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Make People Matter



More Than Money!

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\$44 million spent on senate recall elections

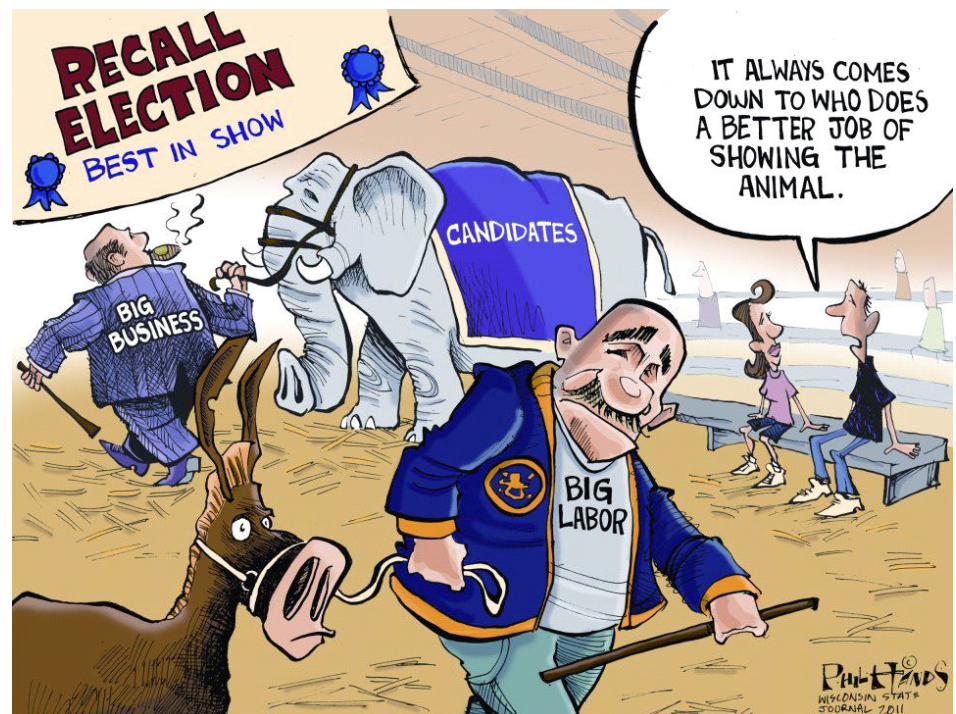
Special interest groups, candidates and political committees spent a record-smashing \$43.9 million on this summer's senate recall elections, a report issued in late September by the Democracy Campaign shows.

The races targeting six Republicans and three Democrats set numerous records including the most spent by a single outside interest group in a Wisconsin election, the most collectively spent by all outside groups, the most spent by candidates and groups in a legislative race and the most spent by a legislative candidate in an election.

Total spending more than doubled the previous record for spending in legislative races – \$20.2 million on 99 assembly and 16 senate races in 2008. Even though three candidates broke the previous spending record for a state legislative candidate, the \$34.5 million spent by interest groups was over four times more than the candidates spent. Groups spent more on the recall elections than they spent on the 1998, 2002, 2006 and 2010 races for governor combined.

Registered groups that disclosed their recall election activities reported spending \$15.2 million to support Democrats and \$550,000 for Republicans. Among unregistered groups that didn't disclose their spending, an estimated \$15.4 million was spent for GOP candidates and \$3.35 million for Democrats.

The full report is available on the Democracy Campaign's website at www.wisdc.org/pr092011.php.



Outside money fuels spending binge in senate recall elections

Campaign finance reports filed by groups that disclosed their recall election spending showed that most of the money – fully 55% – was spent on television advertising. Among those groups that disclosed their expenses, the leading spender was the labor coalition We Are Wisconsin which reported \$10.7 million worth of campaigning for Democratic candidates.

To help fund that spending, We Are Wisconsin raised \$10.1 million from just three national unions based in Washington, D.C. – \$5.8 million from the AFL-CIO, \$3 million from the American Federation of State, County and Municipal Employees, and \$1.3 million from Service Employees International Union.

Among the groups that kept their spending a secret, the one that spent the most clearly was Wisconsin Club for Growth. According to TV ad invoices WDC obtained from stations across the state and in the Twin Cities market, Club for Growth outspent We Are Wisconsin on TV ads by more than 18%.

The Democracy Campaign estimated Club for Growth's overall recall spending at only \$9 million – nearly \$2 million less than We Are Wisconsin – because We Are Wisconsin reported spending substantial sums of money on direct mail, online advertising, automated telephone messages commonly called “robocalls” and other activities that are difficult to track for the groups like Club for Growth that do not disclose their spending.

“We can only put a price tag on known activity,” Democracy Campaign director Mike McCabe said. “Club for Growth probably spent considerable amounts of money on forms of campaigning that we couldn't account for.”

Club for Growth does not publicly disclose its donors, but WDC did find two of the group's sources of income by scouring IRS records – a \$250,000 donation from Texas oilman Trevor Rees-Jones and a \$150,000 contribution from Citadel, a global securities firm with offices in New York, Chicago, Boston, San Francisco, London and Hong Kong. Club for Growth later amended its filing with the IRS to indicate that the donation came from Citadel's chief executive officer Kenneth Griffin of Chicago and not the company itself.

Legislative fundraising way up

Legislators raised a record-shattering \$6.8 million during the first half of 2011 driven by 12 state lawmakers involved in the summer recall elections who accounted for nearly two-thirds of total fundraising, a Wisconsin Democracy Campaign analysis in early October showed.

Legislators raked in seven times more campaign money than in the last comparable six-month period, and 325% more than the previous record for the first half of an odd-numbered year. The record haul also was 93% more than the first half of the 2010 election year, which is astonishing because there are typically more than 200 candidates raising money to fuel their campaigns in an even-numbered year.

Proposed legislation calls for clean election fund restoration

The state budget approved by the Legislature and signed by Governor Scott Walker in late June raided a 34-year-old fund earmarked for public financing of state elections, and used the money to help finance implementation of the state's new voter ID law. WDC director Mike McCabe appeared at a September 26 Capitol press conference to voice support for legislation reversing that budget action and restoring the clean election fund. The legislation is being introduced by Representative Andy Jorgensen of Fort Atkinson.



WDC's work showcased at 10th annual 'Fighting Bob Fest'

Democracy Campaign director Mike McCabe was once again a featured main-stage speaker at Fighting Bob Fest, the annual "hoedown for hellraisers" that honors Wisconsin political legend Fighting Bob La Follette. After being held for nine years at the Sauk County Fairgrounds in Baraboo, this year's event was moved to the Veterans Memorial Coliseum in Madison.



In addition to Mike's speech, which kicked off the September 17 festival, the Democracy Campaign had

an informational table and circulated petitions in support of campaign finance reform throughout the day.

Video as well as the text of Mike's speech are posted online at www.wisdc.org/op091911.php.

Senator proposes blinding voters to financial interests of donors

State Senator Glenn Grothman of West Bend announced at the end of September that he is introducing legislation that would end a crucial campaign finance disclosure requirement that contributors who give over \$100 must disclose their occupation and employer. Grothman says the change is necessary to protect businesses from boycotts by angry voters.

The Democracy Campaign's online database of contributors to state campaigns relies on the employer information on campaign finance reports filed with the state to enable users to search for donors by occupation and employer. There have been more than 17 million hits to wisdc.org so far this year compared to 6.3 million all of last year and 3.2 million in 2009, largely because of heightened use of the searchable donor database.

Responding to Grothman's proposal, WDC director Mike McCabe told local ABC affiliate WKOW-TV of Madison, "People are seriously ticked off by what's been happening in our state this year. And the response to that is, 'Let's keep people in the dark as to who these donors really are?'"

Criminal probe closes in on Walker; WDC's help sought

News reports in late September and early October indicated that a secret criminal investigation is getting closer to Governor Scott Walker, as 11 people – including several top Walker aides and associates and a lobbyist for a railroad company whose CEO is a major campaign donor to the governor – reportedly have been granted immunity from prosecution in exchange for testimony.

A federal agent contacted the Democracy Campaign in late January as the FBI was seeking information about matters related to the investigation and interviewed WDC's director.

Community Shares helps you help the Democracy Campaign

One of the many ways people can financially support the Democracy Campaign is by giving through Community Shares of Wisconsin, the nation's oldest social action fund. WDC is a member of Community Shares, so if your employer offers a workplace giving program, it is easy for you to financially support us in this way. If



you are a public sector employee, look for us under "Community Shares of Wisconsin" in your campaign booklet. If you are a private sector employee, you may also have a CSW campaign at work. If your employer does not have a workplace giving option, you can suggest joining.

If you are recently retired, there are other ways of giving through Community Shares. Call **608-256-1066** or check out CSW's website at www.communityshares.com.

When you direct a donation to the Democracy Campaign through Community Shares of Wisconsin, we receive 100% of your gift.

Thanks to all who support us through workplace giving. It's a big help and is greatly appreciated.

Any idea who said it?

“You can’t tackle the jobs problem, the budget problem, the tax problem...without tackling the first problem – money in politics. It is corrupt. It is institutionally corrupt.”

Believe it or not, these words were spoken by a candidate for president. A *current* presidential candidate. A *Republican* candidate. Not to mention the only candidate for the nation’s highest office who has served both as a governor and member of Congress.

Buddy Roemer.

Never heard of him? Maybe that’s because they won’t let him take part in the party’s candidate debates. Maybe they won’t let him debate because he says things like this.

National journal lauds WDC

The Nonprofit Quarterly recently highlighted six groups from across the nation that are serving as effective watchdogs on government. The Democracy Campaign was one of them. The magazine highlighted WDC’s efforts to follow the money in this summer’s historic recall elections.

The magazine lauded WDC and the national Project on Government Oversight, North Carolina Policy Watch, the Montana Policy Institute, California Common Sense and Californians Aware for performing “critically important public services, providing information to voters that governments and businesses are generally reluctant to reveal unless prodded, poked, embarrassed, or sued.... (O)ne can be assured that their actions are routinely condemned as ‘political vendettas’ by the political and corporate targets of their investigations, even though these nonprofit watchdogs are all nonpartisan.”



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