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Details:

(FORM UPDATED: 08/11/2010)

**WISCONSIN STATE LEGISLATURE ...
PUBLIC HEARING - COMMITTEE RECORDS**

2007-08

(session year)

Senate

(Assembly, Senate or Joint)

**Committee on ... Campaign Finance Reform, Rural
Issues, and Information Technology (SC-CFRRIT)**

COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)
(**ab** = Assembly Bill) (**ar** = Assembly Resolution) (**ajr** = Assembly Joint Resolution)
(**sb** = Senate Bill) (**sr** = Senate Resolution) (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

* Contents organized for archiving by: Gigi Godwin (LRB) (October/2011)

Senate

Record of Committee Proceedings

Committee on Campaign Finance Reform, Rural Issues and Information Technology

Senate Bill 77

Relating to: the scope of regulated activity under the campaign finance law.

By Senators Erpenbach, Ellis, Lehman, Wirsch, Harsdorf, Carpenter, Risser, Cowles and Breske; cosponsored by Representatives Travis, Hebl, Turner, Sherman, Black, Davis, Berceau, Sheridan, Van Akkeren, Pocan, Zepnick, Cullen, Soletski and Kaufert.

February 28, 2007 Referred to Committee on Campaign Finance Reform, Rural Issues and Information Technology.

May 1, 2007 **PUBLIC HEARING HELD**

Present: (5) Senators Kreitlow, Erpenbach, Lassa, Kanavas and Kapanke.

Absent: (0) None.

Appearances For

- Jon Erpenbach — Sen
- Gordon Hintz — Rep, WI State Assembly, 54th District
- Jay Heck, Madison — Common Cause - Wisconsin
- Beverly Speer, Madison — Wisconsin Democracy Campaign
- Andrea Kaminski, Madison — League of Women Voters of WI

Appearances Against

- Susan Armacost, Milwaukee — Wisconsin Right to Live
- Juliane Appling, Madison — Wisconsin Family Action

Appearances for Information Only

- None.

Registrations For

- Peter Cannon, Madison
- Aviva Scherer, Madison

Registrations Against

- Brad Boycks, Madison — Wisconsin Builders Assn
- Joe Murray, Madison — Wisconsin Realtors Assn
- James Buchen, Madison — WI Manufacturers and Commerce

Registrations for Information Only

- None.

May 8, 2007

EXECUTIVE SESSION HELD

Present: (5) Senators Kreitlow, Erpenbach, Lassa, Kanavas
and Kapanke.

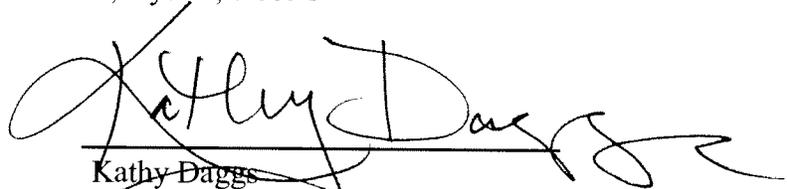
Absent: (0) None.

Moved by Senator Kreitlow, seconded by Senator Lassa that
Senate Bill 77 be recommended for passage.

Ayes: (4) Senators Kreitlow, Erpenbach, Lassa and
Kapanke.

Noes: (1) Senator Kanavas.

PASSAGE RECOMMENDED, Ayes 4, Noes 1



Kathy Daggs
Committee Clerk

Vote Record

Committee on Campaign Finance Reform, Rural
Issues and Information Technology

Date: 05/08/07

Bill Number: SB-77

Moved by: Kreitlow

Seconded by: Lassa

Motion: PASSAGE

Committee Member

Senator Pat Kreitlow, Chair

Senator Jon Erpenbach

Senator Julie Lassa

Senator Ted Kanavas

Senator Dan Kapanke

Aye

No

Absent

Not Voting

Totals:

4

0

Motion Carried

Motion Failed

CFR Hearing – April 10, 2007

SB 77?

Invited & Confirmed Speakers

- ~~Chief Justice Shirley Abrahamson~~
- ~~Majority Leader, Sen. Robson~~
- ~~Jeff Sigurdson (Minnesota Campaign Finance & Public Disclosure Board)~~
- ~~Sen. Erpenbach/ Sen. Ellis~~
- ~~Mike McCabe (WDC)~~
- ~~Jay Heck (Common Cause)~~
- ~~James Buchen (WMC)~~
- Peter Fox (Newspaper Association)



Opening Remarks for Campaign Finance Reform Hearing #1

SB 77?

Gavel

The hour of 2 o'clock having arrived, this hearing of the Senate Committee on Campaign Finance Reform, Rural Issues and Information Technology shall come to order.

Good afternoon, everyone. I'm happy to welcome you to this informational hearing on the subject of Campaign Finance Reform. If anyone here is interested in our other agenda item, Senate Bill ~~100~~, we will be taking that up briefly in the closing minutes of today's meeting, no later than 4:45.

We have several invited guests who are going to address the topic of campaign finance reform this afternoon. I expect this committee will be moving forward quickly with proposals aimed at restoring voter faith in the campaign finance system. Some have already been introduced; others will be created as a result of today's hearing.

Introduction

The topic of campaign finance reform gets a lot of lip service, but faces a lot of resistance. That's because the subject of money and speech in politics defies simple solutions.

We're talking about the ability of people to participate in the political process, either with their opinions or their contributions. So long as both are protected... and given only the most limited and responsible restrictions... we will have people making sharp attacks and donating to people, parties and causes.

Transparency/Disclosure

In short, there will always be daggers in political discourse, but we can remove a few of the cloaks. For too long, political participants have hidden behind groups with generic names and shadowy donor lists. Their actions do voters a disservice as they try to learn about candidates and issues.

Ironically, their weapon of choice is called the “issue ad,” which —more often than not—distorts the actual issues as it makes thinly-veiled political speech. And make no mistake, that close to an election, it is political speech. Like Justice Stewart’s definition of obscenity, a definition of political speech is a constantly shifting puzzle. And like any other political speech near an election, voters are better served knowing who it is that is speaking to them. Let us not hesitate to put the “public” back into the public forum. I join all the legislators —Republicans and Democrats—who applauded Governor Doyle’s call for greater transparency in the process... better disclosure... better communication with those who are being asked to cast ballots in each election.

Financing

On the finance side, political contributions are considered to be on par with our free speech rights. And as long as the Supreme Court continues to defend its *Buckley* decision of the mid-1970’s, Big Money will always be an enticement for well-funded donors and well-funded candidates. It scares away good men and women who would otherwise be wonderful public servants, Republicans and Democrats alike.

The challenge, then, is to design an equally enticing alternative, not a replacement, but an appealing choice that allows (or shames) candidates into choosing the financing mechanism owned by taxpayers, not just Big Money interests. In these tight budget times, it becomes a bigger challenge to set up a public financing system that encourages candidates to turn their backs on those mountains of special interest money. If necessary, we must prioritize and decide whether certain races are in more urgent need of a public financing system that restores public trust.

Supreme Court

There can be no better example of that need than the recently completed race for a seat on the Wisconsin Supreme Court. Two good women sought that office last week, and both were tarred by some of those faceless special interest groups and had to depend on surrogates to raise a record amount of campaign cash. The entire spectacle diminished the court’s integrity, and voters are ready to consider providing that more attractive financing alternative.

Conclusion

So today we gather to take a fresh, first look at the subject of campaign financing. I urge today's witnesses to focus on proposals and examples of what works or what might work. Come to us with what you'd really like, but –more importantly— what can truly be achieved.

I remain optimistic that we can write a bill that puts political financing back in the hands of ordinary people, not groups funded by corporations, unions or out-of-state interests. In return, I hope taxpayers will say, “it might cost us a few bucks, but the money in the system will be our money, and no one else's.”

Like the ethics reform package that started this session, the legislation we pass out of this committee must be bi-partisan, and it will not make everybody happy.

But if it makes elections a little cleaner,

If it makes it a little easier for an ordinary person to run for office,

And if it means interest groups can work on policies that make life better for their members rather than working on ways to write nastier ads, then it will be time well spent for the voters of Wisconsin.

Witnesses

Now, let's begin with our first witness.

It is our honor to hear first from someone whose dedication to the honor, integrity and tradition of the Wisconsin Supreme Court is unmatched. I am pleased she has agreed to speak with us briefly about the challenge ahead of us and provide some encouragement for that task, as well.

Chief Justice Shirley Abrahamson of the Wisconsin Supreme Court, welcome.



SB 77?

Committee On Campaign Finance Reform,
Rural Issues and Information Technology

Shirley S. Abrahamson
Chief Justice, Wisconsin Supreme Court

April 10, 2007

Good afternoon. I am Shirley Abrahamson. Senator Kreitlow asked me to appear to discuss public campaign financing for Wisconsin Supreme Court elections, and I am here in response to that request. I am also here because it is a timely and vital subject, important to the maintenance of a fair, neutral, impartial, nonpartisan judiciary.

As you know, I have been a Justice of the Wisconsin Supreme Court for a little more than 30 years and have held the office of Chief Justice of the Wisconsin Supreme Court for just over 10 years. I speak in my individual capacity and not on behalf of the Court.

I have stated my position as favoring public campaign financing for Wisconsin Supreme Court elections publicly and frequently, orally and in writing, since I came on the court in 1976. In the three contested elections in which I was a candidate for justice, in 1979, 1989, and 1999, I accepted public campaign financing under the laws of this state.

My position on public campaign financing for Supreme Court elections has been clear for many years and has not changed. As a general principle, I favor public campaign financing of Wisconsin Supreme Court elections as one means of avoiding problems inherent in raising money in judicial campaigns. Among the many problems of financing judicial campaigns, a significant percentage of people polled believes judges are influenced in decisionmaking by contributions to their election campaigns, notwithstanding that the code of judicial conduct prohibits a candidate for judicial office from personally soliciting or accepting campaign contributions. The public's awareness of the problems of funding judicial campaigns and the public's perception of possible influence by campaign contributors tends to increase with the amount of money raised and spent. But the risk that the public will believe a judge is beholden to individuals or groups that contribute to his or her campaign is inherent in any non-publicly funded judicial election.

We should try to ensure that campaign financing does not undermine the public trust and confidence in our judiciary and system of government. In our country, judges must decide cases fairly, impartially, and according to the facts and the law. Although all judges do not reason alike or reach the same result, their decisions should be based on the evidence and fidelity to law and the constitutions, not on public opinion polls, personal

whim, prejudice or fear, or interference from the legislative or the executive branches or private citizens or special interest groups. Of no less importance, judges must be perceived by the public as being fair, neutral, impartial and nonpartisan. United States Supreme Court Justice Anthony Kennedy said it well: "The law commands allegiance only if it commands respect. It commands respect only if the public thinks the judges are neutral."

As I state my general position favoring public financing of campaigns in Wisconsin Supreme Court elections, I recognize, as you all do, that public campaign financing presents legal and policy challenges for the legislature.

It is a legal challenge because inherent in any campaign financing law are significant free speech issues under the federal and state constitutions. Thus, my position favoring public campaign financing in principle acknowledges that not all provisions of public campaign financing may be constitutional when examined by a court. The constitutional issues relating to public campaign financing are fundamental and have been evolving. The United States Supreme Court may within the next few weeks provide additional guidance about constitutional guidelines and parameters.

It is a policy challenge because public financing of campaigns is not useful unless it achieves the desired consequences, namely that judicial candidates will generally accept public financing. If judicial candidates ordinarily will not take public campaign financing because it is unrealistic, then the law has not accomplished its goal.

I conclude where I began with emphasis on the role of the judge as a fair, neutral, impartial, nonpartisan decision maker who settles disputes according to the law and protects the rights of all our people.

I turn to the words of Attorney Edward Ryan, then a delegate to the 1846 Wisconsin constitutional convention. Edward Ryan later became a Chief Justice of the Wisconsin Supreme Court. Ryan described the role of a judge as an interpreter of laws. He said: "Interpretation cannot be a representative function. The judiciary represents no man, no majority, no people. It represents the written law of the land; . . . it holds the balance, and weighs right between man and man, between the rich and the poor, between the weak and the powerful." Those words were sound then and are sound now.

I favor electing judges in the state of Wisconsin. We must, however, conduct judicial elections in a way that maintains the public's trust and confidence in the Wisconsin judiciary and Wisconsin government. Public campaign financing for Supreme Court elections is one way that could help accomplish this goal.

I want to thank the committee for exploring the subject of public campaign financing for Supreme Court elections and hearing me on this subject.



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WNA Executive Director
PETER D. FOX

April 10, 2007

Senator Pat Kreitlow, Chair
Senate Committee on Campaign Finance Reform, Rural Issues
and Information Technology
10 South, State Capitol
PO Box 7882
Madison, WI 53707-7882

SB 77?

Dear Senator Kreitlow and Members of the Committee:

On behalf of the members of the Wisconsin Newspaper Association (WNA), thank you for the invitation to appear before you today and offer comments on the subject of campaign finance reform. My comments are reflective of concerns and observations of our members rather than representing any formal legislative position taken by the organization. I should also add that my comments are reflective of what Wisconsin citizens are saying as their letters-to-the-editor are published in our member newspapers.

Clearly, we have reached an untenable public-policy situation when in election after election opposing candidates first suggest some sort of "clean campaigning" accord as an opening to their candidacy. Then whoever is the victor asserts that his or her victory is a repudiation of negative campaigning while the defeated candidate claims it as the root cause of his or her rejection by the voters.

As Americans we take pride in our right of free speech. Are campaigns – even high-profile, non-partisan elections that become "quasi-political" – harsher or "nastier" than those of decades past? No. Since the early days of our country political rhetoric has been harsh, the terrain uncharted and the general tenor consistently rough-and-tumble. Let us not limit political speech but let's do examine what public accountability should accompany that speech.

Many citizens agree that opposite ideological ends of the political spectrum today dominate campaigns through the money they are able to raise and spend. For example, take this passage from authors Ted Halstead and Michael Lind in their book, "The Radical Center:"

It is this moderate majority of Americans – composed of self-identified independents, along with significant numbers of centrist Republicans and Democrats – who feel most alienated by today's increasingly dogmatic two-party system. Although their numbers in the electorate far outweigh those of the special interest groups on the Right and Left, the latter nevertheless continue to wield more political power as a result of the archaic design of our electoral process, which in effect limits political choices to an option between two extremes. This not only fuels popular resentment against the political system as a whole, it perpetuates the illusion of a sharply divided nation when in fact the alienated majority of Americans are more interested in finding common ground than in fighting culture wars.

Senate Committee on Campaign Finance Reform, Rural Issues
and Information Technology

April 10, 2007

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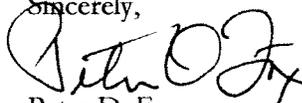
What to do? A good start would be to examine campaign-spending disclosure requirements. Instead of drawing the standard at the maximum the spending group wants to disclose about itself, let's instead ask, "What is the minimum disclosure necessary for the public to be informed?" Do you find it troubling that a Wisconsin Supreme Court justice would say that he had no idea of the identity of a group that helped him in a reelection bid? There is a variety of model and in-force laws for Wisconsin to study with an eye to improving public policy. Frankly, the status quo is a "doom loop." Candidates seek larger amounts of financial backing from special-interest groups as a result of increasing campaign costs, resulting in concern that election outcomes are improperly influenced and thus leading to a loss of confidence in the integrity of our state government. The mission for Wisconsin is to remove improper influence from the electoral process through greater disclosure requirements and the vision is to restore unqualified citizen confidence in the integrity of our government.

WNA also urges the Legislature to conduct a new appraisal of the legislative apportionment process with particular emphasis on whether it should be conducted by impartial, third-party bodies rather than the political parties with vested – and hardened – interests. Questions to be examined include: How can legislative elections become more competitive? Are new voices, new ideas deterred from candidacies as a result of creating "safe" districts for incumbents? As a result of the penchant of mainstream political parties to protect their own, is the unintended result gridlock in the reform process, and a giving over of public agenda-setting to mainly partisan objectives?

On a personal note, let me say that I took great personal satisfaction in stepping away from the private sector and serving in state government for a decade. As a former newspaper editor with no political alignment, I thought I had a fairly good understanding of what went on at the State Capitol. But I will tell you that I felt like a "babe-in-the-woods" when I witnessed first-hand the raw, unbridled efforts by members of both major political parties to advance their own partisan interests, uncaring of any effect on good public policy. We all know this occurs. It is time to require the emperors to wear clothing.

In summary, Wisconsin citizens and their representatives in the State Assembly and Senate have a great opportunity before them. We have the opportunity to regain the recognition and leadership in excellent policy in the public interest that Wisconsin once enjoyed. The only question to be answered is: Do we have the will to seize that opportunity? It is the sense of our association that the public is expressing is strong desire for change. Will the Legislature act upon the desire of its constituencies or simply further imbed itself?

Sincerely,



Peter D. Fox
Executive Director





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April 10, 2007

SB77?

To: Senate Committee on Campaign Finance Reform, Rural Issues and Information Technology

Re: Campaign Finance Reform

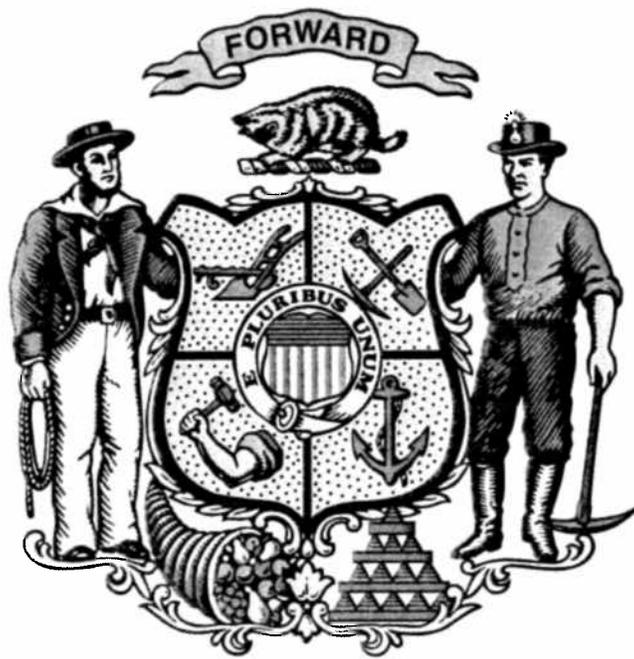
The League of Women Voters of Wisconsin believes that our democracy requires that all voices be heard. Access to money should not be the determiner of whose voices are heard, especially and foremost in campaigns for elected officials.

The structure of Wisconsin's campaign finance system is still basically good but the amounts and the spending limits are outdated. In addition, the system needs guaranteed funds, so that candidates are not dependent on a check-off by taxpayers on their Wisconsin Income Tax returns. Reform must apply to all of the players involved (candidate campaigns and independent spenders) and to all aspects of the financing of campaigns, including but not limited to public money, limitations on contributions and spending, and full disclosure.

We believe that a campaign finance reform bill should include the following:

- * Adequate public funding, which can be counted on by candidates; viable candidates need to be able to get their message to their constituency.
- * Only small private contributions should be allowed - to candidate campaign and independent spending committees. Out-of-state contributions should be limited to a very small portion of the total contributions.
- * There must be realistic limits on spending by candidates who accept public funds; there must also be strong discouragement from spending beyond these limits by any candidates and from spending by independent committees.
- * All of the sources of contributions and disbursements must be fully and publicly identified in a timely manner.

Thank you very much.





Wisconsin Democracy Campaign Testimony on Campaign Finance Reform

Senate Committee on Campaign Finance Reform, Rural Issues and Information Technology

April 10, 2007

Thank you for holding this hearing today. We just endured the ugliest Supreme Court race our state has ever seen. Not to mention the most partisan and most expensive by far. A cash-soaked, special interest-contaminated smearfest that came on the heels of a \$32 million race for governor and a contest for attorney general where over \$8 million was spent – *five times* more than ever before for that office – mostly on ads filled with half-truths and outright lies about who's softest on sex crimes. We've seen what the current campaign finance system gets us. You need look no further than what we just experienced these past several weeks to see the need for reform.

When all is said and done and the final campaign reports are filed in July, spending on the Supreme Court race will top \$6 million. Remarkably few voices did almost all of the talking. More than half of the spending was done by a handful of interest groups. The candidates themselves both topped the \$1 million mark, a new record by a wide margin for Supreme Court candidates, yet were outspent by a long shot by the special interest groups. Of the amount we have been able to account for so far, with two weeks of candidate fundraising and several late interest group ad buys yet to be counted, a single interest group is responsible for more than 40% of all spending in the race.

Reform starts with **truth in campaigning**. That means full disclosure of all election related activities. It means honoring the public's right to know who is trying to influence the outcome of elections, who is bankrolling campaigns, how much is being spent, and where the money comes from. Legislation introduced as Senate Bill 77 would close the gaping loophole in our campaign finance laws and make campaign finance disclosure requirements relevant and meaningful again.

Currently, the public is being kept in the dark about millions of dollars being spent on state campaigns. In the \$6 million Supreme Court race, just over \$2 million has been disclosed on campaign finance reports filed with the Elections Board. Put another way, the origins of as much as \$2 out of every \$3 used to influence the outcome of this election were concealed from public view.

What we are left with is a cloud that now hangs over our state's highest court and indeed our entire state court system. Judges are supposed to be accountable only to the law and the Constitution. Because of the pathologies that were so evident in this race, the public is now left to wonder whether judges are beholden only to the law or whether they are beholden to the interest groups and party bosses that got them elected. This puts the fairness and impartiality of our courts in question, and puts the integrity of our highest court in particular at great risk.

Which leads to the second reform goal that we think you should make a priority as you fashion reform legislation. Maintaining and safeguarding **impartial justice**. Voters are losing faith that justice is really blind. In mid-March, two members of the freshman class in the Assembly announced their plans to do something about this by introducing legislation calling for public financing of state Supreme Court races. Such an approach already has been put in place in North Carolina and is working extremely well. Statewide campaigns for judicial offices are now being conducted for no more than a few hundred thousand dollars and judges are expressing relief that they no longer have to dial for dollars and are no longer perceived to be under the influence of campaign supporters when they rule on cases. More information about North Carolina's system is attached to our written testimony.

The third task we urge you to accomplish is the restoration of **voter-owned elections** for all state offices. We've seen what we get with donor-owned elections . . . when we do democracy the way the lobbyists and their special interest clients want it done. One of things you get is a public that believes their own elected representatives are more beholden to their cash constituents than their own voting constituents. The findings of two polls conducted by the Wisconsin Policy Research Institute underscore this point. WPRI found that a mere 6% of state residents believe elected state officials represent them. *Six percent*. The vast majority of Wisconsin residents believe state lawmakers either are just looking to advance their own careers or help their special interest contributors.

Putting voters back in charge means creating a campaign finance system that gives the general public a broad financial stake in state elections and ends the heavy reliance on a small number of extremely wealthy donors. Good legislation that would establish such a system already has been introduced. Senate Bill 12 – the Ellis-Erpenbach bill – is an excellent proposal that would make a huge difference if enacted. We support SB 12. And then just yesterday, Senator Risser and Representative Pocan announced plans to introduce a comprehensive campaign reform plan modeled after the highly successful systems already up and running in Arizona and Maine and recently adopted in Connecticut. The Democracy Campaign appeared in support of this proposal at yesterday's press conference, and we strongly urge your committee to seriously consider it.

As you work toward campaign reforms, you'll hear over and over that it's wrong to use taxpayer money for election campaigns. As if there is somehow a way to do democracy free of charge. A way for the average taxpayer to avoid paying for politics. We will always have publicly financed elections. The only question is whether we pay for the cost of democracy directly through a system of voter-owned elections, or whether we pay indirectly by footing the bill every time a major campaign donor is rewarded with a tax break or a slice of budget pork or a no-bid government contract.

The Wisconsin Democracy Campaign's research puts the cost of the perks and favors and paybacks state lawmakers have given their campaign contributors at more than \$1,300 for each and every taxpayer in the state, each and every year. Contrast that price tag with the cost of voter-owned election campaign financing systems that are up and running in states like Arizona and Maine. A couple Happy Meals per taxpayer per year.

You'll also hear the related argument that under no circumstances should any taxpayer's money be given to a candidate that taxpayer does not agree with. This is hogwash too . . . for two reasons. First, it's happening all the time under the current system. Our taxpayers dollars are routinely going to reward donors we may find utterly repugnant for their efforts to elect people we may neither agree with nor like. Second, no taxpayer agrees with or directly benefits from all the uses our taxpayer money is put to. All of us help pay for roads we'll never drive on or schools our children will never attend.

Perhaps more than anything else, you'll be told that campaign reform limits free speech or is even unconstitutional. Again, hogwash. When you unpack the rhetoric of those who are using their money to do all the talking in the public arena, what they are saying is they want no part of a debate unless they can monopolize the floor. And they are saying the public has no right to pull back the curtain and see who is behind there pulling the levers. They are saying *money is speech* and *secrecy is freedom*. These notions demean and desecrate the First Amendment. They are incompatible with democracy.

Campaign reform proposals like the ones before you do not tell anyone they can't speak, but they do require everyone to play by the same rules and they do restore authentic meaning to the First Amendment by ensuring that citizens not only have the right to speak but also the chance to be heard. Campaign reforms like those you are considering do not stop the flow of money in politics, but they do create a more level playing field so more people can afford to participate.

The recipe for reform is a proven one. States as diverse as Arizona, Maine, North Carolina and Connecticut have opted for public financing of elections. Wisconsin once had a highly successful system of public financing, until it fell victim to a toxic mixture of political sabotage and citizen neglect. Our neighbors in Minnesota put the same system in place around the same time but have done a much better job of keeping it in working order.

The ingredients are simple. Truth in campaigning, meaning full disclosure of all election related activities. Reasonable limits on campaign spending and donations, so that everyone is playing by the same rules. Public funds available to all qualified candidates so you don't have to be independently wealthy or willing to take out a second mortgage on your soul to compete for public office.

The payoff is substantial. More voices heard. More choices for voters. More competition. Clean government. Real democracy.

Home / Media Center / Related Press Releases

Federal Court Upholds Groundbreaking Campaign Finance Reform Law in North Carolina

For Immediate Release

Friday, March 30, 2007

Contact

Jonathan Rosen or Tim Bradley, BerlinRosen Public Affairs, (646) 452-5637

Federal Court Upholds Groundbreaking Campaign Finance Reform Law in North Carolina

Ruling Upholds Nation's First Public Financing System for Statewide Judicial Elections

Raleigh – Today, in a ruling with potential implications for judicial elections across the country, a federal judge in North Carolina upheld the nation's first and only full public financing system for statewide judicial elections, based on the reasoning in his October 2006 order.

The ruling, by Judge W. Earl Britt of the U.S. District Court for the Eastern District of North Carolina, upholds a groundbreaking campaign finance reform program aimed at taking special interest money out of appellate judicial elections in North Carolina and is expected to spur efforts to enact similar proposals in other states. State legislatures in Illinois, Montana and New Mexico are currently considering full or partial public financing of appellate court elections in their states. Washington State also considered a similar proposal this year.

"Across the country trial lawyers, big business and other special interests are spending big money to elect their favored candidates to some of our state's highest courts. As a result, we see increasing evidence that voters are losing faith in the notion that justice is really blind," said Suzanne Novak, Deputy Director of the Brennan Center for Justice. Novak and the Brennan Center defended North Carolina's law in this case on behalf of North Carolina Common Cause and Ronnie Ansley, a trial attorney from Wake Forest who ran unsuccessfully for the North Carolina Supreme Court in 2004.

"North Carolina's system is a model for any state seeking to rein in out-of-control judicial campaigns. We hope with today's ruling state legislatures across the country will decide to follow suit," continued Novak.

"Today's decision means that North Carolina will continue to ensure that special interest money stops at the courthouse steps," said Bob Phillips, Executive Director of Common Cause North

Carolina.

In 2002, North Carolina enacted a voluntary full public financing program for candidates running for seats on the North Carolina Supreme Court and the North Carolina Court of Appeals. Under the program, known as the North Carolina Public Campaign Financing Fund, candidates for appellate courts who collect qualifying contributions in amounts ranging from \$10 - \$500 from at least 350 registered voters receive public funds for their campaign. The program is funded with annual \$50 contributions from active members of the North Carolina State Bar and an optional \$3 check-off on state income tax returns.

In 2004, 12 of 16 candidates for the North Carolina Supreme Court and the North Carolina Court of Appeals (including four of the five winners) opted into the public financing system – forgoing private campaign money beyond their initial qualifying contributions. According to an analysis by the North Carolina State Court system, public funds made up 64% of the financing in those races. In 2006, eight of 12 candidates took part in the Public Campaign Fund, with five of six winners participating in the program.

Four plaintiffs, including two judges - Barbara Jackson, a sitting judge on the North Carolina Court of Appeals and Wilton R. "Rusty" Duke, a North Carolina Superior Court judge who ran unsuccessfully for the Supreme Court in 2006 - and the North Carolina Right to Life Committee Fund for Independent Political Expenditures ("IEPAC"), and North Carolina Right to Life State Political Action Committee ("SPAC") sued to strike down the law. The plaintiffs challenged the law's disclosure requirements, the source of funds for the public financing program, a rule prohibiting any contributions in the 21 days preceding an election, as well as a provision in the law granting participants in the public financing system extra campaign funds to counter spending by a candidate not participating in the program or an organization engaged in an independent expenditure campaign against the participating candidate or on behalf of their opponent.

In addition to its work in North Carolina, the Brennan Center has successfully defended state public financing laws in Arizona and Maine and is currently defending Connecticut's public campaign finance program.

30-30-30

Publications

Campaign Finance in Ohio

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Voter-Owned, Clean Elections Candidates Win More Than 200 State Offices in 2006

January 5, 2007, Press Release: Voter-Owned, Clean Elections candidates in three states – Maine, Arizona, and North Carolina – won 205 state offices in the 2006 elections. These office holders include Democrats and Republicans, incumbents and challengers, men and women, and a diversity of races and ethnicities.

Maine

In Maine, where Clean Elections has been in place for all state races since 2000, at least 84 percent of the legislature will be represented by people who won using public funding. The results of two races are still outstanding as of January 3, 2007.

- 127 out of 151, or 84 percent of the members of the new House, and 29 out of 35, or 83 percent of the new Senate will be legislators who used public funding.
- In 63 percent of the state's legislative races, Clean Elections candidates ran against each other, demonstrating the popularity of the system. Out of 186 races for state legislature, only three races (all in the House) had no publicly funded candidates.
- Three out of five gubernatorial candidates used the system. The winner, incumbent Democrat John Baldacci, did not use public financing, but showed support by ensuring that the Clean Election Fund had enough funds for this election.
- Of the incoming legislature, 49 women will be serving – at least 39 in the House and 10 in the Senate – who used Clean Elections.
- Of the Clean Elections officials serving in the new legislature, 63 percent are Democrats, 35 percent are Republicans and one percent are independents.
- In the House, 11 of the 12 incumbents who lost their bid for reelection were defeated by Clean Elections candidates. Four of the losing incumbents were privately financed.
- In all, 81 percent of the general elections candidates in Maine ran using Clean Elections, the same percent of the candidates as used the system in the primaries.
- Eighty-six percent of Senate candidates were publicly funded, and 79 percent of House candidates used the system.
- Women used Clean Elections at a slightly higher rate than men, with 88 percent of women running for Senate using it vs. 84 percent of men, and 81 percent of women running for House seats using it vs. 79 percent of men.
- Ninety-two percent of Democrat candidates used Clean Elections, 73 percent of Republicans, 64 percent of Greens and 38 percent of Independents.

Arizona

Using a public funding system has been an option for Arizona state candidates since 2000. This year, 42 percent of the candidates serving in the new legislature, and six out of eight elected statewide officers, ran using the system.

- Democratic Governor Janet Napolitano won her second race as a publicly funded candidate. Her Republican opponent, Len Munsil, also ran using the system.

- Thirty-eight out of 90 members of the new legislature will be made up of officials who ran using full public financing for their races. This includes 29 out of 60 members of the House and nine out of 30 members of the Senate.
- In addition to governor, five out of the remaining seven statewide winning candidates won their races using public funding. These include officials serving as secretary of state and attorney general. In total, Clean Elections participants now hold nine of the eleven total statewide offices.
- Of the 34 women who won office, 21 ran as Clean Elections candidates, including 18 of 31 legislators.
- Clean Elections participants make up 60 percent of the Democratic delegation in the new legislature and 28 percent of the Republican delegation.
- Eight members of the new legislature who are racial and ethnic minorities ran using the system.
- Over all, 61 percent of the eligible primary candidates and 59 percent of eligible general elections candidates in Arizona ran using public campaign funding.

For more, click here: http://azclean.org/documents/2006ElectionStatistics_000.PDF

North Carolina

The 2006 election was the second in which candidates for top judicial posts had the option to run using full public financing. Two-thirds of the candidates running for these seats, including five of the six winners, used the Voter-Owned, Clean Elections program this year.

- Three of the four seats up for election on the seven-member Supreme Court and both of the seats filled on the 15-member Court of Appeals will be held by judges who ran with public funding.
- Four of these five publicly financed winners are women and one is an African American. Four are registered Democrats and one is a Republican (the elections are nonpartisan); one was a challenger, one won an open-seat race, and the other three were incumbents.
- Eight out of twelve candidates in the general elections used public funding. Another attempted to participate but failed to qualify.
- The only winner this year who was not in the program faced another privately financed opponent.
- Overall, 20 of the 28 candidates in the 2004 and 2006 general elections for the North Carolina Supreme Court and Court of Appeals have met the program's conditions and received "clean" public funds for their campaigns.
- Because of public financing, the campaigns in 2004 relied on attorneys and special-interest groups for less than 14 percent of their non-family funds, compared to 73 percent for candidates in 2002, before the reform.
- Thousands of registered voters – more than 4,000 in 2006 – are providing the modest qualifying donations that authorize candidates to qualify for the public funds.

For more information, contact Nancy Watzman at Public Campaign, 303-329-8563.
 In Maine, contact Jon Bartholemew, Common Cause, 207-878-4126.
 In Arizona, contact Eric Ehst, Arizona Clean Elections Institute, 602-840-6633.
 In North Carolina, contact Bob Hall, Democracy North Carolina, 919-489-1931.

SEATTLE POST-INTELLIGENCER

http://seattlepi.nwsourc.com/opinion/308136_judgefinancing20.html

Publicly finance judicial elections

Tuesday, March 20, 2007

By WANDA BRYANT
GUEST COLUMNIST

If someone gave you \$2,000 to help get a job, would you feel obligated to them -- or at least would you worry that other people thought you might be obligated to them?

This is not a hypothetical question now in the state of Washington, which recently saw a judicial election season where more than \$4 million was spent by candidates and interest groups on the three Supreme Court races, toppling the \$1.4 million spent in 2004.

Eighty-seven percent of judges nationwide are elected to the bench. These races are becoming increasingly partisan, bankrolled by those with a vested interest in decisions made by our courts.

While I believe a judge who actually makes a decision based on campaign contributors' interests is rare, the appearance of influence damages the health of the judiciary. Washington should consider a system like ours in North Carolina, which provides full public financing for judicial elections.

As a participant in North Carolina's judicial public financing program, I can vouch for the fact that this practical, proven system shores up public faith in an impartial judiciary.

Public financing works by requiring candidates to show a broad base of support by collecting a select number of small donations. After qualifying, candidates must agree to take no private money and adhere to strict spending limits. If a publicly financed candidate faces a privately financed opponent, matching rescue funds are available to ensure a level playing field.

I chose to run under the new public financing system because the system is such that I could focus on talking with voters about my legal experience and qualifications instead of spending countless hours dialing for dollars.

We have had full public financing of judicial races in place for two election cycles. To date, eight judges on the North Carolina Supreme Court and Court of Appeals were elected using the system, including Chief Justice Sarah Parker. Of the 11 seats up for election in both cycles, nine have been won by publicly financed candidates. Because of public financing, the campaigns in 2004 relied on attorneys and special-interest groups for less than 14 percent of their non-family qualifying funds, compared with 73 percent for candidates in 2002, before the campaign reform was implemented.

Including North Carolina, full public financing systems are in place in seven states and two cities. In Maine, 84 percent of the Legislature was elected using public financing and in Arizona, nine of 11 statewide offices are held by publicly financed candidates, including Gov. Janet Napolitano, Democrat.

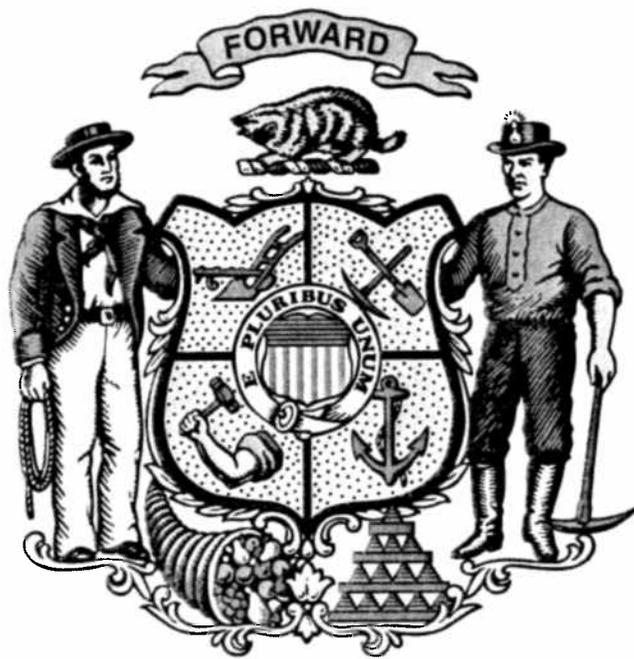
Our country's judicial system exists so those appearing before the court are able to receive a fair and impartial hearing, with decisions being decided solely on the evidence and the law. However, with millions of dollars flowing into judicial races -- and those giving money often appearing in front of those

judges -- one begins to wonder about the independence of an elected judiciary. Discussions are under way to bring judicial public financing to Washington. As a participant in the system and with more than 20 years of legal experience, I fully support judicial public financing.

Fewer concerns about the influence of campaign contributions, a better educated electorate and less blatant partisanship. Isn't that a better way to run judicial elections?

Judge Wanda Bryant is on the North Carolina Court of Appeals.

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**Wisconsin
Manufacturers
& Commerce**

Wisconsin Manufacturers'
Association • 1911
Wisconsin Council
of Safety • 1923
Wisconsin State Chamber
of Commerce • 1929

James S. Haney
President

James A. Buchen
Vice President
Government Relations

James R. Morgan
Vice President
Marketing & Membership

Michael R. Shoys
Vice President
Administration

TO: Members of the State Senate Campaign Finance Reform, Rural
Issues and Information Technology

FROM: James A. Buchen, Vice President, Government Relations

DATE: May 1, 2007

RE: Opposition to Senate Bill 77

Background and Analysis

While WMC does not object to the goal of improving the quality of elections in Wisconsin, the reforms embodied in SB 77 may be worse than the perceived problems they are intended to address. Under the guise of reform, provisions of this bill represent significant government repression of free speech.

The bill creates Section 11.01(16)(a)3 stats., expanding the definition of "political purpose" to include any mass communication that invokes the name of a candidate 60 days prior to an election. Under existing law, Section 11.01(7) stats., defines disbursement as spending money for "a political purpose." Section 11.38(1) stats., prohibits corporations from making "disbursements."

As a result, this bill would prohibit a corporation from paying for any type of communication that invokes the name of a candidate for public office 60 days prior to an election.

Unions are not subject to this ban because they are specifically exempt from the prohibition, under section 11.38 (2)(c). Banning corporate issue advocacy in this way, at this strategic point in an election, would give a clear advantage to labor unions and their political allies, not subject to the ban.

Action Requested – Oppose SB 77

Therefore, we urge the Committee to reject SB 77 in order to maintain a semblance of balance between the business and labor perspectives in the public debate during the election season.





Common Cause In Wisconsin

152 W. Johnson Street * P.O. Box 2597 * Madison, WI 53701-2597 * (608) 256-2686
Jay Heck, Executive Director * www.commoncause.org/wisconsin

Testimony of Common Cause in Wisconsin

In Support of Senate Bill 77

Before the Senate Committee on Campaign Finance Reform,
Rural Issues and Information Technology

May 1, 2007

Senator Kreitlow and Members of the Committee:

This public hearing today marks the first concrete step forward by the Wisconsin Legislature in the long and needed task of reforming and make effective again, Wisconsin's campaign finance law – which has been deteriorating and spiraling downward, out of control in almost virtual freefall, since the mid 1980's. The hearing today on two extremely significant and important campaign finance measures follows in the wake of the most negative, expensive, demoralizing and special interest money-tainted election for Governor – last Fall – in Wisconsin's history which was followed, almost without pause by the most negative, expensive, demoralizing and special interest money-tainted election for a seat on the State Supreme Court –last month – in Wisconsin's history.

Common Cause in Wisconsin supports both campaign finance reform measures being considered by this committee today. Two weeks ago our State Governing Board endorsed the so called "Impartial Justice" legislation that would provide one hundred percent public financing for candidates for the Wisconsin Supreme Court who agree to limit their campaign spending. Obviously after the horrendous \$5 million or more spent on the Ziegler-Clifford election – most of it undisclosed and unregulated money – a dramatic alternative to the current system for electing supreme court judges is needed in Wisconsin before the next election for a seat on the state's highest court commences in less than a year. Enactment of Assembly Bill 171 will provide a new and much better way to fund such races. But it is the disclosure and regulation of the campaign ads masquerading as issue advocacy for not just Supreme Court elections—but for all state elections in Wisconsin--that we are most concerned about and have been for more than ten years.

Senate Bill 77, introduced by Senators Jon Erpenbach and Mike Ellis, has impressive bipartisan and bicameral support and it would close the single largest, gaping loophole in Wisconsin's loop-hole ridden campaign finance law. It is a measure that has been in the

making for the past decade and it an absolute no-brainer for Democrats and Republicans alike, to embrace and support. It should be the first campaign finance reform measure to be taken up by the State Senate and it won't cost a dime to be enacted into law. There is no fiscal note and it would not have to clear the Joint Finance Committee. It doesn't violate the first amendment, it doesn't stifle free speech, and it doesn't prevent any group from criticizing the government, as its opponents and critics deceptively claim. It is constitutional and similar laws at the state and federal level have been upheld by the courts—including the nation's very highest court.

Senate Bill 77 would do at the state level what the McCain-Feingold law has accomplished at the federal level which is simply to put teeth back into an existing, century-old law that prohibits unlimited, unregulated and undisclosed corporate soft money to be used – primarily for widely disseminated broadcast ads – to influence the outcome of state elections.

The phony issue ads that now proliferate our statewide and legislative elections have undermined a 1906 Wisconsin law that prohibited the use of corporate treasury money to influence elections and Senate Bill 77 would extend that prohibition not only to corporations, but also to the use of union treasury money and money from the general treasuries of Native-American Tribes and other entities. Because these phony issue ads avoid using a few “magic words” such as “vote for” or “defeat”, or “elect” or “support,” they have escaped regulation and disclosure requirements even as they have had the same effect on elections as communications that use such “magic words” You all know these ads are a charade and it is well past time that they be brought under control in Wisconsin.

As I said before, this legislation ought to be a no-brainer for Democrats and Republicans alike to embrace and support. You all know that the undisclosed, unregulated phony issue ads not only undermine our elections but the money also gravely undermines the public policy-making process that follows elections because the specter of that political money hangs over many of the critical policy decisions made in this building.

Senate Bill 77 simply stipulates that groups that utilize widely disseminated broadcast communications that depict or mention the name of a candidate within 60 days of that candidate's primary or general election must use regulated, restricted and disclosed “hard” money to pay for the communications – just as candidates must do at all times. A similar provision in the federal McCain-Feingold law was upheld by the United States Supreme Court just 40 months ago, in December of 2003. And similar phony issue ad regulation and disclosure laws have been on the books at the state level for many years, including in Connecticut and even in what we in Wisconsin used to consider be corrupt and lawless Illinois! If Illinois can require disclosure and regulation of all of its political ads then surely Wisconsin can do as much.

More than ten years ago, Common Cause in Wisconsin first proposed a measure very similar to Senate Bill 77 for adoption by the State Elections Board in the wake of the first extensive use of phony issue ads by Wisconsin Manufacturers & Commerce during the 1996 state legislative elections. But the State Elections Board then, as now, was too

partisan and too divided to do the right thing and could not agree on an administrative rule.

Then, in 2000, Common Cause in Wisconsin, working with Senator Judy Robson (D-Beloit) and Representative Steve Freese (R-Dodgeville), put forward another measure very similar to Senate Bill 77. The measure received strong bipartisan support in passing the Joint Committee for the Review of Administrative Rules and on January 30, 2001, Senate Bill 2 passed overwhelmingly with a strong bipartisan vote of 23 to 10 in the State Senate. The following month it came within a single vote of passing in the State Assembly.

Now, six years after that near victory for this measure, there have been millions of dollars more expended for undisclosed, unregulated phony issue ads. In 2001, phony issue ads were considered to be primarily a tool utilized to support of Republican candidates and against Democrats. Today, they are a plague on both of your parties with groups like the Greater Wisconsin Committee and the Native-Americans just as likely to pour hundreds of thousands of dollars of undisclosed, unregulated money into ads attacking Republicans as Wisconsin Manufacturers & Commerce is to savage Democrats.

Why would you allow outside groups to continue to use undisclosed and unregulated money for campaign ads when you must utilize only disclosed and regulated money? That's like preparing to run a race with your feet tied together. This is a simple matter of fairness for candidates running for legislative and statewide office. And it's a simple matter of fairness for the citizens of Wisconsin to be able to know who is paying for the communications they are forced to endure at election time.

Consideration, passage and enactment into law of Senate Bill 77 is critical to the process of beginning to restore citizen trust and confidence in Wisconsin's elections, in our public policy-making process and in state government. I urge you to stand up and face down the tremendous pressure that special interest groups will exert upon you to vote against this long needed reform. Your children and grand children will be grateful to you for doing the right thing.

Thank you.





270 W. Prospect St., Suite 115 Madison, WI 53703 • 608-255-1000 • www.wiscampaign.org

Testimony on Senate Bills 77, 170, 171 before the Senate Committee on Campaign Finance Reform, Rural Issues and Information Technology

Tuesday, May 1, 2007

Thank you for holding this hearing today. We appreciated the opportunity provided to our Executive Director, Mike McCabe, to give detailed testimony on the need for campaign finance reform at the April 10 committee hearing. Today, I will simply highlight that testimony and our support for each of the three bills before the committee today. Please refer to the April 10th testimony for additional arguments, as well as the Brennan Center for Justice Report we distributed to the committee that provides an excellent assessment of Wisconsin's campaign finance laws and makes a strong case for reforms that make our system useful and attractive to candidates and the public alike.

This past election for Justice of Supreme Court was by far the ugliest, most partisan and expensive Supreme Court race our state has ever seen. After final campaign reports are filed in July, spending on the Supreme Court race will top \$6 million, coming on the heels of a \$32 million race for governor and more than \$8 million attorney general's election campaign. Most of these expenditures were on negative ads that said nothing of the candidate's ability to meet the responsibilities and duties of our highest court.

More than half of the spending was done by a handful of interest groups. The candidates themselves broke the spending record by a wide margin for Supreme Court candidates, yet were outspent by a long shot by special interest groups. Of the amount we have been able to account for so far, with two weeks of candidate fundraising and several late interest group ad buys yet to be counted, a single interest group is responsible for more than 40% of all spending in the race.

We must first start reform with truth in campaigning. **Senate Bill 77** addresses the need for full disclosure of all election related activities. It honors the public's right to know who is trying to influence the outcome of elections, who is bankrolling campaigns, how much is being spent, and where the money comes from. In the \$6 million Supreme Court race, the origins of as much as \$2 out of every \$3 used to influence the outcome of this election were concealed from public view.

To suggest that this campaign reform limits free speech or is even unconstitutional is undemocratic. Campaign finance reform is critical to free speech because political speech has become anything but free. The cherished First Amendment right to free speech is being turned into a privilege -- a commodity that is bought and sold. The skyrocketing cost of campaigns

prices people of modest means out of the democratic process. We need a level playing field that allows everyone to participate in our democracy. Such notions that money is speech and secrecy is freedom counter the fundamental precepts of our democracy.

Because voters are losing faith that justice is really blind, it is imperative that we maintain and safeguard impartial justice. We appreciate the lead taken by Senator Kreitlow and members of the freshman class in the Assembly by introducing **Senate Bill 171** calling for public financing of state Supreme Court races. Impartial Justice has already been instituted in North Carolina and is working extremely well. New Mexico also recently enacted similar reform. Statewide campaigns for judicial offices are now being conducted in North Carolina for no more than a few hundred thousand dollars and judges are expressing relief that they no longer have to seek special interest dollars and are no longer perceived to be under the influence of campaign supporters when they rule on cases.

Further, as acknowledged with Senate Bill 77, transparency and citizens' right to know are paramount to a functioning democracy. **Senate Bill 170, the Judicial Right-to-Know Act**, is one additional step to ensure impartial justice and rebuild public trust in our courts. By requiring judges follow the rules relating to conflicts of interest, the bill empowers citizens as parties to a civil suit with information that ensures impartial consideration in their court case.

What has happened in the aftermath of the recent Supreme Court election – namely the complaint filed against Judge Annette Ziegler by the Ethics Board and the investigation launched by the Judicial Commission in response to a complaint we filed – speaks powerfully to the need for the Judicial Right-to-Know bill. Conflicts of interest cut to the heart of judicial integrity because of their capacity to seriously undermine public confidence in the fairness and impartiality of judges and our courts.

We look forward to working with the committee on future discussions relating to comprehensive reform for Wisconsin that would restore voter-owned elections for all state offices. With donor-owned elections you get a public that believes their own elected representatives are more beholden to their cash constituents than their own voting constituents. The Democracy Campaign supports both Senate Bill 12 – the Ellis/Erpenbach bill – and the Pocan/Risser Clean Elections bill modeled after the highly successful systems already up and running in Arizona and Maine and recently adopted in Connecticut.

These three proposals before the committee today each work to rebuild public trust and confidence in our government by supporting transparency and empowering citizens so imperative to a healthy democracy. Please support Senate Bills 77, 170, and 171.



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Testimony of

Susan Armacost
Legislative Director
Wisconsin Right to Life

In opposition to
SB 77 and SB 171

Before the Senate Committee on
Campaign Finance Reform,
Rural Issues and Information Technology

May 1, 2007

I am Susan Armacost, Legislative Director of Wisconsin Right to Life testifying in opposition to Senate Bill 77 and Senate Bill 171.

Senate Bill 77

Some lawmakers want to pass a law to protect themselves from having their voting records and stands on public policy issues discussed at election time in the public arena. Apparently, these public officials are offended when issue-oriented organizations, like Wisconsin Right to Life, or individuals, distribute objective information to the public about them regarding their voting records and stands on issues. They want to make it so burdensome on average citizens and citizen organizations to carry out these activities that many will no longer bother. This, of course, is precisely the result the supporters of SB 77 want.

Senate Bill 77 and countless other measures this session and in past sessions have been proposed that would diminish the ability of citizens organizations to freely engage in political discourse at election time by forbidding a non-PAC entity or individual from even mentioning the name of a public official, a political party or a political office on a billboard, in a newspaper ad, in a radio ad or in a television ad. These skiddish public officials so fear the prospects of anyone talking about them in any of those contexts at election time that they would subject ordinary citizens to fines and imprisonment unless they form a political action committee.

I think about our Wisconsin Right to Life chapters throughout the state. Many of them put newspapers ads in their local papers as a public service with the voting records of local State Senate and Assembly candidates on right to life

issues. Some of our chapters purchase air time on their local radio stations to inform the public in their area how their elected officials voted regarding right to life issues

Our chapter leaders are ordinary citizens. Public officials see them when they are back in their districts in the grocery store, in church, at kid's soccer games. Some of our chapters hold meetings around a kitchen table and publish their newsletters in their basements. But under SB 77, if these good people don't submit to the unwieldy and burdensome restrictions governing political action committees, the self-serving politicians who support SB 77 would impose stiff fines or imprisonment on them for simply talking about the voting records of public officials within 60 days of an election!

A law that allows only PACS to speak about politicians would silence ordinary citizens across the state that do not have the resources to meet the complex regulatory demands that are involved in operating a PAC.

Even citizen organizations that have connected PACS, such as Wisconsin Right to Life, would have their First Amendment rights chilled, which is precisely what the supporters of SB 77 want. Many people who belong to citizen organizations do not want their personal information to be a matter of public record. In a 2006 poll by the Institute for Justice, 60% of those polled said they would think twice about contributing to an issue campaign if their personal information will be disclosed and posted on a government website. Senate Bill 77 would require the public posting of the personal information of members of citizen organizations if that organization even mentioned the name of a candidate

within 60 days of an election in the formats covered in the legislation. The personal information of members of Wisconsin Right to Life is none of the government's business!

Self-serving public officials who don't want to be talked about at election time want to determine who will be allowed to speak, at what time and for how long. We don't need speech nannies to decide for us which messages we will or will not be able to receive. Our constitutional system of government ultimately rests on the general premise that the voting public, also known as grownups and American citizens, should be allowed to sort out competing political messages without government-imposed filters.

Senate Bill 77 goes well beyond McCain-Feingold in several respects. It mandates disclosure of contributor information once a \$20 contribution threshold has been reached. And at \$100, SB 77 mandates the donor's employment information be made public. In McCain Feingold, contribution disclosure is not mandated until a threshold of \$1000 has been reached.

Senate Bill 77 chills the First Amendment rights of citizens 60 days before any election. McCain Feingold chills the First Amendment rights of citizens 30 days before a primary election and 60 days before a general election.

The communication media activities in Senate Bill 77 reaches to television, radio, newspaper ads and billboards. McCain-Feingold does not include all of those mediums.

I'm sure you are aware these differences would have to be justified by the State of Wisconsin

Senate Bill 171

Wisconsin Right to Life strongly opposes SB 171, which mandates the tax funding of elections for State Supreme Court candidates. We oppose the use of tax dollars to fund the elections of any candidate for any office. What it amounts to is forcing taxpayers to foot the bill for the campaign expenses of candidates some citizens may oppose and not want elected.

Supporters of tax funded elections lament the fact the fact that there are an insufficient number of people who currently "check off" on their income tax forms to fund elections. They say additional sources of tax funding should be available so candidates can receive the maximum grant to which they are "entitled" and the influence of "interest groups" will be lessened.

If the people of Wisconsin are not responding to the check off, isn't that an indication that they don't want to pay for the election expenses of politicians? In July of 2006, the Wisconsin Policy Research Institute and Diversified Research released a poll showing that Wisconsin residents oppose using Taxpayer dollars to fund Wisconsin campaigns by the hefty margin of 65% to 26%.

No one should be surprised that Wisconsin citizens want to decide for themselves if they want to contribute to a politician's campaign and to whom they will contribute. They most certainly do not want to pay for the bumper stickers and yard signs of candidates they oppose! Senate Bill 171 is nothing more than an entitlement scheme for politicians. Wisconsin Right to Life urges you to oppose it.





LEAGUE OF WOMEN VOTERS[®]
OF WISCONSIN, INC.

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<http://www.lwwwi.org>
lwwwisconsin@lwwwi.org

May 1, 2007

To: Senate Committee on Campaign Finance Reform, Rural Issues and Information Technology
Re: Senate Bill 77 and Senate Bill 171

Our democracy requires that all voices be heard. Access to money should not determine whose voice is stronger, especially and foremost in campaigns for elected officials. We believe SB 77 and SB 171 provide needed reforms by regulating all of the players involved (candidate campaigns and independent spenders) and providing for public financing of Wisconsin Supreme Court elections. In the long run, we believe it is important to have substantial public financing for all offices, but for now the Supreme Court races are a good place to start. People need to have confidence that those holding the highest office in our justice system are free from outside special interest influence.

It is clear that "issue ads" influence elections, and we have no doubt that their sponsors are purposeful and intentional in their expenditures on these communications. Because the ads are costly, they are more accessible to moneyed interests. These messages should not be silenced, but they should be subject to the regulations imposed on other campaign-related communications, as provided by SB 77.

Senate Bill 77 imposes registration and reporting requirements on any individual or organization that, within 60 days of an election, makes any communication using the media which includes a reference to a candidate, a state office to be filled, or a political party. The bill requires reporting of any spending related to the communication, and this counts toward contribution and spending limits. The bill exempts communications made by corporations, cooperatives, or nonpolitical voluntary associations to their own constituents.

Senate Bill 171 provides public financing of Wisconsin Supreme Court elections. Under the bill, a candidate may qualify for public financing by receiving qualifying small contributions as evidence of public support. The bill bans private contributions and personal funding of a campaign once a candidate has accepted a public grant.

We are happy to see that SB 171 provides for adequate public financing of campaigns, which can be counted on by candidates, not only by increasing the individual Wisconsin income tax check-off for the election campaign fund to \$3 but also by providing for additional general purpose revenues to cover any shortfall.

We believe there should be adequate public financing for eligible candidates to run their campaigns, and we appreciate the fact that SB 171 includes a biennial cost of living adjustment. It is good that this bill reduces the cumulative campaign contribution limits to \$1,000 for either an individual or a committee. In addition, the bill has provisions to protect a publicly funded candidate whose opponent makes excessive expenditures, or who is targeted by excessive independent expenditures. Together these measures will discourage the kind of spending spiral we have seen in recent Supreme Court elections and even the playing field for candidates.

One concern we have with SB 171 is that it does not deal with issue ads. Without regulation of issue ads, campaign spending and contributions will simply be shifted to this medium, rather than reduced. Therefore, we urge you to support both SB 77 and SB 171 together. Thank you.



Senator Houser

SB 77?

TESTIMONY
JUDICIAL RIGHT TO KNOW
May 1, 2007

One of the most important foundations of our justice system is the belief that our courts should be fair and impartial. During the recent election for Supreme Court a concern was raised about whether or not judges are following the rules as they relate to recusing one's self from cases that involve potential conflicts of interest.

An article in the February edition of Milwaukee Magazine analyzed all civil cases before judges in Milwaukee. Their report showed that between the beginning of 2004 and the first eight months of 2006 there were 202 cases where judges had a financial conflict.

The Wisconsin State Journal also found that in 2005 judges presided in 82 cases involving potential conflicts.

Although the reports by the Wisconsin State Journal and other media brought this issue to light, this legislation is not about casting aspersions on any Justice or any judge. It is the current system that leaves the door open for doubt.

The Judicial Right-to-Know Act would require circuit court clerks to provide notice to those involved in civil cases that the presiding judge has the responsibility to notify them of any possible conflicts of interest and/or recuse themselves from the case. The bill also requires that they be notified that they have a right to request a copy of the judge's

statement of economic interest so they can determine for themselves whether or not to raise the issue of potential conflicts before the case is decided. This appears to me to be the least intrusive way to make sure that parties to a civil case are aware of possible conflicts before their case is decided.

The foundation of our justice system rests on it being fair and impartial. Failure by judges to follow the rules relating to conflicts-of-interest undermines that foundation and the public's trust. The Judicial Right-to-Know Act uses open records law and transparency to make sure conflicts of interest are exposed before a case is decided.

Thank you.