

Bradley Foundation Bankrolled Groups Pushing Back on Scott Walker John Doe Criminal Probe

By: Brendan Fischer June 19, 2014

The campaign against Wisconsin's "John Doe" criminal probe is being led by groups bankrolled by the Milwaukee-based Bradley Foundation, according to a new analysis by the Center for Media and Democracy/PRwatch.org.

The Bradley Foundation and its directors have given nearly \$18 million to groups that are now connected to individuals involved in the John Doe investigation and the campaign against it. That high-profile probe is examining possible campaign finance violations during the 2011 and 2012 recall elections as Wisconsin Club for Growth and other nonprofit "dark money" groups spent tens of millions trying to protect the seats of Scott Walker and Republican legislators.

Bradley donated \$1,230,400 between 2009 and 2014 to the news outlets and journalists that have aggressively attacked prosecutors and the criminal investigation, including the Franklin Center for Government and Public Integrity/Wisconsin Reporter and members of the *Wall Street Journal* editorial board, plus \$250,000 to *Washington Post* columnist George Will.

It has given \$3,006,220 between 1998 and 2012 to groups directed or founded by Wisconsin Club for Growth director Eric O'Keefe, who sued in federal court to halt the investigation.

Bradley has donated \$205,000 between 2003 and 2010 towards the George Mason University "judicial junkets" attended by Judge Rudolph Randa, the federal judge who ordered the destruction of evidence gathered in the probe, including \$115,000 during the years that Randa is known to have attended.

Bradley's President and CEO was Walker's campaign chair. Bradley Foundation board members have donated over \$100,000 to Walker in his two gubernatorial races. Other Bradley board members have close ties to Club for Growth.

There is no indication that the Bradley Foundation is under investigation or that it engaged in any illegal coordination with a political campaign, despite the role its leader played in Walker's

election campaign. Funding the groups that have fought the investigation does not mean that Bradley intentionally funded the activities that are being examined by prosecutors.

Yet, Bradley's funding and ties to some of the individuals and organizations waging a PR and legal battle against the criminal probe are substantial.

Bradley Ties to Walker, Club for Growth, Others Under Investigation Run Deep

"Less than a week after being elected governor, Scott Walker and his wife met privately with one of the most powerful philanthropic forces behind America's conservative movement," the *Milwaukee Journal Sentinel* wrote in 2011.

"It wasn't the Koch brothers - the bogeymen for the American left.

On Nov. 8, 2010, the Walkers broke bread at the upscale Bacchus restaurant in the Cudahy Tower with the board and senior staff of the Milwaukee-based Lynde and Harry Bradley Foundation.

With more than \$600 million in assets, the Bradley Foundation provides a cornerstone for the conservative movement in Wisconsin and across America. It has been the financial backer behind public policy experiments that started in the state and spread across the nation - including welfare reform, public vouchers for private schools and, this year, cutbacks in public employee benefits and collective bargaining."

"It receives a fraction of the attention given the billionaire brothers David and Charles Koch and the Scaife family," wrote the *Milwaukee Journal Sentinel*. "But the Bradley Foundation is in a different league: From 2001 to 2009, it doled out nearly as much money as the seven Koch and Scaife foundations combined."

The Bradley Foundation ties to Walker and others under investigation run deep.

Bradley's President and CEO, Michael Grebe, chaired Walker's 2010 gubernatorial campaign and led the transition team. He again chaired Walker's 2012 recall campaign, which is under investigation in the John Doe.

And, Bradley Foundation board members Dennis Kuester and Art Pope directly contributed over \$100,000 to Walker in his two gubernatorial races.

Other Bradley board members are connected to groups under investigation, particularly the Wisconsin chapter of Club for Growth, whose director Eric O'Keefe is suing to stop the probe.

Bradley board member Terry Considine was the founding director of Club for Growth, and until recently was listed as a member of its "Leadership Council." Former director Pat Toomey was on

the Bradley Foundation board at the same time that he was serving as president of the Club for Growth, from 2006 until 2011, when he was elected to the U.S. Senate.

Bradley has long funded groups allied with Wisconsin Club for Growth's O'Keefe. He is on the board of the Kochs' Cato Institute, a DC think tank that received over \$1.5 million from Bradley between 1998 and 2012. He helped launch American Majority, which received \$881,220 in Bradley funds between 2010 and 2012 and which has been active in Tea Party efforts. O'Keefe is a founding board member of the Center for Competitive Politics, one of the leading right-wing groups fighting against limits on money-in-politics, and which received \$310,000 from the Bradley Foundation between 2008 and 2012. O'Keefe was previously on the board of the Institute for Humane Studies, which received \$250,000 from Bradley between 1998 and 2012.

Controversial North Carolina billionaire Art Pope is on the Bradley Foundation board and also on the board of David Koch's Americans for Prosperity, which has reportedly received a subpoena in the John Doe. Since 2004, Bradley has given \$760,000 to David Koch's Americans for Prosperity Foundation, \$215,000 of which was designated for the Wisconsin chapter. Pope's own foundation, the John William Pope Foundation, has given \$2.5 million to AFP over just the past three years.

John Doe Led by Bipartisan Team of Prosecutors

For more than a year, a bipartisan group of Wisconsin prosecutors had been investigating potentially criminal charges of coordination between nonprofit groups like Wisconsin Club for Growth -- which spent \$9.1 million on electoral "issue" ads during Wisconsin's recall elections -- and the recall campaigns of Governor Scott Walker and state senators.

Issue ad coordination is strictly prohibited in federal elections, and long-standing Wisconsin precedent and election board interpretations had <u>similarly barred coordination</u> in Wisconsin elections.

The basis for the probe <u>is well-established</u> in state law. Five District Attorneys, both Republican and Democrat, agreed to lead the investigation in their counties, finding sufficient evidence of coordination, and finding that such coordination was prohibited by Wisconsin law. The state's Republican Attorney General J.B. Van Hollen reviewed the evidence and didn't deny the legal and factual basis for the probe. Wisconsin's bipartisan Government Accountability Board unanimously approved the investigation. Special Prosecutor Francis Schmitz -- who voted for Scott Walker in 2012, was on George W. Bush's shortlist for U.S. attorney, and served 29 years in the U.S. Army – agreed to lead the overall John Doe investigation into the Walker campaign and other groups.

Yet just weeks after prosecutors issued the first subpoenas in the investigation, a well-funded effort to attack prosecutors and to recast the investigation as a legally baseless, Democrat-led, "partisan witchhunt" swung into action.

Bradley Funds "News" Sources Attacking John Doe as Partisan Witchhunt

Wisconsin's John Doe criminal probe operates like a grand jury, under strict secrecy orders, yet targets or subjects of the investigation quickly made a series of strategic leaks to friendly, Bradley-funded outlets.

Just weeks after prosecutors first issued subpoenas in the investigation, the Franklin Center for Government and Public Integrity's Wisconsin Reporter website <u>quoted unnamed sources with "proximity to the investigation"</u> to break news on the probe, and to recast the criminal investigation as a "taxpayer-funded, opposition-research campaign." Franklin Center/Wisconsin Reporter has gone on to write 80 more stories (and counting) attacking prosecutors and portraying the investigation as a partisan investigation run amok.

Bradley gave \$480,400 to the Franklin Center between 2010 and 2012, \$380,400 of which was designated for "state-based reporting efforts in Wisconsin" and "to support Wisconsin Reporter." Bradley's 2013 and 2014 funding information is not yet available.

Additionally, as the Center for Media and Democracy <u>uncovered</u>, Franklin Center was <u>launched</u> with "seed money" from the Sam Adams Alliance, which was founded and led by O'Keefe until it folded in 2012. The Sam Adams Alliance also received funding from the Bradley Foundation. Franklin Center's Director of Special Operations, John Connors, is also President of Citizens for a Strong America, which was entirely funded by O'Keefe's WCFG in 2011 and 2012, and which has been subpoenaed in the John Doe investigation. The outlet has failed to regularly disclose these ties in its John Doe reporting.

A few weeks after Franklin Center/Wisconsin Reporter first began attacking the investigation, O'Keefe allegedly violated the secrecy order and <u>spoke with the Wall Street Journal editorial board</u>, which revealed partial information about the investigation and asserted that the John Doe was a "Political Speech Raid." The national right-wing outlet has since written nearly ten editorials assailing the John Doe.

In late May 2014, the Bradley Foundation <u>announced</u> the four recipients of its annual "Bradley Prizes," awards of a quarter-million dollars each to, in its view, "formally recognize individuals of extraordinary talent and dedication who have made contributions of excellence in areas consistent" with the foundation's mission.

Two of the four \$250,000 "Bradley Prizes" in 2014 went to *Wall Street Journal* columnists, <u>Kim Strassel</u> and <u>Terry Teachout</u>. Strassel is on the *Wall Street Journal* editorial board. In 2009, *Wall Street Journal* editorial page editor Paul Gigot <u>also received</u> one of the \$250,000 awards. These are enormous awards in the field of journalism.

(Notably, the *Wall Street Journal* editorials compared the John Doe investigation to the alleged "IRS targeting of conservative nonprofits." The lawyer suing the IRS over that "targeting," Cleta Mitchell, is a Bradley board member).

In May, George Will <u>used his Washington Post column</u> to attack the probe, describing the bipartisan investigation as "an especially egregious example of Democrats using government power to suppress conservatives' political speech."

Ignoring the role of Republican prosecutors in the investigation, Will wrote that "the Democratic prosecutors'... aim is mayhem, not law enforcement. Their activity is entirely about suffocating conservative activity."

Will has been on the <u>board of directors</u> of the Bradley Foundation since 2008. He too is a "Bradley Prize" recipient, <u>having received</u> the \$250,000 award in 2005.

Bradley also bankrolls other right-wing reporting outfits in Wisconsin. It has donated \$635,000 to the John K. MacIver Institute for Public Policy between 2008 and 2012, a State Policy Network affiliate that also operates the "MacIver News Service." \$388,000 of the \$881,220 Bradley has donated to American Majority between 2010 and 2012 has been earmarked for Media Trackers.

John Doe Legal Fight Has Bradley Fingerprints

In February, O'Keefe and Wisconsin Club for Growth sued in federal court to stop the John Doe investigation, alleging the enforcement of Wisconsin's campaign finance laws amounted to a violation of their "free speech" rights.

To bring the case O'Keefe hired Washington DC-based David Rivkin, a former attorney in George W Bush's Justice Department perhaps best known for <u>defending torture</u> and <u>the Iraq war</u>. Rivkin is also Co-Chairman of the Center for Law and Counterterrorism at the Foundation for Defense of Democracies, which has received \$922,150 from Bradley between 2007 and 2011.

O'Keefe and Rivkin had a sympathetic ear in Judge Rudolph Randa, who on May 6 <u>halted the investigation in an extraordinary ruling</u> that deployed a strained and results-oriented reading of the law and facts of the case. His decision ignored the role of Republican prosecutors in leading the investigation, and the years of Wisconsin precedent and practice barring issue ad coordination. It amounted to a federal court creating its own interpretation of state law to halt an ongoing state investigation, violating judicial principles of comity and federalism.

The Seventh Circuit quickly reversed Randa's unprecedented and widely-condemned dictate that all evidence in the criminal investigation be destroyed. Prosecutors are appealing other aspects of his ruling.

As CMD uncovered, Randa attended all-expenses paid "judicial junkets" organized by George Mason University and funded in part by the Bradley Foundation in 2006, 2008, 2010 and 2012, according to publicly-available financial disclosure forms. (The 2013 disclosure form has been requested but has not yet been publicly posted). Bradley has paid at least \$205,000 towards the George Mason judicial seminars between 2003 and 2010. Legal ethics experts from across the political spectrum have said that these gifts mean Randa should recuse.

Randa is also a Federalist Society member and on the Board of Advisors of the Milwaukee Federalist Society. Bradley has given \$4.45 million to the Federalist Society between 1998 and 2012, and in 2009 <u>awarded the founders and leaders</u> of the Federalist Society its \$250,000 "Bradley Prize."

O'Keefe and Bradley Funding Fight against Limits on Money-in-Politics

With Randa hearing the O'Keefe-Rivkin John Doe challenge, it appears the goal is to not only kill the John Doe investigation, but to bring down campaign finance limits along with it.

In their federal challenge to the John Doe, O'Keefe and Rivkin are arguing not only for a new interpretation of Wisconsin statutes, but for a new interpretation of the U.S. Constitution itself. They claim that the First Amendment effectively bars any regulation of communications that don't expressly tell people how to vote – and they claim that long-standing laws barring candidate coordination with groups running so-called "issue ads" are an unconstitutional infringement on free association. This is <u>not supported by existing First Amendment precedent</u>, but Judge Randa nonetheless endorsed this interpretation in his <u>May 6 decision</u> preliminarily enjoining the John Doe.

Judge Randa also applauded Wisconsin Club for Growth's circumvention of the law, and cited to the Bradley-funded Wisconsin Reporter as "evidence" that the investigation was politically-motivated.

O'Keefe and Rivkin may be gunning to take this case all the way to the U.S. Supreme Court, which has five Republican justices who've been exceptionally willing to strike down campaign finance regulations.

That larger goal may help explain the <u>two recent</u> <u>Wall Street Journal editorials</u> chastising Walker for allegedly discussing settlement in the case. If Walker settles, their challenge might fall apart.

That goal is also reflected in the Bradley-funded news coverage of the investigation, which has tried to use the example of the John Doe investigation to argue against all campaign finance limits. For example, George Will, writing in his <u>Washington Post column</u>, claimed that the John Doe "witch hunt" shows that "campaign regulation, although invariably swathed in lofty rhetoric, is designed to disguise regulation's low purpose, which is to handicap political rivals."

Both Bradley and O'Keefe have long been hostile to campaign finance regulations.

O'Keefe helped found the Center for Competitive Politics, which is the preeminent group in the country advocating against limits on money-in-politics. O'Keefe remains on the Center's board of directors.

The Bradley Foundation has given \$310,000 to the Center for Competitive Politics between 2008 and 2012. Additionally, in 2010 Bradley <u>awarded a quarter-million-dollar Bradley Prize</u> to the Center's Chair, Bradley Smith.

Bradley Has also Backed Berman Groups, which Fight Against John Doe Opponents

One of the oddest twists in this saga comes from the public relations firm Berman & Co, run by infamous Astroturf kingpin Richard Berman, who was dubbed "Dr. Evil" in a 60 Minutes profile.

Berman specializes in helping corporate interests launder their messages through phony front groups. He is behind the group called the Employment Policies Institute that operates out of his PR firm and attacks minimum wage laws, along with similar operations like the corporate front group the Center for Consumer Freedom and the anti-union "Center for Union Facts" (which spent \$1 million on ads during the 2012 recall elections), among others.

After CMD <u>began following the money</u> in the John Doe probe, the Bradley-funded Franklin Center/Wisconsin Reporter launched a series of fact-challenged attacks on our organization.

Days after one of the Wisconsin Reporter hit pieces ran in December 2013, CMD received a phone call from Justin Wilson, who identified himself as a Berman & Co. Vice President, but whose titles also include "Senior Research Analyst" at Berman's Center for Consumer Freedom and "Managing Director" of Berman's Center for Union Facts. Wilson was following up on an earlier message he had left but had not been returned.

Wilson told the CMD staffer who answered the phone that "if you had just talked [with me], I could have shut down the Watchdog.org thing," referring to the story from the Franklin Center's Wisconsin Reporter, whose web address is Watchdog.org/Wisconsin.

It is not known how a DC-based PR firm headed by "Dr Evil" could have halted a story from a Wisconsin-based outlet that purports to be a news organization.

The Bradley Foundation has given \$4,095,000 to Berman's network of groups in recent years -- \$1.92 million to Center for Union Facts since 2006, \$1.6 million to the Employment Policies Institute since 2009, and \$575,000 to the Center for Consumer Freedom since 2009.

Bradley's \$125,000 donation to Berman's Center for Consumer Freedom in 2012 was earmarked for the purpose of funding "crisis research and communications services." Among his many titles, Wilson has been described as a "Senior Research Analyst" at the Center for Consumer Freedom.

Shortly after Berman's Wilson called CMD's offices, Berman's Bradley-funded "Activist Cash" website – a project of the Center for Consumer Freedom – released an attack video on CMD, with the "source" for its claims the Bradley-funded Franklin Center/Wisconsin Reporter attack pieces.

Bradley earmarked \$450,000 in funds for the Activist Cash website between 2009 and 2011.

"We're part of the right-wing movement," Bradley's president and CEO, Grebe, said in 2011. "I don't think its conspiratorial. At least, what we do is not conspiratorial."