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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 25

Relating to: acceptance of certain political contributions by certain elective state officials and committees.

By Senators Harsdorf, Lehman, Cowles, A. Lasee, Leibham and Olsen; cosponsored by Representatives Gottlieb, Albers, Travis, Bies, Black, Hahn, Jeskewitz, A. Ott, Pocan, Townsend, Van Roy and M. Williams.

February 02, 2007 Referred to Committee on Campaign Finance Reform, Rural Issues and Information Technology.

February 12, 2008 **PUBLIC HEARING HELD**

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

Absent: (1) Senator Kanavas.

Appearances For

- Mark Gottlieb, Madison — Rep, WI State Assembly, 60th District
- Andrea Kaminski, Madison — League of Women Voters of WI
- Marion Stuenkel, Madison
- Sean Parnell, Alexandria — President, Center for Competitive Politics

Appearances Against

- None.

Appearances for Information Only

- None.

Registrations For

- Sheila Harsdorf — Senator, Wisconsin Senate, 10th District
- Darrell E. Wilson, Reedsburg
- Curt Witynski, Madison — League of Wisconsin Municipalities
- Tom Frazier, Madison — Coalition of WI Aging Groups
- George Penn, Madison
- James Sime, Middleton

- Rose Sime, Middleton
- Carl Silverman, Madison
- John Manske, Madison — WI Federation of Cooperatives
- Peter Cannon, Madison
- Nan Cheney, Madison
- Thomas Thoresen, Fitchburg

Registrations Against

- None.

Registrations for Information Only

- None.

February 28, 2008

EXECUTIVE SESSION HELD

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

Absent: (1) Senator Kanavas.

Moved by Senator Erpenbach, seconded by Senator Lassa that **Senate Amendment** be recommended for introduction and adoption.

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

Noes: (0) None.

Absent: (1) Senator Kanavas.

INTRODUCTION AND ADOPTION OF SENATE AMENDMENT RECOMMENDED, Ayes 4, Noes 0

Moved by Senator Kapanke, seconded by Senator Erpenbach that **Senate Bill 25** be recommended for passage as amended.

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

Noes: (0) None.

Absent: (1) Senator Kanavas.

PASSAGE AS AMENDED RECOMMENDED, Ayes 4, Noes 0

Kathy Daggs
Committee Clerk

Vote Record

Committee on Campaign Finance Reform, Rural Issues and Information Technology

Date: 02/28/08

Moved by: Erpenbach Seconded by: Lassa

AB _____ SB _____ Clearinghouse Rule _____
 AJR _____ SJR _____ Appointment _____
 AR _____ SR _____ Other _____

A/S Amdt § a1454 SB-12 Jan 1st lang.

A/S Amdt _____ to A/S Amdt _____

A/S Sub Amdt _____

A/S Amdt _____ to A/S Sub Amdt _____

A/S Amdt _____ to A/S Amdt _____ to A/S Sub Amdt _____

Be recommended for:

- Passage Adoption Confirmation Concurrence Indefinite Postponement
 Introduction Rejection Tabling Nonconcurrence

<u>Committee Member</u>	<u>Aye</u>	<u>No</u>	<u>Absent</u>	<u>Not Voting</u>
Senator Pat Kreitlow, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Jon Erpenbach	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Julie Lassa	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Ted Kanavas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Dan Kapanke	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Totals:	<u>4</u>	<u>0</u>	_____	_____

Motion Carried

Motion Failed

Vote Record

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

Date: 02/28/08

Bill Number: SB-25

Moved by: Kapan Seconded by: Exp

Motion: Pass as Amend

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



MARK GOTTLIEB

Speaker Pro Tempore
Wisconsin State Assembly

Testimony of Representative Mark Gottlieb
Senate Bill 25

Senate Committee on Campaign Finance Reform, Rural Issues and Information Technology
February 12, 2008

Chairman Kreitlow and Committee Members:

Thank you for holding a hearing on Senate Bill 25, relating to fundraising during the state budget.

In December 2007, the Wisconsin Policy Research Institute conducted its 28th annual statewide voter survey. Of the respondents to that survey:

- 44 percent said that the ethics of Wisconsin legislators have declined
- 50 percent said that the ethics of Wisconsin state government have declined
- 82 percent said that lobbyists have the most control over what state government spends, and
- 85 percent said that elected officials primarily represent either their own or special interests

This data is easy to summarize: The view of Wisconsin residents toward our political institutions, including the legislature, is reaching all-time lows.

Senate Bill 25 is a common sense proposal aimed at restoring the public's confidence that the state budget, and the votes of their elected representatives, are not for sale. Right now, there are at least sixteen states that either prohibit or severely restrict the raising of funds during their legislative sessions. Another twelve, including Wisconsin, have prohibitions or restrictions on lobbyist contributions during this time (see attachment). This bill bans all campaign fundraising by all elected state officials from January of each odd-numbered year until the budget has been passed.

In the Assembly I have introduced a companion to Senate Bill 25, it is Assembly Bill 61. Based on comments I've received on Assembly Bill 61, I introduced two amendments. The first amendment extends the fundraising prohibition for the governor or governor-elect and lieutenant governor or lieutenant governor-elect to include the period when the executive budget is being prepared. The second amendment applies the same prohibition to the four legislative campaign committees. Based on previous conversations with Senator Harsdorf, I understand she is open to moving this legislation forward with similar amendments attached.

This bill, if enacted, will provide the additional benefit of giving legislators, and the governor, a six month minimum "time out" from fundraising at the beginning of each legislative session. As you well know, the early months of each session are the time when many important non-budgetary proposals are being developed, introduced, and debated. Eliminating all fundraising during that period will allow each of us to concentrate fully on our legislative duties.

We all share a desire to serve in an institution that has the respect and confidence of the people we represent. Senate Bill 25 is not comprehensive campaign finance reform. It does not impose public financing or restrict the free speech rights of individuals or organizations. But it is a meaningful step forward.

Thank you and I'm happy to answer any questions.

STATE REPRESENTATIVE • 60TH DISTRICT

February 12, 2008
Public Hearing
Testimony

My name is **William R. Benedict**. As a proud citizen of Wisconsin, it is a privilege to have this opportunity to testify before the Senate Committee on Campaign Finance Reform and Rural Issues and Information Technology.

I am a retired social worker who is now working full time as a citizen advocate for campaign finance reform and state funding of stem cell research. My special constituency is myself, my family and the citizens of the State of Wisconsin.

I am here this morning because I sincerely believe that our body politic is sick at the core and it is urgently in need of comprehensive campaign finance reform. Our legislature has a systemic and insidious disease so strong that it infects our most dedicated public servants. Wisconsin voters know deep down in their soul that their vote no longer counts. They believe that you have sold them out to those who pay for your elections term after term and now have put in jeopardy their sacred political freedom.

It hurts me this morning to have to say that I believe you have prostituted your office in order to have your election campaigns paid for by the rich and the powerful.

Not until every Wisconsin citizen can run for public office regardless of how much money they have will we have a state government by the people and for the people. I urge you and all of your Senate and Assembly colleagues to take the strong medicine needed to cure this terrible sickness. Please pass Senate bills 12, 25, 171 and 463.

Make Wisconsin pure and clean again!

Thanks again for this opportunity to speak.

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GUEST COLUMN

2-11-08

Governor's speech misses mark on stem-cell innovation

By WILLIAM BENEDICT

As a senior citizen of the state of Wisconsin whose family suffers from three serious cell-based diseases and who has been working with both private and public officials in support of public funding for stem cell research in Wisconsin, I was deeply disappointed when my governor in his State of the State address looked our legislators and the citizens of Wisconsin in the eye and boasted that Wisconsin has stayed at the forefront of stem-cell innovation "because we kept politicians out of it."

I have to assume the "we" he was referring to are the citizens of Wisconsin. Or did the "we" refer to his administration? In either case, I predict taxpayers and the health consumers of this state soon will deeply regret that the people and their representatives acquiesced and remained disengaged while the most critical health policy issues were left undressed.

How can the citizens of this state and our policy makers remain disengaged around a human health concern having to do with the essence of life itself?

If not us — the citizens through our Legislature — then who will decide? While I support our free marketplace and the critical role that private enterprise must play if Wisconsin's stem cell program is to succeed, I am not about to support anyone who advocates that citizens and their policy makers withdraw from the public square on this or any other vital public issue.

As much as I admire James Thomson and his team of talented and dedicated scientists, neither they nor the UW research community nor the biotech/pharmaceutical industry can be left to mind the people's business relating to how best to fund stem cell research and to ensure that the needs and interests of taxpayers and future health consumers of this state are fairly



Benedict

represented.

The media are trying to distract us from this issue by framing it primarily as an economic answer to all our problems. They would prefer that citizens see the chief public benefit in terms of the trickle-down economic effect and the promise of future job creation.

While this benefit is worthy, it is far too narrow and short-sighted.

Further allocation of public tax incentives and innovation grants must be accompanied with accountability and public benefit requirements, including intellectual property rights, public disclosure and conflict of interest safeguards.

To continue to focus primarily on job creation outcomes and ignore the state's present health care crisis is short-sighted and irresponsible.

Now is the time for our policy makers to decide whether the miracle cures promised will be made accessible and affordable to Wisconsin families with cell-based diseases.

The answer to this question must be reflected in the language of the state's financial and tax research innovation incentives now being proposed.

Asking the grantees to do the right thing after giving away the farm is like asking the fox to cough up the chickens after giving him the key to the hen house.

If Wisconsin truly is to remain at the forefront in its stem cell initiative, like California and many other states, we will set about immediately to fill the policy gaps referred to above.

Without legislative leadership we should not expect that cell-based therapies and drugs derived from this research will eventually benefit all of us as health consumers and taxpayers.

I hope a year from now, when our governor again gives his State of the State address, he will be able to thank your legislators and mine for building a policy platform that will match the genius of our science and will ensure Wisconsin's stem cell program remains at the forefront of both health care policy innovation.

Benedict is a retired social worker who lives in Madison.



Center for Competitive Politics

www.campaignfreedom.org

Statement of

Sean Parnell

President

Center for Competitive Politics

Before the Hearing of the

Wisconsin State Senate

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

With Respect to

“Senate Bills 12, 25 and 463”

Madison, Wisconsin

February 12, 2008

Introduction

Chairman Kreitlow, Vice-Chairman Erpenbach and members of the Committee, thank you for the opportunity to submit my statement for the record regarding Senate Bills 12 and 25. My name is Sean Parnell, and I am President of the Center for Competitive Politics, an organization dedicated to promoting and defending the First Amendment's political rights of speech, assembly and petition.

Currently the Wisconsin Senate is looking to enact numerous changes to its existing system of taxpayer subsidies for political candidates. The aim of these changes is primarily to halt any perceived erosion in public confidence Wisconsinites have in their democratic institutions.

Wisconsin is not alone in using taxpayer funds for political campaigns in an attempt to improve public perceptions of the legislature and election process. Arizona and Maine have, since 2000, operated statewide programs that are more ambitious than Wisconsin's, offering full taxpayer funding of political campaigns to candidates who qualify.

In light of Arizona and Maine's more ambitious programs, I think the actual experience of their so-called "clean election" programs would provide valuable insight to the Wisconsin Senate as you consider amending Wisconsin's current laws.

After all, if a system of full subsidies to political campaigns is able to achieve success, then a system of partial subsidies might be expected to achieve some lesser degree of success. Conversely, if complete taxpayer financing of campaigns fails to achieve its aim, then a system of partial subsidies is even less likely to succeed.

It is my hope today to give you a research-based perspective of the experience in Arizona and Maine with taxpayer funded political campaigns, primarily by comparing the intended goals of the "clean election" program with the actual outcomes.

Decreases Confidence in Government

Across Wisconsin, advocates of campaign finance regulation are proposing sweeping changes to existing campaign financing laws in hopes that it will restore public confidence in the State's democratic processes and institutions. Research to date strongly suggests, however, that taxpayer funding of elections fail to increase public confidence in government, and may in fact erode the public's confidence.

In 2003 the federal government published a study of taxpayer funded campaigns in Maine and Arizona, finding that taxpayer financing did not increase the public's confidence in government. A plurality of citizens said that government-financed elections had no effect on their confidence in state government,¹ and only one in five citizens said their confidence in government had increased.

¹ <http://www.gao.gov/new.items/d03453.pdf>

Research by professors Jeffrey Milyo and David Primo examined taxpayer financing of campaigns to see if they led to increased confidence in government. Their conclusion was that taxpayer funding laws have a "negative effect on public views about whether 'people have a say' in their government or whether 'officials care.'²"

Special Interests

One of the claimed benefits of taxpayer funding of political campaigns is that it reduces the power and influence of lobbyists and so-called "special interests." For example, Arizona state representative Steve Gallardo has said "The biggest benefit to the voters in my district is it takes the special interest out of politics..."³ while Maine Senate President Beth Edmonds states that "When I'm walking the halls of the legislature and I see lobbyists from major corporations... I know that I get to make decisions [for] all the people in my district and not just specific interest groups."⁴

If these officeholders are correct, if taxpayer subsidies to politicians actually reduce the influence and effectiveness of lobbyists and "special interests," we would expect to see declines in, or at least not substantial increases in, the number of lobbyists in these so-called "clean election" states. Lobbyists are, after all, employed because they are skilled at advancing the interests of their clients. If "clean elections" make lobbyists less valuable to the interests that hire them, then we would expect to see fewer people employing lobbyists.

The reality is quite different. In 2002 in Maine, the second election cycle in which candidates ran under their "clean elections" program, there were only 92 active state-registered lobbyists. By 2007, that number had grown to 192 lobbyists, an increase of 208%.⁵

Lobbying is of course not the only way in which interest groups participate in the legislative and political process. In "clean election" systems, interest groups are still able to provide substantial support to favored candidates, and may in fact be able to provide even more support than before.

This is because well-organized, pre-existing interest groups are ideally situated to aid candidates in collecting the required number of signatures and small donations. Utilizing their membership lists, paid staff, volunteer networks and frequent communication with members, the task of collecting the needed signatures and donations is far easier for candidates who are able to rely on the support of these interest groups.

² David M. Primo and Jeffrey Milyo, "Campaign Finance Laws and Political Efficacy: Evidence from the States," working paper 0413, University of Missouri, Department of Economics, (June 2005): 17.

³ <http://www.publiccampaign.org/node/39242>

⁴ *ibid*

⁵ The yearly totals for registered lobbyists in Maine were obtained through public registration records which can be found at: http://www.maine.campaignfinance.com/public_entity_list.asp?TYPE=L.C.

An example of this is the case of Arizona Governor Janet Napolitano, who relied upon labor unions to collect nearly one quarter of the required signatures and \$5 contributions⁶ needed for her to qualify for millions of dollars in "clean election" funding. It's difficult to imagine that Governor Napolitano is any less grateful to Arizona's labor unions for this support than if they had just written her a check.

Although Wisconsin does not propose a system of full taxpayer funding like Arizona and Maine, it is still relatively easy for organized interest groups to encourage their membership to contribute their favored candidate, helping them to qualify for a larger taxpayer subsidy. It seems reasonable that Wisconsin candidates receiving such assistance will feel grateful for the assistance of these allies.

Perhaps more importantly, citizens in Arizona and Maine are deeply skeptical of claims that taxpayer subsidies reduce the influence and effectiveness of lobbyists and interest groups. In fact, more citizens in Arizona thought that government-financing *increased* the influence of "special interests groups" than thought government-financing decreased the influence of special interests.⁷ Similarly, just 25 percent of Maine residents thought that government financing decreased special interest's influence.⁸

Voters are right to be skeptical of the ability of taxpayer subsidies for political campaigns to reduce the influence of organized interest groups. The explosive growth of registered lobbyists in Maine and the aid of labor unions provided to Governor Napolitano to allow her to collect millions in taxpayer dollars for her campaign demonstrate that, at the very least, taxpayer subsidies laws do little or nothing to curb the influence of interest groups or their ability to support favored candidates.

Does Not Lead to "Better" Representation

Another mistaken belief about taxpayer subsidies for political candidates is that they will lead to different legislative outcomes, presumably more representative of the interests of citizens and constituents. This is based on the premise that without contributions from individuals and groups with interests contrary to the broader public good, it would be relatively easy to pass popular legislation.

Political scientists Stephen Bronars and John Lott explored this premise in a 1997 study published in the University of Chicago's *Journal of Law and Economics*.⁹

⁶ Chip Mellor, *Three Lessons from Arizona*, WELFARE FOR POLITICIANS 31, 37-8 (John Samples, ed., Cato Institute, 2005).

⁷ <http://www.gao.gov/new.items/d03453.pdf>

⁸ <http://www.gao.gov/new.items/d03453.pdf>

⁹ Stephen G. Bronars and John R. Lott, *Do Campaign Donations Alter How a Politician Votes? Or, Do Donors Support Candidates Who Value the Same Things That They Do?*, 40 J. LAW & ECON. 317, 346-47 (1997).

Their research revealed that campaign contributions are driven by ideology and that legislators vote according to their own beliefs, their party loyalty, and the views of their constituents. They found no evidence of contributions influencing legislative votes.

Bronars and Lott are not alone in their finding; in fact most of the academic research on this subject has repeatedly found that legislative votes are tied directly to the ideology, party, or constituent interests.

Another study was conducted by 3 professors at the Massachusetts Institute of Technology. Noting that "The large majority of studies find no significant effects of hard money contributions on public policy...",¹⁰ these professors decided to look at whether soft money contributions by corporations had influenced public policy in a way that benefitted the donor.

Their conclusion was consistent with the overwhelming majority of research: donations had not unduly influenced public policy. The results of their research were, in their words, "exactly the *reverse*" of what they would expect to find if soft money donations by corporations had unfairly influenced public policy.

In another study, the Goldwater Institute in Arizona analyzed the voting records of legislators elected with taxpayer dollars compared to legislators who relied on private contributions. The study concluded that legislators funded with taxpayer dollars "voted no differently from legislators who accepted private contributions."¹¹

Other Failures

Failure to improve the public's confidence in elected officials, failure to diminish influence or support by interest groups and lobbyists, and failure change the way elected officials vote, are just three of the many significant shortcomings of taxpayer funded political campaigns.

Briefly, other problems with taxpayer subsidies of political campaigns include:

- They have little impact on the number of competitive campaigns. A study of the Arizona system found that "...access to public funding in 2000 and 2002 did not affect incumbent reelection rates, and [in] 2004, it would seem incumbent reelection rates actually *rose* for House seats."¹²
- Taxpayer subsidy programs are targets for fraud. Taxpayer monies in Maine were used to pay \$100,000 in "consulting fees" to one candidate's husband and to "campaign" in

¹⁰ Stephen Ansolabehere, James M. Snyder, Jr., Michiko Ueda, MIT Departments of Political Science and Economics, *Did Firms Profit from Soft Money?* January, 2004 (later in: *Election Law Journal*, spring, 2004)

¹¹ Robert J. Francosi, *Is Cleanliness Political Godliness?* p. 16, November 2001, Goldwater Institute

¹² Allison Hayward, *Campaign Promises: A Six Year Review of Arizona's Experiment with Taxpayer-financed Campaigns*, p. 12 March 2006, Goldwater Institute.

nightclubs in Arizona. Portland, Oregon was scammed out of \$150,000 by one candidate who submitted forged signatures and fake contributions.

- Spending limits are actually speech limits. Candidates accepting taxpayer subsidies for their political campaigns must agree to limit their total spending in a campaign. Because campaign spending is primarily aimed at promoting a candidate's message to voters, limiting overall spending means limiting the frequency, effectiveness, and number of messages a candidate is able to communicate to voters. Spending caps also limit a candidate's ability to respond to late campaign developments, such as key endorsements or unfavorable media coverage.
- They discourage and suppress speech by small citizen groups. SB 12 offers a "supplemental grant" to candidates who are targeted by third-party groups or whose opponent is aided by third party groups. These "supplemental grants" are explicitly designed to discourage citizens from spending money to speak out for or against candidates, because any contribution to or spending by a third-party group is going to be offset by a matching grant from the taxpayers.
- "Supplemental grants" can actually increase spending in campaigns by big citizen groups. While smaller groups with limited funds may be discouraged from running advertisements because their spending will be countered with a taxpayer subsidy for the targeted candidate, large groups with significant funds may be willing to spend well beyond the maximum "supplemental grant," particularly if they know a candidate has exhausted their funds responding to earlier advertisements and is unable to spend more.

Wisconsin Senate Bill 25

In addition to the taxpayer subsidy scheme outlined in SB 12, I would like to take a moment to comment on Senate Bill 25. This bill prohibits any incumbent partisan elective state official or his or her personal campaign authorized support committee from accepting any political contribution for the purpose of promoting his or her nomination or reelection to the office held by the official during the period from the first Monday in January of each odd numbered year through the date of enactment of the biennial budget act.

In doing so, this bill would create an uneven playing field during election cycles. While it prohibits incumbent office holders from raising the necessary funds needed to run a competitive campaign, it does not similarly restrict challengers.

While many may regret the fact that campaigns seem to start earlier each year, the fact remains that running for office is often a long and arduous process that may begin a year or more before the election. Allowing some candidates to begin raising funds for their campaigns and start communicating with voters at a time when other candidates are prohibited from doing so is fundamentally unfair, and dramatically limits an incumbents ability to communicate with voters at crucial early stages of a campaign.

All campaigns ought to be run on even terms, giving incumbents and challengers an equal opportunity at raising the funds necessary to convey their message to the electorate so that they can cast their vote based on who they feel shares like-minded ideas and policy proposals. Adopting SB 25 would represent a step backwards for political freedom and an informed electorate.

Conclusion

In conclusion, I would like to make the following three observations that I hope you will consider as you move forward with debate on overhauling current campaign finance law in Wisconsin:

First, programs that offer taxpayer subsidies have, as the research and evidence demonstrate, failed almost completely to achieve the goals set out by supporters of such programs. Confidence in government does not increase, elections do not become more competitive, the influence and effectiveness of lobbyists and "special interests" does not decline, and legislators do not vote differently once they are subsidized by taxpayer dollars.

In short, taxpayer subsidies for political campaigns do not provide the benefits that advocates believe they do.

Second, in relation specifically to "supplemental grants" as a way to discourage and suppress independent third-party participation in campaigns, I feel the need to point out that the idea that political candidates should be able to insulate themselves from the criticisms of citizen groups and prevent citizen groups from focusing attention on issues, events and topics that candidates believe unimportant, is wholly inconsistent with the First Amendment and our heritage of political liberty.

It isn't surprising that politicians don't like to be criticized. What is surprising is that so many people are willing to abridge important First Amendment rights in order to silence or diminish the voices of these independent citizen groups at election time. Wisconsin should avoid travelling down the path represented by "supplemental grants" that would silence critics of candidates and government policy.

My third and final, and perhaps most important, observation is that taxpayer subsidies for political campaigns are based on a fundamentally flawed premise, which is that elected officials are essentially "bought off" by a small number of individuals and groups with interests diametrically opposed to the greater good, and that if the contributions of these individuals and groups were to be limited or offset through taxpayer subsidies, then legislators would be able to quickly and easily enact legislation that the overwhelming majority of citizens all agree on.

This flawed premise is based on the idea that the United States is a politically and ideologically homogenous society, filled with citizens who all share roughly identical

perspectives, beliefs, and interests. It assumes that there is no real, honest disagreement among citizens about the size, scope, and direction of government policy, and that it is only a small, narrow cabal of "special interests" that manage through contributions to candidates to regularly thwart policies that nearly all citizens want implemented.

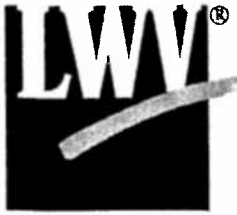
In fact, the United States has a vibrant and competitive two-party political system, along with several smaller parties, precisely because large numbers of Americans fundamentally disagree with each other about the size, scope, and direction of government policy. There are serious and intense disagreements over how to best achieve the "common good" and what represents good public policy.

By basing a system of taxpayer subsidies for political candidates on such a fundamentally flawed premise, advocates ensure that such a system will fail to achieve its goal. Even with full taxpayer financing of political campaigns, legislators and voters will continue to disagree with one another on what represents good public policy and on what government should and should not do.

I hope this Committee recognizes both the general failure of taxpayer subsidy schemes to deliver on its stated promises and the fundamentally flawed premise that such programs are based on. Senate Bill 12 is little more than welfare for politicians and would erode the ability of future political candidates to get out their message. Even worse, the proposal is purposely designed to muzzle speech by groups of independent citizens. It is difficult to conceive of a worse way to halt any real or perceived decline in Wisconsinites' confidence in their government.

If members of the Committee or anyone else interested in this issue would like additional information, I and my organization would be happy to provide it. With that I would like to conclude my statement by thanking the Committee again for allowing me to submit my statement for the record.





LEAGUE OF WOMEN VOTERS® OF WISCONSIN EDUCATION FUND

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lwvwisconsin@lwvwi.org

February 12, 2008

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

Re: Support for Senate Bill 12, Special Session Bill 1, and SB 25

The League of Women Voters of Wisconsin is pleased to offer our support for this proposal for comprehensive campaign finance reform. These bills make important and needed amendments to the statute, which has regulated campaign financing in Wisconsin for many years.

The intent of our current law, enacted in the 1970s, was that state funds assure that state candidates have adequate resources to reach the voters with their messages, that contributions and spending are limited and special interest influence is controlled and disclosed. Until the late 1980s, most candidates used these state funds in exchange for keeping spending under the limits, and the check-off provided enough money to fund full grants.

- By the 1990s several things had changed. The number of tax filers checking-off dropped significantly, full grants equaling 35% of the limits were not available, and candidates often faced high spending opponents. It has become too risky for candidates to apply for the ever-smaller grants while accepting the 1970s spending limits and possibly facing big-spending opponents.
- Our current system clearly no longer works. Public funds are not there but special interest funds are - and are used by both candidate committees and independent spenders.

This legislation goes a long way toward assuring adequately and equitably financed campaigns. We offer the following thoughts about some key provisions:

- The check-off should be raised to \$5 and GPR funds provided as needed. This guarantees that full grants will be available and that candidates will not be discouraged from applying for the funds.
- Candidate spending limits are increased to amounts adequate for viable campaigns. The League believes this will allow candidates to effectively reach voters with their messages.
- Grants are set at 45% of spending limits for partisan offices. While we believe a higher level would be preferable, further reducing the level of private funds, 45% will provide adequate funds for candidates to get their message out given the spending limit increases.
- Supplemental grants are provided for victims of independent spending and opponent spending beyond the limits as a means of discouraging such special interest spending by both candidates and independents.

(continued)

- There should be full disclosure of expenditures and the sources of funds by all groups that are involved in Wisconsin campaigning which is defined as express advocacy according to the US Supreme Court decision in 2007 and the related Federal Elections Commission regulations adopted in Nov. 2007.
- Most committee-to-committee transfers are eliminated as is special status for legislative campaign committees, both of which have become ways to conceal special interest influence, which unfairly increases incumbent and leadership control of the legislative process.

If enacted, Special Session Bill 1 will provide Wisconsin with a workable basic comprehensive campaign finance law and we urge its passage. The League, however, will continue - now and after passage - to support and work for certain stronger provisions.

- We would favor a higher percentage of public funding for all state campaigns. Whatever the level, we strongly believe that individual contribution limits should be lowered. Current limits give candidates with access to large contributors a significant advantage and continue to provide a channel for special interest influence.
- We would like to see the 6% primary vote requirement lowered as a way to increase public funding for independent and third party candidates, providing voters with a wider choice of viable candidates.

We thank you as always for the opportunity to express our opinion on this very important issue. We particularly thank the Governor and those members of the Legislature who have recognized the timeliness and necessity of achieving bipartisan comprehensive campaign finance reform in Wisconsin.

Please give the Senator this posting and ask him to share it with the committee.

Campaign Finance Reform

Feb 11, 2008

Obviously the time and money spent to finance election is counter productive to our office holders and would be office holders.

Than too, this gives lobbyist's the opportunity to "buy" our officials.

We can have publicly financed campaigns, save the integrity of our elections and provide good informed elections for perhaps \$3.00 per tax payer.

The "volunteer" program is faulty. You our legislatures raise our tax, increase our sales tax, increase our fuel tax, we accept it as necessary. Certainly you can budget the cost of campaign finance reform from the general budget and appropriate the funds for it.

Here is a federal site re campaign finance reform. A number of states already do this and have had good results. There is no reason Wisconsin could not provide campaign funds for all offices in Wisconsin Government. Perhaps this could be accomplished for roughly \$3.00 per tax payer.

Please consider the information on this site: <http://www.just6dollars.org/>

There are many of us in Wisconsin who have followed this process and it is working. Please begin this matter and I am sure more feedback will come to your committee.

Thanks for all you do.

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