



Golf Resorts, Private Planes and Luxury Hotels

How Scott Walker burned through \$2 million to raise \$3.5 million

By: Lisa Kaiser- July 31, 2013

As governor, Scott Walker attempts to portray himself as a no-frills man of the people, a “brown bag” kind of guy who was raised by a minister and drove a Saturn.

But on the campaign trail, as Walker constantly is, his life is much different than that average-guy image. Walker’s campaign has paid for golf trips at luxury resorts around the country, private planes, lodging at some of the ritziest hotels in the country, and even a \$35 tab at Hooters in West Palm Beach, Fla.

We got a glimpse of Walker’s life on the campaign trail from his just-released 1,695-page campaign finance report, which details his fundraising and expenses in the first six months of 2013.

Buried in the details are signs of Walker’s incredible fundraising abilities. He raised \$3.5 million this year, a huge haul for a Wisconsin governor in an off-election year. But Walker had to spend \$2 million to raise that cash. Campaign operatives contacted by the *Shepherd* (who don’t work for Walker) are astonished by Walker’s high “burn rate,” or the amount he has to spend in order to raise that princely sum.

That’s nothing new for Walker, nor is his reliance on out-of state donors who can’t cast a ballot for him. According to Wisconsin Democracy Campaign Executive Director Mike McCabe, well over half of Walker’s 2013 donations came from outside of Wisconsin. That’s less than Walker’s sky-high out-of-state support during his recall defense campaign, but far more than any Wisconsin candidate had raised outside of the state previously.

Walker’s out-of-state support also sets him up for a rumored bid for the presidency, even though his approval rate in Wisconsin has fallen below 50% and he has one of the worst job-creation records in the country.

Walker has \$2.2 million on hand as of this latest report. That isn’t an insurmountable lead for any Democrat who wants to challenge him in 2014, insiders tell the *Shepherd*. But McCabe predicted that Walker would break fundraising records in this campaign cycle—and burn through tons of money while doing so.

Here’s what Walker’s latest campaign report reveals:

Legal Fees: Although some of his former hires are doing jail time, Walker wasn’t charged in the long-running John Doe investigation into his county executive office and political aides. But the price of freedom didn’t come cheap. The governor transferred \$247,602 to the Scott Walker Trust, his criminal defense fund, bringing the total up to about \$450,000. State law requires him to get the OK of donors whose money is used for this fund, but Walker doesn’t have to get that consent in writing or provide any documentation to the state Government Accountability

Board. He only has to declare on this campaign finance form that he made a lump-sum transfer to his criminal defense account.

Walker also paid fees for “compliance-administration” to Stephen Biskupic (\$10,000), Foley and Lardner (\$11,446) and Michael Best & Friedrich (\$9,298).

Raking It In: Walker has a small staff that makes modest salaries, but his consultants and fundraisers are earning much more. His campaign paid Republican fundraiser Mary Stitt \$57,035 this year, Waukesha consultant Laura Gralton \$27,683, and Kate Lind’s Aspect Consulting \$54,630.

But that’s chump change compared to the \$81,265 Walker campaign paid Austin, Tex.-based Doner Fundraising. That investment seems to have paid off. Walker spoke at the Dallas County Republican Party’s Ronald Reagan Day dinner in March and Walker pulled in big bucks in Texas: 18 of his \$10,000 donors are from the Lone Star State, compared to 16 from Wisconsin.

The campaign has held fundraisers at the Brett Favre Steakhouse in Green Bay; the executive residence in Madison; the Maple Bluff Country Club; the Naples Yacht Club in Naples, Fla.; the Patriot Center in Rothschild, Wis.; the Wisconsin Club in Milwaukee; and the Grand Geneva Resort in Lake Geneva.

The Walker campaign also splashed out huge sums on online and mail fundraising and advertising. The New Hampshire-based SCM Associates billed Walker \$645,531 for “mailing service,” St. Paul-based FLS Connect reaped \$279,615 for “solicitation expenses” and Milwaukee’s Connectivist Media garnered \$106,710 for website development and advertising.

The Usual Suspects: During Walker’s recall defense campaign, the governor was able to crisscross the country and take in unlimited dollars. Ultimately, he raised an unheard-of \$36 million for his recall defense and built up a national support network for his rising ambitions.

However, as a candidate for governor in 2014 not facing a recall, Walker must adhere to some campaign finance rules. Individual donors to Wisconsin candidates can only give up to \$10,000 per calendar year; individuals cannot donate more than \$10,000 to one specific candidate running in a major statewide election during an election cycle. Therefore, those who max out to Walker with \$10,000 in 2013 cannot donate to anyone else this year, nor can they contribute money to his campaign next year, although they can donate up to \$10,000 in 2014 to other Wisconsin candidates.

Walker has already vacuumed up some of this big money from his longtime supporters. Ted and Mary Kellner of Mequon both coughed up \$10,000 to support Walker’s re-election bid; they donated close to \$120,000 to his recall effort in 2012. (Fiduciary Management CEO Ted Kellner is the board chair of Milwaukee World Festival and has defended Summerfest CEO Don Smiley’s \$886,185 payout in 2012.) Mary Sue Shannon of Milwaukee, who donated \$100,000 to Walker’s recall defense, also maxed out at \$10,000 for his re-election bid. Richard Uihlein of Uline in Kenosha, another \$100,000 Walker supporter, also pitched in \$10,000 earlier this year.

Out-of-State Right-Wing Support: Not surprisingly, Walker seems to be tapping the same wealthy out-of-state backers of his recall defense campaign for his re-election campaign.

Notable deep-pocketed out-of-state Walker donors who gave him \$10,000 this year include a who’s-who of right-wing multimillionaires and billionaires, including Walmart heiress Christy Walton of Arkansas, one of the richest women in the country, who donated \$50,000 to Walker’s recall defense and \$10,000 this year; Tamko Building Products chair Ethelmae Humphreys of

Joplin, Mo., who serves on the board of the Koch brothers-funded Cato Institute, donated \$10,000; her son, David Humphreys, who donated \$260,000 to Walker's recall and gave state Supreme Court Justice David Prosser \$25,000 for his recount effort; former Morgan Stanley CEO John Mack, who gave Walker \$25,000 for his recall defense and \$10,000 this year; and Virginia James of New Jersey, a big Club for Growth donor who's also given freely to Walker's recall defense and a host of Republican candidates in Wisconsin.

Organizations chipped in \$57,600 to support Walker, including Centene Corporation Political Action Committee (PAC) of St. Louis (\$10,000), Caterpillar Inc. Employee PAC of Peoria, Ill. (\$7,500), Pfizer Inc. PAC of New York (\$6,000), Direct Supply Inc. Partners PAC of Milwaukee (\$5,000), Enterprise Holdings Inc. of St. Louis (\$5,000) and AT&T Wisconsin Employee PAC of Milwaukee (\$4,000).

The Campaign Trail: Walker's campaign finance report fills in a few details of what we surmised about his campaign travels around the country as a "right-wing rock star." We know that he appeared in Dallas for a major GOP fundraiser, the Republican National Committee (RNC) quarterly finance meeting in Florida, Republican fundraisers in Connecticut and New York, and the Conservative Political Action Conference in Washington. The campaign paid for lodging at exclusive hotels and resorts, including the Marriott on Pennsylvania Avenue in Washington, D.C.; the Biltmore Hotel in Coral Gables, Fla.; the Omni Dallas Hotel; the Sea Palms Golf and Tennis Resort on Simons Island, Ga.; and The Breakers Hotel in Palm Beach, Fla. The campaign even footed the bill for some of Wisconsin Republican Party Chair Brad Courtney's travels, including stays in Charlotte, N.C., and Los Angeles.

Walker's Private Planes: Perhaps most eye-popping is what Walker spends on travel. Sure, Walker footed some of his staffers' trips on AirTran and Southwest. But he also racked up close to \$120,000 on private planes, the bulk of which went to Sitatunga Springs LLC of River Hills. That company is registered to Jeffrey Dickinson, owner of Marking Services Inc., a Milwaukee-based pipe-and-valve corporation with offices in Houston, Singapore and Canada. Dickinson donated \$29,000 to Walker's recall defense fund.

Walker also reimbursed the state \$20,010 for his use of state-owned vehicles—likely including the state's private planes—for his campaigning. The state owns a two-pilot, nine-passenger Beechcraft King Air 350 and a one- or two-pilot, nine passenger Pilatus PC 12 for official travel. According to state law, Walker can use a state vehicle or plane for campaign purposes, but he has to piggyback those campaign stops onto official trips. The *Shepherd* is in the process of acquiring more details about the governor's use of the state plane for political purposes.

Miscellaneous Expenses: The campaign paid for a \$35 tab at Hooters in West Palm Beach, Fla.; \$2,950 for an autopen signature from Damilic Corp.; golf games in Florida, Georgia and Texas; \$4,500 for the De Pere band Boogie and the Yo-Yoz to appear at a fundraiser; \$35,700 for polling conducted by the Virginia-based Tarrance Group; and \$1,114.43 in "administrative expenses" at Macy's in Madison.