

Year-end Political Stock Report

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-A collection of insider opinion-

(Jan. 1, 2019-Dec. 31, 2019)

Rising

Scott Fitzgerald: The retirement of U.S. Rep. Jim Sensenbrenner was expected to touch off a furious GOP primary to replace him in the deep red southeastern Wisconsin seat. But at the close of 2019, Fitzgerald had a shot to glide to the nomination after a series of other candidates passed on a bid. Insiders noted two factors that played into Fitzgerald's favor in the surprising dynamic. One, he has long eyed Sensenbrenner's seat, and he didn't hesitate to jump into the race and go after the nomination with both hands. Two, a series of other possible candidates had personal reasons not to run. Both former Lt. Gov. Rebecca Kleefisch and Waukesha County Exec Paul Farrow seem more interested in running for gov, perhaps as early as 2022. Former U.S. Senate candidate Kevin Nicholson has an eye on running statewide again. Former state Sen. Leah Vukmir is enjoying her new gig in the private sector and being out of the fishbowl. While Matt Walker flirted with a run, some believe his father the former gov was more passionate about a bid than he was. The last name candidate still kicking the tires at the end of 2019 was Matt Neumann, whose father Mark served in Congress and ran for both gov and the U.S. Senate. Now part of the family homebuilding business, Matt Neumann would have the personal resources to quickly build a campaign, insiders say. But every day he waits is one more that Fitzgerald has to stockpile donations and endorsements. Insiders say there is still time for an outsider with resources to mount a run — whether it's Neumann or someone else. But they also give Fitzgerald credit for the work he's put in so far and believe he's formidable enough of a candidate that he may be able to fend off a serious challenge for the GOP nomination.

2 rising, 1 mixed

Tony Evers: The gov's first year in office has included a steep learning curve, some stumbles and few successes with the GOP-controlled Legislature. But his numbers in the Marquette University Law School would be the envy of his immediate

predecessors. Plus pet issues he's unsuccessfully sought to pass — from Medicaid expansion to more restrictive gun control laws — happen to be wildly popular with voters as well. Some Republicans in the Capitol have been quick to dismiss Evers' first year as a failure, accusing him of failing to effectively work with the Legislature and being beholden to a staff that's more liberal and partisan than he is. Dems, meanwhile, have a hard time listening to lectures from Republicans; they accuse them of trying to undermine the gov before he even walked in the door. The GOP's lame-duck session in December 2018 helped poison the atmosphere in the Capitol, many say. Republicans insisted it was simply about balancing the powers between the executive and legislative branches. But critics saw it as a temper tantrum after voters rejected former GOP Gov. Scott Walker and GOP AG Brad Schimel. Still, that doesn't mean Evers was an innocent in the partisan battles that raged in the Capitol, insiders add. His staff suggested sexism was at play when Senate Majority Leader Scott Fitzgerald and Assembly Speaker Robin declined to meet with the gov's female chief of staff even though they'd done the same with Walker's male COS. But that didn't sit well with many insiders, particularly because Vos' own chief of staff and key personnel are women. The gov also got poor marks when he lashed out at Republicans for firing his Ag secretary. While Evers may have been justifiably angry, some say, swearing over it undercut some of the good-guy image he had built up. And he missed out on opportunities to work with Republican majorities in the state Legislature even on areas where they agreed when he issued an executive order to pull the word "retarded" from administrative rules just before GOP lawmakers unveiled legislation to do largely the same thing. Republicans also claimed credit for the state budget, insisting Evers signed a conservative document when he largely accepted what came out of the Legislature. Dems, however, note Evers pulled Republicans to a place they didn't want to go on several key components of the budget, particularly school funding. Two years after Walker and Republicans pumped \$635 million into K-12 education to shore up the then-gov's flank ahead of a difficult reelect, the 2019-21 budget adds another \$569 million to education. And after Republicans largely couldn't find a way to pump significant new money into transportation — other than borrowing — with Walker at the helm, GOP legislators boosted fees as an alternative to the gas tax hike that Evers proposed. Evers couldn't get Republicans to budge on issues such as expanding Medicaid or passing new gun control laws. Still, the Marquette University Law School Poll found the public overwhelmingly on Evers' side when it comes to those issues and others. The gov at one point vowed he would keep up the pressure on expanding Medicaid until more like-minded lawmakers are elected to office, a threat that doesn't scare many Republicans. And that's part of his challenge, some say.

The gov enjoyed solid numbers in the Marquette poll for much of 2019, particularly considering how polarizing Walker was for much of his eight years. The final survey of the year had his job approval at 50 percent, compared to 38 percent who disapproved. That was off his best of plus-20 in the August survey. Still, some say, considering the polarizing political environment, it's notable he's in that territory. The question for him now is whether Evers can take that popularity and turn it into results. He campaigned on a promise to bring the Capitol together and get things done. While Republicans didn't put out the welcome mat with their lame-duck laws and failure to give Evers across-the-board cabinet confirmations, some say Evers eventually is going to have to find a workable relationship if he wants to see his priorities become law.

8 rising, 6 mixed, 4 falling

Brian Hagedorn: The conservative jurist spent the 2019 state Supreme Court race as the underdog. In addition to the financial advantage that left-of-center rival Lisa Neubauer enjoyed for much of the campaign, Hagedorn watched as traditional GOP groups such as the Wisconsin Realtors and the U.S. Chamber of Commerce sat out the race. It all had liberals eyeing the possibility they could finally flip control of the court by holding onto the seat of retiring Justice Shirley Abrahamson and then going after Daniel Kelly in 2020, when the conservative justice would be on the ballot for a full 10-year term at the same time as the Dem presidential primary. But Hagedorn's nearly 6,000-vote victory is one of the biggest political surprises of 2019 and expands the conservative majority to 5-2, ensuring control of the court at least through 2023. It was a remarkable turnaround after Hagedorn spent the campaign fighting off questions about old blog posts and his association with a Christian school that bars teachers from being in same-sex relationships. Conservatives rallied to Hagedorn's side as he accused opponents of attacking his religious faith. He also went on the offensive, accusing Neubauer of lying about his record and delivering a stark message to the conservative base: liberal special interests are backing Neubauer because they're trying to "take over our Supreme Court." He also got a big shot in the arm with the \$1.2 million the Republican State Leadership Committee spent on TV, digital, mail and text messages over the final days of the race. Neubauer bemoaned the late spending by special interests, which conservatives found amusing considering how she'd benefited from outside groups for most of the campaign. Either way, Hagedorn, Wisconsin-based groups and the RSLC combined to help capture the grassroots energy that had been percolating, insiders say. Liberals bemoan what could've been, while conservatives breathe a

sigh of relief that they now have a cushion on the court regardless of how the Kelly race plays out. And some Republicans believe Hagedorn's win could help provide a roadmap to give Kelly a fighting chance.

2 rising, 2 mixed, 2 falling

Lame-duck laws: The new oversight — critics call it a power grab — Republican lawmakers gave themselves in late 2018 has led to one of the most divisive atmospheres in the state Capitol seen since the Act 10 protests of 2011. But they largely held up in court. The one loss was early in 2019 as a federal judge struck down new regulations on early, in-person voting that Republicans approved as part of the package. Still, other than favorable rulings by two Dane County judges, opponents of the laws hit a series of legal setbacks in 2019. The conservative-leaning state Supreme Court ultimately overruled one of the Dane County judges, who had found all of the extraordinary session actions were improper because the Legislature had failed to meet properly. The court, with a 4-3 conservative majority at the time, rejected that rationale, saying it wasn't going to dictate to another branch of government when it can meet. The conservative court also took the unusual step of taking over an appeal in the second case even though it hadn't been asked. That case went to oral arguments in the fall as the two sides argued over separation of powers issues. The fourth legal challenge, this time in federal court, went nowhere as a U.S. judge ruled the controversy belonged in the state system. Still, all that legal wrangling came at a cost to taxpayers. Because his powers were at the heart of the case, Dem AG Josh Kaul declined to represent anyone else, saying it would be a conflict of interest. With GOP lawmakers and Dem Gov. Tony Evers retaining outside counsel, the legal tab for taxpayers eclipsed \$2.3 million by year's end, according to a WisPolitics.com tally; more than \$1.8 million of that was for Republican lawyers. Meanwhile, GOP legislators have also retained private attorneys to review proposed legal settlements reached by DOJ with the bill for that work more than \$20,000 and climbing. Dems have regularly complained the oversight Republicans gave themselves for those settlements is unworkable and is unnecessarily bogging down DOJ. Meanwhile, Republicans counter DOJ and others are purposely trying to bog down the process. Either way, while the laws have largely survived legal challenges so far, it has come at an expense to taxpayers.

2 rising, 1 mixed

Mixed

Ron Kind: National Republicans have been eyeing the La Crosse Dem as a 2020 target ever since Donald Trump won his western Wisconsin district in 2016. Wisconsin-based insiders, however, are still skeptical that Kind is in any real danger as he heads into the fall. For one, Republicans failed to give Kind a real run for his money in 2018, when he won reelection with 59.7 percent of the vote despite all the national talk that he was now in “Trump country.” Two, he had \$2.8 million in the bank to end the third quarter. Three, Republicans were still looking for a name candidate to take him on at the close of 2019. The only registered candidate was Kevin Ruscher, who billed himself on his Facebook page as “an anti-Trump Republican” who has “never liked the guy.” That’s not exactly the profile of someone who could ride the support of MAGA voters to knocking off a long-time incumbent, insiders say. Still, national Republicans salivate at the idea of targeting Kind and his fellow House Dems who represent Trump districts but backed impeachment anyway. But polling from the Marquette University Law School shows a more mixed picture. Poll Director Charles Franklin says cumulatively, Trump was upside down in the district for polls conducted over the first three years of his term with 44 percent approving of his job performance and 51 percent disapproving. At the same time, the polls from October through December show 45 percent believed Trump should be impeached and removed, while 50 percent were opposed. Maybe Kind’s vote for impeachment inspires a serious GOP challenge some say. But unless a top-tier candidate gets into the race, some have a hard time seeing Kind having to sweat out election night come November.

4 mixed

Ron Johnson: To his fans, the Oshkosh Republican has had the courage to ask the tough questions. To his detractors, he’s a borderline conspiracy theorist. Either way, the U.S. senator has been in the thick of the controversy over President Trump’s actions toward Ukraine and emerged as an unabashed defender of Trump in the process. To many insiders, Johnson’s connections to the controversy aren’t breaking through with voters back home, because he’s largely had a close-up view to what’s happened rather than being someone at the heart of the questions of whether Trump directed the U.S. government to withhold military aid to Ukraine unless the country’s president agreed to investigate his political rivals. As the controversy swirled, Johnson had several high-profile — and at times contentious — appearances on the Sunday talk shows as he has raised questions about whether Ukraine interfered in the 2016 election. The suggestion has been dismissed as a conspiracy theory by many, but Johnson has insisted there are unanswered

questions. And he's used his perch as chair of Homeland Security and Governmental Affairs to seek information. Back home, Johnson's political future continues to be uncertain for insiders. Though he once pledged to serve just two terms in the U.S. Senate, he started openly reexamining that stance after the Dem sweep of 2018 that left him the only statewide elected Republican in Wisconsin. Johnson has talked about running for the Senate again, taking a shot at gov or simply going home to Oshkosh and sticking to his original pledge. His 2016 reelection victory over Dem rival Russ Feingold was one of the great upsets in modern state political history. Still, just three years later, voters are somewhat lukewarm on him with 36 percent of registered voters having a favorable opinion of Johnson in the final Marquette University Law School Poll and 34 percent saying they have a negative view of him. It's a common problem for U.S. senators, some say. Outta sight, outta mind when you're in Washington, D.C., since there's not much of a Wisconsin media presence in the U.S. Capitol. Just one year after her own reelection, U.S. Sen. Tammy Baldwin's numbers weren't much better in that final Marquette poll with a 42-39 split for the Madison Dem. Johnson's decision on 2022 will likely have a significant impact on the potential GOP fields, insiders say, particularly if he seeks reelection to the Senate. It's hard to see anyone challenging him in a Republican primary. But if he runs for gov, some suggest, he could find a crowded field.

4 mixed

Daniel Kelly: The conservative justice may face a difficult environment come April as he seeks a full 10-year term on the bench. Still, Republican strategists say there's no guarantee the Dem presidential primary — which will be on the ballot the same day — will still be going strong by then. And his early fundraising numbers suggest he's going to have decent financial support for whatever fight lies ahead. Republican lawmakers were once so worried about the conservative justice's fate in 2020 that they toyed with the idea of moving the presidential primary off the April ballot and to a date all its own. The reasoning, insiders say, was simple. If the Dem presidential primary in April looks anything like it did in 2016, when 1 million cast votes in the race, it would be difficult for Kelly's operation and backers to match that kind of turnout. Brian Hagedorn received 606,414 votes in April 2019 in what insiders saw as a surge of conservative energy during the closing days of that campaign. But without a contested GOP primary for president on the ballot come April 7, it's hard for some to see conservatives matching the number of Dems who would head to the polls to support their candidates for president — and likely vote

for the progressive Supreme Court candidate while at the polls. Some conservatives see Hagedorn's victory as a spark of hope for Kelly considering he was an underdog for much of that race. Some strategists argue Kelly can make an effective pitch to win over some who will turn out for the Dem presidential primary. But these aren't casual Dem who are turning out in April, others counter. They're the party's base, and Kelly's conservatism is unlikely to appeal to broad swaths of those voters. Meanwhile, Kelly turns in strong early fundraising numbers with \$243,794 pulled in over the first five weeks of his bid. Over the previous decade, only Lisa Neubauer and Rebecca Dallet reported more receipts on their July report ahead of their bids for the state Supreme Court. But Neubauer's \$358,288 in July 2018 included a \$250,000 personal loan, and Dallet's \$270,984 in July 2017 included a \$200,000 loan. Kelly's haul more than doubles what Dane County Judge Jill Karofsky raised after launching her campaign with \$121,051 in receipts, including a \$15,000 personal contribution. And Marquette University Law School Prof. Ed Fallon reports \$73,424 raised, including a \$20,000 personal loan. Still, insiders note money alone can't generate enthusiasm, and Kelly may be fighting a tough tide come April.

1 rising, 3 mixed

Evers cabinet: After Senate Republicans rejected Gov. Tony Evers' pick to lead the Department of Agriculture, Trade and Consumer Protection, the immediate question among Capitol insiders was: who would be next? Majority Leader Scott Fitzgerald, R-Juneau, follows up the Senate's rejection of Brad Pfaff by suggesting others could be in trouble. But a month later, he tells a year-end news conference it was unlikely the Senate would vote down any more of the gov's cabinet picks even though there was "some great concern with a couple of them." To some, it points to the likelihood that some cabinet picks irritating the Senate GOP caucus would just end up continuing to serve without a confirmation vote. So far, Republicans have only confirmed six of Evers' cabinet picks and his selection for the PSC. That lack of progress is unparalleled in recent memory. That a cabinet pick was even shot down was a confluence of unusual factors in the Capitol, insiders note. Typically, secretaries are confirmed early in a new gov's term. But following lawsuits challenging the lame-duck laws Republicans approved before Evers took office, the typical confirmation process was put on hold. Part of that, insiders note, was due to Evers' moves to rescind some of the appointments Republicans had confirmed in the extraordinary session during a window in which a Dane County judge ruled those actions were null and void. Republicans were outraged at the move, particularly since Evers moved to pull Ellen Nowak — a former DOA secretary and

GOP legislative aide — from the PSC. While each cabinet pick who made it to a committee vote passed easily, the delay in getting them to the floor also meant time for Republicans to evaluate the secretaries' performance on the job, not just going off what they promised to do, insiders say. In the case of Pfaff, that time included a window in which he antagonized GOP lawmakers over a program providing help for farmers struggling with mental health issues. That episode began Pfaff's downfall, and it was compounded by proposed rules for local regulations on the siting of large animal operations. The partisan vote prompted an obscenity-laced response from the gov as some insiders bemoaned what they said was a low for the state Senate and relations between the East Wing and the Legislature. Other secretaries who have drawn public opposition from GOP senators include Dawn Crim at DSPS, Sara Meaney at Tourism, Andrea Palm at Health Services and Craig Thompson at Transportation. But after watching the Pfaff fight play out, some insiders see little appetite among Senate Republican moderates for another bruising vote on the floor.

Dawn Crim: 1 mixed, 2 falling; Craig Thompson: 2 mixed; Andrea Palm: 1 mixed; Sara Meaney: 1 mixed

Falling

Donald Trump: The president spent all of 2019 upside down in the Marquette University Law School Poll and under 50 percent when matched with top Dem contenders. Neither is typically a good place for any incumbent to be. But Trump is by no means a typical incumbent, insiders say, and the slight improvement in his numbers at year-end as the impeachment saga wore on gave Trump backers hope he could repeat his 2016 win of Wisconsin's 10 electoral votes. Trump's numbers inched up ever so slightly in the final Marquette polls of 2019. Still, looking at the full year, 46 percent of registered Wisconsin voters approved of his job performance, while 51 percent disapproved. Within those numbers, 44 percent of Wisconsin voters said they strongly disapproved of the president's performance, underscoring what a polarizing figure he has been. At the same time, 40 percent of registered voters favor impeaching and removing Trump from office, while 52 percent were opposed in the final poll of the year. And he was within the margin of error when paired against possible Dem rivals Joe Biden, Bernie Sanders, Elizabeth Warren, and Pete Buttigieg. Such numbers typically are a poor place to be as an incumbent with an economy that has been humming along and a stock market regularly hitting new record highs. Republican insiders bemoan a president who inspires his base like few others, but lacks message discipline that could broaden

his appeal. Any other president with an economy like this would be cruising to reelection, some say. Critics, meanwhile, see a trade war that has hurt Wisconsin farmers and a president who has turned off voters of all stripes on a series of fronts. Still, his backers note while he's been upside down in the Marquette poll, he's actually in better shape now than he was when he beat Hillary Clinton in 2016 for Wisconsin's electoral votes. He may not face someone in 2020 with negatives as high as hers were. Still, can the eventual Dem nominee put Wisconsin back in the blue column? There are the competing forces of finding a candidate who can win over moderate voters — and even some Republicans turned off by Trump — and the desire for someone who could fire up the Dem bases in Madison and Milwaukee to maximize turnout. Despite the president's middling poll numbers in Wisconsin, insiders on both sides see a president who could very well win the state again.

1 rising, 1 mixed, 3 falling

Foxconn: The Taiwanese manufacturer fell short of the minimum number of jobs required to qualify for the first round of tax credits under the nearly \$3 billion state incentive package it signed with then-Gov. Scott Walker. Now, the tech giant is in a tiff with Gov. Tony Evers' administration over whether its scaled back plans for the Mt. Pleasant facility meet the requirements of the contract, setting up the possibility of a court fight if it hopes to collect anything from the state in 2020. Foxconn kicked off the year with mixed signals of its intentions for the Racine County facility. The company had already scaled back the project, saying it planned a Generation 6 plant rather than a Generation 10.5, which would have produced much larger LCD screens. Then executive Louis Woo suggested in an interview the company was looking at shifting its focus in Wisconsin to a technology hub rather than manufacturing. The company mentioned other possible uses for the facility, including a packaging plant, molding factory and assembly facility. But then Foxconn reaffirmed its commitment to the Generation 6 plant after "productive conversations" with the White House and a personal conversation between Chairman Terry Gou and President Trump. The whole episode reinforced for some insiders that there's more at play than just market forces in the company's plans for Wisconsin. Critics have questioned how the company would ever turn a significant profit manufacturing LCD screens in the U.S. when it can be done much cheaper elsewhere in the world. Still, some say the plant is also about establishing a beachhead in the U.S. to foster good relations with Trump in the midst of a trade war with China. Meanwhile, establishing a good relationship with the Evers administration has had its ups and downs. The gov said publicly in the spring he

believed changes were needed to the contract to reflect the new direction Foxconn was headed, adding the company had approached the state first about changes. Then correspondence released in late 2019 showed his administration was putting a much finer point on its push for changes. That includes warning Foxconn that the new vision for the plant fell short of the requirements in the Walker administration contract. That means no amendments, no tax credits, the administration said. But the company argued it was still eligible for the credits despite the revised plans for the facility. Alan Yeung, the company's director of U.S. strategic initiatives, even accused the Evers administration in one letter of being unfriendly to business. He suggested the discussions about changing the contract were a waste of the company's time and Foxconn will be evaluating "all available options relating to the WEDC contract." To some, that's a sign the dispute ultimately could be decided in the courts. The upcoming year also could be pivotal for whatever the project becomes, some suggest. Foxconn could either be a boon or a bust for Trump with Wisconsin voters who may decide the election. On the one hand, he can cite its potential to brag about his efforts to bring back manufacturing to the U.S. On the other hand, if the deal falls short, it could look like a poorly thought out boondoggle. Some have long believed the project's entire fate rests on Trump. If he wins reelection, it moves forward. If he doesn't, Foxconn's incentives for a manufacturing facility in the U.S. — particularly one making products at a higher cost than an overseas facility — goes away. Others believe there's still a path for the company in a post-Trump world. But it would require careful management by the Evers administration and a friendly Dem in the White House.

1 rising, 1 mixed, 3 falling