
◆ The TAX TIMES ◆

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Health savings accounts and the Medical Industrial Complex.

I aim to talk about health savings accounts. Bear with me on this brief prelude. Pres. Dwight Eisenhower in 1961 warned us about the coming military industrial complex and its potential for misplaced power. Eisenhower counseled, "In the councils of government, we must guard against the acquisition of unwarranted influence." Pres. Eisenhower's warning was borne out. We now have a self-perpetuating defense bureaucracy that is as arcane as it is vital. It's a beast we feed with impunity, and our enemies know it. As we consider pathways to self-reliance and smaller government, I wish Pres. Eisenhower had also warned us about the medical industrial complex.

Last month, medical researchers claimed that vitamins offered no defense against heart disease. This counter-intuitive and contrary finding comes about two years after the American Medical Association finally joined the 20th Century by recommending that we take a vitamin or two a day. This new research reminded me that the medical industry has an internal conflict. It is avowed to promote good health, though good health would nearly put them out of business. Their institutional existence is at odds with their Hippocratic mission.

The medical industry, like all levels of government, is trying to dodge a natural downsizing, forgetting the public it was born and pledged to serve. The combination of rising costs for medical malpractice and the fearful possibility of weaning themselves from the current HMO/PPO payer system render the medical profession ineffective at controlling costs.

We are largely on our own out here. Which is something we have mostly forgotten as Big Mother Government has convinced us to let her take care of everything and she has won power in the entitlements she sponsors.

But our eyes are opening to the truth. And as government realizes our eyes are opening; it has begun to treat us better. At least some parts of government are trying to help us open our eyes and find our way, to help wean us off the smothering teat of government, the costliest of health providers.

Brown County's own Sen. Rob Cowles and Reps. Becky Weber, and Frank Lasee are some of those helpful government servants. Cowles was finally able to shepherd through the Legislature a bill to extend state tax credits to match federal credits for health savings account, better known as HSA's. Weber, and most local legislators are vocal supporters who rallied with Cowles. But, despite Gov. Doyle's pledge to help cut health care costs, he vetoed the bill.

Doyle's veto said, "Health savings accounts are inextricably linked to high-deductible medical insurance and, therefore, could decrease employer-sponsored insurance coverage." Doyle was wrong. Higher out-of-pocket costs did not rise from HSA's, as Doyle infers. The higher consumer costs are logically coming and HSA's are rising to meet them. Health care's true costs have for decades been unwisely disguised in employee wages and benefits, discouraging smart consumerism and self-reliance.

As employers, except government, begin wisely passing along health care premiums and deductibles to workers, HSA's are a sound consumer tool to meet those new costs, permitting tax-free savings and withdrawals, while rewarding those who take good care of themselves and avoid illness.

Government so far has disregarded this trend, as unions have resisted contract offers passing health care costs along to workers. The unions are coming around slowly and principles like the Taxpayer Bill of Rights will continue pushing them to make smarter choices in representing their members.

Until the taxpayers demand to carry HSA's in their health care holsters, government will not answer the cost-savings show-down and include HSA's for their workers. If government led the way, for a change, the win-win arrangement could profoundly change healthcare costs and attitudes for the current losing system.

But while we wait for government to begin making better choices, the least they can do is get out of the way and let the public sector lead on this issue. HSA's would have allowed workers to demonstrate the wisdom of self-reliance.

Gov. Doyle needs to remember his pledge to get government out of the way. Instead he started a website to help Wisconsinites buy cheaper Canadian drugs, something the private and non-profit sectors had pioneered years ago. These pioneers still lead the way as Doyle's tax-funded effort has drawn Federal reprobation and little public interest.

No, Dole missed his real chance to help Wisconsinites take care of themselves. HSAs won't help Doyle get re-elected, they were a Republican initiative, so he axed them. Two years later, we still await his "new day."

See the August 23rd Newsweek article, "A Healthcare Windfall" and be sure to send Gov. Doyle a note asking him to sign this bill when it arrives on his desk at dawn of the next Legislature.

Richard Parins, President

The BROWN COUNTY TAXPAYERS ASSOCIATION – Promoting Fiscal Responsibility in Government.

The Future of The Veterans Memorial Arena.

Our last *TAX TIMES* contained an article regarding the need for repairs to the roof of the Brown County Arena. Basically, the question raised was if the proposed cost to taxpayers would be warranted by revenue to the community created by events held in the structure, or if the site could be better suited for other purposes at this time. We received the following from Keri Sliva, President and CEO of The Green Bay Area Visitor and Convention Bureau, and will comment on their study when the results become available.

Brown County Taxpayers Association:

"Thank you for giving me the opportunity to respond to your inquiries as to the future of the Brown County Arena, most recently the issue of fixing of the roof. We applaud the Brown County Board of Supervisors and Education and Recreation Committee's recent approval to repair the roof. In the short term, this will provide a safe building for event business, which is booked in the arena through 2007. Of course, we realize that this is simply a short-term solution. The building was constructed in 1958 and will not last forever. The time has come to start the process of determining "what's next" for the BCA and the complex as a whole.

The Green Bay Area Visitor and Convention Bureau and Brown County recently commissioned a feasibility study, which officially begins Aug. 31. It is being conducted by C.H. Johnson Consulting of Chicago, a firm that specializes in public facilities, from arenas to stadiums to convention centers. This will give us an unbiased opinion as to what makes sense, considering the market, competing venues, potential event business, etc.

Now that the roof will stop leaking on our current guests, we can look to the future to see what makes sense for this space in the future. You may use, at your discretion, any of my comments in my previous letter for your Sept. article.

I understand your questioning of how much of the admission dollars stay locally. This is a question better directed at PMI, or one of the promoters such as Clear Channel who bring these concerts to Green Bay. However, it's no secret that the entertainers themselves keep the vast majority of the gate revenue. I would suggest that you look beyond the admission dollars, and consider the overall economic impact these events have. That, combined with the \$250,000-\$350,000 the County receives in rent income annually, means that the building is self-supporting, which is a lot more than other buildings across the country can say.

Along those lines, at the request of PMI and the VCB, the University of Wisconsin Green Bay is conducting a economic impact study of the Veteran's Memorial Complex. We selected a range of events, from concerts to citywide conventions, where intercept surveys are being conducted this year, to give us a better idea of what people are spending in tourism dollars as a result of events at the complex.

Thanks again, for your attention to the BCA. Please let me know if I can be of any further assistance. I'd be happy to answer any questions you might have."

Sincerely,

Kari Sliva, President and CEO
Green Bay Area Visitor and Convention Bureau
Packer Country Regional Tourism Office

58 Million Wage Earners Pay No Federal Income Tax.

Despite claims that tax cuts only benefit the rich, the Tax Foundation, a non-partisan tax analysis organization in Washington DC, reports that a total of 58 million wage earners will have no federal income tax liability for the year 2004. In many cases, the government will actually owe them.

A total of 44 million, almost double from 2000, do not reach the minimum wages required for filing a return, and another 14 million and families earn some income, but not enough to require filing a return. It is further estimated with their dependents, these 58 million represent roughly 122 million, or 44% of the U. S. population not paying federal income taxes. It is important for lawmakers to have a better understanding of who this group represents.

The majority are low-income, young, female-headed households, part-time workers, and beneficiaries of the \$1,000 per-child tax credit. 75 percent will earn less than \$20,000 in 2004 and 97 percent will earn less than \$40,000.

In 1997 Congress enacted a \$500 per-child tax credit and expanded the Earned Income Tax Credit (EITC) for low-income workers. The 2003 tax cuts increased the value of the child credit to \$1,000. These two tax credits, especially the child credit, have had a powerful effect on reducing, and in many cases eliminating, the income tax liability for millions of Americans. Of the 44 million tax returns that will pay no income taxes, 34 percent will claim the EITC and 50 percent will claim the child credit.

Heartland Institute Budget & Tax News, July,, 2004

National Debt Update.

As of September 1, the U. S. National Debt stood at \$7,355,406,885,942.00, which is an increase of \$143,367,554,878. since last reported on July 1. That's an increase of \$143+ BILLION in just 2 months. It equals \$117,141 per family. This is especially disturbing as the above article states that 58 million wage-earners pay no federal taxes, and we assume they also own \$117,141 per family.

There are reports that Social Security and Medicare alone will bankrupt the country but that doesn't seem to bother Congress. A sign of the times-We haven't detected any concern over the national debt from either party so far in the current Presidential campaign. Worry about that later.

VISIT OUR WEBSITE
www.BCTaxpayers.Org

Where Will Our Next Taxes Come From?

Local, state and National Governments officials are constantly seeking new ways, (*supposedly hidden*), to enhance their revenues. Following is a list of present taxes we all pay, (*there are probably a lot more which have been overlooked*), which are already in place. The cost to us is compounded on many of these taxes as they already are included as part of the goods and services we buy encountered by the manufacturers and vendors.

There has been renewed support from various sources for a national sales or a value added tax (VAT) such as is widely used in Europe. Proponents claim such a system could replace the present income tax and a number of other taxes. Europeans generally pay much more of their income to taxes than we do. It has been proven time and again that once a tax is imposed, it will be there forever. While there are sound arguments on either side of a VAT tax, it would take a massive makeover of our economy to install. In addition, since all income groups would have the tax included as part of their expenditures, a system would probably have to be installed to credit low-income and many of the other special interest groups that now receive special consideration on the taxes they pay. It could be that this would only result in a much higher level of taxation for all of us rather than a means of tax simplification.

Taxes we now pay.

Airline/ Airport Taxes and Landing Fees
 Alternative Minimum Tax (AMT)
 Building Permit Tax
 Capital Gains Tax
 CDL License Tax
 Cigarette Tax
 Corporate Income Tax
 County Sales Tax
 Court Fines (indirect taxes)
 Dividends and Interest Tax
 Dog and Cat License Fees
 Driver's License Fee
 Environmental Recycling Tax
 Excise Taxes
 Estimated Income Taxes
 Federal Gasoline Tax (18.4 cents/gallon)
 Federal Income Tax
 Federal Unemployment Tax (FUTA)
 Fishing License Tax
 Food License Tax

Fuel Permit tax
 Garbage Collection Fees
 Gift Taxes
 Hotel and Travel Taxes
 Hunting License Tax
 Import Duties
 Inheritance Tax Inventory tax
 IRS Interest Charges (tax on top of tax)
 IRS Penalties (tax on top of tax)
 Liquor Tax
 Local Income Tax
 Local Property Tax
 Local Sales Tax
 Lottery Tax (50% off the top goes to gov't)
 Luxury Taxes
 Marriage License Tax (and a marriage penalty!)
 Medicare Tax
 Nanny Tax (Soc. Sec. tax for the kid's nanny)
 Passport Fees
 Personal Property Tax
 Petroleum Cleanup Fund Tax
 Real Estate Transfer Tax
 Recreational Vehicle Tax
 Required Minimum Distribution Penalties on your IRA
 Road Usage Taxes (Truckers)
 Road Toll Booth Taxes
 SEC Fees (on sale of stock)
 School Tax
 Self-Employment Taxes
 Septic Permit Tax
 Service Charge Taxes
 Sewer Tax
 Social Security Tax (FICA)
 State Sales Tax
 Stadium District Sales Tax
 State Gasoline Tax (31.1 cents/gallon) automatically increased annually!
 State Income Tax
 State Sales Tax
 State Unemployment Tax (SUTA)
 Telephone 3% Federal Excise Tax
 Telephone Federal Universal Service Fee (USF) tax
 Telephone Federal, State And Local Surcharge Taxes
 Telephone Number Portability Charge
 Telephone Regulatory Cost Recovery
 Telephone State and Local Tax
 Telephone 9-1-1 Emergency System
 Toll Road, Bridge and Tunnel Taxes
 Traffic Fines (indirect taxation)
 Trailer Registration Tax
 Utility Taxes (gas, electric, water)
 Vehicle License Registration Tax
 Vehicle Sales Tax
 Watercraft Registration Tax
 Well and Septic Permit Tax
 Workers Compensation Tax

Wisconsin's Problem, It spends More Of Your Income Than Other States.

It is difficult to compare one state with another to determine their spending patterns. Another factor is that the average income varies in each state. One reason Wisconsin rates poorly on so many state tax comparisons is that the percentage of state and local taxes to individual income is higher. The rationale is that taxes and government services should be relative to the ability of citizens to pay.

To illustrate, the Wisconsin Taxpayer Alliance reports that for 2002, state and local spending in Wisconsin claimed 21.43% of personal income. The national average was 19.89%. If our spending was at the national average rate of 19.89%, it would have been \$2.4 billion less.

If personal income vs. the national average expenditure were the basis of the state budget, there are a number of areas where Wisconsin exceeds the national average. Examples are Higher Education, Wisconsin spends 2.34% of personal income vs. the National average of 1.80%. K-12 education, Wisconsin 5.33% vs. 4.72. Public Welfare, Wis. 3.50% vs. 3.21. Highways, Wis. 1.88% vs. 1.33. Police/Fire, 1.11% vs. 1.04. Corrections, .74% vs. .63, Environment, Wis. 1.49% vs. 1.17 and Debt Interest, Wis. .92% vs. .87 nationally.

Either we are spending more of our income for the services we receive than other parts of the country, or things are really bad elsewhere.

"It is a socialist idea that making profits is a vice. I consider the real vice is making losses."

. . . Winston Churchill

"Statistics are no substitute for judgment."

. . . Henry Clay

"Though the people support the government, the government should not support the people."

. . . Grover Cleveland

"When prosperity comes, do not use all of it."

. . . Confucius

Pitfalls in the Medicare Prescription Drug Bill.

The Medicare Prescription Drug bill is scheduled to go into effect in 2006 as written, unless Congress makes some changes in the bill. It is my opinion that there are pitfalls in this plan that are going to make seniors worse off than before this bill was passed. Congress, in exchange for millions of dollars of campaign contributions, has prohibited Medicare from *laissez faire* negotiation with pharmaceuticals for lower prices. It is reported that the President, himself, received \$500 million in campaign funds from pharmaceuticals. Drug companies will be free to escalate drug prices at will and reap exorbitant profits at the expense of seniors and taxpayers under this bill. Congress has also made it illegal for seniors to purchase drugs from Canada. Some drug companies are refusing to do business with Canadian pharmacies that sell drugs to Americans.

A friend recently told me this story, which indicates what is already happening to drug prices: A year ago he had a prescription filled through a Canadian pharmacy. He had to send them a fax of the script and his driver's license. They charged \$55 and he received the prescription within two weeks. His doctor renewed the prescription about seven months ago. The friend called the Canadian pharmacy and they said that they were no longer allowed to sell the medication to Americans. The prescription was then filled at his local pharmacy for \$85. Earlier this month he called for a refill at the same pharmacy and the price is now \$105. Pharmaceuticals are already increasing prices as they gear up for the year 2006 when they will have Medicare and seniors against the wall. Taxpayers and seniors will pay dearly for the political campaign contributions and lobbying done by drug companies. This bill will be funded by increasing taxes, increasing our national debt, raiding other entitlement trust funds, or reducing benefits. And, we know who the winners are.

Another pitfall is that seniors, who sign up for the Medicare drug bill, will have to deal with private insurance companies or a HMO. The premium is expected to be about \$420.00 per year with a \$250.00 deductible. While drug prices escalate, we have to anticipate that the insurance premium will continue to increase. Over the past few years, health insurance premiums have increased at approximately 12% per year. The accompanying chart shows the cost of premiums, assuming that they will increase at 12% per year between 2006 and 2016. It assumes that the \$250 deductible will remain constant.

I believe that the drug plan is a prelude to privatization of Medicare and that it threatens the loss of prescription drug coverage provided by previous employers. A well-known senator estimated that 2.7 million seniors would lose their prescription drug coverage provided by previous employers.

Another pitfall is the donut hole gap. The Medicare Prescription Drug plan does not provide coverage during the gap when drug costs reach the period between \$2,250 and \$5,100. It has been reported that this gap will increase each year and seniors will have to pay more each year before they reach catastrophic coverage.

At this point in time prescription drug discount cards

are rather ambiguous and may be negated by drug price increases. Big drug companies are in charge of these discount cards and will determine what drugs provide savings for seniors. Medicare has no say in this decision. Question is, once a senior chooses a discount card, is he stuck with it for a year and can the drugs offered and discounts be changed on a weekly basis?

The drug bill will also affect seniors who stay with traditional Medicare as their premium is expected to increase each year.

Seniors need to get all the information they can, become well informed and double-check facts before making a decision as to whether or not to sign up for the Medicare Prescription Drug bill. The plan is very complex, so check all facts for accuracy and apply your drug costs to the plan calculation.

I realize that there are some pluses in the present bill. Some hospitals serving in rural areas, teaching hospitals and border hospitals would receive much needed financial assistance. The bill would also fix Medicare physician reimbursements to ensure that doctors will be able to continue to serve seniors enrolled in Medicare. Special help will be given those with low incomes.

However, using the taxpayer's money to pay back special interests with billions of our hard-earned tax dollars is counterproductive. This would increase our skyrocketing deficits and burden our present and future generations.

A simple, affordable prescription drug bill is badly needed in our country and there is a more simple way to provide this coverage administered under Medicare. We don't need to funnel hundreds of billions of our tax dollars to special interests as a payback for campaign funds. We don't need the entanglement of thousands of insurance companies, which is the first step toward privatization. We don't need a law to protect pharmaceuticals from free trade negotiations so that they can take advantage of senior citizens and the taxpayer. We also don't need a law that prevents seniors from purchasing drugs from Canada or any other place.

Congressmen: Rescind this mammoth special interest bill and construct a simple, affordable prescription drug bill that does what is needed for our seniors, without funneling billions of our tax dollars to special interests as a payback for campaign funds.

Jim Smith - BCTA

How Much Will The New Prescription Drug Plan Cost or Save For You?

Information Available On The Web.

One website that has a wealth of information on just about any healthcare or Medicare question you may have is the Kaiser Family Foundation site. **www.KFF.Org**.

This site is sponsored by the estate of Henry J. Kaiser, is easy to use, and has no "strings" attached. It even contains a calculator whereby you can enter your estimated prescription drug purchases for the year, and determine if the new Medicare insurance plan is worthwhile. Check it out.

Good, Bad News in Value Growth.

The news was both good and bad. And it was the same news.

First, the good news. Property values in Wisconsin grew by 8.45% between 2003 and 2004. That's healthy growth, signaling a strong economy. Both home building and home ownership are up. People are spending money to both build and improve their property. It's good news.

So why is it bad news? Because it gives local governments cover for spending more money.

We all understand that, if our income rises, our income taxes will also rise, because the government taxes a percentage of our income.

It works the same way with property taxes. As property values rise, the government gets more money, because the property tax rate – also known as the levy rate or the mill rate – is just a percentage of property value.

For example, let's say your property is worth \$100,000, and the tax rate is 20 mills – that is, \$20 per thousand dollars of value. Your tax bill is \$2000.

Next year, under pressure from taxpayers, the local government wants to keep taxes down, so they do. They lower the tax rate from \$20 per thousand to \$19 per thousand – a 5% decrease.

Hey, good news. I'm sure local government officials will be more than happy to tell you about it.

But if your property value rose 10%, to \$110,000, your tax bill went up to \$2,090 – an increase, even at the lower rate.

So, what does it mean that statewide property values went up 8.45%? It means local governments can increase their spending by 8.45% (average) without raising the tax rate.

There are all sorts of ways for local government to use this. They could spend 7% more next year, but lower the tax rate, and then crow that they cut taxes. They could spend 8.45% more next year at the same rate, and say they "held the line" on taxes. They could spend 10% more next year and say "it was only a small tax increase."

Granted, this doesn't apply to every local government. Manitowoc County, for example, ranked second-to-last in property value growth this year – theirs rose only 2.91%.

But most areas of the state saw growth at rates exceeding inflation, exceeding population, exceeding personal income growth. Those areas will be able to spend more money, and gloss it over by cutting the rate.

Should we accept a spending increase of over 8% in a single year? Most households are happy to have their budgets grow that much in three years, much less one.

And, as things are, it's not like governments in Wisconsin are starving for money. A recent Wisconsin Taxpayer Alliance report shows Wisconsin ranking 5th nationally in taxes as a percentage of personal income. Guess what: personal income isn't going to grow 8.45%. If local governments use that growth as an excuse to spend more, we're going to go up the scale, not down.

Local governments are already working on next year's budgets. Remember this when you hear someone claim that they cut taxes.

Representative Frank G. Lasee

July Meeting Notes.

Monthly meeting of the Brown County Taxpayers Association held July 15, 2004 at the "Gory Years."

Proposed repairs to the roof at the Brown County Arena was discussed.. It was agreed that the project needs a thorough analysis of alternatives before proceeding further. Support for private funding was expressed.

Discussion on the Brown County Central Water Authority's deal with the City of Manitowoc . It appears that the Authority will owe \$42 million at the end of 50 years. Concerns were voiced that Authority members abrogated their responsibility to their citizens by permitting the Authority to enter into this contract.

State Representative Frank Lasee provided his observations about the last-minute effort by the leader of the State Senate to call a special session of the Senate to pass a Taxpayers Bill of Rights (**TABOR**). He felt that any bill passed would be so diluted as to be ineffective at slowing the growth of government. For example, a proposed compounding feature would raise the limits on spending to well above the rate of inflation, a fatal mistake. To be effective, the TABOR amendment must require citizens to vote on all of three items: #1 – Bonding increases. #2 – Spending increases. #3 – Tax increases.

A National Taxpayers Union (NTU) report that federal spending is out of control was discussed. The NTU proposes: #1 – A freeze in federal spending. #2 – Entitlement reform. #3 – To sunset obsolete federal agencies.

A motion to send a letter to Congressman Mark Green requesting him to oppose any and all pork barrel spending was approved.

It was agreed to host a debate between State Senate candidates Gary Drzewiecki and Dave Steffen at the August 18, BCTA meeting. A special notice will be mailed to members as there will not be an August Tax Times.

Dave Nelson – Secretary

**Whatever Your Choice,
Be Sure To**

VOTE !

**Primary Election, Sept. 14, 2004
General Election, Nov. 2, 2004**

Your Vote DOES COUNT !

"Where is the politician who has not promised to fight to the death for lower taxes — and who has not proceeded to vote for the very spending projects that make tax cuts impossible!

. . . Barry Goldwater

Things That Make Us Wonder.

As could be expected when government subsidies are made available, the major drug companies are announcing increases in the price of their prescription drug prices. Reports are that they are taking particular advantage of the most popular drugs such as Fosomax and Lipitor which are already very expensive, especially for those without prescription drug insurance.

In a somewhat contradictory story, Phizer had announced plans to give "substantial" discounts to "uninsured" customers. How customers would be qualified and who would do the qualifying was not disclosed, but in most cases, if customer "A" pays less customer "B" pays more. In this case customer "B" is probably the one with prescription drug insurance.

Now that the fall election races are underway, it seems less and less is heard about "campaign finance reform". It was a hot item the past couple of years. The important thing doesn't seem to be the amount raised as where it comes from. Big money usually has something to gain if their candidate or party is elected. You should determine if these special interests are the same as yours. Especially in the case of large amounts being funneled to state legislative or congressional candidates from out of state sources with deep pockets.

For various political reasons efforts to pass some type of "Taxpayer Bill of Rights" for the State of Wisconsin have so far failed. Perhaps it truly is that the proposed wording of a constitutional amendment has not been perfect and needs more work, but the real problem seems to be complete disregard for the taxpayers of Wisconsin, and the fear by the spending interests that they may have to tighten their belts.

Recent figures from the U. S. Census Bureau indicate that Wisconsin citizens pay the fifth highest local and state taxes in the country as a percentage of personal income, and that nothing has really been done to reverse this trend. If

the proposed sales tax for property tax relief scheme is ever enacted, we would likely move higher on the list of highest taxed states.

If this bothers you, ask the candidates for state office where they stand on tax limits and state spending. If they propose more government services and benefits, ask them how they propose paying for them or if they believe "enough is enough."

The National Transportation

Board has recommended that "black boxes" to record speed, seat belt use, and about 40 other criteria be mandated on all passenger cars effective in 2008. Their rationale is that it would help them establish the cause of accidents. Apparently some vehicles now produced have this feature, but our first impression is that it would add considerably to the cost of a new vehicle and just be something else to maintain and go wrong. More disturbing is that a record of your driving habits could be available to authorities on demand. Would such a device actually make driving safer for all of us, or only show what may have gone wrong in the case of an accident. This idea may have some merit, but my guess is that the personal injury trial lawyers can't wait for these to become mandatory.

Senator Kerry wants to create jobs by taking away tax breaks for large corporations and replacing them with special incentives for employers to add more jobs. He hasn't explained the difference. Unfortunately well-intended tax breaks for large employers often end up as bonuses for the chief executives.

Just as people were looking forward to the Tiltman Bridge reopening after being restricted to two lanes for the past several months it was announced it would take two more months and \$3.7 million more to complete the job. Apparently no one wanted to break the news.

A Green Bay city budget task force looking for ways to cut expenses has recommended eliminating the 10

minute grace period from parking meter violations, in order to increase revenue from fines. While this might help the budget a little, it would likely discourage even more people from patronizing the areas of the city with parking meters.

A good question would be, does the revenue (including fines) from parking meters pay for the cost of maintaining them. Remember a lot of taxpayer money has been spent downtown and on Broadway to attract business, which in turn is discouraged by the presence of the meters.

The "DO NOT CALL" list seems to be popular with most people, except annoying telemarketers. The only problem is that it doesn't include charities or political organizations. We can appreciate the reasons for this, but unfortunately, a lot of groups can manage to qualify themselves as exempt from the do not call list restrictions, and can be the most annoying intruders. Most people are capable of determining their charitable and political contribution recipients without being pressured for an instant decision from a skilled telephone salesperson.

The City of Green Bay and Village of Ashwaubenon are attempting to charge the national political parties for police and security expenses encountered on behalf of candidates making campaign visits in the area. While it is an honor and good publicity to host these visits, it represents a considerable taxpayer expense for the necessary security, not to mention the resulting traffic tie-ups and inconvenience. that occur. It should be assumed that these campaigns are well-funded, and that security is a budgeted expense the same as transportation, lodging, and facilities rental, and reimbursement is in order.

On the same subject, we wonder if the Packers and other entertainment venues requiring extra security such as Resch Center events also are charged for the extra expenses they produce. We read the Packers have even brought in deputies from surrounding areas to assist on game days and we are sure these services are not for free.

In one of Senator Feingolds campaign ads he proclaims he would like to see everyone receive health care benefits "at least" equal to what he receives as a member of Congress. Without further checking, we could assume this is a first dollar full benefit plan, provided in government facilities, at little if any cost to the recipient at taxpayer expense. The trouble is the taxpayer expense part. If we all received the benefits of such a plan, just who exactly would pay the bill for us?

Economics of the state budget are causing the states college system and technical school system to pass tuition increases on to its students. Obviously not popular with everybody. One observation is that while local K-12 school districts also are facing rising expenses and demands by taxpayers to cut costs and be more efficient, restrictions to their budget increases imposed by state law and the fact that local school boards make their annual budget and extraordinary spending requests open for public approval is at least some help. Local school taxes appear as a separate item on your property tax bill, and their impact is quite noticeable to taxpayers.

While technical school levies also appear as a separate item on your tax bill, the fact that they usually cover all of the municipalities in several counties, and are a smaller tax item than your local taxes can make them less open to scrutiny. Nonetheless we expect them to operate in a prudent manner while providing a valuable service to the community.

Unfortunately however, the cost to taxpayers of operating the University of Wisconsin system and the various components contained is somewhat buried in the state budget, and at least publicly, not open to much criticism. Their public relations people are able to paint a grim picture of cutbacks in student enrollment and decline in the overall quality of their end product if demands for more funding are not met. We realize that some faculty members are like pro athletes whose only interest is going where the most money is, but certainly many realize there are limitations on available funding and stay here because they like it here. Yet they constantly make compari-

sons with salaries and benefits with other institutions designed to gain pity for their unfortunate situation.

We realize it is difficult to rate institutions of higher learning with each other as far as cost efficiency is concerned. However, it would seem that standards such as classroom size, hours of instruction each week, number of days worked per year, cost of instruction per student as applies to curriculum, etc. would apply. This is what our local K-12 school districts do to control costs, and most private employer must do to stay in business.

Costs of new buildings, travel and seminars, equipment, athletic departments and you name it are also items which we wonder if are carefully monitored for cost effectiveness.

What makes news for us to digest and what doesn't is usually a decision of the local and national media. A few weeks ago, the top leading headline of the Sunday *Press-Gazette* read, "Green groups flunk lawmakers." The article went on to state that three different environmental organizations had rated the Wisconsin Legislature and Senate for their recent votes on environmental and conservation issues. They concluded that at least for lawmakers from this area that they were basically contrary to what the groups thought would be in their best interests and accordingly in everyone else's best interests. The groups rated the lawmakers on a scale of 1-100, and the *Press-Gazette* included pictures for identification.

What is troubling is that the article did not state the details of various pieces of legislation that the groups objected to, or consider the pros and cons accordingly. While it is difficult to imagine any lawmaker, especially in Wisconsin being opposed to protecting the environment or promoting conservation, some of the other concerns of our present day economy often conflict.

For example, the availability of energy for the present and future is a top concern for all of us, but the infrastructure necessary to provide it possibly conflicts with the concerns of environmentalists. Providing jobs is an-

other big issue, but factories, highways, and other development they bring can also effect the environment and wildlife. We acknowledge this is not necessarily good. Many environmental cleanup programs have been proposed, including same where it is questionable the results would justify the expense involved. However, the state budget is crucially short of funds for many worthwhile items, and unfortunately conservation and the environment do not always receive top priority in respect to taxpayers.

The point is that I am sure these chastised representatives of the people were voting their conscience for the good of the state rather than specifically against the environment. Obviously if the pros and cons of each legislative bill, including all the fine print were made available and debated, we all could make a better decision than just to be told they were wrong.

While the environment and conversation are important issues, many other groups rate our state and national lawmakers on issues they deem important but they never make the news. Educational interests, farm groups, manufacturers, small business organizations, are examples of well organized national coalitions that rate lawmakers according to their own unique interests.

One group that puts out very comprehensive ratings of Congress and the Senate which they call the "Friends of the taxpayers" is the National Taxpayers Union (NTU). They claim to represent 335,000 members and their ratings are based on the necessity and cost, including pork projects of their votes. Their ratings go from A+ to F-, and as can be expected, those members of congress receiving high ratings are the same people with low ratings from environmentalists or groups seeking more federal tax dollars for their causes. It is unfortunate that the NTU ratings do not

Continued on page 8

Things That Make Us Wonder-Cont. receive the publicity of some of the other groups. Especially considering that virtually all candidates for office at least run on a platform of controlling government spending. (*Who promises to raise taxes and gets elected?*) We are pleased to note that most of the Congressional rep-

representatives from this area generally rate quite well as "Friends of the taxpayer."

The U. S. Census Bureau has released their annual report which qualifies several more million people as living in "poverty". As noted in a previous article, there are already 58 million wage-earners who have no federal income tax liability. A family of 4 earning \$18,850 now qualifies as living in poverty, which ~~qualifies them for a number of state and federal assistance programs.~~ We would agree that it would be difficult to raise a family on such a limited income. However, the effect of assistance programs including education should be monitored for cost effectiveness in reducing the problem. What is the solution to the problem?

The Village of Allouez has long established the need for a new village hall and public works facility. The final cost to taxpayers, however, has yet to be disclosed. Plans for the 64,000 sq.ft. building include \$60,000 for a security system and \$50,000 for a system to heat the floor where vehicles are stored.

The board had set a target of \$5,300,000 for construction. The effect on the property tax rate will have to be determined from the final cost of the project.

As usual, lots of things to wonder about.
Jim Frink

"Things That Make Us Wonder" consists of thoughts that occur to us, mostly taxpayer related in some way, that come to mind during the days news events. Some of them are relatively unimportant and probably not worth commenting about. Others could easily be expanded to full length feature articles worthy of further study and action to protect our interests as taxpayers. Some-

"There are no necessary evils in government. Its evils exist only in its abuses." . . . **Andrew Jackson**

"About all I can say for the United States Senate is that it opens with a prayer and closes with an investigation," . . . **Will Rogers**

times we try to put a different spin on items from what you read in the papers or see on TV. We try to cover a wide variety of subjects in a limited space, which also illustrates the wide variety of items of taxpayer concern which exist today. We acknowledge that our perspective of some issues in this column may be contrary to that of some our readers. However, one of our purposes is to encourage debate, as we realize there are two sides to every question. Comments are always welcome as well as suggestions for items to include in this section of the "TAX TIMES."

Why Congress Can't Stop Spending.

There was an interesting article in the August Heartland Institutes "Budget & Tax News" regarding the spending habits of the U.S. Congress and their spending habits.

While everyone complains about pork spending, members of congress just keep spending more because the voters back home rarely throw them out of office for bringing federal tax dollars to their districts. The system is set up so that members of Congress support each other on spending bills in order to have their own appropriations approved.

Efforts to control spending may gain publicity, but have little chance of ever being approved. They are often proposed as a gesture only.

Members who buck the system often find themselves facing primary opposition in the next election, and keeping their jobs is their main concern.

Would Numbered Seats Improve Local Government?

About 18 years ago, one of the first projects of the Brown County Taxpayers Association was to pass a referendum establishing a "numbered seats" system for election to the Green Bay District School Board.

Some of the reasons were, the at-large ballot system, where the top 3 vote getting candidates are elected or re-elected makes it very difficult for a new candidate to be elected. It was difficult to replace an unpopular board member, and there was little incentive for new members to go the expense and time of running for the board. The seven member board was not necessarily representative of the entire community. It was possible that all members could be from the same part of the school district. At that time, we felt that there was a need for better geographical representation, and an incentive for more qualified people to run for a seat on the board.

We were able to have the proposal put to referendum in the district, and with a little explanation of the plan and a little publicity, it was approved.

Unfortunately, it was never given a chance to work, and after a few years the board reverted to the old system of at-large elections which we have today. We agree that the Green Bay District School Board has served the community well, are dedicated to their tasks, and we have an efficient and effective school system who keep taxpayers in mind. We have been discouraged, however, by the lack of interest in running for a board position and lack of geographical representation.

It has been proposed that the Village of Allouez consider a numbered seats system for election of its 7 trustees. With a numbered seat, you run for election against a particular person rather than for a seat at large. Quite similar as the system used in the county for supervisors, or the City of Green Bay for alderpersons.

While the members of the Allouez Board have objected to such a plan, it could be installed through a referendum by Village residents. State law allows this system with very little change of administrative duties.

"Governmentium".

This sounds familiar.

A major research institution has recently announced the discovery of the heaviest chemical element yet known to science. The new element has been named "Governmentium". Governmentium has 1 neutron, 12 assistant neutrons, 75 deputy neutrons, and 111 assistant deputy neutrons, giving it an atomic mass of 312.

These 312 particles are held together by forces called morons, which are surrounded by vast quantities of lepton-like particles called peons. Since governmentium has no electrons, it is inert. However, it can be detected as it impedes every reaction with which it comes into contact. A minute amount of governmentium causes one reaction to take over 4 days to complete when it would normally take less than a second.

Governmentium has a normal half-life of 2 to 6 years; it does not decay, but instead undergoes a reorganization in which a portion of the assistant neutrons and deputy neutrons exchange places. In fact, governmentium's mass will actually increase over time, since each reorganization causes some morons to become neutrons, forming isodopes.

This characteristic of moron-promotion leads some scientists to speculate that governmentium is formed whenever morons reach a certain quantity in concentration. This hypothetical quantity is referred to as "Critical Morass".
From the Internet.

Articles and views appearing in the "TAX TIMES" do not necessarily represent the official position of the Brown County Taxpayers Association. We want to encourage discussion and input on current issues of taxpayer interest and invite your comments or articles suitable for future "TAX TIMES." Please send them to the BCTA, P. O. Box 684, Green Bay, WI 54305-0684, or call Jim Frink at 336-6410. E-Mail Frink@ExecPC.Com.

August Meeting Notes. 30th Senate District Candidates Debate.

Monthly BCTA meeting held August 19, at the "Glory Years."

The two candidates in the Republican primary election (September 14th) for the 30th State Senate District debated taxpayer issues. Former Senator Gary Drzewiecki served for 2 terms in the Senate. He has been farming and in the insurance business during the last four years. Dave Steffen has been an SBC economic development consultant for the last four years, and is a former assistant to Congressman Mark Green. The candidates agreed on most of the issues:

- We shouldn't use state dollars for a new UWGB athletic facility.
- We have enough public land. The state doesn't need to buy more land with the Stewardship program and take it off the tax rolls.
- They support Frank Lasee's Taxpayers Bill of Rights without modifications.
- They oppose Governor Doyle's veto of Health Savings Accounts for Wisconsin citizens. The incumbent, Senator Dave Hanson, supported the veto.
- They believe that turning welfare payments into state loans isn't a workable proposal.
- Wisconsin isn't receiving its fair share of federal dollars.

As for dealing with the state's budget deficit, Gary Drzewiecki suggested privatization, releasing unfunded mandates, and not increasing taxes. Dave Steffen suggested recognizing the difference between needs and wants, and using baseline budgets.

To help small business, Dave Steffen proposed regulatory reform and health insurance options, and that the state must partner with small businesses. Drzewiecki proposed regulatory reform and prompt permitting by regulatory agencies. He recounted trying to assist constituents who had business construction projects delayed and arbitrarily denied by the DNR.

The candidates' principal dif-

ference concerned support of the Lambeau Field sales tax. Gary Drzewiecki stated that Brown County citizens deserved a chance to vote for or against the tax. He said he voted no for future generations who would have to pay the tax. Dave Steffen, who worked in support of the tax, stated that Gary Drzewiecki failed to introduce legislation to divert \$9 million of Packer taxes to the Lambeau Field stadium project.

The next BCTA meeting will be Thursday., September 16, at the "Glory Years." The speaker will be Curt Anderson, columnist for the *Green Bay News-Chronicle*. Details on the back cover of this *TAX TIMES*.

Dave Nelson – Secretary

"A liberal is a man too broadminded to take his own side in an argument." . . . Robert Frost

"In America you can go on the air and kid the politicians, and the politicians can go on the air and kid the people." . . . Groucho Marx

"A free society is one where it safe to be unpopular." . . . Adlai Stevenson

Speaker for September 16, BCTA Meeting.

The speaker for the September 16, BCTA monthly meeting will be Curt Anderson, columnist for the Brown County News-Chronicle.

Curt was born and raised in Green Bay, attended UWGB and NWTC and was a cabinetmaker by trade including his own cabinet making business. He is vice-president of the Clean Water Action Council, which is active on a number of environmental issues of local issues, and has testified at many hearings regarding environmental issues in Wisconsin.

He says he would prefer a round table type of discussion with our group, and would like to learn more about what we support and oppose as a taxpayers organization. This should be a most interesting meeting, and we urge you to attend. Details on the back page of this *TAX TIMES*.

The TAX TIMES

Brown County Taxpayers Association
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and more.

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BCTA Meeting and Events Schedule. (Mark Your Calendars.)

Tuesday - September 14, 2004 – Primary Elections, Be Sure to VOTE!
U. S. Senate State Primary, 30th State Senate, Others.

Thursday - September 16, 2004 – BCTA Monthly Meeting.
Glory Years, 12:00 Noon. (Use Crooks St. Entrance.)
Speaker: Curt Anderson, Green Bay News-Chronicle.

Thursday – October 21, 2004 - BCTA Monthly Meeting.
Glory Years, 12:00 Noon. Program to be announced.

Tuesday - November 2, 2004 – General Election. Be Sure to VOTE!
U. S. President, Congress, U. S. Senator, Wisconsin
Senate and Legislature. Local referendums.

BCTA Monthly meetings are held the third Thursday of each month.
12:00 Noon at the GLORY YEARS, 347 S. Washington St., Green Bay
Cost – \$6.50 for meal — Includes Tax & Tip. Payable at meeting.

All members of the BCTA, their guests and other interested persons
are cordially invited to attend and participate in our open meetings.

Call Jim Frink — 336-6410 for information or to leave message.

September,



2004

"The politician's promises of yesterday are the taxes of today."
. . . W. L. Mackenzie King

"There's nothing wrong with the younger generation that becoming taxpayers won't cure." . Dan Bennett

SUPPORT THE BCTA

New Members are Always
Welcome. Call 336-6410
Write us at P. O. Box 684
or visit our website

www.BCTaxpayers.Org
for Details.