



# Big Money Bulletin

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Make People Matter



More Than Money!

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**On the Web:**

**[www.wisd.org](http://www.wisd.org)**



## *Dear Friend,*

**Over the holiday season, the Democracy Campaign received jolting and discouraging news.** We were informed that the biggest funder of democracy work in the Great Lakes region, the Joyce Foundation, is ending its support of our work after 16 years. This means we are losing half of our income. We were given no explanation of the decision. Nor were we given any advance warning. In fact, we had been invited to apply for renewed funding, and all visible signs pointed toward approval.

News of our loss of funding spread fast. The online political news service WisPolitics.com reported that those in the “professional political class aren’t shedding any tears over the hit the WDC just took.”



On the other hand, journalists who rely on the Democracy Campaign for data and research on the money in politics reacted with alarm. In an editorial broadcast on CBS affiliate WISC-TV, the station’s editorial director told viewers our work deserves support: “The Wisconsin Democracy Campaign is one of this state’s most important watchdogs for open and honest government.... We sure hope somebody steps up to keep this valuable public service viable. We need it...now more than ever.”

We need you...now more than ever. Our budget for this year was \$430,000 and we had been receiving \$232,500 in annual financial support from the Joyce Foundation. We already have responded to the funding loss by cutting our expenses by more than \$31,000 – mostly by canceling scheduled cost-of-living pay increases for staff, saving money on health insurance coverage and foregoing some travel expense reimbursements, among other belt-tightening measures.

We also have received an outpouring of support from people who value our work and believe in our mission, raising more than \$47,000 since alerting our supporters of the funding loss in early January. That still leaves a sizeable hole in our budget that needs to be sewn shut. Please help us do that if you can. Thanks!

## There's money to be made in mining – for politicians

With a growing glut on the world's iron ore market, it is unclear whether a proposed open-pit mine in northern Wisconsin's Penokee Hills is economically feasible. And given how deeply buried the deposit is and where it is situated at the headwaters of the Bad River, there are major questions about whether mining can be done there without causing significant environmental damage. But one thing's for sure. State politicians have already struck a deep vein that is gushing campaign donations.

A broad coalition of pro-mining business interests pushing for legislation loosening environmental regulations and shortening the permit approval process in hopes of greasing the skids for iron mining in the Gogebic Range in Ashland and Iron counties

made \$15.6 million in campaign contributions to Wisconsin officials who control the bill's fate, a January 28 Democracy Campaign analysis showed.

The donations flowed in from the beginning of 2010 when the push for mining deregulation started through the middle of 2012. Mining opponents gave state officials \$25,544 in campaign donations during the same period.

That means pro-mining interests gave 610 times as much money as mining opponents did.

Governor Scott Walker received \$11.34 million from the pro-mining interests during the two-and-a-half-year period while legislators took in \$4.25 million, with 79% of the donations going to Republicans and their leadership committees. Republican legislators got an average of \$43,878 each while contributions to Democrats averaged \$16,220.

Topping the list of legislative recipients is Milwaukee area Republican Senator Alberta Darling, who received \$467,293. GOP leadership committees got \$313,413. Senate Majority Leader Scott Fitzgerald raised \$262,735 from mining supporters. The full report is available on WDC's website at [www.wisdc.org/pr012813.php](http://www.wisdc.org/pr012813.php).

## Road interests pay for protection

Most beneficiaries of government policies or services can only dream of having a constitutionally protected funding source for their programs. But some of Wisconsin's most powerful interest groups that are among the biggest suppliers of campaign cash are well on their way to realizing that dream.

About two dozen trade associations, companies and allied labor unions that support amending Wisconsin's constitution to provide special protection for the state's transportation fund contributed \$10.8 million to Governor Scott Walker and \$5.2 million to legislators since 2010, an analysis by the Democracy Campaign shows.

The proposed amendment has been quietly but steadily gaining the needed legislative approvals that precede an eventual statewide ratification vote.

Governor Walker has sharply criticized former Governor Jim Doyle's practice of moving money from the transportation fund to the state's general fund to help pay for education spending and other non-transportation programs. Walker did exactly the opposite in his first budget, raiding the general fund to supplement the road fund, and has hinted that he plans to do the same in his second two-year taxing and spending plan.



### Become a Defender

**In January, 19 more people signed up for our Democracy Defender program to make automatic monthly or quarterly gifts supporting WDC's work. Participants in the program are now giving us \$9,400 a year in this way.**

**To join them, drop us a note using the enclosed return envelope, email us at [wisdc@wisdc.org](mailto:wisdc@wisdc.org) or call 608-255-4260.**

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## Groups to legislators: Give the people a say on Citizens United

A coalition of citizen groups including the Democracy Campaign held a Capitol press conference on January 23 to highlight findings about the role big money played in the 2012 elections and to call on the state Legislature to give the people of Wisconsin an opportunity to make their voices heard on the issue by authorizing a statewide referendum on the U.S. Supreme Court's decision in the infamous *Citizens United* case that paved the way for unlimited election spending.

Democracy Campaign director Mike McCabe pointed out that spending in Wisconsin elections has

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tripled since the ruling was handed down in 2010. Comparing the two elections cycles before the decision to the two following it, overall election spending grew from \$122 million from 2006 through 2008 to more than \$376 million from 2010 through 2012.

In the 2012 presidential election, 32 megadonors gave as much to Super PACs as 3.7 million people made in small donations to Barack Obama's and Mitt Romney's campaigns combined.

"If money equals speech as the Supreme Court insists, then each of those 32 Super PAC donors spoke with 115,000 times the volume of each of the nearly 4 million Americans who gave much smaller amounts to the candidates," McCabe said.

Posting on the Democracy Campaign's blog, McCabe noted that all the money in Wisconsin elections was provided by 92,553 donors, a small cadre of contributors equal to barely 2% of the state's voting age population.

In a local referendum in November, 71% of voters in Eau Claire county supported amending the U.S. Constitution to overturn the *Citizens United* decision. Last April, 70% of voters in West Allis did the same. Similar ballot questions went before voters in November in two western states, winning the support of 64% in Colorado and 75% in Montana.

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## Two-thirds of money spent on recall elections went out of state

After examining 13,500 campaign expenses totaling almost \$101 million for the 2011 and 2012 recall elections, the Democracy Campaign found that nearly \$69 million was spent outside Wisconsin.

Recall candidates and groups paid \$32 million for campaign-related services to Wisconsin businesses and groups and \$68.8 million for consulting, printing, mailing, media and other services to businesses and groups in 40 other states and the District of Columbia. More than half of the total candidate and group spending – about \$56.1 million – was for the production, placement and airing of television and radio ads.

### **HELP WANTED:**

**Ambassadors for a worthy cause. Heartfelt concern for the health of our democracy a must.**

**Do you qualify for the job?**

**Roughly 2,300 people giving \$100 each, or twice that number giving \$50, would compensate for WDC's loss of Joyce Foundation funding.**

**In a state of 5 million people, there must be a few thousand who believe clean, open and honest government is worth fighting for.**

**If everyone who currently receives the *Big Money Bulletin* could find just two or three other people to join in supporting WDC, our funding crisis can be averted and the Democracy Campaign's ability to carry on its important work can be secured.**

## Power of redistricting on display

One party won the most votes, but the other party won the most seats. That was the result of the 2012 elections in Wisconsin and a vivid illustration of the power of partisan gerrymandering in the legislative redistricting process.

Democratic candidates won the most overall votes in Wisconsin's eight U.S. House races, but Republicans ended up in possession of five of the congressional seats. Democrats also collectively won the most votes in state senate elections, but the GOP wound up with an 18-15 majority. In the 99-member assembly, Republicans enjoy a commanding 20-seat majority despite the fact Democratic candidates received more votes for the legislature's lower house.

"The new district lines were designed to produce exactly these outcomes," WDC director Mike

McCabe said. WDC backs reform legislation taking redistricting out of the hands of legislators and entrusting it to an independent, nonpartisan authority.

## NRA looms large in gun debate

Many political observers are speculating that recent eruptions of violence, including the mass killing in a Connecticut elementary school, will break the political logjam and lead to movement on gun control legislation.

They may end up being right, but they just as likely are underestimating a very important obstacle. The Democracy Campaign found that the National Rifle Association sunk more than \$815,000 into Governor Scott Walker's reelection. Nationally, the NRA single-handedly spent more on lobbying in the past year than all gun control advocacy groups combined – *by a factor of 10*.



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