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Make People Matter



More Than Money!

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WDC honored for openness advocacy

As part of national Sunshine Week, March 11-17, the Democracy Campaign was named "Citizen Openness Advocate of the Year" for 2012 by the Wisconsin Freedom of Information Council for its work in protecting Wisconsin's tradition of open government.

WDC will be honored at the Wisconsin Watchdog Awards Dinner on April 25 sponsored by the state FOI council along with the Wisconsin Center for Investigative Journalism and the Madison chapter of the Society of Professional Journalists.

In announcing the award, the council said: "No one has done more than this nonpartisan watchdog group to hold public officials accountable by demanding transparency, not only in campaign financing but in the operations of government, and no one has taken more heat for it, especially this year. Special mention goes to the group's opposition to a bill...that would in most cases end the requirement that political donors identify their primary employer."

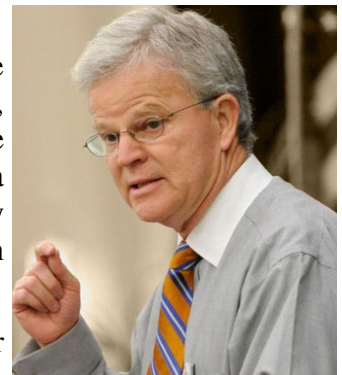
The Democracy Campaign's efforts to block legislation blinding voters to the financial interests of most campaign donors ended up being successful. The anti-disclosure bill died when the Legislature adjourned its regular session March 15.

Presidential candidate Buddy Roemer to headline WDC member meeting May 2

Former Louisiana governor and congressman Buddy Roemer will be the keynote speaker at the Democracy Campaign's annual membership meeting on May 2 at the Monona Terrace conference center in Madison.

Roemer launched a campaign for the Republican nomination for president, becoming the only candidate for the White House who has been elected governor of a state and elected to congress. He recently suspended his bid for the GOP nomination and is now running as an independent.

Appearing on *The Daily Show*, Roemer told host Jon Stewart, "You can't tackle the jobs problem, the budget problem, the tax problem...without tackling the first problem – money in politics."



Buddy Roemer

WDC asks IRS to investigate politicking by charitable groups

On March 13 the Democracy Campaign filed formal complaints with the U.S. Internal Revenue Service asking for an investigation into election campaigning by three groups masquerading as public charities.

The groups – Americans for Prosperity Foundation, the MacIver Institute for Public Policy and the Heartland Institute – were granted tax-exempt, nonprofit status under section 501(c)(3) of the Internal Revenue Code. Such status is meant for charitable and educational organizations and they have one purpose under the law – “promotion of social welfare.” Federal law prohibits them from using any resources to participate or intervene in political campaigns. The rules also put strict limits on the time and resources 501(c)(3) groups can devote to issue advocacy to influence legislation.

Among the reasons why federal law requires

In a fundraising appeal for its ‘Operation Angry Badger,’ the Heartland Institute made no bones about the need to get involved in the recall election on behalf of Governor Walker.

charitable groups to steer clear of electoral politics is that donations to such groups do not have to be publicly disclosed. That means groups that play politics while operating as charities can keep their fundraising hidden, and the public’s right to know who is behind campaign advertising is thwarted. In addition, charitable donations to 501(c)(3) groups are tax deductible. Political donations are not.

“When political groups are allowed to game the tax code and use tax-deductible donations for overtly political purposes, taxpayers are forced to subsidize the political agendas of their donors,” WDC director Mike McCabe said.

Americans for Prosperity was created in 2003 by the billionaire brothers David and Charles Koch, owners of Koch Industries which includes companies with operations in Wisconsin like Georgia Pacific. The MacIver Institute was established in 2009 with substantial funding from Milwaukee’s Bradley Foundation as well as the Koch family.

The 28-year-old Chicago-based Heartland Institute also has received major funding from the Bradley Foundation and Charles G. Koch Foundation. It received large sums from Exxon Mobil for efforts to discredit scientific research documenting global climate change. And Heartland teamed with Philip Morris to question the link between secondhand smoke and health risks.

In a fundraising appeal for its “Operation Angry Badger,” the Heartland Institute made no bones about the need to get involved in the recall election on behalf of Governor Walker:

“The recall elections of 2012 amount to a referendum on collective bargaining reform at the state level, making them of national interest. Successful recalls would be a major setback to the national effort to rein in public sector compensation and union power. Heartland is the largest and most influential national free-market think tank in the Midwest, so we are in the right place and with the right resources to help defend and secure Wisconsin’s recent gains.”

Speaking to a Florida newspaper in February, Americans for Prosperity board chairman David Koch was equally blunt:

“We’re helping him, as we should. We’ve gotten pretty good at this over the years. We’ve spent a lot of money in Wisconsin. We’re going to spend more. What Scott Walker is doing with the public unions in Wisconsin is critically important. He’s an impressive guy and he’s very courageous. If the unions win the recall, there will be no stopping union power.”

Koch told the reporter when he said “we” he meant Americans for Prosperity, which by that time had already spent roughly \$700,000 on TV ads supporting Walker.

Most want ‘Super PACs’ banned

The national Campaign Finance Institute reported in March that half of the \$78 million raised through the end of February by the so-called “Super PACs” supporting the five major presidential candidates came from just 20 mega-donors who gave \$1 million or more.

A Washington Post-ABC News poll last month showed that seven in 10 Americans believe Super PACs, fundraising vehicles allowed to take unlimited donations to support a particular candidate or party, should be outlawed.

Judicial Commission levels charges against Justice Prosser

Wisconsin's Judicial Commission on March 16 charged state Supreme Court Justice David Prosser with three ethics violations stemming from a June 13 incident during which Prosser put his hands on the neck of fellow Justice Ann Walsh Bradley.

Enforcement of the state judicial ethics code is ultimately the responsibility of the high court, putting justices in an awkward position of standing in judgment of one of their peers when judicial misconduct allegations are made against a current member of the court. This latest Judicial Commission complaint marks the third time since 2007 that ethics charges have been brought against a Supreme Court justice. It had never happened before that.

In 2007 the Democracy Campaign filed a formal complaint with the Judicial Commission against Justice Annette Ziegler that triggered an ethics investigation and ultimately resulted in Ziegler becoming the first sitting member of the high court to be found guilty of judicial misconduct and disciplined for ethics violations.

While Prosser and several of his colleagues on the court have been stubbornly resistant to standing down from cases when they have apparent conflicts of interest, Prosser is asking all of his fellow justices to recuse themselves from his own misconduct case.

Judges strike down voter ID law, bar enforcement pending appeal

Two Wisconsin trial court judges ruled last month that the state's new law requiring voters to have a state-issued photo ID card in order to cast a ballot is unconstitutional and issued injunctions blocking the law's enforcement. The rulings have been appealed directly to the state Supreme Court. Meanwhile, the law was not in effect for the April 3 elections.

The Democracy Campaign intervened in support of the legal challenges, one mounted by the League of Women Voters of Wisconsin and the other filed by civil rights groups Voces de la Frontera and the Milwaukee branch of the NAACP. WDC submitted affidavits illustrating the law's negative effects and legal briefs arguing that the ID requirement is unconstitutional.

Supreme Court dismisses legal challenge to disclosure rules

On March 19 the state Supreme Court unanimously dismissed a case challenging new campaign finance transparency rules and withdrew a temporary injunction blocking enforcement of the rules.

The rules requiring interest groups attacking or praising candidates for state office close to an election to disclose where they get their money were sought for years by the Democracy Campaign and were approved by the state Government Accountability Board in 2010. When the board was sued later that year, it backed off from enforcing the rules.

Despite the state high court's decision, the future of the rules still is to be determined because they are also being challenged in two federal lawsuits.

Wisconsin gets shaky marks on 'corruption risk' report card

Wisconsin has gone from being a beacon of clean, open and honest government to below average when it comes to government openness and accountability, according to a new 50-state assessment. Wisconsin got a C-minus on the "Corruption Risk Report Card" and the scoring gave Wisconsin more credit than deserved. The study cited the state Supreme Court's

According to the study, Wisconsin is more at risk for corruption than Illinois, Louisiana and New Jersey.

practice of opening some of its deliberations to the public, a practice the court recently ended.

According to the months-long investigation done by the national Center for Public Integrity, Public Radio International and Global Integrity, Wisconsin is more at risk for corruption than states like Illinois, Louisiana and New Jersey.

One positive for Wisconsin was the creation in 2008 of the state Government Accountability Board to help clean up government, an action that boosted the state's score and prevented an even lower overall grade. The GAB's establishment was the result of a 2007 ethics law the Democracy Campaign helped develop and worked for years to get passed.

Redistricting plan struck down

A panel of three federal judges ruled on March 21 that two Milwaukee-area state Assembly districts drawn last year by the Legislature violate the federal Voting Rights Act. The court ordered lawmakers to redraw the districts and barred state election authorities from putting the Republican-passed redistricting plan into effect until that happens. The ruling focused on the 8th and 9th Assembly districts on Milwaukee's south side. All other districts were approved.

Despite the judges' order to make repairs to the two districts, legislative leaders balked at the idea – undoubtedly because the retirement of a Republican senator leaves a 16-16 partisan split in the upper house and deprives Republicans of control over the redrawing of district lines. The court then signaled its willingness to handle the task. GOP leaders in the

Legislature objected, and Republican Attorney General J.B. Van Hollen indicated he would appeal the three-judge panel's decision to the U.S. Supreme Court.

Before issuing their ruling, the judges repeatedly chastised legislative Republicans for the highly secretive and partisan process leaders used to draw the maps – which included requiring Republican members to sign confidentiality agreements – as well as for allowing so little public input. The judges ordered GOP leaders to release 84 emails on the eve of the trial and earlier ordered Republicans to pay about \$17,500 for filing frivolous motions to keep information secret.



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