


COVERING FOR
CORRUPTION

PART ONE:
SEN. RON JOHNSON

A SPECIAL REPORT FROM THE CONGRESSIONAL INTEGRITY PROJECT



Ensuring that public officials are working in the public interest, not their own, is one of Congress's most important responsibilities. But year after year, some lawmakers get it backwards: They turn a blind eye to corruption while launching illegitimate investigations to distract the public. That allows them to hold onto power, which they can use to enrich themselves and those close to them.

Sen. Ron Johnson of Wisconsin personifies these twisted priorities, ignoring wrongdoing at the highest levels of government while spearheading baseless investigations to curry favor with Donald Trump. As our economy spirals, leaving a historic number of Americans out of work and struggling to get by, Ron Johnson made millions and protected his assets — thanks to policies he championed in Congress.

This report, Part One of our “Covering for Corruption Series,” details how Johnson substitutes conspiracy for oversight and puts his own financial interests ahead of his constituents. We can’t force Johnson to put the interests of Wisconsinites and the American people ahead of his own. But we can expose his record and stop him from misleading and manipulating voters.

SELF-DEALING TO ENRICH HIMSELF AND HIS FAMILY

Senator Johnson has used his time in Congress to enrich himself and his family at the expense of hardworking Wisconsinites.


While Johnson presents himself as a Midwestern job creator, his wealth is the result of nepotism and favoritism. Johnson is one of the richest members of the Senate, with a net worth of tens of millions. He became rich not through bootstrapping entrepreneurship, as he often claims, but [by marrying](#) the daughter of a billionaire, Howard Curler, who ran the manufacturing giant [Bemis](#). In 1979, after marrying Jane Curler, Johnson began running a plastics company called Pacur with her brother, Pat. Bemis was [their only customer](#).

Bemis, which is now controlled by another Johnson brother-in-law, Jeffrey Curler, continued to make purchases worth tens of millions from Pacur until at least 2012. After Johnson won election in 2010, Pacur immediately paid him “[deferred compensation](#)” of \$10 million — more than the almost \$9 million he had spent to fund his own campaign. The deferred compensation amount, which Johnson approved himself, effectively allowed him and his company to ignore laws limiting corporate campaign contributions.

In the Senate, Johnson has accelerated his pattern of enriching himself through connections and shortcuts.

According to Johnson’s Personal Financial Disclosures, his wealth has likely doubled since running for the Senate. During his 2010 campaign, Johnson [promised](#) to place his assets in a blind trust to ensure that he would legislate in the public interest. That did not happen. Instead, Johnson said he decided to cash out his assets — except he did not fully do that, either. He continued to hold a stake in his personal business and at least one foreign-owned asset.

Johnson blocked efforts to crack down on corporate tax dodging while stashing money in an overseas tax shelter. The Oshkosh, Wisconsin resident [owns](#) 9.9 percent of DP Lenticular, a Dublin-based company, which is worth up to \$500,000. The Irish company had one full-time employee and [Johnson’s brother, Barry](#), sat on their board. The company is owned by



a Spanish holding company that [pays no taxes](#). His ownership stake is just below the 10 percent limit at which he would be required to report it to the federal government.

Johnson [repeatedly opposed](#) measures to close the tax loophole that allows companies to avoid taxes by reincorporating in low-tax countries like Ireland. Given Johnson's assets in DP Lenticular, these positions help protect his overseas investment. He defends these tax dodges as "[just math](#)" – and insists the real solution is actually lower taxes that would further enrich his family.

In 2017, Johnson cast the deciding vote for the Republican tax bill – but only after winning changes to line his own pockets. Before providing the crucial 50th vote, Johnson [successfully pressured](#) Senate leadership to lower taxes for pass-through businesses, or businesses whose owners report profits on their individual tax returns. Those changes significantly lessened the tax burden on companies like Pacur, still run by Johnson's brother. That, in turn, would be expected to increase the value of Johnson and his family's stakes.

The bill also provided a [massive boon](#) to private equity firms. Coincidentally, one such private equity firm, Gryphon Investors, [bought Pacur in February 2020](#). The tax bill's provisions appear to have benefited Johnson enormously. According to his senate financial disclosure forms, before the 2017 tax bill's provisions had gone into effect, Johnson estimated his stake in Pacur was only worth between \$1 million and \$5 million. One month after Pacur was sold to Gryphon, however Johnson sold his stake for between \$5 million and \$25 million. As an added bonus the 2017 tax bill increased Johnson's [personal tax deduction](#), likely saving him hundreds of thousands more on tax liability.

As the country faced an unprecedented pandemic, Johnson made millions – and fought against relief for working Americans. According to [Senate disclosures](#), Johnson sold his stock in Pacur [on March 2](#) – before states locked down and markets began to sink. Johnson's profits from the sale of his company may have been as high as \$25 million, eclipsing the \$1.7 and \$3 million that Sens. Richard Burr and Kelly Loeffler [respectively pocketed](#) from stock sales following closed-door briefings on Covid-19. While this type of self-dealing by elected officials may be acceptable to some in Washington, that doesn't make it any less troubling.

While Johnson enjoyed his new profits, he fought against measures to protect American businesses. In June, Johnson [tried to stop](#) bill to help small businesses obtain loans under the Payment Protection Program – and then [fought to end it](#) early even as many states reported a record number of new Covid-19 infections. In July, [he called](#) continued aid to unemployed Americans "perverse" and vowed to vote against "even a dime more" in spending. Johnson even proposed limiting loan forgiveness to businesses that reported less than 60 percent of their 2019 income in 2020, [arguing](#) that "no one should be allowed to make money off it."

ILLEGITIMATE INVESTIGATIONS TO DISTRACT VOTERS

As the Chairman of the powerful [Senate Homeland Security and Governmental Affairs Committee](#) — the Senate’s chief oversight body — Sen. Johnson has a broad mandate to hold government officials accountable, especially in times of crises. Yet Johnson has refused to investigate widespread [police brutality](#) in response to peaceful protests for racial equality. And when it comes to investigating the administration’s failed response to Covid-19, it took Johnson four months and nearly 150,000 American deaths to even hold a hearing.

Instead, Johnson is using his position to amplify President Trump’s conspiracy theories and investigate [debunked](#) claims about the previous administration. If Republicans control the Senate and Donald Trump stays in office, Johnson can continue to use his powerful perch to enrich himself and his family.

Johnson is using his committee to investigate the nonsensical “Obamagate” conspiracy. The Senator is a high-profile [cheerleader](#) for a key falsehood that President Trump is trying to push in his bid for reelection: “that [Trump] and his associates were targeted unfairly by the outgoing Obama administration.” To gin up spectacle and distract the public from Trump’s dismal performance, Johnson’s committee recently authorized [subpoenas](#) for a list of people who investigated ties between Russia and the Trump campaign in the 2016 election. Now, there is [credible reporting](#) that suggests Johnson may have accepted pro-Russian disinformation during the course of his investigation.

Meanwhile, Johnson defended President Trump’s request that China investigate his 2020 election opponent, Joe Biden. Even as Trump was being impeached for asking Ukraine to interfere in American politics, Johnson saw nothing wrong with the president making those transparently corrupt requests of other countries. “I don’t think there’s anything improper about doing that,” Johnson [said](#).

Even Johnson’s Republican colleagues warn that his baseless investigations resemble, and maybe even abet, Russian disinformation. Sen. Mitt Romney (R-UT) [called](#) the political motivation behind Johnson’s investigations “apparent on its face,” and Sen. Richard Burr (R-NC) [warned](#) Johnson that he was aiding “Russian efforts to sow chaos and distrust in the U.S. political system.”

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The Congressional Integrity Project is a 501 (c)(4) that exposes the truth about members of Congress who put their own interests ahead of their constituents, covering for corruption while launching baseless investigations to distract the public.

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