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Assembly committee approves reform bills

The Assembly Elections and Campaign Reform Committee put its stamp of approval on two major campaign finance reform proposals strongly backed by the Democracy Campaign – the Impartial Justice bill overhauling state Supreme Court elections and the Electioneering Disclosure bill closing the “issue ad” loophole interest groups have exploited to secretly pour huge sums of money in state election campaigns.

The June 16 committee vote was 4-3 in support of the Impartial Justice bill (Assembly Bill 65) and 6-1 on the Electioneering Disclosure legislation (Assembly Bill 63). The Assembly committee had held a public hearing on both bills with a Senate committee on May 27.

Assembly leaders have repeatedly expressed their intention to schedule votes on AB 65 and AB 63 in the full Assembly in the near future. Prospects for action in the state Senate also appear good. In late January, Senate Majority Leader Russ Decker issued a statement saying the two bills would be among the first proposals the upper house would act on in the 2009-2010 session.

In addition to testifying at the May 27 hearing, the Democracy Campaign also delivered to committee members a large stack of petitions bearing the names of over 1,000 people from across the state who want action on Supreme Court election reform and legislation requiring full disclosure of special interest campaign advertising.

On May 28, WDC started radio ads on 74 stations across the state as well as Internet ads calling attention to the need for these reforms.



Democracy Campaign director Mike McCabe makes a point as UW-La Crosse political science professors Joe Heim (center) and Jo Arney (right at podium) and students in the audience listen at a public forum on the La Crosse campus on the need for reform of Supreme Court elections.

Bill to nix 'home-court advantage' advances after committee OK

Democracy Campaign-backed legislation aimed at putting a stop to privileged treatment for state politicians when it comes to how they are held accountable for following the law was approved earlier this month by the Assembly Judiciary and Ethics Committee on a 6-4 vote. It is now ready to be schedule for debate in the full Assembly.

Assembly Bill 62 ends what has been called a "home-court advantage" for state officials. When ordinary citizens are accused of a crime in Wisconsin, they are prosecuted in the county where the crime is alleged to have occurred. But when state legislators and other public officials are accused of breaking ethics and election laws, current law entitles them to be prosecuted in their county of residence. AB 62 eliminates this double standard.

WDC takes aim at revolving door between lawmaking and lobbying

Another reform bill supported by the Democracy Campaign that is gaining traction is Assembly Bill 245 addressing the revolving door between lawmaking and lobbying. The proposal establishes a one-year "cooling off" period between the time when state legislators leave office and when they can start lobbying their former colleagues. The Democracy Campaign testified in support of the bill at a June 2 public hearing, but urged committee members to make Wisconsin's law as strong as those in six other states that require a two-year waiting period before departing lawmakers can become lobbyists.

Renewed effort launched to pass Ellis-Erpenbach reform plan

The Ellis-Erpenbach campaign finance reform bill was reintroduced at the end of May as Senate Bill 221. The bipartisan proposal named for its authors – Neenah Republican Mike Ellis and Middleton Democrat Jon Erpenbach – features a public financing program for all state elections, bans fundraising during state budget talks, regulates out-of-state committees the same as in-state PACs and abolishes leadership-run campaign committees. The new version includes both the Impartial Justice and Electioneering Disclosure bills detailed on page 1. The Democracy Campaign has supported the legislation since its initial introduction in 2003.

WDC raises red flag on fundraiser, event cancelled 3 days later

On a Friday earlier this month, the Democracy Campaign posted a blog taking Assembly Democrats to task for a planned June 15 campaign fundraiser despite a new Assembly rule banning fundraising during the state budget process. By the following Monday, Assembly leaders postponed the event until after work on the budget was completed.

At first, Assembly Democratic leaders stubbornly insisted the \$1,000-a-head golf outing was within the rules and said they were still planning to attend.

The leaders contended that the rule applied to Assembly members' personal campaign committees and the June 15 event was to raise funds for the Assembly Democratic Campaign Committee that is controlled by party leaders and raises money to help elect Democrats to the Assembly.

The rule, which was adopted by the Assembly in February with the support of the Democracy Campaign, states "it is the goal of the Assembly to effectively eliminate campaign fundraising during the budget period by members of the Assembly."

The rules goes on to say members of the Assembly cannot "solicit or knowingly accept any contribution for the purpose of promoting the member's nomination or re-election to the state Assembly during the period beginning on the day the biennial

The goal of the Assembly rule is to 'effectively eliminate' campaign fundraising while the state budget is under development.

budget bill is introduced and ending on the date the biennial budget bill is presented to the Governor."

By the end of the first week in June, it was clear that it would take until the end of the month if not later for a finished budget to be sent to Governor Jim Doyle.

Other good government advocates and newspapers joined the Democracy Campaign in condemning the event. Assembly Democratic leaders responded to the mounting criticism by announcing that the fundraiser would be rescheduled for a time after the Legislature had completed its work on the budget.

After 4-month delay, WDC makes formal plea for missing records

For the first time ever, the Democracy Campaign had to file an open records request with the state Government Accountability Board June 1 in an attempt to obtain nearly two dozen missing campaign finance reports that were still unavailable for public review four months after they were supposed to be submitted to the agency by state candidates and other campaign committees.

The request filed under longstanding open government laws, sought reports for 22 legislative candidates and officeholders. In addition, WDC also could not gain access to 2008 year-end reports posted on the Government Accountability Board's new electronic filing system for 14 other legislative candidates, including Assembly Speaker Mike Sheridan, who apparently submitted reports to the board because WDC was able to obtain some information upon request.

The missing reports cover fundraising and spending in the last few months of 2008, including the two weeks leading up to the November 4 general election when many candidates raise and spend most of their money. The reports were supposed to be posted on the GAB's electronic filing system on or before February 2. The open records request – the first WDC has ever had to file for these types of records – asks the board to produce the reports or fine the candidates for not filing the reports.

As this issue of the *Big Money Bulletin* went to press, the Democracy Campaign was still unable to tally overall fundraising and spending in 2008 state elections because of the lengthy delay in obtaining a significant number of reports. In every past year, WDC completed such tallies by the end of February.

This is the first year the state is operating a new electronic reporting system for campaign finances. The system was supposed to enhance public access to information about campaign fundraising and spending in state elections. So far, it is not living up to that promise. Moreover, there are substantial problems with the reliability of the data in the system. In February and March, WDC issued analyses showing dozens of instances where reports contained erroneous information including incorrect cash balances, misidentified contributions and expenses, and inaccurate fundraising and spending totals.

High court ruling underscores need for judicial election reform

The U.S. Supreme Court ruled June 8 that elected judges must step aside from cases when large campaign contributions from interested parties create the appearance of bias. Deciding a West Virginia case that has attracted nationwide attention and was the inspiration for author John Grisham's 2008 bestseller "The Appeal," the court ruled that a judge who remained involved in a lawsuit filed against the company of the most generous supporter of his election denied the other side the constitutional right to a fair trial.

Earlier this year, the Democracy Campaign joined 26 other groups from around the country in filing a "friend of the court" brief in the case urging the court to establish a minimum standard of due process needed to ensure that all parties receive a fair, impartial judgment. The court's ruling did just that.

The case, *Caperton v. Massey*, grew out of a business dispute between competing coal companies. The president of Harman Coal Company, Hugh Caperton, sued industry giant Massey Energy Company alleging it used fraudulent practices to put his company out of business. In 2002, a West Virginia jury agreed and awarded Harman \$50 million.

In 2004, while appealing the judgment, Massey CEO Don Blankenship spent \$3 million in support of lawyer Brent Benjamin's bid for a seat on the West Virginia Supreme Court. Benjamin won the election. In 2007, Justice Benjamin rejected a motion to recuse himself from the case and cast the deciding vote in a 3-2 decision to overturn the jury's verdict and the \$50 million judgment against Massey Coal.

Last June, the League of Women Voters of Wisconsin, with the support of the Democracy Campaign, petitioned the Wisconsin Supreme Court to institute new rules that prohibit judges and justices from ruling on cases involving major campaign contributors. A hearing on the petition is expected this fall.



Last word

113 million reasons why not

The need for health care reform in America is obvious. It's long past time for action, yet Washington has been paralyzed. The fact that 46 million Americans are without health insurance and some 28 million are underinsured has yet to stir the nation's politicians. The fact that insurance costs have played no small role in the demise of the American automobile industry has yet to infuse them with the courage of conviction. The fact that providing health coverage is a crushing burden to small businesses that is stunting the growth of the national economy's most powerful engine hasn't done the trick either.

Why not?

Oh, the politicians in Washington have their reasons. Millions of them. Like the \$47 million in campaign contributions federal candidates received from the

insurance industry in 2008 alone. And the \$29 million in donations pharmaceutical companies gave to federal politicians for last year's election. And then there's the \$23 million national office seekers got in 2008 from the hospitals and other for-profit health facilities. Another \$14 million was dumped into the campaign coffers last year by the HMOs and other health service gatekeepers.

That's a total of \$113 million. One hundred and thirteen million reasons why Washington isn't moved by the heart-wrenching stories of people suffering and even dying needlessly for lack of access to medical care and countless others driven to financial ruin simply because they had the misfortune of getting sick.

One hundred and thirteen million reasons why the richest nation on earth turns a blind eye to pain and suffering and economic calamity, and why its leaders put the profits of the few ahead of the needs of the many.

— *Mike McCabe*



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