# Wisconsin Democracy Campaign

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**Testimony of**
**Mike McCabe, Executive Director**
**Wisconsin Democracy Campaign**
**in favor of Assembly Bill 682**

**Senate Judiciary, Consumer Affairs and Campaign Finance Reform Committee**
**March 5, 2002**

On behalf of the Wisconsin Democracy Campaign, I urge you to pass Assembly Bill 682.

It is a sad commentary on the current ethical climate in Wisconsin government that such legislation is needed. But it *is* needed. Political corruption has taken root in Wisconsin, and it is poisoning the legislative process and trashing our state's once-proud reputation for clean, open and accountable government.

In the last year, over a half-dozen lobbyists have come to us and described in explicit detail the shakedowns they've experienced at the hands of legislative leaders. Some were threatened with a loss of access if their clients didn't make the campaign donations leaders sought. Others were told in no uncertain terms that they would not get items they desired in the budget or favorable treatment of bills they support unless they made the campaign contributions leaders demanded. They all were told how much they had to give and to whom the donations should be given. Call it what it is – extortion.

The same people who came to us and no doubt many more are now sharing their stories with prosecutors. You are considering AB 682 in the midst of Wisconsin's deepest and widest political scandal in my memory or yours.

Nowhere is the impact of the shakedowns AB 682 would explicitly ban more noticeable than in the state budget process. The budget quite literally has been put up for sale to the highest bidder, and the auction is costing ordinary taxpayers a bundle. Our research shows lawmakers from both parties who had a hand in crafting the budget offered an array of tax breaks, pork barrel spending and other budget favors worth $819 million – at a cost of $211 for every Wisconsin tax filer – to special interests who contributed a record $1.6 million while budget decisions were being made.

Our report on budget pork reveals just a partial accounting of the cost of political graft in Wisconsin – $211 for each and every taxpayer for just this one bill, the biennial state budget bill. (WDC's report on special interest pork in the state budget bill is available online at: www.wisdc.org/hey_bidder_release.htm)

While we support AB 682 and urge you to pass it, this legislation will do no good if it is enacted but other sorely needed reforms are not. For example, a law explicitly banning the practice of trading votes for campaign donations will do nothing if it is not enforced. And the state ethics and elections boards hardly have track records that indicate they will strictly enforce any of our campaign finance or ethics laws. These regulatory agencies are simply not doing their jobs and need to be overhauled. This assessment is not a reflection on the staffs of these agencies, it is an indictment of the makeup of the boards themselves.

The Elections Board is a classic example of the fox guarding the hen house. It is routinely failing to act in the public interest, and it is failing because its structure is fatally flawed. Members are appointed by the very people they are supposed to regulate, so it is no surprise the Board is the captive of the political power brokers. It is not a jury of citizens' peers, it is a jury of the politicians' pals.

Similarly, the Ethics Board has failed to do its job. The degraded ethical climate in Wisconsin is the ultimate indictment of the board. Lobbyists have been coming to us for a year or more and describing illegal shakedowns in gory detail, and I know the Ethics Board has been hearing the same stories for at least as long. But they've taken no apparent action.

A pay-to-play prohibition also will do little good if the legislature fails to enact comprehensive campaign finance reforms that put an end to the incessant and insane money chase driven by the spiraling cost of campaigns. This money chase is the root cause of the problem AB 682 seeks to address.

Comprehensive reform legislation like Senate Bill 104 would put enforceable spending limits in place that would stop the political arms race in Wisconsin. And it would ban fundraising during the state budget process, ending the invitation to corruption that inspired AB 682. The public policy auction that wound up costing every taxpayer well over $200 would no longer be held.

Again, AB 682 is good legislation that deserves to be passed. But it is only one step in what has to be a very long journey if lawmakers are serious about rooting out political corruption in Wisconsin.