditures – totaled \$3.1 million in 2006, up from \$1.4 million in 2002 and only \$750 in 1998. Most of the sharp increase in overall spending was caused by secret special interest spending on so-called “issue ads,” which more than tripled from an estimated \$2.9 million in 2002 to \$9.4 million in 2006. There was no issue ad spending in the 1998 governor's race.

Attorney General Race

Spending by candidates and special interest groups in the 2006 attorney general race topped \$8.3 million – five times more than the \$1.65 million spent during the last race in 2002.

Four candidates spent \$4.7 million, led by unsuccessful Democratic candidate Kathleen Falk who spent \$1.72 million followed by Republican JB Van Hollen who spent \$1.68 million. Interest groups that engaged in undisclosed campaigning to influence the race spent an estimated \$3.4 million, led by Wisconsin Manufacturers and Commerce which spent \$2.5 million on anti-Falk ads.

From the executive director

'Then you win'

Mahatma Gandhi offered the best description I've seen of the road advocates for social justice must travel. Gandhi said: "*First they ignore you. Then they laugh at you. Then they fight you. Then you win.*"

The Democracy Campaign can relate. We have passed through those very stages. We've been ignored. We've been laughed at. The bosses at the Capitol have fought us with all their might.

Now we're winning. And we're going to do everything in our power to make sure the ethics reform victory is not the last time we win.

That's where you come in. The prospects for reform are better than ever. Now more than ever, we need you to stand with us. Even as we're demonstrating our ability to win, it's a challenge raising the money we

need to keep up the fight. There's a good size hole in our budget right now. Please consider helping us fill it. A little goes a long way.

Just \$5 per month enables us to send 100 people the *Big Money Bulletin*.

\$10 per month enables us to train three citizen activists in direct action tactics in support of democracy reform.

If 10 people give just \$20 per month it keeps our award-winning web site with the state's only searchable database of campaign contributors running all year.

Only 50 cents a week – \$26 per year – pays for one hour of lobbying at the Capitol on behalf of reform.

Thanks for your support.

— *Mike McCabe*



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