

## MJS Report Says Scott Walker is at the Heart of Criminal Corruption Probe

Written by Graeme Zielinski, WisDems Communications Director  
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<http://www.newiproggressive.com/images/stories/S5/russell-walker-2002-s5.jpg>



Milwaukee Journal Sentinel reports “**Bombshell**” Email Exchange With Top Adviser John Hiller that suggests **Scott Walker** is at the Heart of the Criminal Corruption Probe that has already charged six Walker associates with 15 felonies.

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MILWAUKEE - A [breaking investigative report](#) from the Milwaukee Journal Sentinel suggests that Scott Walker is at the heart of the John Doe criminal corruption probe that has charged six Walker associates with 15 felonies.

The report discusses an email exchange between Walker and longtime adviser, John Hiller, over a County contract that is under investigation for potential bid-rigging.

Hiller, a realtor, longtime Republican operative and campaign advisor, served as Walker’s campaign treasurer from 1993 until his [abrupt resignation in May 2011](#), just weeks after Walker’s spokesman, Cullen Werwie, was granted immunity in the John Doe criminal corruption probe. Hiller is the former Chair of the Milwaukee County Republican Party, was a volunteer member of President George W. Bush’s Advance Staff, and served on the state steering committee for Bush in 2004.

Hiller also served as Walker’s transition team director in 2010.

In nearly two decades by Walker’s side, John Hiller has been involved in more than just one illegal or unethical scheme on Walker’s behalf.

### Real Estate Connections and Questionable Real Estate Deals

The John Doe appears to be looking into the bidding process for moving the County’s Department of Aging into private facilities. Hiller worked for building owners that were at the center of the bidding in both 2005 and 2010. Some suggest that in this area the John Doe is looking for bid-rigging and other possible corruption.

Particularly, [the Milwaukee Journal Sentinel on January 25, 2012](#) outlines a bid competition to house the county’s Department on Aging in private office space. John Hiller lobbied on behalf of the brokers at the Boerke Company, including information on which county supervisors to approach to prompt a re-bidding of the deal.

As reported by the *Journal Sentinel*:

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"Hiller, himself a real estate broker and developer, said he "probably" pointed the Reuss owners to the county opportunity, and discussed the situation with Dennik. Hiller told the newspaper in 2005 he was hired by the Reuss owners to develop strategies to fill empty offices there.

Hiller at the time downplayed his own role, but said he advised Boerke Co. on which county supervisors to approach to prompt a re-bidding of the deal. Hiller said he called Rice, another of Walker's close allies, to urge him to talk to Boerke Co. about doing a "best and final offer" round.

Records show Jensen wrote a letter to key supervisors, including Rice, who later made the motion to reopen the bidding, citing potential savings.

Meanwhile, the Markesan Group - a lobbying firm set up by former Walker chief of staff Jim Villa - lobbied on the 2005 deal, according to Dennik. It couldn't be determined if Villa personally lobbied for it.

Villa left the firm in December 2003 to do Walker campaign work, but in August 2005 - in the midst of the Aging Department bid process - returned to the county executive's office."

### Milwaukee Private Industry Council

[Walker appointed Hiller](#) to serve on the Board of the Milwaukee Private Industry Council in March 2003. The Private Industry Council represents government, business, education, non-profit and labor interests in overseeing employment and training programs, funded mostly by federal grants.

In 2004, Walker signed a resolution to [guarantee a \\$1 million loan](#) that enabled the PIC to buy and improve a building.

In 2007, [control of the Private Industry Council was transferred from Milwaukee County to the City of Milwaukee](#), following criticisms of the Council's workforce development efforts and a UW study citing a "lack of leadership."

### Hiller Cashing in on Walker Connections?

John Hiller is not listed as a lobbyist with the City of Milwaukee, Milwaukee County or the State of Wisconsin. However, a Hiller advertisement in a 2008 newsletter for the Commercial Association of Realtors certainly sounds like he was operating a lobbying firm. "JM Hiller Consulting LLC provides real solutions to your business needs with local government," the ad reads. It goes on to list services that aid in project approval, zoning, grants and awards. The ad goes on to tout that Hiller has "...over 20 years of business and political experience to assist you in navigating the maze of local government..."[Commercial Focus newsletter, June 2008]

John Hiller has certainly not been shy in continuing to leverage his close connection to Scott Walker since he has become governor. For example, the official calendars for members of

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Walker's cabinet include meetings with Hiller, before and after his resignation from Walker's campaign. Examples of these calendar entries include:

- Corrections Secretary Gary Hamblin met with John Hiller on April 8, 2011
- Health Services Secretary Dennis Smith met with John Hiller and Maximus representatives on June 10, 2011

### **On Hiller's Watch, Walker Got the Second Highest Ethics Fine**

Scott Walker bears the dubious distinction of receiving the second highest ethics fine in state history.

That fine came as a result of a complaint over Walker's questionable use of robo calls. Walker's campaign paid for some 40,000 calls in November 2004. The calls asked voters to contact their county supervisors and demand that they support Scott Walker's budget proposals.

Although the robo calls were paid for by Walker's campaign, Hiller, as campaign treasurer, failed to include the mandatory disclosure so that individuals would know who was responsible for them. Milwaukee County Supervisors John Weishan and Gerry Broderick filed a complaint with the state Elections Board.

In August 2005, the Elections Board voted 5-3 to fine the Walker campaign \$5,000 for their failure to include a proper disclosure on the calls. That ethics fine was the second largest in state history. Walker and his campaign paid the fine but protested it saying that it was motivated by partisanship. (*Milwaukee Journal Sentinel*, "Elections Board fines Walker Campaign \$5,000," [8/4/05](#))

### **Hiller's Convenient Finance Reporting for Walker Campaigns**

The above mentioned failure of the Walker campaign certainly wasn't the first or last time that such reporting failings have occurred. Scott Walker's various campaigns have continually failed to properly report important items in their required filings.

In 2002 and 2003, Walker's campaign failed to identify the occupations of approximately 57 donors that gave more than \$100 to his campaign. One of those donors reportedly was Bruce Pfaff, who eventually managed Walker's first gubernatorial campaign. Walker and other elected officials received failing grades after a 2002 analysis by the Wisconsin Democracy Campaign.

The failing grades were based on the total number and value of improperly reported contributions. (*Capital Times*, "Gov Donor Errors Cited Other Pols Criticized, Too," 5/14/02; Milwaukee Rising, "Scott Walker cheats on campaign finance form,"

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[7/26/06](#)

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In 2004, the Milwaukee County Election Commission repeatedly had problems with Walker's campaign finance filings.

A June 16, 2004 meeting of the Election Commission addressed reoccurring problems with Walker's campaign finance reports. The issue of "vague explanations of the expenditures" was raised during that meeting, as well as the general lack of communication by Walker campaign officials. The meeting also cited "reoccurring problems with the reports".

In a June 25, 2004 letter from the Election Commission, the Walker campaign was asked a large list of questions regarding a recent filing. Some of the issues involved missing entries for employers of contributors, incomplete name listings and one contributor who was listed as giving an "anonymous donation." A hand written note on this letter indicated that the campaign planned to resolve these issues by the end of that week. A later handwritten note on that same letter indicated that the campaign failed to keep that promise.

In another letter from the Election Commission, dated December 1, 2004, they warn the Walker campaign that if the updated finance reports "are not filed in this office by Thursday, December 9, 2004 by 5pm, you will be called before a special meeting of the Commission." Handwritten notes on that letter indicate that the Chairman extended the deadline for the Walker campaign but even that deadline was later missed.

During Scott Walker's initial campaign for Governor, the Wisconsin Democracy Campaign did another analysis of his campaign finance filing. Once again they stressed his repeated problem of not listing critical pieces of information.

Specifically, they found that Walker "failed to follow state law by not disclosing the occupations and employers of contributors who made 114 donations to his campaign totaling \$75,850. WDC particularly questioned missing information for well known Republican leaders like John Savage and Jim Klauser. (*Wisconsin Democracy Campaign*, "He Owes His Soul to the Company Store," [12/1/05](#))

Scott Walker's pattern of conveniently ignoring proper reporting requirements didn't stop with his second and eventually successful campaign for governor. An analysis of his July 2009 campaign finance filing for example found a much higher level of negligence. It included missing information for the following:

- 2 contributions of \$10,000, the maximum allowed under the law.
- 30 contributions between \$2,500 and \$1,000 totaling more than \$38,000.
- 235 Contributions between \$750 and \$200 totaling more than \$71,000.

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After the Walker negligence was publicly reported, the Walker campaign announced that it would amend the filing including the missing information. (*One Wisconsin Now*, "Over \$172,000 in Walker Contributions Violate Campaign Finance Reporting Laws", 8/11/09; Associated Press, "Scott Walker campaign working to fix fundraising report," 8/11/09)

Progressive advocacy group One Wisconsin Now continued to analyze Walker's campaign finance records throughout the 2010 campaign for governor. They found that his campaign improperly reported well over \$500,000 in contributions from inside and outside Wisconsin. The organization also filed a formal complaint with the Government Accountability Board regarding Walker's serial breaking of campaign finance laws in the area of proper disclosure. (*One Wisconsin Now*, "Walker Goes Over \$500,000 in Improperly-Reported Contributions", [10/25/10](#); OWN

Complaint to GAB, filed  
[9/7/10](#)

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