

Evers campaign: Another report confirms Michels has no plan to avoid conflict of interests with family-owned Michels Corp.

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“That’s a family business so it’s kind of hard. It’s not like selling stocks. It’s your own company, so you can’t really divest your name or the company’s name.”

MADISON, Wis. —In case you missed it, an article from the Wisconsin State Journal highlighted Tim Michels’ glaring conflicts of interest if he were to be elected as governor. The article noted “Michels has yet to provide details on how he would distance himself from the family company” should he be elected governor.

Michels is a co-owner of Michels Corp. and consistently mentions his significant involvement with the company. Throughout his entire campaign, Michels has been unclear about how he plans to divest himself from the Michels Corporation, but has previously said that he hopes his family’s construction business keeps seeking state contracts if he is governor.

According to Wisconsin’s ethics law, public officials **“cannot take official action or use their office or position to benefit themselves, immediate family members or any associated organizations.”** Under state law, siblings are defined as **“immediate family members,”** and association with an organization is defined as **“the official or any immediate family members having an ownership or controlling interest in the organization.”**

It will be nearly impossible for Michels to avoid conflicts of interest given the company he and his immediate family members own also relies heavily on state

road contracts that the governor must approve. Michels Corp. has received over \$1 billion in state contracts since 2014.

Tim Michels is not fooling Wisconsin voters. The state and people of Wisconsin deserve to be treated better than as just a self-serving business opportunity for Michels' family's company.

Gov. Evers will always do the right thing to put our state first, and not his own self interests.

Read more below.

[Wisconsin State Journal: Tim Michels pledges to divest from company if elected, but questions remain over potential conflicts](#)

As the co-owner of Michels Corp., Republican Tim Michels has made his successful business — which has grown from a few hundred employees to more than 8,000 — a primary talking point in his campaign for governor.

If he succeeds in unseating Democratic Gov. Tony Evers on Nov. 8, Michels has pledged to divest from the Brownsville-based construction company that's secured millions in state contracts over the last decade to avoid any conflicts of interest, as state law requires the governor to sign the state's largest road contracts.

"Tim will divest himself of interest in the company and there will be no conflicts of interest," Michels' spokesperson Anna Kelly said. "Unlike Tony Evers, he will work hard and with integrity and will be transparent."

Beyond that blanket pledge, however, Michels has yet to provide details on how he would distance himself from the family company, such as putting his assets into a blind trust or selling company stock.

Asked in the one and only debate between Michels and Evers earlier this month how he would avoid potential conflicts of interest with his company, Michels said any state contracts his construction company received were awarded through a transparent bidding process and vowed to divest himself from the company.

Evers jumped on the pledge, noting that the potential future governor's company is

likely to continue bidding on state projects.

“How do we actually know how that’s going to work?” Evers added. “I think it’s going to look kind of fishy.”

[...]

Wisconsin Ethics Commission Administrator Dan Carlton said he couldn’t speculate on whether Michels’ plans would satisfy the state ethics code, noting that each circumstance comes down to the details.

“There are so many different facts that are involved in making that determination that it really, truly is a case-by-case basis,” Carlton said.

Wisconsin’s ethics law bars public officials from taking official action or using their office or position to benefit themselves, immediate family members or any associated organizations. Siblings are considered immediate family members under state law, and association with an organization is defined as the official or any immediate family members having an ownership or controlling interest in the organization.

State statute goes on to note that, in a representative democracy, lawmakers are “drawn from society and, therefore, cannot and should not be without all personal and economic interests in the decisions and policies of government.”

“Standards of ethical conduct for state public officials need to distinguish between those minor and inconsequential conflicts that are unavoidable in a free society, and those conflicts which are substantial and material,” the law says.

Michael Kraft, professor of public and environmental affairs at UW-Green Bay, said a common procedure would be for Michels to put his assets into a blind trust.

“The extreme position would be, I roll all of my assets, or as many as I can, into a blind trust, over which I have no control whatsoever,” Kraft said, though he noted such a move would be challenging, given Michels’ direct ties with the company. “That’s a family business so it’s kind of hard. It’s not like selling stocks. It’s your own company, so you can’t really divest your name or the company’s name.”

Michels first announced plans to divest from the company in April if he is elected. At the same time, he told WTMJ-AM he hopes Michels Corp., which he co-owns with his brothers, continues to seek state contracts for road projects, which typically go to the lowest qualified bidder. The company has received more than \$1 billion in contracts from the state Department of Transportation since 2014.

Michels Corp. also comprises several other construction companies, including Michels Pipeline, which earlier this year signed a letter of intent with Enbridge Inc. to build the pipeline company's Line 5 pipeline through Wisconsin.

"It won't be my decision," Michels said of whether the company would bid on state projects. "It will be my brothers' decision. But again, we bring value, we bring value to the taxpayers of Wisconsin."

That should be small comfort to voters, Democratic Party of Wisconsin spokesperson Hannah Menchhoff said.

"Michels says he can read a balance sheet, so he should be able to see, that just doesn't add up," Menchhoff said. "Wisconsinites deserve a governor who will do the right thing and put our state first, not his own pocketbook."