
◆ The TAX TIMES ◆

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Newsletter of the Brown County Taxpayers Association

September, 2005

“The Two Faces of Jim Doyle, Judge Jimmy And Riverboat Jim”

“Breaking the law, breaking the law!” – *Rob Halford of Judas Priest*

I know I’m a little long in the tooth for heavy metal. What can I say? I got the blues in my soul, but my boogie woogie feet keep taking me to rock ‘n’ roll.

But these days, every time someone mentions Jim Doyle, I hear Rob Halford growling, anti-establishment lyrics from my twenties.

Remember Attorney General Jim Doyle? The principled lawyer who helped Democrats draft a successful constitutional amendment limiting gubernatorial veto power so that governors could only use a veto to decrease spending?

Remember Jim Doyle for governor in 2002? Ten years later, still holding his principles, here’s what he said about the gubernatorial veto: “I don’t think you should be able to go in and take a word out there and a word out here and create a whole new sentence.”

And just a few weeks ago, he showed himself to be a phony baloney by creating a 752-word, 2-page budget veto that gave his DOA Sec. Mark Marotta \$427 million to increase spending as he is told (on public education). Now Doyle says, “Let’s just say I see the world differently from the position I’m in right now.”

Republican Sen. Sheila Harsdorf nailed it: “Governor Doyle has perfected the art of the ‘Frankenstein veto.’” Harsdorf and others have prepared a constitutional amendment restricting the length of partial vetoes.

And what is Doyle’s response to the predictable outrage: “These Republicans weren’t whining and complaining when it was a Republican governor who was doing it.”

Sure Tommy Thompson wielded a mighty creative veto pen, but he never hiked spending. Doyle has broken the law and he will be held accountable, either in court or the ballot box.

Add to that the sales tax refund he ordered for internet cigarette buyers who forthrightly paid upon being caught tax-dodging by the Dept. of Revenue. Not only is his order constitutionally discriminating against all of us who buy goods on Main Street Wisconsin, it outright breaks the law by preventing the DOR from doing their duty and by asking them to do what they haven’t got the authority to do.

Our blithe spirit in the Justice Dept., AG Peg Lautenschlager, has ruled that Doyle’s vetoes are okey-dokey, but she has yet to rule on a complaint by State Treasurer Jack Voight that the cigarette tax refunds are illegal.

It must be tough to be governor. I can hear Doyle singing the Halford lyrics: “You don’t know what it’s like, you don’t have a clue, if you did you’d find yourselves doing the same things too. Breaking the law, Breaking the law.”

BROWN COUNTY TAXPAYERS ASSOCIATION.

***Richard Parins*, President**

**The BROWN COUNTY TAXPAYERS ASSOCIATION
Promoting Fiscal Responsibility in Government**

FRIENDS OF THE TAXPAYERS. (Part 2.)

Wisconsin Taxpayers Alliance, Heartland Institute and Others Work for Public Interest.

In our previous *TAX TIMES*, we briefly mentioned organizations that promote better government through research, publications and education to the public. They also have been very helpful to the Brown County Taxpayers Assn.

First is the *Wisconsin Taxpayers Alliance*, or **WISTAX**, a Madison-based group is Wisconsin's oldest and most respected private government research organization. They were formed back in 1932 when then Governor Phillip LaFollette met with a group of prominent Wisconsin businessmen to discuss shortfalls caused in the state budget due to the depression. In some ways, little has changed since that time, especially in regards to state government spending habits and shortages of funds.

Although it was an advocacy group at first, developing and promoting specific proposals for cutting taxes and government spending, it was reorganized in 1934 to its present research and informational format.

Its mission now is to explain how state and local governments work, so that voters and taxpayers, students and teachers can be more active and informed citizens.

By providing reliable data to members of the legislature, county boards, school boards, city councils as well as other government bodies, private industry and anyone concerned with the implications of the taxes we pay. To paraphrase Sgt. Friday, it is a matter of "*The facts folks, just the facts.*" WISTAX helps these groups arrive at intelligent decisions and provides consulting on government and tax issues to public officials and the news media. They are one of the organizations the media will listen to, and you will note they are often quoted with authority on issues concerning taxation.

WISTAX is nonpartisan and completely independent. They have a reputation for accurate, objective research – telling the truth simply and directly. They do not lobby government,

support or oppose candidates for public office, or take positions on state or local government issues. They are not affiliated with any organization – national, state or local. They simply very carefully research and report their findings. This is a departure from government agencies who often can base their projected budgets on wishful speculation of projected income, and have no incentive to prioritize their needs accordingly..

WISTAX's research and education programs are financed by contributions from business, foundations, organizations and individuals and by subscription fees and sales of publications. The BCTA regularly receives certain of these materials, and makes reference to them quite regularly in our *TAX TIMES* articles, as it is our belief that accurate information rather than political speculation is important when dealing with important matters like taxation and government spending.

The main publications from WISTAX are "*The Wisconsin Taxpayer*," a 12-page monthly magazine addressing in depth various items of state and local government and finance. Complete, accurate, and understandable numbers are used to compare various Wisconsin localities with each other, or to compare Wisconsin with the rest of the nation in significant measures. The cost of this service is only \$15 per year, and well worth the price. Subscribers also receive a copy of "*TAXES*," an annual pocket-size guide to federal and Wisconsin income taxes plus all of the other federal, state and local taxes we pay.

Their newsletter "*FOCUS*," is published 28 times per year and covers current legislative developments, along with facts and figures to make things easier to understand. Introductory subscriptions are just \$29 per year.

WISTAX also publishes their annual "*SchoolFacts*" comparing a number of financial and performance data for all of Wisconsin's school districts, "*MunicipalFacts*," which gives per capita expenditures and tax information for cities and villages over 2,000 in population, as well as other publications analyzing our taxing poli-

cies and comparison with other states..

If you are not familiar with this organization, especially if you have a business interest or concern about taxes, we urge you to contact them and ask for information and samples of their publications at **WISTAX, 491 North Lawn Ave., Madison, WI 53704-5033. Phone (608) 241-9789, or www.wistax.org.**

Another organization that has been helpful to us is the *Heartland Institute* of Chicago. While their mission is somewhat different than WISTAX in that they support and attempt to form public opinion on current government and public interest issues.

They are an independent research group formed in 1984. They are non-partisan and not affiliated with any business or other organization. Their funding is provided by individuals, foundations and corporations.

They publish a most interesting and informative monthly newsletter, the "*Budget & Tax News*", which contains well written, easy to read articles from qualified writers around the country. It is easy to relate to this newsletter as many of the articles cover tax issues in our neighboring states as well as Wisconsin. They cover a lot of material we don't see in the daily papers. It is interesting to read that other states and cities also have problems.

For the past three months, they have provided copies of the *Budget and Tax News* to the BCTA for distribution at our monthly meetings, so some of you are familiar with the publication. We want to thank them for making these available to us. Give Jim Frink, 336-6410 a call if you would like a copy. Subscriptions are available from the **Heartland Institute, 19 S. LaSalle St, suite #903, Chicago, IL 60603. or www.heartland.org.**

We would also like to acknowledge the *National Taxpayers Union Foundation*. or "*NTUF*" of Washington DC. This is a national organization claiming to represent 100,000 members in the country. They were organized in (Friends of Taxpayer – Continued.) 1969. Their stated mission is to educate taxpayers, the media, and elected officials

on a non-partisan basis on the merits of limited government and low taxes. They use a variety of means to accomplish this including direct mail, research papers, public speaking, advertising, the internet and lobbying.

They claim a number of accomplishments brought about by their efforts including income tax indexing, support of "Taxpayer Bill of Rights Laws" throughout the country, and support of dozens of successful state and local tax limitation movements.

Each year they grade the entire U.S. Senate and House of Representatives as to their "taxpayer friendliness", based on their voting records.

Their publications include "Capital Ideas", which contains news of their activities and research articles on various items of taxpayers interest, and "Dollars & Sense", which gives updates on legislative actions around the country and examples of what taxpayers can do through local organizations.

You can contact them at **National Taxpayers Union, 108 N. Alfred St., Alexandria, VA 22314. www.ntu.org.**

There are a number of other groups acting on behalf of taxpayers in the country, mostly depending on private support for existence. You can check them out and draw your own conclusions as to whether or not they act in your interests. Some raise money for lobbying efforts, and you have to be sure they also represent your own interests. Why is it important to support them? Remember that special interests who want legislation and government hand-outs on their behalf are able to raise and spend huge amounts of money and put immense pressure on our representatives with their lobbyists.

Unfortunately there is usually little voice for the poor taxpayer who has to pay the bill. Perhaps some of the vast amounts of money that is raised to put some of our representatives in office could be better spent to control their spending habits after they are elected. It is something to think about. **JF**

The State's Wealthy Pension Plan.

The State of Wisconsin offers its employees a retirement plan. That's not unusual – most (*if not all*) governments do.

What is unusual is that Wisconsin employees make almost no contribution to their own retirement plan – the state (meaning the taxpayers) pay nearly a hundred percent of it.

Plus, Wisconsin's retirement system is one of the richest in the country: the average monthly benefit for a retiree is almost \$2,000 a month – second highest in the country.

The best benefits, with the least contribution from employees. That's unusual. That's generous. That's expensive. That's Wisconsin.

According to the non-partisan Wisconsin Taxpayer Alliance, the State of Wisconsin paid 99.9% of all contributions to the Wisconsin Retirement System (WRS) last year. Local governments which take part paid 99.6% of the contributions.

In the private sector, pension contributions are usually an equal match: employers pay half, employees pay half. The national average for government retirement funds is 38.4% from the employees. The average monthly benefit was \$1,427 in 2002. In Wisconsin, it was just under \$2,000.

Wisconsin's taxpayers foot the whole bill, for the best retirement plan in the nation.

In the past, government jobs tended to come with low pay, but good benefits (you could be sure your employer wasn't going out of business).

Today, this is no longer the case. The average government worker makes **more** than the average private-sector worker. The benefits are still good – in fact, they're much better than what most taxpayers have, and they only keep getting better.

It might be tempting to blame the government unions for this, but that would be wrong. Our government has done a lot of it, all on its own.

In 1999, we passed Act 11 (for the record, I voted no), which made improvements to WRS benefits. Among

them, Act 11 increased benefit multipliers, meaning bigger checks for retirees (but only for service before 2000 – watch for that time limit to be removed in the future). It increased survivor benefits, and lifted interest caps that had been in place since 1981.

To pay for it, Act 11 used \$4 billion of retirement fund reserves. Instead of lowering contributions that the government pays on behalf of the employees, we gave it away.

These improvements hadn't been bargained for – it wasn't part of a contract negotiation. The state received no concession from employees in exchange for them. We just did it.

Whether these are good ideas isn't the point: the point is, there was no reason for the state to do these things. WRS was already a Cadillac retirement system – we made it a Rolls Royce system, and didn't get anything in return.

Why? Because it was a nice thing to do, I suppose. It wasn't our money we were spending. Elected officials get the retirement benefit too. **Representative Frank G. Lasee**

New Meeting Place for the BCTA.

After six years and a lot of important, interesting meetings, directors of the Brown County Taxpayers Association have decided to move the location of our monthly memberships meetings.

Effective with our monthly meeting on Thursday, Sept. 15, we will meet at the **Titletown Brewing Co., 200 Dousman St., Green Bay.**

This location offers all of the criteria we looked for. Convenient location, private room, on site parking, and good food at a reasonable price.

Our speaker on Sept. 15, will be County Executive Carol Kelso, who will update us on the forthcoming county budget. Details on the back page of this **TAX TIMES**. Plan on attending.

We want to thank the staff at the **Glory Years** and **Quality Inn** for the excellent way they accommodated us at our meetings. They did everything we asked for and more, but we just thought it was time for a change of scenery. **JF**

More Police?

Once again we are being told that we need to hire more police officers, and that “things” can’t be controlled with present staff.

While this may be true, one real problem causing this could be job loss to other areas with a resulting decline in inner city areas, further increasing poverty and resentment.

While we are not necessarily endorsing additional government programs, could this social-economic meltdown would be better handled by a job creation program? For the same expense? Examples are the WPA and CCC of the 1930’s, or the job creation programs of the late 1970’s which were instrumental in revitalizing neighborhoods on the near west and north east sides of Green Bay. Rather than spend taxpayer money for additional. “control” measures, direct the effort toward rebuilding neighborhoods.

Creating jobs for reconstruction could cause a multiplier with a trickle down effect, to the overall of benefit to taxpayers. Presently developers have the tendency to avoid areas that have the image of high crime due to police presence. What is needed is the creation of jobs, construction, and an increased work ethic, not more expensive control which in reality only puts a band-aid on the problem of poverty’s downward spiral.

Pat Kenny – BCTA

VISIT OUR WEBSITE
www.BCTaxpayers.Org

Sen. Cowles Sponsors New Local Services Consolidation Law.

Senator Robert Cowles co-sponsored Assembly Bill 79/2005, which was recently signed into law. This bill was designed to allow municipalities to disband their police departments and contract with the county for law enforcement services. “State law should encourage, not discourage, local governments to streamline emergency services to provide taxpayers with high-quality, cost-efficient services,” Some communities around the state and in the Fox Valley are exploring the possibility of consolidating municipal and county law enforcement agencies. Sen. Cowles specifically referred to two studies in recent years. The 2001 Kettl Commission report entitled “Partnership for the 21st Century” identified cross-training police and fire officers as a way to improve government efficiency.

A 2003 report by the Police Executive Research Forum examined the consolidation of police agencies in Brown County. According to estimates included in the study, such consolidation could end up saving Brown County taxpayers \$3.3 million annually by establishing a metropolitan police force to replace the 10 police departments in Brown County. The savings estimate was based on a projected elimination of 35 positions. In addition, additional savings could be picked up by reducing some duplicative equipment and facilities.

AB 79 provides municipalities with a tool for reducing their property tax levy while addressing the double taxation issue, in which municipal property taxpayers pay both the municipal tax levy for police services and the county tax levy for sheriff services while not receiving any sheriff patrol services from the county.

Parking on Broadway.

Customers are now able to park on Broadway without having to contend with parking meters. They were removed on a trial basis in July to see if it made a difference to business establishments. Parking is still limited to 2 hours. The city of Green Bay has invested a considerable amount of taxpayer money in this area to encourage business.

In the meantime, block after block of meters adjacent to the downtown business district are seldom used, and discourage people from patronizing the area. To what extent the new parking ramp will be utilized remains to be seen. It is necessary to provide adequate and convenient parking for business employees but not to discourage customers from shopping or patronizing entertainment facilities.

July Meeting Notes.

Redevelopment Authority Leader Speaks to BCTA.

Monthly BCTA meeting July 21, at the Quality Inn, Green Bay.

Harry Maier, president of the Green Bay Redevelopment Authority, spoke about downtown Green Bay redevelopment activity. Appointed by Mayor Sam Halloin, he has been serving as a member of the Redevelopment Authority for 12 years.

Mr. Maier observed that total new investment in the downtown might reach \$100 million. The new Bay Lake Bank building is open at the former city bus garage site. A John Vetter project, River Lofts, has 23 of 26 condominiums sold. These condos are priced at up to \$600,000. Another Vetter-Denk project, Astor Place, a 17-story building north of the Younkers building is to be announced that afternoon (July 21). The Authority has also selected a mid-priced boardwalk option estimated at \$12 million.

Mr. Maier outlined the Juza development issue. After 2½ years of negotiations, the development agreement giving Juza Development sole access to the Younkers property expired on June 25. Very near the end of the agreement period, Mr. Juza presented a Sheraton Hotels representative and a financial plan from a Chicago bank, and also offered to make a contribution toward the boardwalk. Unfortunately, these actions occurred too close to the end of the development agreement period to permit a final resolution before the agreement period ended. Proposals are now open to all developers. There may be four proposals presented for the Younkers site.

Responding to questions, Mr. Maier explained that the mayor appoints members of the Redevelopment Authority. The Authority sets up development agreements, which are approved by the Green Bay City Council. The Redevelopment Authority controls the Younkers building. Currently, the City is at 50 percent of its TIF capacity. We don't want the lives of TIF districts to extend beyond 20 years.

The next BCTA meeting will be Aug. 18, at the Quality Inn.

Dave Nelson - Secretary

The Ultimate Pension Plan.

Governor Doyle vetoed or altered 139 items in the state budget he signed into law last month. While we have not seen the complete list publicized, they are coming to the surface one by one as the impact of his veto pen is realized.

Here is an example. The legislature included an amendment that would require non-union state employees to contribute 1.5% of their earnings to the Wisconsin Retirement System (WRS). This would save taxpayers about \$42.2 million per year. Even though the WRS plan, in which most state and municipal employees participate presently calls for employee contributions based on a percentage of their salary, this is overlooked by the employers (Govt. units), and over 99% of the employees share is contributed as a fringe benefit. The amendment would have mandated at least some relief.

As reported by the *Wisconsin Taxpayers Alliance*, Gov. Doyle vetoed this amendment, claiming that "it made no sense." It may make sense to state employees as it increased their take home pay, at our expense by at least \$42.2 million.

As reported in the article by Rep. Frank Lasee on page #3 of this *TAX TIMES*, public employees in Wisconsin already receive the most generous pension plan in the nation, with the lowest expense to them. The plan is one of only two in the nation with immediate vesting and contains many incentives for early retirement. All at taxpayer expense.

We doubt that very few private plans even come close in comparison. Anyone who entered the workforce in the late 1940's or 1950's will tell you at that time an employee sponsored retirement plan was a unique benefit. What was wrong with Social Security?

It was probably the strongly unionized industries that made pension plans a mandatory benefit. Only problem was they didn't set enough money aside to cover all of the benefits they

promised their employees upon retirement. These were called "defined benefit plans." Times were good and this could be paid from current income indefinitely. Sort of like Social Security.

Other plans took a portion of the companies profits plus a percentage of wages to establish individual accounts, which would accumulate earnings through investments until the time of retirement. These were "guaranteed benefit plans" based on each individuals account. In 1974, it became apparent to the government that some companies with the defined plans were having trouble meeting their obligations, and some with the guaranteed plans were not handling their investments wisely so the "Employees Retirement Income Act of 1974" (*ERISA*) was enacted. The purpose was to guarantee that pensions funds be available when needed.

While the system seems to be working fairly well, there are still problems in private industry. Some, such as automotive and airlines were greatly overstated with their obligations and forced to cut retirement benefits. Anyone who owns stocks can tell you of instances of otherwise strong companies forced to make expensive adjustments to their asset structure to cover retirement fund liabilities.

Back to the WRS plan, which offers the advantages of all plans rolled into one. The benefits are defined and generous, very generous. The plan is solvent with huge reserves. Contributions - No problem. The employer, in this case the state or local government simply includes the entire contribution as part of the annual budget to be paid by taxpayers. Theirs and the employers annual contribution.

A couple of questions, remain. What happened a few of years ago when the state billed all municipalities for "unpaid liabilities" related to their retirement accounts. Was this paid? And also, where does the money to pay for retirees health insurance come from?

Just wondering.

Jim Frink-BCTA

"We do not admire a man of timid peace." . . . Theodore Roosevelt

Legislators Demand That University Account for Felons on Payroll.

Due to publicity regarding the possibility of convicted felons on the University of Wisconsin payroll, the following letter was sent by 9 Wisconsin Legislators including Sen. Robert Cowles to Kevin P. Reilly, University President.

“August 11, 2005
Kevin P. Reilly, President
University of Wisconsin System

Dear President Reilly:

We are troubled by recent media reports that indicate several convicted felons are still employed and amazingly still teaching in some cases at UW institutions. These UW professors have been convicted of offenses ranging from stalking to child pornography, and from what we understand, little or no disciplinary action against these UW employees has occurred from UW System officials.

That is why we are writing to you today. We are both requesting information about these specific cases, and also requesting a thorough review of UW System dismissal policies regarding employees who have been convicted of serious felony offenses.

Our offices are formally asking your office to provide answers to the following questions:

- How many UW professors, instructors, or teaching assistants have been convicted of a felony?
- What nature of criminal offense have these UW professors, instructors, or teaching assistants been charged and convicted?
- What disciplinary actions, if any, did the UW take regarding each of these employees who have been charged, and later convicted of serious crimes?

We are further concerned that the UW has not been more forthcoming to the Legislature on UW professors who run into trouble with the law. Why does the public have to hear about child pornography convictions on the radio, and then receive little, if any response from the UW System? Clearly students and their parents deserve to know if and when one of their instructors has a felony conviction, especially when those convictions involve such crimes as stalking and child pornography.

We urge the UW System to immediately initiate employment dismissal reforms in order to restore the confidence of your students, their families and taxpayers in Wisconsin’s world class institutions of higher learning.

As you know, the Legislature has passed legislation to ban felons from working in K-12 schools in order to protect our children. Without adequate reform, you will force the State Legislature to place similar much-needed reforms in state statute for the UW System.

Thank you for providing this important information to our offices in a timely manner.”

Sincerely,

President Reilly sent the following response.

“August 12, 2005
Dear Legislators:

This is in response to your letter concerning the employment status of US employees who have been convicted of crimes.

Your letter apparently refers to media accounts involving three recently convicted individuals employed at UW-Madison. The crimes of which these individuals stand convicted are reprehensible. That is why we initiated, in each of these instances, the process that will lead to discipline or dismissal. The two individuals who are currently incarcerated are not being paid while that process unfolds. They have been placed on unpaid leave pending final resolution of their cases, and will receive payment only for those benefits – such as vacation leave – to which they are entitled. The third employee is not working or being paid this summer. He will be placed on unpaid leave during his term of incarceration, scheduled to begin later this month.

The statutes provide that these individuals may be terminated only for just cause, and further prohibit discrimination based solely on conviction records. Thus, however strongly we may feel about the wrongdoing involved in these cases, the individuals are entitled to due process.

That said, I share your interest in resolving concerns over these matters. As you know, I have already asked the Board of Regents to review a number of university employment practices, and I will ask that their review extend to disciplinary procedures in the kinds of circumstances involved in the UW-Madison matters you reference.

As to the information you request, we do not maintain comprehensive, system wide records that would allow us to respond to your questions. To generate such information would require an extensive and costly review of public records including multiple state and federal court systems, which would then have to be cross checked with individual personnel files. The expense involved may be prohibitive. I would be pleased to consult with you about how we might be responsive nonetheless,

Sincerely, Kevin P. Reilly, President”

It was reported on August 24, that the university had asked the legislature to have their independent audit review UW hiring practices. It was acknowledged the system has been under constant criticism over practices of guaranteeing fallback jobs to administrators, and paying a top administrator sick leave while he was actually seeking other employment. (Also see August Meeting Notes.)

“The penalty good men pay for indifference to public office is to ruled by evil men.” . . . Plato

“For every action, there is an equal and opposite Government program.” . . . Bob Wells

August Meeting Notes.

Monthly meeting of the Brown County Taxpayers Association held August 18, 2005 at the Quality Inn.

The meeting began with a spirited discussion of the governor's apparent abuse of his veto power to add significant spending and the shifting of funds in the 2006 state budget. The consensus of the members present was that a legislative solution is preferred to a judicial remedy to correct the governor's abuse of his veto powers.

The fact that the "property tax freeze" applies only to state tax collections and not to cities, counties, and school districts was clarified. This means that the benefits of the "freeze" will be minimal if anything for the average Wisconsin taxpayer.

The news that the Germantown School District decided to not automatically award its health insurance contract to the company owned by the Wisconsin Education Association Council(WEAC), but to put it out for competitive bidding was discussed. It was agreed that many of the area school districts could possible achieve considerable savings by putting their health insurance contracts out for competitive bidding. Further that the BCTA should convey this to the Green Bay Area School District for their consideration and response.

The effect of drug problems upon property values was discussed. One member reported that the Navarino neighborhood is experiencing declining property values.

The University of Wisconsin president's reply to Senator Cowles' and other legislators' request for the number of UW professors, instructors, or teaching assistants who have been convicted of felonies was discussed. After the UW president's letter reported that the three recently convicted individuals employed at UW-Madison have been place on unpaid leave, it went on to state that the UW System does maintain comprehensive system-wide records that would allow a response to the legislators' request. This is curious as the UW System monitors its employees by race and gender meticulously.

The BCTA will plan on holding an evening meeting in October permit more members and the public to attend. It will most likely be at the Brown County Library with Representative Frank Lasee speaking about the Taxpayer Bill of Rights.

Discussion was held regarding the location for the monthly BCTA meetings. The next meeting will be held on Thursday, Sept. 18, at the Titledown Brewery on Dousman St. Details on the back page of this *TAX TIMES*.

Dave Nelson – Secretary

"The people who cast the votes don't decide an election, the people who count the votes do."

. . . **Joseph Stalin**

"You know what's interesting about Washington? It's the kind of place where second guessing has become second nature."

. . . **George W. Bush**

GOVERNOR TURNING BACK CLOCK ON WELFARE REFORM.

When we created Wisconsin's landmark welfare reform program, Wisconsin Works or W-2, we had one goal in mind – to make it as close to real life as possible. It was a radical notion, with a lot of opposition to the idea that people should have to work to earn a check from the state. We are still fighting that battle ten years later.

With a stroke of his veto pen, Governor Doyle is undermining the goal of W-2 by eliminating work requirements in the program. In the budget passed by the Legislature, we included a provision of minimum work requirements for what's called Community Service Jobs. Community Service Jobs (CSJ's) provide work experience and training to assist participants in W-2 to move into unsubsidized employment or a trial job. Full-time CSJ participants would have had to work at least 20 hours, but no more than 30 hours a week.

Most folks wouldn't think that's asking too much. These are training jobs and part of learning to participate in the work force is getting to work everyday, the same as other working Wisconsinites.

Sadly, the governor vetoed that common sense change. What's worse is his veto turns back the clock on welfare reform. According to the non-partisan Legislative Fiscal Bureau, now only one-percent of W-2 participants in CSJ's have any minimum hours at all.

Wisconsin Works should always create an environment where private sector jobs are more attractive than welfare. People in the program are not foolish. If it's more advantageous for them to stay on welfare, they will. That is exactly the trap of the old welfare state. The only way to qualify for a check from the state was to be poor and remain poor. The government should never force people to remain in poverty.

This isn't the first time Governor Doyle has tried to roll back the clock on welfare reform. Twice his budgets have included provisions that gave mothers on W-2 a six month paid vacation to stay home with their child. That's not how things work in the real world

Wisconsin Works is the international model for welfare reform. One of the hallmarks of W-2 is modeling the program after real world work experience and eliminating entitlements. Under the national Family and Medical Leave Act, parents may take up to 12 weeks unpaid vacation to spend with their child. We were able to stop that change by the governor and now W-2 again follows the same blueprint.

This amendment starts the slippery slope of returning to an entitlement system. The only way to qualify for the Governor's proposal is to be poor and remain poor. That was the failed logic of the old welfare system.

Wisconsin Works has dramatically changed the way the entire world looks at welfare. It first became the nation's model for welfare reform, now its impact is global. The fact that it is becoming universal proves that most people just need a chance, an opportunity and they will take it from there.

Assembly Speaker John Gard

Things That Make Us Wonder.

Since we didn't have an August *TAX TIMES*, there are a lot of things that make us wonder.

Views on abortion, gay rights or separation of church and state do not seem necessarily to be taxpayer issues and we respect the rights of people to their own opinions. While these and other single issues dominate the thoughts and actions of many well-meaning people, we would like to believe that appointees to the supreme court should be made on their ability to properly interpret the constitution and existing laws and make their decisions on a case by case basis. Interpretation of the Constitution is the bottom line.

Unfortunately, further battles for confirmation of Federal and Supreme Court justices and other top government posts nominated by the President (regardless of who is president at the time or what party he represents) promise to be increasingly messy. Opposing sides have been well financed by special interests and are prepared to do whatever necessary to support their cause. Nominees for these important posts can expect to have their entire lives and everything they have ever done or said made public for public scrutiny and interpretation. They could make Presidential elections seem mild by comparison.

~~It seems the Legislature managed to include a 4 % pay raise for themselves, starting with the next election. There are a lot of places to hide things in a 394 page document. One of the items which survived the Governors veto pen. It is probably not so much the amount or justification as the example being set for other state employees. No doubt legislative assistants and just about everyone else in the bureaucracy will be included. It was not too many years ago that being a legislator was strictly a part time. Times have changed.~~

~~Governor Doyle has signed the state budget, and managed to add an *additional* \$400 million to increase spend-~~

ing for K-12 education. This brought the total additional spending for schools to \$ 861 million, or about double what the legislature included in the budget. We realize that many school districts are facing financial problems. We also realize they can spend all the money they can get their hands on.

The effect on the state budget remains to be seen. The governor made a total of 139 line-item veto's. We haven't seen the list, but are sure that many state departments and municipalities around the state will be effected and disappointed when they find that appropriations they had counted on were eliminated.

While the complete list of the Governors vetoes has not been publicized, there were undoubtedly many items which could have been eliminated or reduced. Most of the additional \$400M came from diverting money allocated for highway construction to schools. Then additional funds are to be borrowed to replace this amount. This is projected to add \$158 million in long term debt to be paid. In other words, \$158 million is being added to future state budgets just to pay this years expenses. It apparently will be charged as bonding for highway construction while actually it is going for schools. The state teachers union, WEAC has been doing some heavy advertising praising the Governor's budget, claiming it will help schools and education while not increasing taxes for Wisconsin workers. While we may benefit from removing increased school expenses from property taxes, there is still the matter of bonding and interest to pay current budget items in the future. Who knows what next years budget will be like?

Although it had been talked about for months, Wisconsin sportsmen ~~were taken by surprise when license fee~~ increases averaging 10-25% were put into effect, the day after the governor signed the budget. Any tax cuts such as eliminating the state income tax on Social Security benefits or reducing the gas tax are not scheduled to take effect for a couple of years.

Our space program has had some spectacular accomplishments during the past 40 years. ~~The cost of untold~~ billions of taxpayer dollars can possibly be justified by the technology developed which effects all of our daily lives. One thing that makes us wonder, however, is why at this point in time our scientists and engineers have forgotten how to get a spacecraft back to earth safely.

There have been a number of recent disclosures of UWisconsin administrators taking leaves of absence, resigning their positions, or whatever you want to call it, while their already inflated salary and benefit packages are continued. In the meantime, system administrators with their public relations staffs claim they simply cannot operate unless they receive massive increases in state funding. Something doesn't add up.

The Allouez Village board has been criticized for authorizing a number of storm water retention ponds to be placed on scarce available land, including green areas presently being used as parks. While residents complained that there was a lack of public notice or input allowed on this project, the response was that it was a state and national mandate with little chance for alternatives.

Perhaps so, but if these retention ponds are an imposed mandate, what have other urbanized areas of the county such as the city of Green Bay or the Village of Ashwaubenon done to comply? What about the rest of the state or is this a unique problem in Allouez?

The City of Green Bay has removed parking meters from Broadway, allowing two hours of free two-hour ~~street parking on a "trial basis"~~ until Sept. 10, at which time they will evaluate the results. If business claims it makes no difference the meters could be reinstalled. However, if there is an increase in business activity, will the city get back into the parking meter business because they are losing revenue, or accept the fact the meters may be a hindrance to business and all the money the city has spent on the area the past few years. Maybe something to consider for the downtown

area.

It has been suggested in Washington that a moratorium and amnesty be offered to the millions of illegal aliens ~~now living comfortably in the United States~~. They would be offered citizenship or extended visas. Hasn't this been tried a couple of times before during the past 10-15 years? The results have been a new flood of immigrants coming in the back door to take advantage of our generosity, while a large percentage of those already here have remained undercover because they assumed our government would send them back home if they reported and are identified.

One big reason they come here is to find work and a better standard of living than previous. If an employer hires them and claims their wages as a business expense, they are required by the IRS to account for these wages on their income tax returns with a legitimate Social Security identification. The Social Security administration is supposed to maintain a legitimate account for every worker, who must be previously registered. If there is no individual account established, or if the name doesn't match, you have a fraud.

This should be easy to check with today's computer systems. Either the IRS is doing a poor job of auditing corporate returns, the Social Security Administration is no longer keeping track of individual accounts. Fake identifications slip through the system. Remember this is the same IRS that audits your tax returns for fraud, and the same Social Security Administration that doles out your monthly checks based on your lifetime earnings when you retire.

An article in the *Heartland Institutes* July "Budget and Tax Times" reports that Hamilton County, Ohio (Cincinnati), is suing the Bengals football team and the NFL for the \$210 million cost overruns on their new stadium opened in 2000. This was financed by a .5% county sales tax similar to ours. One of the contentions of their suit is that it was claimed the Bengals team would improve their won-lost record if they had a new stadium, and apparently that hasn't happened. No word on whether their

new stadium included an atrium.

Brown County finds its radio communication system is obsolete and needs an update. A consulting firm from Boston claims the price tag could be over \$22 million, including updating ~~to a narrow band system now mandated~~ by the FCC. While we agree that a good communication system is absolutely essential to serve and protect the public, the cost is certainly a shock.

Each year at this time when hearings are held on the upcoming county budget, we hear suggestions of how to cut \$50,000 from the Library or Museum, plus a number of other list of less expensive services we no longer feel we can afford. An additional \$22M may be difficult to justify. Consultants can propose Cadillac systems containing expensive features nobody ever understands or will ever use. If this was mandated by the FCC, what happened to the Patriot Act funds that were given to local government units to use at their discretion? In this day when just about everyone is connected by cell phones and the internet the cost is questionable. Just think, for \$22M you could every person in the county a \$100 cell phone and still have money left over for a couple of months usage.

The Wisconsin Consolidated Court Automation Program (CCAP) website, which provides information to the public by listing Circuit Court convictions has been under fire for making too much information available. A ~~violation of open record laws~~. The media defends this easy availability of public information, claiming we all have a right to know what goes on.

We agree this website can serve a useful purpose for legitimate purposes such as checking the backgrounds of credit or loan applicants or those applying for employment.

The trouble with the website is that it is probably too good. For example there are absolutely no apparent restrictions as to who has access to this site. No password, registration, name of person making an inquiry or other authority is required. The only information you really have to enter is the

persons name. The site gives you choices to help identify your inquiry since no street address, full name, or details of the particular case or type of information you are seeking is necessary. In return you can obtain the persons address, date of birth, and a complete listing with details of their complete history, including fines and penalties of Circuit Court cases.

Enter a common name, and you can see why credit reports can be erroneous. It is easy to research the wrong person. While we can appreciate and understand the value of this site, it would seem there should be some restrictions as to its use. They claim 2-3 million hits per day just in Wisconsin. In this day of identity theft and rights to privacy, it doesn't seem proper to allow anyone and everyone to have access to sensitive personal information for the purpose of recreational snooping.

Governor Doyle wants to return sales tax money paid by residents to the request of the Dept. of Revenue at their request for Cigarettes purchased over the internet. This does not necessarily mean the charge was not in order, or the Governor had a change of heart. The money is still due the state but there are bigger fish in the barrel.

Sales tax laws generally specify the tax is due from the retailer or seller of taxable items to the ultimate consumer. It may be passed on to the purchaser or consumer at the discretion of the retailer, which is usually the case 99% of the time. In other words, people selling cigarettes (and other items) over the internet or anyplace are responsible for paying the sales tax to the states. It is up to them to add this tax to their sales if they don't want to pay it themselves. If a consumer buys cigarettes, or anything else over the internet without paying sales tax due to interstate laws, they remain liable for tax payments to their

Continued on Page 10
Things That Make Us Wonder (Continued)
 own state through the "Use Tax." The Dept. of Revenue will tell you that compliance with the use tax law is virtually non-existent. Obviously it is much easier for a Dept. of Revenue to deal with large national retailers than all of their customers throughout the state.



Efforts are being made by a number of governors to require the collection of sales tax by internet and mail order retailers, but since there are literally thousands of unique tax districts in the country with different laws to comply with, there has been agreement on how to proceed. Wisconsin alone claims it is losing several million each year. As it now stands, internet and mail order sellers would have to be registered with and make remittances of sales tax collections to whatever jurisdiction their customers are from in order to comply with their laws. It could be a mess to administer.

Generating electricity with wind turbines has been suggested as a solution to the energy crisis, and has been experimented with on a trial basis for a number of years. Has anyone figured out how many of these windmills it would take to equal an average nuclear or coal operated power plant? Also, how would the cost, including land acquisition compare per Kilowatt?

President Bush has signed a 1,000 page energy bill with \$286 Billion in federal spending the next few years. While details of how this will solve our energy problems by offering tax incentives to the large energy producing companies will have to be explained. Most solutions to our energy shortage call for accelerating the depletion of what energy reserves we have to satisfy the present and leave the future for the next generation to worry about. One provision that could help a little and not cost much of anything is to extend daylight saving another month starting in 2006.

The federal transportation bill includes provisions for needed highway improvements in just about every part of the country (*Congressional Districts.*) Even Wisconsin will get its share. Our representatives aren't doing as well as their counterparts from Alaska, however. The transportation bill includes \$223 million of our tax money to build a bridge from the town of Ketchikan to their airport which happens to be on an island with only 50 inhabitants. This will replace a 7-minute ferry boat ride. It probably would have been cheaper to

move the airport.

One of the possible advantages of the unprecedented high cost of gasoline is that for the time being, at least, we haven't had any of our deep thinking politicians proposing tax increases to "conserve energy."

The Green Bay Transit Authority has proposed rate increases for local bus service. We realize that available bus transportation is necessary for many people and serves a community need. The federal government also recognizes this and provides substantial subsidies. We note the new buses seem much smaller than older ones, and often have few passengers. Assuming the cost of drivers is the same either way, we wonder if a per cost ride subsidized by taxpayers has ever been established, and if the system is cost efficient or could be utilized more. While the high cost of gasoline may produce more customers, it will also increase the cost of service.

A recent news release reported that an unidentified group of "prominent ecologists" were seriously proposing that African wildlife be imported to live and roam free on our Great Plains. While "crackpots" could be a better definition, it may be interesting to hear them out. They claim that conditions in Africa have deteriorated to the point where some species could become extinct.

While every argument and point of view may have some merit, this proposal could incite debate from ranchers concerned that lions and cheetahs could end up feasting on their cattle and existing wildlife, or that herds of elephants may trample their fields of corn and wheat.

A recent article in "Forbes" entitled *President Bush Owes Him a Drink* relates that Wisconsin businessman John Menard paid one of the highest individual Federal income taxes in the nation, \$216 million, for the year 2002. This also should have related to a proportionally high payment of Wisconsin income tax. Perhaps they should advertise that for every purchase

you make, a contribution will be made to your national and state governments.

The University at Madison can debate its reputation as the #1 party school in the nation, but it seems cities like to have their football team for New Years bowl games because the whole school shows up to celebrate. Hawaii here we come.

We realize municipalities have something against using weed killing chemicals, but no matter where you look this time of year cracks in our roads and curbs are full of healthy weeds. Apparently it is less expensive to replace the concrete every few years than to keep the weeds under control, (*like you and I do around our own property.*)

There have been calls for a moratorium on multi-family construction in the area as supply is exceeding demand. There is also a surplus of single family housing and "spec" homes as well as retail and office space. While the economy in the area has been relatively stable, is it good to increase overall valuation with real estate which is sitting idle and not producing income?

The U.S. Census Bureau claims that 44 % of housing in Green Bay consists of rental units. Some residents rent rather than own their own homes as a matter of choice, while others do so as a matter of necessity. In either case the landlord is responsible for payment of property taxes on the value of the property and recover this cost as part of the rent charged.

While renters demand and expect the same services as homeowners such as schools, libraries, police and fire protection, good roads, etc., many of them probably don't have a clue as to what these services cost them, or even that they are paying a share. Would it be a good idea if landlords were allowed to itemize the amount of property tax prorated to each renters monthly rent to give tenants a better idea of how the system works? If you want more and better services, you pay for it.

We sympathize with the victims

of Hurricane Katrina and of the many other tropical storms we have experienced. While these events bring out the good from many of us with various contributions and support, they also bring out our selfish side from those who hoard gas and other commodities that they fear will become scarce or more expensive. Unfortunately the media seems to delight in publicizing and very likely encouraging this behavior.

Finally, a thought on the cost of the highway construction bill signed by President Bush from John Berthoud, President of the National Taxpayers Union. This \$300 Billion or so piece of legislation appears to have more pork than substance.

"George Orwell's 1946 classic Animal Farm is a tale of the rising up of the long downtrodden animals to overthrow the hated humans and establish a new order. Under new management, the farm seems to move in the right direction for a while, but the pigs slowly decide that the lifestyle of their former masters was pretty good, and consequently morph into a ruling class indistinguishable from that which they displaced.

Originally intended by Orwell to parody the Soviet revolution of 1917, one can now see parallels to the Republican Revolution of 1994. There is no better example of the new management's taking on the manner of the old regime than the highway bill that President Bush recently signed."

As usual, lots of things to wonder about.

Jim Frink

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Property Owners Rights.

In a recent U. S. Supreme Court decision, *Kelo vs. New London*, it was ruled that a government unit could take over privately property for the purpose of "economic development." This was a liberal interpretation of the fifth amendment which states that private property cannot be taken for public use without just compensation.

The decision was based on the cities (New London) desire to allow a new shopping center on privately owned land. Since a shopping center would bring a greater property tax return to the city, it was ruled to be "in the public interest."

Previous to this ruling, public interest referred to projects like new roads, bridges, and the like. How this ruling will be interpreted remains to be seen.. Even here we see a steady stream of developers with grand ideas if someone would only come up with the money. With cities and counties constantly trying to enhance their tax base, any project that would bring in tax dollars could be interpreted as being in the public interest.

National Debt Update.

As of August 31, the U.S. National debt reached \$7,850,565,890,406.00. More or less. This represents an increase of about 65 1/2 Billion since we last reported it July 1. This is an increase of about a billion dollars a day.

Some days may be worse than others, especially if the government decides to cover any amount of the damage from Hurricane Katrina which could amount to \$50 Billion or more.

Who Pays For Lobbyists in Madison?

One of the discouraging things about Wisconsin politics is that professional lobbyists representing their employers seem to have much better access to our representatives than the people who elects them and pay the bill.

A complete listing of these lobbyists, who they represent, Legislation they have an interest in and compensation is available at www.ethics.state.wi.us.

NOTICE !
New Meeting
- Location -
Effective Sept. 15,
BCTA Monthly Meetings
will be at the
TITLE TOWN BREWING
200 Dousman St.
(The Old Railroad Depot)

This site offers:
Convenient Downtown Location
On-site parking
Private Meeting Room
(BBC Room) 2nd Floor
Good food – reasonable price.
(Same Price as previous meetings.)

Sept. 15, Speaker
Brown County Executive
Carol Kelso
"The 2006 County Budget"

Plan on attending:
Details on back page.

"The mystery of government is not how Washington works, but how to make it stop." . . . **P. J. O'Rourke**

"Politics is not the art of the impossible. It consists of choosing between the disastrous and the unpalatable." . . . **John Kenneth Galbraith**

"You can't legislate intelligence and common sense into people."
. . . **Will Rogers**

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.

The TAX TIMES

Brown County Taxpayers Association
P. O. Box 684
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The TAX TIMES - September, 2005

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

Thursday - September 15, 2005. BCTA Monthly Meeting. 12:00 Noon
TITLE TOWN BREWING Co., BBC Room, 2d Floor.
NOTE NEW MEETING LOCATION
Speaker: Brown County Executive Carol Kelso

Thursday - October 20, 2005, BCTA Monthly Meeting. 12:00 Noon
TITLE TOWN BREWING Co., BBC Room, 2d Floor.
Speaker to be announced. Subject – 2006 Budgets.

Thursday - October 20, 2005, Special Evening Meeting. 6:30 P.M.
Brown County Public Library – Downstairs Meeting Room
Speaker: Representative Frank Lasee – Public invited.
Rep. Lasee will discuss TABOR, The Taxpayer Bill of Rights, Find out how it could effect the taxes we pay and the services we receive.

Thursday - November 17, 2005, BCTA Monthly Meeting. 12:00 Noon
TITLE TOWN BREWING Co., BBC Room, 2d Floor.
BCTA Annual meeting. Speaker to be announced.

Unless otherwise notified, BCTA monthly meetings are held the third Thursday of each month, 12:00 Noon, at the Title Town Brewing Co., 200 Dousman St. All members of the BCTA, guests and other interested persons are invited to attend.
Cost: \$7.00 per meeting, includes lunch, tax & tip. Payable at meeting.
Call Jim Frink, 336-6410 for information or to leave message.



September,
2005

“National defense is one of the Cardinal rules of a statesmen.”
. . . John Adams

“One of the most essential branches of English liberty is the freedom of one’s house. A man’s house is his castle.”
., . . John Otis (1761)

SUPPORT THE BCTA

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