



THE LEAGUE OF WOMEN VOTERS OF MILWAUKEE COUNTY

League Lines

MAY/JUNE 2008

Calendar

414-273-8683
<http://lwvmilwaukee.org>, e-mail: info@lwvmilwaukee.org

For the most up-to-date information on events, see <http://lwvmilwaukee.org>

May

- 12 Mon., Natural Resources Comm., 7pm
3002 E. Kenwood Blvd., Milwaukee
Contact: Jennifer Runquist (414) 332-5067
- 14 Wed., Board Meeting, 6pm
1845 N. Farwell Ave., Milwaukee
Contact: Louise Petering (414) 351-3617
- 17 Sat., Internatn'l Rel. Comm., 1:30 pm
Topic: Arctic Meltdown: The Economic and Security Implications of Global Warming.
Anne Morrissey's, 4215 N. 100th St. #220.
Contact: Marianne Steigerwald (414) 371-7836
- 21 Wed., Town Hall Meeting, 3:00-5:00pm
From Registration to Recounts: Improving Wisconsin's Election System
Italian Community Center, 631 E. Chicago St.
RSVP for this FREE, limited capacity event
Contact: LWV Milwaukee County (414) 273-8683
- 21 Wed., **Annual Meeting**,
5:30 pm Social, 6:00 pm Dinner
Italian Community Center,
631 East Chicago Street
Keynote: John Chisholm,
District Attorney, Milwaukee County
"Restoring Public Confidence in Public Officials"
Reserve by May 12, 2008 - online or using the form inside
Contact: Joann Barndt (414) 962-5634

June

- 6 & 7, Fri. pm & Sat.,
LWV Wisconsin Annual Mtg.
Pyle Center, 702 Langdon St., Madison, WI
Registration Deadline: May 26, 2008
Register at www.lwvwisconsin.org
Contact: Louise Petering (414) 351-3617

- 11 Wed., Board Meeting & Bulletin Deadline, 6pm
1845 N. Farwell Ave., Milwaukee
Contact: Louise Petering (414) 351-3617
- 13-17 Fri. Afternoon - Tue. Morning
LWVUS Convention, Portland, OR
Registration Deadline: May 30, 2008
Contact: Louise Petering (414) 351-3617
- 21 Sat., Internatn'l Rel. Comm., 1:30pm.
Topic: Transforming Nations: How the WTO Boosts Economics and Opens Societies
Lucille Bowen's 4215 N. 100th St. #240
Contact: Marianne Steigerwald (414) 371-7836
- 23 Mon., Natural Resources Comm., 6pm
4832 N. Newhall, Whitefish Bay
Topic: Water Gardens
Contact: Jennifer Runquist (414) 332-5067

PRESIDENT'S MESSAGE

Louise Petering

League's national public policy positions begin with "Representative Government." Immediately after those words, one reads, "Promote an open governmental system that is representative, accountable and responsive." No small feat! That goal is the focus of two events we have scheduled on May 21st at the Italian Community Center and also the motivation for the June 6-7 LWV Wisconsin Annual Meeting in Madison and the June 13-17 LWVUS Convention in Portland, OR.

Representative government in Wisconsin depends to a great

degree on our state's election system. From 3-5p.m. on May 21st we will look at that system as well as possible improvements to it. "From Registration to Recounts: Improving Wisconsin's Election System," will feature presenters, a response panel and audience feedback. Space is limited so sign up soon.

After a brief break, we will assemble at 5:30 for our annual meeting where Milwaukee County District Attorney, John Chisholm, will speak on "Restoring Public Confidence in Public Officials," a key element of representative government.

While these events cap our League year, please read the Annual Report in the bulletin insert to fully appreciate our accomplishments. Then register for both events to better understand the issues of "Representative Government" in Wisconsin and Milwaukee County. Invite friends and coworkers to join you. Please see page 5 of this bulletin for details and registration information.

Finally, I invite you to join me in Madison at the LWVWI Annual Meeting, June 6 and 7 as one of nine Milwaukee County delegates. If we adopt Predatory Lending positions at our own annual meeting on May 21st, we'll swing into action and plan

to caucus for concurrence with our newly adopted positions by all Wisconsin Leagues. At the state meeting, we will hear keynotes on "Expanding the Electorate: The New Election Reform Agenda" and "A Fair

Reserve Today!

Elections Town Hall Meeting

May 21

Annual Meeting

May 21

See registration forms on page 5

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and Impartial Judiciary.” And we will network and socialize with League members from around the state. If you would like to be a delegate or alternate please contact me at (414) 351-3617. We will carpool to Madison to socialize and save energy!

MEMBERSHIP

Mary Stephaniak

Seventeen women and men have joined League since January 1st of this year. Glenda Alexander, Anne Brooks, Melanie Benesh, Ellen Debbink, Michele Derus, Verena Fjermestad, Nina Kohl, Edythe Kerschling, Shana McCombs, Matthew and Abby Plummer, Russel and Marion Retzack, Juan Ruiz, Marion Slavick, Marilyn Smits, and Bonnie Vick. Welcome to League!

In joining very recently Nina Kohl wrote *“I am most interested in strengthening our democracy, because our Constitution and Bill of Rights have been under siege in recent years. I should have joined the League long ago, but I'm joining today as my own little personal protest against the way ABC mishandled the presidential debate. I long for the good old days when LWV was in charge!”*

That's the spirit - of the women and men in League who are “making democracy work” locally, in Wisconsin and around the nation. You are among those who have helped our membership grow 7% in the last year!

LENDING PRACTICES

(Local Study) Special to the League of Women Voters of Milwaukee County, Michele Derus

Editor's Note: Michele is a member of our local study and received our League's support for her attendance at the March 13th conference in Waukesha sponsored by the Federal Reserve Bank of Chicago (not a government agency), UW-Extension, and UWEDA. Her report follows.

Waukesha - Mistakes and malfeasance in the US mortgage lending industry will cost hundreds of billions of dollars, with taxpayers likely stuck with a chunk of the bill, industry experts warned at a March 13 housing industry conference here.

The toll already has surpassed \$100 billion "and I don't see it ending soon," said Thomas James, senior assistant attorney general for the State of Illinois. "Nobody gets to walk on this."

Conference host Steven W. Kuehl, consumer regulations director for the Federal Reserve Bank of Chicago, agreed. "More can and should be done" to minimize the damage from a host of unsound loans this decade - foreclosed homeowners, ruined lenders and a credit market crippled by fear, he said.

Kuehl's bank sponsored the conference at Country Springs Hotel to help Wisconsin officials cope with mounting fore-



Predatory lending group: (l to r) Michele Derus, Matt Plummer, Barb Hussin. Photo by Dorothy Dean (also a member of the committee)

closures - 13,950 last year alone, according to Wisconsin Housing and Economic Development Authority. Nearly 200 people attended, many hungry for advice from the bank whose governing board had just authorized \$200 billion in 28-day loans to banks in hopes of restoring the flow of mortgage money in an industry wracked by losses and scandal.

Nationally, lenders staved off about 700,000 foreclosures in the second half of last year by reworking loan terms with lower interest rates or longer payoff times, Kuehl said. Meanwhile, however, another 1.5 million people lost their homes - trapped by rising loan payments and falling house values, he noted. Conditions have further deteriorated this year, he said.

"In this environment," Kuehl said, "principal reduction may be more effective."

Banks and finance companies are adamantly opposed to reducing the amount people owe on their home loans, Kuehl acknowledged. Their stance may soften when they do the new math; recent foreclosure losses have exceeded 50% of principal, he said.

Blame timid regulators, gaps in automated loan underwriting and a mortgage securitization process that leaves no one feeling responsible to the borrower, said Gregory D. Squires, professor of sociology and public policy at George Washington University.

Squires painted America's financial world as a caste system- with banks interested only in the privileged and high-priced convenience lenders focused on everyone else. Ripoff artists hawking costly subprime loans capitalized on this dichotomy, capturing one-fifth of the nation's 2006 mortgage market in the process, he noted.

Communities have been devastated by the resulting spate of foreclosures, Squires said, but some are fighting back. The Cities of Cleveland and Baltimore recently filed lawsuits against mortgage companies they claim had targeted their population for unconscionable home loan deals. "This may be a sign of things to come," the professor said.

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So is holding financial companies responsible for sloppy record-keeping, said Kenosha attorney David P. Liebowitz. He is challenging foreclosures based on the servicer's loss of the original mortgage note - a common lapse during repeated sales of loans, Liebowitz said. Demanding such proof is often sufficient to get lenders to negotiate if not invalidate a foreclosure, he said.

Meanwhile, depressed housing conditions have fostered a national crime wave in fleecing beleaguered homeowners of what little equity they have left, said federal investigators Brad Geary and Ray Espinosa. In their 19 and 17 years, respectively, with the US Dept. of HOusing and Urban Development's Office of Inspector General, they have seen two previous rounds of housing slump-related crimes. But this new one is worse, because it involves organized and often vicious gangs, they said.

"Mortgage fraud is where you make the money now," Geary said. Gangs use real estate scams to grab quick cash from desperate homeowners while laundering money from their other criminal enterprises, he said. In the pending federal criminal case of Michael Locke, Espinosa said the gang used an out-of-state lender for Milwaukee purchases. Asked if other criminal enterprises are milking this state's real estate market, Geary said it's likely- but wouldn't elaborate.

"It's not big city anymore," Geary said of gang-related mortgage fraud. "It's everywhere."

Geary and Espinosa repeatedly urged lenders and underwriters to step forward and turn in shady operators. Title company executives already do; "they're the ones who have to pay the claims on all the bad loans," Geary said.

ELECTION ADMINISTRATION

State Study on Election Administration

with permission of Paul Malischke,

Secure, Accurate, Recountable – How is Wisconsin Doing? (12/16/07)

At the 2004 national convention, the League of Women US resolved to support "voting systems and procedures that are secure, accurate, recountable....".

At Convention 2006, delegates passed a resolution to

"Affirm that LWVUS supports only voting systems that are designed so that...

- The vote totals can be verified by an independent hand count of the paper ballot/record; and
- Routine audits of the paper ballot/record in randomly selected precincts can be conducted in every election, and the results published by the jurisdiction."

Over 80% of Wisconsin's voters use paper ballots counted by optical scan tabulators. The remaining jurisdictions use either hand-counted paper ballots, or Direct Reading

Equipment (DRE), often called touchscreens. The DRE's are required by statute 5.91(18) to have a voter-verifiable printout, and the printout is the record used for recounts (Statute 5.90).

How Does Wisconsin Measure up to Secure, Accurate, and Recountable?

Secure - Ballot security

Wisconsin's administrative rule (ElBd 5.01) for securing voted ballots has been in place for a long time. It is quite strict, and it has the force of law. It states that any access must leave "visibly discernible and indelible evidence of, or record of, that entry or access into the container." However, election administrators across Wisconsin have been ignoring this requirement. On election night, the pollworkers typically use a simple plastic strap to close the neck of the ballot bag. This strap could be carefully removed, and later replaced by another one purchased from any hardware store, without leaving any sign of access. For a recount or an audit, how can we be sure the ballots that are being counted are really the ballots the voters filled out?

At the September 2007 meeting of the State Elections Board (SEB), I presented this situation to them. Their legal counsel agreed on the record that the ballot security rule was being largely ignored. The Board unanimously agreed to my proposal to enhance the rules with specifics on using more secure numbered seals. They also agreed to have the Board of Canvassers check a sample of ballot bags to ensure compliance. These enhancements to the rule are progressing through the rule approval process, which may involve a public hearing and legislative review.

Secure – Memory Cards

The security of the memory media used in voting machines became an issue in early 2006. The National Association of State Election Directors (NASSED) issued a directive for securing the memory cards as a requirement of certification of voting machines. This involved a perpetual chain of custody and sealing with numbered seals. Since then, the Secretaries of State of California, Colorado, and Ohio have overseen extensive studies by scientists of voting machine security. From the Ohio study: "Unfortunately, the findings in this study indicate that the computer-based voting systems in use in Ohio do not meet computer industry security standards and are susceptible to breaches of security

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ABOUT LEAGUE: MEETING TYPES

Different kinds of meetings foster different objectives. League "**Unit Discussion Meetings**" enable members to talk more in depth with one another, develop a topic or arrive at consensus. Our "**General Meetings**" allow members to hear presentations and ask questions of presenters. Often these topics are discussed at subsequent "Unit Meetings."

that may jeopardize the integrity of the voting process. Such safeguards were neither required by federal regulatory authorities, nor voluntarily applied to their systems by voting machine companies, as these products were certified for use in federal and state elections.”

In November 2007, the SEB approved new strict procedures for memory cards, and directed staff to complete the rules promulgation process. When finished, the rule will have the force of law. However, given the history of lax adherence to the ballot security rules, it is questionable how much effect the new rule will have.

Accurate

Accuracy of optical scan tabulators is verified by pre-election testing, audits, and occasional manual recounts.

Pre-election testing consists of sending a test deck through the tabulator and checking that it counts correctly. A public test is required by statute 5.84, but there are no statewide standards for the procedures. For one test that I witnessed, the referendum test deck had two “yes” votes and two “no” votes. The clerk felt that the 2-2 result was adequate, but it could have meant that all votes were flip-flopped. Another dubious practice is to use the test mode built-in to the new voting machines. This makes it quicker to run the test, but a recent California report on voting machines found that the test mode software might differ from the Election Day software. At the November 2007 meeting of the SEB, I requested that they develop rules for minimum statewide standards for testing procedures. They unanimously directed staff to begin the rule promulgation process.

Audits of the vote counts were discussed at a recent Audit Summit in Minnesota, attended by five Wisconsin election administrators and two people from the Wisconsin LWV. The summit defined audits as follows: “The audit of election results, conducted after the polls have closed and before certification, by performing manual counts of paper ballots and voter-verifiable paper records in randomly selected units (e.g. precincts) and comparing them to the corresponding electronic or manual tallies, for the purpose of verifying the election result with a high level of confidence.”

Since the summit, a group of the attendees and others have been discussing establishing audits in Wisconsin. Contact the Wisconsin office of the LWV if you are interested in further information or willing to participate in the audits.

Recountable

In Wisconsin, candidates may request recounts. They are conducted at no cost to the candidate if the margin is less than one-half of one per cent.

For recounts of DRE’s, the paper tapes are counted by hand.

Optical scan ballots are recounted by machine, according to statute 5.90. Manual counts are rare since they are only

allowed if there is a court order. From 1982 until 2006, the Board of Canvassers was able to decide whether the recount should be done by hand or by machine. This law resulted in some manual counts, which serve as a verification of the accuracy of the machine results.

The optical scan ballots are typically tabulated using the same optical scan memory pack that was used on election night. This means that if there was an error on the memory pack, it will be repeated during the recount.

One means of preventing an error is the pre-recount test required by statute 5.90. Unfortunately, in four of five recounts that I have witnessed recently, the clerks have skipped this public test. In two cases, it was skipped even after I inquired about it. I have proposed that the SEB develop an itemized ward-by-ward checklist for recounts that the Boards of Canvassers must initial, and that the results of the test are listed in the minutes of the recount.

Another problem is that the machines might not count certain ballots, such as those where the voter circles the name instead of filling in the oval or arrow. Boards of Canvassers are allowed to screen the ballots for these situations and manually count them, but they do not always do this. The method of evaluating these types of ballots is spelled out in statute 7.50(2), headed “Elector Intent”.

Observers

Perhaps the best way to ensure that our election systems are secure, accurate, and recountable is to observe, and to raise questions. Wisconsin has great laws for open observation of elections, Board of Canvassers meetings, and recounts. The SEB has an excellent website with extensive information on rules and procedures. You don’t have to be an expert in election law, but learning and focusing on one area is an excellent way to make a difference.



West Allis unit meeting (l to r) Ruth Snedic, Dorothy Sherman, Carole Garrison, and Joann Kreimendahl. Also present: Natalie Kleman, Barb Hussin and Rosemary Bigelow. Photo by Dorothy Dean

From Registration to Recounts: Improving Wisconsin's Election System

For Leaguers & the Public

Wednesday, May 21, 2008

3:00 pm - 5:00 pm

Italian Community Center

631 E. Chicago St.
Milwaukee

Space is limited for this free event.

**Please RSVP by calling
(414) 273-(VOTE) 8683**

Presenters:

Steve Huefner and Dan Tokaji

Professors at Ohio State University Moritz School of Law

&

Panelists

Kevin Kennedy, Legal Counsel for the Government Accountability Board

Neil Albrecht, Deputy Director of the Milwaukee Election Commission

Andrea Kaminski, Executive Director of League of Women Voters of WI

Since 2000, a great deal of attention has been devoted to the mechanics of elections throughout the country. There have been numerous changes to state and federal laws, yet serious problems remain – and there is little consensus about what should be done next.

You're invited to participate in a discussion of Wisconsin's election system and what can be done to improve it. Joining us will be Professors Steve Huefner and Dan Tokaji of the Ohio State University's Moritz College of Law, co-authors of the recent book, *From Registration to Recounts: The Election Ecosystems of Five Midwestern States*, funded through a grant from the Joyce Foundation. This book takes an in-depth look at the election systems of Wisconsin and four other Midwestern states, examining such issues as voting technology, illegal voting, voter registration, and recounts.

Professors Huefner and Tokaji will discuss their findings and recommendations, followed by a response panel with: Kevin Kennedy, Legal Counsel for the Government Accountability Board; Neil Albrecht, Deputy Director of the Milwaukee Election Commission; and Andrea Kaminski, Executive Director of League of Women Voters of Wisconsin. The discussion will be an opportunity to focus on what the next step for election reform in Wisconsin should be.

For general information about the event, call Andrea at (608) 256-0827.

Annual Meeting - Wednesday, May 21, 2008

Join League members and guests for a stimulating program and meeting.

Italian Community Center

631 East Chicago Street, Milwaukee, WI 53202
5:30 p.m. Social Hour with cash bar
6:00 p.m. Dinner followed by Keynote Speaker

Keynote Speaker

John Chisolm, District Attorney, Milwaukee County

**Restoring Public Confidence
in Public Officials**

Reserve by May 12: Online for \$31.50 by May 15 at <http://lwvmilwaukee.org>

OR

Complete and send the form below with your check for \$30.00 to:
LWV Milwaukee Co. P.O. Box 100785, Milwaukee, WI 53210-0785

LWV-MC Annual Meeting, May 21

Name(s) _____ Phone _____

(included with the selections below are: Salad, Entrée, Starch, Fresh Vegetable, Italian Bread & Butter, Dessert and Beverage)

_____ Broiled Fresh Fillet of Walleyed Pike Almondine

_____ Roast Cornish Hen filled with Wild Rice Stuffing

_____ Sicilian Pork Tenderloins in Italian breading topped with sautéed onions and peppers, with Marinara Sauce

_____ I am unable to attend the Annual Meeting. Enclosed is a check to support the work of the League.

Join the League Today!

Become a member of the League of Women Voters and help *Make Democracy Work!*

Dues [Circle One]: \$60 Individual \$75 Household (2 or more individuals) \$25 Student \$25 Limited Income
\$100 Sustaining (supports \$25 memberships) \$160 Centennial (supports action & activities)

Name _____ Home Phone (____) _____

Address _____ Work Phone (____) _____

City _____ WI Zip _____ e-mail _____

Involvement [Check One]: Active ____ or Supporting ____ Interests _____

Please Note: Please circle your preferred means of contact and mail this form with your check to the **League of Women Voters of Milwaukee County, P.O. Box 100785, Milwaukee, WI 53210**. Thank You. (Non-tax deductible contributions may be made to the LWV Milwaukee County. For a tax deductible gift to the LWV Milwaukee County, write a separate check, minimum \$50, payable to the LWV Education Fund. Mail contributions to the membership dues address above.)



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