

WISCONSIN STATE
LEGISLATURE
COMMITTEE HEARING
RECORDS

2001-02

(session year)

Assembly

(Assembly, Senate or Joint)

Committee on
Campaigns &
Elections
(AC-CE)

File Naming Example:

Record of Comm. Proceedings ... RCP

- 05hr_AC-Ed_RCP_pt01a
- 05hr_AC-Ed_RCP_pt01b
- 05hr_AC-Ed_RCP_pt02

Published Documents

➤ Committee Hearings ... CH (Public Hearing Announcements)

➤ **

➤ Committee Reports ... CR

➤ **

➤ Executive Sessions ... ES

➤ **

➤ Record of Comm. Proceedings ... RCP

➤ **

*Information Collected For Or
Against Proposal*

➤ Appointments ... Appt

➤ **

➤ Clearinghouse Rules ... CRule

**

➤ Hearing Records ... HR (bills and resolutions)

➤ **01hr_ab0765_AC-CE_pt01**

➤ Miscellaneous ... Misc

➤ **

Wisconsin Democracy Campaign

210 North Bassett • Suite 215 • Madison, WI 53703 • 608/255-4260 • www.wisdc.org

Testimony of Mike McCabe, Executive Director Wisconsin Democracy Campaign

on Assembly Bill 765

Assembly Campaigns and Elections Committee Thursday, February 14, 2002

The state Elections Board has become the captive of the political power brokers it is supposed to regulate and needs a major overhaul if it is to effectively serve the public interest.

The Elections Board is not a jury of citizens' peers, it's a jury of the politicians' pals that has become a classic example of the fox guarding the hen house. What is supposed to be the public's campaign finance watchdog has become little more than a loophole mill.

This agency's record of inaction makes the case for reforming the Board's composition and giving the agency the resources it needs to do its job:

- Although a "Citizens Right to Know" law passed in 1998 required the Board to create a system of electronic filing of campaign reports by July 1999, the Board still has not implemented the law.
- The Board ignored an open invitation from the state Supreme Court to craft new regulations closing a gaping loophole in Wisconsin's campaign finance laws that special interest groups have exploited to avoid the law's requirements by running so-called "issue ads." Instead of taking the Court up on its invitation, the Board opted for a rule that institutionalizes the loophole.
- In November, the Board significantly widened the issue ad loophole when it ruled that state political parties also can avoid campaign finance limits and disclosure requirements in Wisconsin law by running issue ads.
- The Board dropped its investigation into allegations of illegal campaign contributions by legislative employees – *before* contacting individuals with evidence of unlawful activity, including former Democratic Party voter file manager Don Fish, who filed a 15-page complaint with the Board and claimed to have 500 pages of documents supporting his allegations.
- The Board also dismissed a complaint alleging illegal collusion between the Assembly Republican Caucus and the independent campaign group Project Vote Informed – *before* receiving answers to investigators' questions sent in the mail by one of the central figures in the

case and after two other targets of the probe refused to answer questions for fear of incriminating themselves.

In order to restore the Elections Board's integrity and independence as a regulatory agency, the way Board members are selected needs to be changed. Reforms need to remedy the intense partisanship that has taken root on the Board, address the inherent conflict of interest in having Board members appointed by political leaders they are supposed to regulate, and break the stranglehold the two major political parties have on the Board.

This legislation should not stop with reform of the Elections Board's composition, however. The state Ethics Board also is failing to do its job. The degraded ethical climate in Wisconsin politics is the ultimate indictment of the Board. Lobbyists have been coming to us for a year or more and describing illegal shakedowns they are experiencing at the hands of legislative leaders, and I know the Ethics Board has been hearing the same stories for at least as long. But they've taken no apparent action.

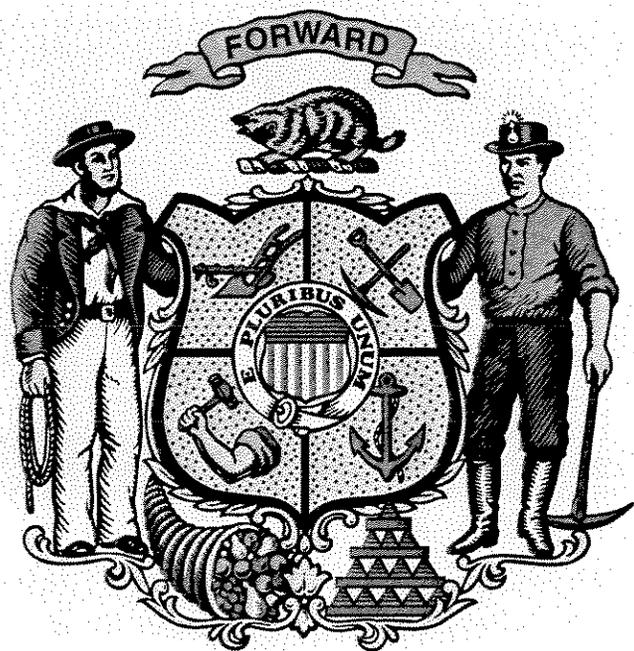
We believe Assembly Bill 765 should be amended to apply the reformed appointment process to both the Elections and Ethics boards. In our view, **AB 765 also does not go far enough to ensure that appointees are nonpartisan.** We believe you should spell out specific conditions of appointment. For example, we've said that a condition of appointment should be that members not belong to any political party, not have been a candidate for partisan elective office in the last five years or made a campaign contribution to a partisan candidate in the last five years.

In addition to the nonpartisan appointees, **you may want to consider maintaining some partisan representation** so members have the benefit of the perspective of active practitioners who have hands-on experience in complying with the laws enforced by these boards. We've suggested there is merit to keeping such an element on the boards, but **we strongly believe the public interest would be best served by expanding any partisan representation beyond the two major political parties.**

For example, in addition to having members appointed by the Supreme Court justices, each political party with ballot status could be given an appointment. We would define "ballot status" as "each political party that qualified for a separate ballot under section 5.62 (1)(b) or (2) of the statutes at the September primary of the even-numbered year preceding the date of the appointment."

A reformed Elections Board also has to be given the resources it needs to be an effective regulatory agency. Specifically, we propose adding a full-time campaign finance investigator position and a full-time auditor position to the Board's staff. Similarly, **a reformed Ethics Board should be given the wherewithal to aggressively enforce the state's ethics code.** The Ethics Board should not have to come to the legislature for authorization each and every time it needs funds to conduct an ethics investigation.

We applaud the authors of Assembly Bill 765 for starting a much-needed debate on reform of the regulatory agencies charged with enforcing Wisconsin's campaign finance and ethics laws. This bill is a useful starting place for a discussion in this committee that we hope will yield a thorough overhaul of both the Elections Board and the Ethics Board.



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