STILL THE WILD WEST?

A 10-YEAR LOOK AT CAMPAIGN FINANCE REFORM IN ILLINOIS

By Ed Wojcicki

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Introduction

Kent Redfield used to tell a great story while on the speaking circuit in 1996. To describe a weakness in Illinois’ campaign finance laws, he explained that if a terrorist organization filed a routine semiannual report with the Illinois State Board of Elections and declared its purpose to be the assassination of public officials, the elections board’s only role would be to make certain that the group had filed the paperwork properly. That’s because the board had no authority to begin an investigation or to question what was in a candidate’s reports. Illinois laws regarding campaign finance disclosure had no teeth, and they had changed very little in the two decades since being enacted in 1974.

Redfield, a professor of political science at the University of Illinois at Springfield, is the state’s leading academic expert on campaign finance issues. In the early 1990s, he began building a database of Illinois’ statewide and legislative candidates’ campaign contributions and expenditures. That required manually entering tens of thousands of pieces of information gleaned from paper reports filed with the State Board of Elections. Initially working in obscurity, Redfield made two significant early contributions to the campaign finance sunshine movement. First, he wrote a series of articles and papers from 1991 to 1993 that included anecdotes about questionable but legal practices in Illinois.1 Second, his research helped make it known among Illinois officials and the media that Illinois had one of the least restrictive
campaign finance laws in the nation. He labeled Illinois as the “Wild West” of state campaign finance systems because Illinois had no limits on who could contribute to campaigns, when or where they could make contributions, how much they could contribute, or how candidates could spend their campaign dollars. That is a great contrast to what most other states and the federal government do. In federal elections, for example, a business, corporation or union cannot make a direct contribution to a candidate for Congress, and individuals are limited to donating a modest amount even to their favorite candidates. At any rate, Redfield’s UIS colleagues found in a poll in 1995 that Illinois residents were very concerned about the role of money in Illinois campaigns and believed there should be laws to limit the amount that people could contribute to Illinois campaigns. Redfield’s work provided a spark that contributed to an Illinois reform movement.

Redfield did not provide the only spark, however. The Springfield State Journal-Register built its own databases not only of campaign money, but also of contracts awarded by the state. One of its findings was that between July 1991 and June 1992, at least 14,000 contracts worth $1.6 billion went to individuals or businesses that had contributed to statewide campaigns in 1990. The newspaper reported that $1 of every $3 in contracts from constitutional officers went to campaign contributors, because the total amount in contracts during that period was $4.6 billion.

Reporters at other media besides the Springfield paper routinely examined candidates’ paper reports and wrote in the 1980s and early 1990s about such topics as the cost of elections, the top contributors and quirky tidbits. For example, Senator Frank Savickas got some attention for spending $18,875 of campaign funds on a vehicle from Coast Cadillac in Sarasota, Fla. Then Savickas received more publicity for paying himself $5,000 a month in 1993 for unspecified “services” – probably just donations to himself after he left office. Former Senator Greg Zito
“borrowed” $250,193 in 1992 from leftover campaign funds and spent at least some of the money to build a house in the Chicago suburbs. The spending by Savickas and Zito – and other examples like those – were legal under Illinois law at the time and were reported on their campaign finance statements. But they were criticized because of the obvious non-electoral use of campaign funds.

It is now clear that Redfield, the State Journal-Register, other media and a few legislators who supported changes in Redfield’s “Wild West” were laying the foundation for reforms that began to occur a few years later.

This paper chronicles the history of Illinois’ campaign finance reforms. The major reforms occurred in 1998 and 2003. I also describe how the push for campaign finance reform has broadened in Illinois into a clamor for other political reforms, including ethics reforms. The purpose of this paper is to provide the background and context for the current surge of discussion about ethics reforms in Illinois. Changes in Illinois law have been incremental, and legislative action over the past decade indicates that we are in an era of reform in Illinois, modest though it might be. Reforms are not happening quickly enough for some people. I leave it to the media, reform groups, public officials and Illinois citizens to analyze the impact of the new laws and to recommend additional reforms they see as beneficial. The focus of this paper is on describing the reforms that have been enacted since 1997.

The Illinois Campaign Finance Project, 1994-97
(also known informally as the “Simon-Stratton” committee)

When Redfield began building his database of campaign contributions and expenditures, he was working largely in obscurity. Sam Gove, emeritus director of the University of Illinois’ Institute of Government and Public Affairs, was another professor who believed that Illinois’
system of campaign finance deserved more systematic scrutiny. Gove suggested that *Illinois Issues* magazine take a leading role in a long-term research project on the campaign finance system in Illinois. It made sense because both the magazine and Redfield were part of the Institute for Public Affairs (IPA) at UIS. Gove arranged a lunch in Urbana with Lawrence Hansen and me. Hansen was about to join the Chicago-based Joyce Foundation and fund a series of campaign finance projects, particularly in the Midwest. I was then publisher of *Illinois Issues*.

Something I’ll never forget about that lunch in 1994 is that despite some of the abuses that the media and Redfield had already uncovered, we discussed whether it would be possible to get campaign finance reform onto the legislative radar screen. At that time, nobody in power in Illinois was talking seriously about reforms. We would have considered it a victory then just to get high-ranking officials to start recognizing that campaign finance issues deserved a serious public debate.

That was the context when *Illinois Issues* and the IPA launched the Illinois Campaign Finance Project, funded by the Joyce Foundation. We recruited U.S. Senator Paul Simon, a Democrat, to co-chair the project’s advisory steering committee, along with former Gov. William Stratton, a Republican. In later years this became known informally as the Simon-Stratton committee (see Appendix A). The project published eight detailed regional reports about campaign finance receipts and expenditures in various parts of the state. Redfield and other project staff toured the state, from Galesburg to Chicago to Carbondale and points in between, to release the results of their research, with Redfield providing details about the sources of campaign funds for legislative candidates in those regions. Most of the forums generated local media coverage, and at each public forum, citizens would ask what could be
done to address the Illinois problems. Our response was that we wanted to complete our research and that the steering committee would be making recommendations in the near future.

The Simon-Stratton committee deliberated on whether to recommend a comprehensive reform package consisting of everything that reformers might want to do, or whether to recommend changes that might seem more palatable to the General Assembly. The project published a paper providing the pros and cons of 38 possible changes, but we settled on 19 recommendations in a report called *Tainted Democracy: How money distorts the election process in Illinois and what must be done to reform the campaign finance system*.\(^5\) Senator Simon called me one Sunday night in January about 10:15 and said, “You got a pencil?” because he was ready to make his final edits. He did not prevail on one recommendation he considered crucial: the public financing of Illinois campaigns. He wanted that to be one of the recommendations, but a majority of the committee did not agree.

Nonetheless, after a year of public forums and steering committee deliberations, the 19 recommendations were sent as a report to the legislature and to Governor Jim Edgar on January 31, 1997. The recommendations received major media coverage statewide and in *The New York Times*. Ten of the 19 recommendations have become part of Illinois law (see Appendix B). Six of the nine recommendations not yet enacted all dealt with one subject: contribution limits. Thus far, the Illinois legislature has rejected any attempts to limit the amount of money that any individual or group can contribute to someone’s campaign, and the *Chicago Tribune* has also editorialized against contribution limits. But I’m getting ahead of the story. A structural problem with the Illinois Campaign Finance Project was that it had no plan for following up after releasing its report and recommendations.
Thus emerged the Illinois Campaign for Political Reform (ICPR), which eventually became a separate nonprofit corporation, also funded in large part by the Joyce Foundation. Cynthia Canary moved from the position of executive director of the League of Women Voters of Illinois to direct ICPR, which she has done continuously since 1997. Over the years she has become a frequent source of information for reporters statewide. She has logged thousands of miles up and down the state talking about the uses and abuses of political money in Illinois. The *Chicago Tribune* published a front-page profile on Canary in 2006, calling her the state’s most vocal and respected advocate for good government. But a lot happened between 1997 and 2006 for her to get to that point and for campaign finance reform to take its place as a major issue in Illinois.

**Reforms of 1997 (Public Act 90-495)**

After the *State Journal-Register’s* reports and the release of *Tainted Democracy*, a few legislators introduced several bills in the spring of 1997. No major legislation passed, but one bill advocating two important procedural changes became a catalyst to make more information available to citizens.

House Bill 729, with the drab title “An act to amend the Election Code,” had two major provisions. One gave the State Board of Elections the authority to allow political committees the option of filing their campaign reports electronically. Then, in turn, the law said the board could make those reports “publicly available by means of a searchable database that is accessible through the World Wide Web.” This was significant because until that time, candidates had to complete paper reports and send them to elections offices in Chicago, Springfield and their county courthouses. The 1997 law gave the elections board the go-ahead to provide for *optional*
electronic filing. The next year, another law went further and required candidates with revenue or expenditures of at least $25,000 to file their reports electronically starting in 1999. I will address electronic filing in greater detail in the next section of this paper.

Besides optional electronic filing, the other major provision in HB 729 made it much easier for reporters and the general public to gain access to political committees’ reports. The reports are public records, but Illinois law had required citizens to complete a Form D-3 before they could get access to the documents. The D-3 required people to provide their name, address, occupation, telephone number and the reason they wanted to look at the candidates’ documents. Then the elections board or county clerk was required to notify the candidates about who had examined their documents. So if I wanted to see who had contributed money to my two local representatives, my state senator, and the governor, I would have to complete four separate D-3 forms – plus four more if each official had an election opponent who had filed reports of their own. And I would have to live with a certain trepidation that the officials knew I had reviewed their reports. It was widely believed that such notification had a stifling effect on citizens’ willingness to ask to see candidates’ documents. Illinois was the only state in the nation that made its citizens identify themselves before given access to campaign finance reports. Also, for someone like Professor Redfield, who has examined the campaign documents of all legislative and statewide candidates since 1990, it became a burden to complete hundreds of D-3 forms twice a year, and it was a hassle for the elections board staff to keep track of the D-3 forms from citizens, academics and reporters.

That is why the Simon-Stratton report recommended eliminating the D-3 form, and that is what the 1997 law did. No longer did citizens have to identify themselves to review these public documents. Gov. Jim Edgar signed the bill (Public Act 90-495) on August 18, 1997,
taking the first step to make it easier for citizens to get access to public information to which they were entitled anyway.

Other bills proposing more substantive changes did not clear the legislature in 1997, but those unsuccessful bills and P.A. 90-495 kindled a statewide discussion about campaign finance reform that has continued uninterrupted ever since.

The Gift Ban Act of 1998 (Public Act 90-737)

Paul Simon was still a U.S. senator when he began co-chairing the Illinois Campaign Finance Project’s steering committee in 1995. When the committee released its final report and recommendations in January 1997, Simon had just retired as a senator and moved to Makanda, Illinois, to launch the Public Policy Institute at Southern Illinois University-Carbondale. He wanted the institute to be a “do tank” and not a “think tank.” Simon committed the institute “to developing and working to implement approaches that could bring concrete, positive results in tackling some of the most difficult challenges in the public policy arena.” Simon hired Mike Lawrence, a longtime reporter and then senior advisor and press secretary to Governor Jim Edgar, to be the institute’s associate director.

Campaign finance reform at the state level remained a topic of major interest to Simon, who agreed to continue his leadership role by co-chairing the new Illinois Campaign for Political Reform’s steering committee. (The other ICPR co-chair was Republican Lt. Gov. Bob Kustra, who later left the state for a university presidency.) Simon saw an opportunity for change in 1998, even though Illinois’ campaign finance law had not changed significantly for 24 years. He asked Lawrence to become the point person to work with leaders in Springfield to get something done. Simon and Lawrence agreed that their objective would be to produce
“meaningful legislation” that could get passed in the General Assembly and signed by the governor.⁸

To get started, Lawrence approached Carter Hendren, then the chief of staff and most trusted advisor to Republican Senate President James “Pate” Philip, who had been outspoken in opposition to many proposed reforms over the years. A year earlier, the Illinois House had passed a bill that banned gifts from lobbyists to state officials and included some campaign finance reforms, but the bill stalled in the Senate Rules Committee. The Republicans had controlled the Illinois Senate since 1993 and faced additional political pressure in 1998, an election year, not to be perceived as anti-reform. But no reform legislation could pass if Philip put a brick on it. Lawrence had known Hendren for years and felt comfortable first raising the idea with him. Lawrence also benefited from the national perspective of Larry Hansen, vice president of the Joyce Foundation, which gave a grant to the SIU institute for this initiative. What emerged from their early discussions was a strategy, as Lawrence explained later in an Illinois Issues article: “Assemble a bipartisan group of legislators from the House and the Senate. Make experts on campaign finance available to them. Through a low-key, unofficial process, encourage and help them to reach consensus on significant reforms. Convert that consensus into legislation. Pass the legislation.”⁹

So the first critical step was to get each legislative leader to appoint someone to a working group. Getting credible people from each of the four caucuses and the governor’s office was critical. The leaders named Senator Kirk Dillard (R-Hinsdale); Senator Barack Obama (D-Chicago), who was in his freshmen term; Representative Jack Kubik (R-Berwyn), who had already announced he was leaving the House after seven terms; and Representative Gary Hannig (D-Litchfield), an assistant majority leader to Speaker Michael Madigan. Also, Andy Foster
from the governor’s office became an invited member of the working group, and joining them from time to time with external expertise were Ron Michaelson, director of the State Board of Elections, and Redfield from UIS. Lawrence facilitated the meetings and kept Simon in the loop.

They started meeting at the Renaissance Hotel, a few blocks from the Capitol. The location contributed to the neutrality and candor of their conversations. Lawrence raised a critical question: “How do we move the process forward without having it just blow up before we’re even under way?” Hannig’s response was that every proposal that anyone wanted to offer would be on the table. Then they began with what all considered the least controversial ideas and moved toward more controversial ones. That way, at almost any point, they would have a bill that they could agree on if they stopped short of the most controversial ideas. They kept their leaders informed and shared the working group’s progress with members of their own caucus. (Lawrence said one idea supported by Philip, to move the date of primary elections from March to August or September, was widely shot down by existing legislators because they wanted potential opponents to have to campaign in the cold and snow.)

Although Lawrence brought the group together to deliberate campaign finance issues, the discussion naturally flowed to other topics. The Illinois Senate Republicans became eager to include restrictions on how much money lobbyists could give to public officials. That is how the legislation became known as the State Gift Ban Act. Senator Dillard, representing the Senate Republicans, said it might surprise some people that Senate Philip supported the gift ban legislation, but the Senate president was solidly behind it. Dillard also said the process of gathering talented legislators from all four caucuses worked well. He referred to it as the “Simon-Lawrence-SIU institute model” that has been used with a few other issues, but not often enough to tap legislators’ talent, in his view.¹⁰
By many accounts, the State Gift Ban Act (Public Act 90-737) was the most significant campaign finance reform legislation adopted in Illinois in 24 years. The night the bill passed, the Senate first approved it with only four “nay” votes. It was the last night of the spring session (May 22, 1998), and it became the last bill taken up by the House. Representatives fired question after question at Representative Kubik, the House Republican sponsor, especially with concerns about prohibitions on the personal use of campaign funds and the new ban on solicitation of campaign contributions on state property. The transcript from that floor debate runs 51 pages. But in the end, only three House members voted against it. Governor Edgar went to Carbondale to sign the bill on August 12, 1998 -- an indication of his appreciation for the role of Simon, Lawrence and the SIU Public Policy Institute in facilitating the discussions to get the legislation passed. Five of the most important provisions of the State Gift Ban Act were:

- **Banning the use of campaign funds for personal use, except for some stated exceptions.** Previously, candidates and former candidates could use campaign funds to buy antiques, pay for college tuition for their children or for parking tickets, or use it as a retirement nest egg once they left office. This was widely regarded at the time of the bill’s passage as its most important change to Illinois campaign finance laws.

- **Restricts gifts having monetary value to elected state officials, government employees and judges.** The law lists 23 exceptions that are permissible gifts, including gifts from relatives and those based on personal friendships; educational missions; meals or beverages consumed at the place where they were purchased; golf or tennis; and items of nominal value, specifically illustrated as a greeting card, baseball cap or T-shirt.

- **Barring fundraisers within 50 miles of Springfield area on any day the legislature is in session in the last scheduled 90 days of the spring session (typically, March, April and May), and in the veto session (typically, only a few days in October, November and/or December).** It had been a common practice for legislators, especially the legislative leaders and statewide officials, to hold fundraisers to which lobbyists and others felt compelled to attend and make contributions. The 50-mile barrier was amended later to ban fundraisers in Sangamon County on days the legislature is in session.

- **Increasing the fines the State Board of Elections could levy on political committees for failing to comply with the law.**
• Requiring electronic filing of official campaign finance reports for committees that raised or spent at least $25,000 in an election cycle, starting July 1, 1999. The law would become stricter on July 1, 2003, when the threshold amount would decrease from $25,000 to $10,000. Lawrence later said that this provision – mandatory electronic filing -- was the act’s most important provision, though it did not receive as much attention in 1998 as the new prohibitions of gifts to public officials and the new ban on personal use of campaign funds.

The 1998 law had other provisions, such as establishing ethics commissions for constitutional officers; prohibiting public officials from accepting contributions on state property; imposing fines for candidates’ failure to report late-campaign contributions within two business days after receiving them; and requiring political committees to use real names that reflect the actual purpose of the committee – one example being the Illinois Asphalt Association might have to stop calling itself the Good Government Council.

The law received mixed reviews. Proponents hailed it as the most significant campaign finance reform in Illinois in two decades, but others said the exceptions and exemptions made the law far less meaningful than it should have been. Both Illinois Issues and the Chicago Sun-Times emphasized the five pages of exceptions in the section banning political gifts – too many exceptions, they said. In editorial when the law took effect, the Sun-Times listed “in a condensed format” the 23 exceptions to the ban on gifts to politicians, including political gifts from friends, food and other refreshments, and golf or tennis paid for by lobbyists. The Springfield State Journal-Register joined the Sun-Times in ridiculing the exceptions and concluded there was still too much wiggle room for lobbyists to scratch politicians’ backs. As the Sun-Times put it: “There are so many exceptions to the ethics law that it is hard to tell just what is banned. … The gifts are sure to keep flowing.”

Offering a different perspective about the law, Lawrence says the working group wanted to make sure they put together a bill that would pass and provide meaningful campaign finance
reform. “It was meaningful reform,” he said, adding that Paul Simon’s conclusion after deliberating with the working group of legislators was that, “We got more out of it than he ever thought we could.” Lawrence was referring to the new law’s campaign finance portion of the bill, which was the SIU institute’s major concern. Lawrence pointed out that the media’s criticism concentrated on the gift ban exemptions, not the new campaign finance reforms.

Senator Dillard agreed with those who said it was significant legislation for Illinois because it provided greater disclosure of information, easier access to information for reporters and Illinois citizens, and a new ban on gifts to politicians. The other working group members – Senator Obama and Representatives Kubik and Hannig – all spoke from the floor the night the bill was passed to urge their colleagues to support what they called important and major legislation.

However, there was some drama before the act could be fully implemented. Senator Denny Jacobs (D-Moline) and a former New Lenox Township trustee filed a lawsuit claiming the terms in the law lacked specificity. A Will County judge upheld their claim and declared the law unconstitutionally vague. However, the Illinois Supreme Court in 2002 reinstated the State Gift Ban Act without ruling on the law’s constitutionality. The high court merely concluded that Jacobs and the township trustee had no legal standing to sue because they had not been charged with violating the law.

**Electronic filing – a remarkable history**

Rupert Borgsmiller, director of the Division of Campaign Disclosure at the Illinois State Board of Elections, said that Governor Jim Edgar had directed the agency in 1994 to make campaign information more accessible. So they hired people from 1994-98 to enter into a
database all receipts of legislative, executive and caucus committees – tens of thousands of pieces of data. Borgsmiller characterized it as a “lot of work for a little output.”

After the legislature authorized optional electronic filing of campaign reports in 1997, however, the State Board of Elections moved quickly to award a contract for the development of software early in 1998 – before electronic filing was legally mandatory – and then worked with the software company to make it applicable to Illinois campaign committees. The board released the program for committees to use in March 1999, and with some updates, that is still the software being used today: the Illinois Disclosure Information System, or IDIS.

Not only did IDIS make it easier for campaign committees to file reports, but it also allowed reporters and citizens to get access to data via the Internet. The results for Illinois were outstanding. For the latest filing period – that is, reports filed by the end of July 2006 – almost two-thirds, or 63.2 percent, of the 3,457 political committees filed their semi-annual reports electronically. Another 1,271 filed on paper.

In 1999, the California Voter Foundation gave Illinois a Digital Sunlight Award and ranked Illinois number one in the nation for its online campaign disclosure web site and electronic filing program. The nonpartisan organization said Illinois “has come a long way in a short period of time. … The disclosure web site is very comprehensive and includes information on all state and local races with a high level of detail.” In 2005, Illinois was still number one for its electronic filing program, but the California-based Campaign Disclosure Project ranked Illinois 27th for its campaign disclosure law that was still considered weaker than those in a majority of the states. Having Illinois in the bottom half helps to explain why the Illinois reform community continues to push for more disclosure. One way to enhance disclosure would be to require candidates to file reports more than twice a year. Some have suggested quarterly
instead of semiannual reports. Filing four times a year and making the information immediately available to the media, as it is now twice a year, would increase public scrutiny of campaign finance reports.

“Reporters used to hang out in my office,” Borgsmiller said, referring to the media outlets that would go to the State Board of Elections on the last filing day to pore over paper copies of campaign reports. Now they can all access the information from their own computers at home or in their offices, and so can any Illinois citizen. That’s what they mean by putting sunlight on the Illinois campaign reports. Canary believes the importance of electronic filing with a searchable database cannot be overestimated, saying that it has “revolutionized” access to information in Illinois. She reports a significantly higher level of coverage of political money by the media since the arrival of electronic filing in Illinois.18

The State Officials and Employees Ethics Act of 2003
(Public Act 93-615 and Public Act 93-617)

By the time Governor Rod Blagojevich took office in January 2003, Illinois had become accustomed to electronic filing and the restrictions imposed by the State Gift Ban Act. Meanwhile, the scandals of the George Ryan administration as secretary of state (1991-99) and governor (1999-2003) caused lawmakers and candidates in the 2002 elections to declare strong support for additional reforms.

By that time, the public debate had moved beyond campaign finance reform and into the realm of other political and ethical reforms, such as who should be eligible for state contracts and jobs, the tightening of restrictions on gifts and donations to public officials, and state employees’ potential conflicts of interest.
“In 2003, we started with a draft piece of legislation that was produced in this office,” said Canary, referring to the Chicago-based ICPR. She had been ICPR’s director for six years and by then was frequently quoted in the state’s major newspapers in articles about political reforms.

Proponents of ethics reform attempted to re-enact the process that had worked successfully in 1998 to produce the State Gift Ban Act. They wanted to build a bipartisan team to negotiate the details of a new law. Among those taking the lead were Senator Kirk Dillard (R-Hinsdale), Senator Susan Garrett (D-Lake Forest), Representative Beth Coulson (R-Glenview) and Representative John Fritchey (D-Chicago). In the late stages of negotiations in the spring, Senator Barack Obama (D-Chicago) took a leading role for the Senate Democrats. House Speaker Michael Madigan attended an early meeting, signaling support from the speaker that continued until the ethics legislation passed that spring. This became a broader working group early, with the attorney general’s office and the governor’s office joining the deliberations. But the process eventually worked differently. Negotiations about the bill’s specifics became an inside game. The House passed one version of ethics reform, the Senate weakened the bill with various amendments before sending the bill back to the House, and there were disagreements between the attorney general’s office and governor’s office about the bill’s language. At the end of the spring session, the House went along with the Senate’s weakened version, but Governor Blagojevich used his amendatory veto in an attempt to give the state more authority and the legislature more time to enact stricter ethics laws. The legislature took up the bills again (SB 702 and HB 3412) in the fall veto session, and what emerged was a significant law addressing political ethics – with stronger provisions than the bill that had passed in the spring. The new law established inspectors general with subpoena powers, strengthened
some provisions of the 1998 State Gift Ban Act and attempted to weaken cozy ties between lobbyists and the government. Governor Blagojevich signed the bill on December 9, 2003, accompanied by Attorney General Lisa Madigan, Secretary of State Jesse White, Comptroller Dan Hynes, the legislative leaders and others. The governor’s office provided this language to explain the lengthy new law:\(^{20}\):

STRENGTHEN ETHICS RULES FOR EMPLOYEES AND ELECTED OFFICIALS

- Require ethics training for all state employees.
- Ban taxpayer-funded public service announcements, newspaper or magazine ads, bumper stickers, billboards, buttons, magnets and stickers that feature the image, voice or name of constitutional officers or members of the General Assembly.
- Close the “revolving door” in state government by prohibiting state workers from leaving government employment and immediately accepting jobs with companies that they regulated or were involved with in awarding state contracts worth more than $25,000. The prohibition lasts for one year after an employee leaves the state payroll.
- Strengthen the State Gift Ban Act by removing numerous exemptions, including those for golf and tennis, and by limiting lobbyist spending on food and drinks to $75 per state employee or official per day.
- Boost the integrity of the state’s boards and commissions by prohibiting lobbyists and individuals with a personal financial interest in state contracts from serving on boards or commissions.
- Improve government transparency by requiring unpaid advisors serving on behalf of constitutional officers to file Statements of Economic Interest, and requiring disclosure of all ex-parte communications involving state regulators and licensing agents.
- Strengthen prohibition against using state employees for political work, and bans accepting or making political contributions on state property.

EXECUTIVE BRANCH ENFORCEMENT
• Establish a nine-member Executive Ethics Commission to review and determine appropriate action in cases brought forward by the executive inspectors general and represented by the Attorney General. …

• Require each constitutional officer to appoint an executive inspector general (EIG) to review complaints of corruption or wrongdoing within each respective office. EIGs will be empowered with subpoena authority and will report to the independent ethics commission as well as the constitutional officer who appoints them. Previously, only the Governor, Treasurer and Secretary of State had inspectors general, and only the Secretary of State’s inspector had subpoena power.

• Protect those who report wrongdoing from retaliation by supervisors.

• Establish stiff penalties – including Class A misdemeanor charges, possible dismissal and tough fines – for those found guilty of impropriety by the ethics commission.

LEGISLATIVE BRANCH ENFORCEMENT

• Establish an eight-member Legislative Ethics Commission to review cases of wrongdoing within the legislative branch. Each legislative leader appoints two members.

• Creates the position of Legislative Inspector General, who will be nominated by the ethics commission and confirmed by the General Assembly.

Reformers hailed the legislation as another significant step in political reforms for Illinois. So did the media. “Finally, ethics bill has teeth,” opined the Springfield State Journal-Register in an editorial, explaining: “This improved legislation should go a long way toward avoiding some of the ethics disasters Illinois state government has had in the past.”21 Added the Chicago Sun-Times in an editorial: “The result is a bill that should make a real difference in holding all state employees accountable to strict ethics rules and setting up an oversight structure to enforce these laws. … Illinois now has one of the toughest such laws in the country.”22

Public discussions about political reforms in Illinois now regularly intermingle campaign finance provisions with the regulation of ethical and political behavior. Canary identifies an
important distinction in what the 2003 ethics law does and does not do. She praised the law for its comprehensive system of ethical mandates, but when referring to campaign finance reform, she said Illinois is still “nibbling around the edges” by not yet significantly altering the free and uncontrolled flow of money in Illinois elections. In 2003, the legislature did not seriously consider or enact contribution or spending limits in Illinois campaigns. Unquestionably, some Illinois leaders and some media oppose contribution limits for political or philosophical reasons, while others in Illinois believe Illinois will never have major campaign finance reform until it enacts contribution limits.

Additional changes since 2003

The Gift Ban Act demonstrates that campaign finance reform issues have become a subset of a broader topic involving political behavior and ethics. Officials and the media are expressing a growing concern about access to elected officials, the ethical practices of government officials, “pay-to-play” politics (which is not a new topic, given the State Journal-Register’s findings in the 1990s), the power of the four legislative leaders, and fair access to the electoral process by voters and would-be candidates. Also, some people believe that political money is the foundation of many other problems in American democracy. As the St. Louis Post-Dispatch editorialized:

Just as epidemiologists call the case that starts a disease the "index case," campaign finance is the "index issue" for the ills of American government. … In the short term, aggressive public corruption prosecutions are democracy’s best hope. Long term, unless and until the Supreme Court acknowledges that money in politics is as anti-democratic as the poll tax -- in both, you have to pay to play -- or until the public demands clean elections, the disease caused by the index issue will metastasize in the body politic.
Canary said the same thing in a 1998 interview with *Illinois Issues* magazine. "Why do we need campaign finance reform?" she asked, “Because this is the issue behind every other issue we care about." 27

In 2004, 2005 or 2006, the General Assembly did not pass any ethics or campaign finance laws as sweeping as the State Gift Ban Act of 1998 or the Illinois Ethics Act of 2003. It did pass two campaign finance bills (SB 1897 and HB 629) in 2004 to clarify the definition of “electioneering communication” and to expand the definition of a political committee to include any individual or group that makes campaign expenditures in excess of $3,000 during any 12-month period. This was directed at an increasing number of groups that buy television ads that mention the name of a candidate but do not specifically say to vote for or against the candidate, even though the ads typically attack a particular candidate. The ads’ sponsors call the ads “issue ads” and not campaign ads because they purportedly are about an issue and not the candidate. Such ads were used prominently in two downstate Supreme Court races. So the provision of the new law, according to the State Board of Elections, “include[s] any form of communication that refers to a clearly identified political party, a clearly identified candidate or candidates who will appear on the ballot or a clearly identified question of public policy that will appear on the ballot. Electioneering communication only applies to such communications that are made within the 60 days before a general or consolidated election or 30 days before a primary election.” 28

Also, the push for a publicly financed voters’ guide received a boost in 2005 when HB 1968 passed and included an Internet voters guide maintained by the State Board of Elections. The online Voters Guide will include information about general election candidates for U.S.
president and senator, and Illinois governor, attorney general, secretary of state, comptroller, treasurer, appellate court and Supreme Court.  

Several legislators and statewide officials continue to push a myriad of campaign finance reforms. Among these are three prominent initiatives. One is the “Government Integrity Initiative,” introduced by Comptroller Dan Hynes with the support of several Democratic and Republican legislators. Hynes has traveled the state to promote this initiative. In 2005, Hynes issued an executive order making his own office subject to new campaign finance restrictions. The order says that he will not accept campaign contributions from persons or entities with more than $10,000 in contracts with the comptroller’s office. It also says that anyone bidding on contracts with the comptroller’s office must disclose to the comptroller’s executive inspector general any contributions made to the Hynes campaign. Hynes considers his order “an attack on pay-to-play politics” that has been getting a lot of media attention in the past couple of years. “Pay to play” means that people believe they must make substantial campaign contributions to be considered for government contracts. Senator Miguel del Valle (D-Chicago) and Republican Bill Black (R-Danville) support Hynes’ initiative and use similar language in saying they want to eliminate, as del Valle put it, “the public perception that there is a connection between campaign contributions and the awarding of state contracts.”  

The details of this initiative reside in three bills introduced in 2005. One is the Supreme Court Campaign Reform Act (SB 1955), which would allow for the public financing of Supreme Court campaigns. Passed by the Senate in 2005, the bill is now in the House Rules Committee. The other two bills are HB 4073, stalled in the House Rules Committee; and SB 2138, which is in the Senate Rules Committee.  

Besides Hynes’ Government Integrity Initiative, two other wide-ranging reform initiatives are now in play. First came a comprehensive package from a coalition led by the
Illinois Campaign for Political Reform, which works on these issues full time and keeps track of all campaign finance legislation. In March 2005, it released its “Blueprint for Government and Campaign Reform.” It joined with eight other groups to advocate a ban on contributions by corporations and labor unions, a voluntary public financing option for judicial campaigns, mandated disclosure of lobbyist contracts and six other reforms.

The other initiative is that of Governor Rod Blagojevich, whose current bill (SB1822) was introduced late in the 2005 spring session and sponsored by Senator Carol Ronen (D-Chicago) and Rep. Brandon Phelps (D-Norris City). No committee has considered the bill since the governor announced his package of reforms at a press conference in May 2005. The bill is in the Senate Rules Committee, and its deadline for consideration has been extended until January 2007. It would ban contributions from corporations and labor unions; prohibit law firms, consulting firms and lobbying firms that have contracts with the state from providing income to members of the state legislature, state employees, and board appointees; impose contribution limits on individuals and political action committees; provide for the creation of online Voters Guides with information about candidates posted by the State Board of Elections; and give the Board of Elections the power to audit political committees’ reports.

Two plausible reasons might explain why proposals for stronger reforms in Illinois proliferate. The first has to do with the news media’s coverage of the current and former governor and the growing cost of Supreme Court elections. Governor George Ryan was found guilty in 2006 on 22 counts of political corruption, which included various ways that he and his staff strong-armed people to contribute to his campaign. The Blagojevich administration also has received negative publicity for being the subject of a federal investigation. Although the governor has not been formally charged, news accounts have raised questions about his
administration’s methods in awarding contracts, asking people for campaign contributions of $50,000 or more, and questionable hiring practices. Highly publicized scandals often generate legislation to address the problems raised by the media. Before the passage of the State Gift Ban Act in 1998, the Edgar administration had been subjected to considerable negative press for what was commonly called the MSI scandal. Since 2000, Supreme Court races, once almost ignored by the media and campaign contributors, have become increasingly visible, expensive and negative. It strikes many as less than dignified to have candidates for Illinois’ highest court accepting millions of dollars and slugging it publicly out like bitter rivals. Hynes’ initiative would attempt to control this with the public financing of judicial campaigns.

The second explanation is that Illinois’ campaign finance laws are still less restrictive than many other states’. For example, Illinois is one of only five states that does not have contribution limits and still allows direct contributions from unions and corporations. Also, a draft report of the Illinois Campaign for Political Reform cites weaknesses in the State Board of Elections’ legal inability to initiate investigations of potential abuses on its own and political inability to rigidly enforce all of the financial penalties called for by the current law. The ICPR concludes that Illinois has “notoriously weak campaign finance, ethics, hiring, leasing and contracting laws as well as ineffective regulatory, investigative and enforcement structures and process.”

Conclusion

To get a handle on campaign finance reform and related political reforms, the media, academics and political observers create categories such as disclosure issues, contribution limits, public financing, campaign ethics, conflict of interest, and voter access to information. Since
1997, Illinois has enacted a number of laws strengthening disclosure requirements and access to information for citizens. Before that, there had been no major reforms of Illinois’ campaign reporting and disclosure law since 1974. It is now easy to search the Board of Elections’ web site for information about contributions to candidates by name of candidate or name of donor. Illinois is a national leader in electronic filing and voter access to information. The state has also tightened some practices by banning non-electoral use of campaign funds and prohibiting legislators from holding fundraisers on legislative session days. It has also increased the financial penalties to candidates failing to comply with disclosure laws. The State Board of Elections has in fact imposed hundreds of thousands of dollars in fines since 2003. The state has also adopted some significant ethical reforms, such as ethics testing for all state employees and creating ethics inspectors throughout state government. All of this has happened since 1997.

What Illinois has not done is to impose contribution limits – something that most other states and the federal government have done. Nor has Illinois enacted any laws to reduce the power that the four legislative leaders have over their parties’ legislative candidates and access to campaign money. Nor has Illinois enacted any kind of public financing of campaigns, which the federal government and some states have done for certain elections. Nor has Illinois enacted laws that would make it more difficult or impossible for major campaign contributors to gain an advantage in securing lavish state contracts. It is impossible to know whether additional reforms, such as those proposed by ICPR, Governor Blagojevich or Comptroller Hynes, will gain traction in the legislature. What is clear is that campaign finance reforms have been enacted incrementally in the past nine years, and the range of issues included in reforms related to political money is continuing to expand. If the pattern continues, additional reforms are likely to occur in Illinois – in increments.
Ed Wojcicki was publisher of *Illinois Issues* magazine from 1992-2001. As publisher, he was director of the Illinois Campaign Finance Project (1994-97) at the University of Illinois at Springfield and was a longtime member of the Illinois Campaign for Political Reform’s steering committee. He has a master’s degree in political studies and is now Associate Chancellor for Constituent Relations at the University of Illinois at Springfield. He can be reached at ewojc1@uis.edu.
Notes


4. *Illinois Issues* was part of the Institute for Public Affairs at Sangamon State University. Ed Wojcicki, the magazine’s publisher, was the Illinois Campaign Finance Project director. He worked closely with Barbara Ferrara, the institute’s associate director, and Dr. Kent Redfield, then the associate director of the institute’s Legislative Studies Center, on this project. SSU became the University of Illinois at Springfield in 1995, and the institute is now known at the Center for State Policy and Leadership, where Ferrara continues to serve as associate director.


7. That language is from the Paul Simon Public Policy Institute’s mission statement. See [http://www.siu.edu/~ppi/missionstatement.htm](http://www.siu.edu/~ppi/missionstatement.htm). Simon died after undergoing heart surgery in December 2003, and the SIUC institute that he founded was later named after him.

8. Mike Lawrence’s account of what transpired in 1998 comes from a personal interview on August 16, 2005, and from an article he wrote for the September 1998 edition of *Illinois*
Issues entitled, “MISSION IMPOSSIBLE: Illinois officials chose to reform campaign finance for the first time in more than two decades. One participant in the effort explains why. And how”

9. Ibid.

10. Personal interview with Senator Kirk Dillard on August 9, 2006. Also, it should be noted that when Dillard led the Senate floor debate on the bill on May 22, 1998, he praised staff members Glenn Hodas, Peg Mosgers and Mike Ragan for their role behind the scenes in drafting the legislation.


14. Personal interview with Mike Lawrence, director of the Paul Simon Public Policy Institute, Southern Illinois University-Carbondale, August 15, 2005.


16. This information comes from a State Board of Elections news release, December 9, 1999.

17. The Grading State Disclosure rankings are in reports of the Campaign Disclosure Project, a collaboration of the UCLA School of Law, the Center for Governmental Studies, and the California Voter Foundation, supported by The Pew Charitable Trusts. The reports on online at http://campaigndisclosure.org/gradingstate.


20. This bill summary of the State Gift Ban Act is the language used by Governor Rod Blagojevich in a press release on December 9, 2003.


27. Jennifer Davis, op. cit.


31. Ibid.

32. “Blueprint for Government and Campaign Reform,” an Illinois Campaign Reform Coalition press release (actually, the Illinois Campaign Reform Coalition), March 23, 2005. Other groups listed as supporters are the Better Government Association, the Citizen Advocacy Center, Common Cause of Illinois, the Illinois Public Interest Research Group, the League of Women Voters of Illinois, Protestants for the Common Good, and the Sunshine Project.

33. “Gov. Blagojevich unveils sweeping campaign finance reform proposal,” the governor’s press release on May 11, 2005, calling for a series of ethics and campaign actual finance reforms. The release said his comprehensive bill (filed later as SB 1822) incorporates the recommendations of many organizations and legislators, including the Illinois Campaign for Political Reform, Common Cause, Senators Ira Silverstein (D-Chicago) and David Sullivan (R-Park Ridge), and Representatives Sara Feigenholtz (D-Chicago) and
Elizabeth Coulson (R-Glenview).

34. The analysis of other states comes from the governor’s office and ICPR.

35. The author thanks the Illinois Campaign for Political Reform for sharing an embargoed draft of a comprehensive paper that provides a detailed analysis and data about money and politics in Illinois. The paper, expected to be released later in 2006, also includes the ICPR’s specific recommendations for reforms.
Appendix A

Members, Illinois Campaign Finance Task Force*

Illinois Campaign Finance Project (1994-97)

Paul Simon (co-chair) Former U.S. Senator
William Stratton (co-chair) Former Governor of Illinois
Juan Andrade Midwest-Northeast Voters Registration Project, Chicago
Michael J. Bakalis Northwestern University, Evanston
John Birkinbine Multi-State Associates, Northfield; former legislator
David L. Bennett Illinois Press Association, Springfield
Cynthia Canary League of Women Voters of Illinois, Chicago
Bob Ellis The Daily American, West Frankfort
Samuel K. Gove University of Illinois, Urbana-Champaign
Jacquelyne Grimshaw Center for Neighborhood Technology, Chicago
James H. Lewis Chicago Urban League
Ronald D. Michaelson State Board of Elections, Springfield
Helen Satterthwaite Former state representative, Urbana
Laura Washington The Chicago Reporter, Chicago
Paula Wolff Governors State University, University Park
Ed Wojcicki, ex officio Illinois Issues, University of Illinois at Springfield

*Special note [from 1997]: While the past or current affiliations of these task force members are listed along with their names, these members served on this task force as private citizens and not as representatives of any organization, business or political party. Their recommendations in this report reflect the consensus of the task force members, and do not necessarily reflect the views of any of their employers or any organization or association with which they are affiliated.
### Appendix B

Status of 19 recommendations, nine years later:  

<table>
<thead>
<tr>
<th>Categories and recommendations</th>
<th>Illinois law as of July 1, 2006?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Improve Disclosure</strong></td>
<td></td>
</tr>
<tr>
<td>1. Create an Oversight Commission to review existing practices regularly</td>
<td>No</td>
</tr>
<tr>
<td>2. Eliminate the Form D-3, which required people to identify themselves when requesting campaign finance information</td>
<td>Yes</td>
</tr>
<tr>
<td>3. Require contributors to list employers and occupations</td>
<td>Yes</td>
</tr>
<tr>
<td>4. Increase penalties for non-compliance with filing requirements</td>
<td>Yes</td>
</tr>
<tr>
<td>5. Increase resources to State Board of Elections for compliance regulation</td>
<td>Yes; funding provided for electronic filing</td>
</tr>
<tr>
<td>6. Require more groups, such as nonprofit organizations, unions and corporations, to file the campaign finance reports that candidates must file if they meet the statutory threshold for filing a report</td>
<td>Yes</td>
</tr>
<tr>
<td>7. Require candidates to file reports electronically</td>
<td>Yes</td>
</tr>
<tr>
<td>8. Make information more accessible to the public</td>
<td>Yes, via the Internet</td>
</tr>
<tr>
<td><strong>Limit contributions to candidates, political committees and parties</strong></td>
<td></td>
</tr>
<tr>
<td>9. Restrict transfer of money from one political committee, party and legislative leader committee to another committee to $25,000 in primary and $25,000 in general election cycle</td>
<td>No</td>
</tr>
<tr>
<td>10. Limit contributions to each candidate to $2,000 per primary election cycle and $2,000 per general election cycle</td>
<td>No</td>
</tr>
<tr>
<td>11. Allow one political committee per candidate for the General Assembly – one political committee per office</td>
<td>No</td>
</tr>
<tr>
<td>12. Restrict giving by any individual or committee to $200,000 per election cycle</td>
<td>No</td>
</tr>
<tr>
<td>13. Adjust limits for inflation every two years</td>
<td>No</td>
</tr>
<tr>
<td>14. Establish state tax credit of $50 for contributions to state committee or party</td>
<td>No</td>
</tr>
<tr>
<td><strong>Ethics</strong></td>
<td></td>
</tr>
<tr>
<td>15. Require closing of political committees and disposing of remaining funds by officials who leave office – within five years after leaving</td>
<td>No</td>
</tr>
<tr>
<td>16. Define and prohibit non-electoral expenditures and prohibit personal use of campaign funds</td>
<td>Yes, but not a complete prohibition</td>
</tr>
<tr>
<td>17. Prohibit legislators from holding fundraisers in the Springfield area in March, April, May and June</td>
<td>Yes: Fundraisers in Sangamon County prohibited on most days legislature is in session</td>
</tr>
<tr>
<td><strong>Increase competition</strong></td>
<td></td>
</tr>
<tr>
<td>18. Limit carryover of a committee’s surplus money to $25,000 into the next election cycle. Return excess to contributors or to charity.</td>
<td>No</td>
</tr>
<tr>
<td>19. Publish and distribute state-funded candidate voter guidebooks containing profiles and statements of all candidates for legislative and statewide offices</td>
<td>Partially; law requiring Voters Guide on Internet for statewide offices enacted in 2005</td>
</tr>
</tbody>
</table>
Appendix C

Where to find more information, selected list
(For easy access to all of these links electronically, go to www.edwoj.com/AppendixC.htm)

Blagojevich, Governor Rod: Recommendations for changing the system, 2005, see SB 1822

Ethics Act of 2003 – “State Officials and Employees Ethics Act” (Public Act 93-615; Public Act 93-617)
http://www.ilga.gov/legislation/publicacts/fulltext.asp?Name=093-0615&GA=93, and

Gift Ban Act of 1998 (Public Act 90-737)

http://campaigndisclosure.org/gradingstate/findings.html

Hynes, Comptroller Dan: Government Integrity Initiative
http://www.ioc.state.il.us/news/viewnewsrelease.cfm?id=2070837182

Illinois Campaign for Political Reform (for frequent updates on ethics and campaign finance issues)
www.ilcampaign.org

Illinois State Board of Elections (for searchable database of campaign contributions and expenditures)
www.elections.state.il.us

Joyce Foundation’s “Money and Politics” program
http://www.joycefdn.org/programs/moneyandpolitics/moneypolmain-fs.html


Paul Simon Public Policy Institute
http://www.siu.edu/~ppi/home.htm


http://cspl.uis.edu/CentersOnlineStore/Books/MoneyCounts/default.htm

Sunshine Project Database.
See www.ilcampaign.org
