

Wisconsin Dragaway.

Well, the curtain has fallen on another episode of Leonard Pincus-Garnell's Bad Playhouse, starring the Wisconsin Legislature [I love Dan Ackroyd's old SNL spoof.] Smelling like the starting line at Great Lakes Dragaway, the engines roared with the acrid smoke of burning rubber from fat drag slicks spinning, from the smoke and fury Big Daddy Don Garlit's Swamp Rat emerges! Maybe they were just an octave too shrill, but they were rearing to set some records. Then, in a thrilling anti-climax, the 5 o'clock whistle blew, the drivers turned off their cars, got out and went home.

And there was much rejoicing. For just a quarter mile down the track were Gov. Jimmy Green's new Clean Energy Jobs mandates and a fresh tax hikes for us all. Not to mention new regional transit, er, ah, tax-it, authorities.

While jobs left town, Governor "Nero" fiddled in Spain, buying \$44 million in Talgo trains for his president's high-speed choo-choo, that won't top 79 MPH [note: The Swamp Rat hit 200mph+ in under 6 seconds.] Call that high? Rail proponents are higher, probably on the medical marijuana lawmakers spent a lot of time not permitting.

While Diamond Jim Doyle and his mini-me, Tiger Tom Barrett opened the back door for Talgo's eventual new presence at the shuttered Tower Automotive plant in Milwaukee [to the sound of one hand clapping], who left out the front door? Thomas Industries, high-tech, high-skilled jobs, left for Louisiana and the U.S. Bowling Congress left for Texas. Harley Davidson set its eagle eyes on the door. And only after TPR [taxpayer resuscitation] did we pull Mercury Marine back to Fond du Lac from Oklahoma. [See Appendix: HD TPR 2.0.]

Employer's choosing to remain in Wisconsin [God bless them], at a minimum, face Combined Reporting, a Capital Gains tax hike [will our Angel Investors fly out the door too?], an expanded prevailing wage, and new health insurance mandates, pressing our once mighty manufacturers to their knees, scanning for places to stand proud again.

What is going on here? Our citizens need jobs not platitudes and unfulfilled promises. Good intentions pave the path to Perdition. Intentions don't put roofs over heads, clothes on backs or food on tables. 99 months of unemployment benefits and COBRA subsidies have simply dug us \$2 billion deeper in the hole. For some, why work, simply go Grecian Formula.

Our beautiful State is one serious fractured fibula from utter economic disaster. And still our intrepid lawmakers collect their \$49,943 annual salaries and up to \$88 a day in expenses for 4 months work, then go home to campaign for a return trip ticket on the gravy train. It would have been better to have paid you to do nothing.

I will gladly donate to the first candidate who promises, "For a donation of \$25, I will cheerfully do nothing. But if you could possibly contribute \$100, I will vigorously pursue diddley-squat."

With so much wrong in government, what we need is comprehensive reform, right? Wrong. Comprehensive means one of two bad things will happen: Legislative deadlock or bigger government. I pledge my support to the first candidate with a pragmatic plan to permanently shrink government.

You all know my favorite plan – ending the corporate income tax and all the preposterous tax credit programs. Hundreds of state workers would disappear from GEF 3 or whatever buildings host Revenue and Commerce departments now. But my plan verges on comprehensive. It portends deadlock.

So, candidates, what incremental ideas do you have to shrink government? Privatizing? Here's one: Sack all those pointless street sweepers and require property owners to sweep their own curbs, as we once did before our pal Bureaucratus offered to shoulder our burden. We mandate sidewalk clearing during snowy times, and thousands of kids thrive on neighborhood shoveling businesses.

You get the idea. There must be hundreds of these, like little polyps on government's colon. Take out your policy sigmoidoscopes. Pick a polyp and propose its removal.

Let's hear all about on the campaign trail this summer. Send me your ideas, friends, and I will be sure to share them. See you at the fairs and Tea Parties.

Richard Parins — President

The BROWN COUNTY TAXPAYERS ASSOCIATION

In our 25th Year of Promoting Fiscal Responsibility in Government.

April Meeting Notes.

Marc Savard addresses BCTA.

Monthly meeting of the Brown County Taxpayers Association held April 21, 2010 at Titledown Brewing.

Marc Savard, candidate for the Eighth Congressional District seat, discussed his concerns about the direction our country is taking and where it should go. He is an organic farmer in Door County, growing vegetables and raising beef cattle. He is also a painting contractor. He has served on the Door County Board of Supervisors for almost 10 years. Frustrated by the actions of the current Congress, he decided he had to run, becoming the first candidate to enter the race. He organized the state's first TEA Party, which was held in the Green Bay area one year ago.

Marc stated that his biggest challenge is citizens not knowing where the government gets its money and where the money is spent. With 47 percent of Americans not paying federal income taxes, almost half of our population has little concern about government taxing and spending. Their major concern is not taxes, but the cost of living. Illegal immigration causes major financial problems for units of government. The solution is a physical fence along the entire Mexican border. We need to control the border locally, supported by the federal government. He welcomes legal immigrants.

Marc believes that our system of government is broken down, overcome by lobbyists and special interests. Out of control spending is moving our nation toward a financial cliff. The most important task ahead of us is to get our federal budget back on a sustainable track. To accomplish this, we must bring a fiscally responsible budgeting process back to Congress.

To avoid any conflicts with representing citizens, Marc stated he will not accept campaign contributions from lobbyists or political action committees. Finally, Marc pledged that he will be beholden only to citizens.

Dave Nelson – Secretary

"A politician should have three hats; One for throwing into the ring, one for talking through, and one for pulling rabbits out of if elected."

. . . **Carl Sandberg**

"In our age, there is no such thing as 'Keeping out of politics,' All issues are political issues, and politics itself is a mass of lies, evasions, folly, hatred and schizophrenia."

. . . **George Orwell**

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Is The National Day of Prayer Constitutional?

From George Washington to Barack Obama, presidents have called upon our nation to pray. The first Congress prayed for wisdom when forming our Constitution. President Lincoln called for a national day of "humiliation, fasting, and prayer." President Roosevelt led our nation in a prayer over the radio for our troops during the D-Day invasion.

In 1952, President Harry S. Truman signed into law an annual observance titled the National Day of Prayer. In 1988, President Reagan further codified the observance to occur every first Thursday in May. Every president has signed a proclamation honoring the National Day of Prayer since it was created.

Currently, the National Day of Prayer is under fire by the Freedom from Religion Foundation, a group of atheists and agnostics based in Madison, Wisconsin. Their lawsuit against the Obama administration claims the National Day of Prayer violates the 'establishment clause' of the U.S. Constitution.

On April 15, 2010, federal U.S. District Judge Barbara Crabb (United States District Court for the Western District of Wisconsin {*appointed by President Jimmy Carter*} - 1979) issued an opinion regarding the Freedom from Religion Foundation's lawsuit. Declaring the National Day of Prayer unconstitutional she stated, "It goes beyond 'acknowledgment' of religion because its sole purpose is to encourage all citizens to engage in prayer, an inherently religious exercise that serves no secular function in this context."

She continued, "In this instance, the government has taken sides on a matter that must be left to individual conscience." Now, it's the Obama administration's decision whether to appeal Judge Crabb's decree. If President Obama chooses to forego an appeal other options to challenge the Judge's decision may be available.

The 'establishment clause' of the U.S. Constitution in the First Amendment states, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof." In other words, a religion cannot be created or endorsed by the United States Congress. Nor can Congress prohibit an individual or state from practicing the religious faith of their choosing. Over the years, the interpretation of the 'establishment clause' has become foggy. Taken to its extreme, this and other similar decisions have led to banning the Ten Commandments replications in court houses and Christmas decorative displays on public property.

Muddying the 'establishment clause' interpretation even further, was a 1983 U.S. Supreme Court decision in *March v. Chambers*. In a 6-to-3 decision led by Chief Justice Warren Burger, the right of state legislatures to open with a prayer was ruled constitutional.

Former Supreme Court Chief Justice William Rehnquist wrote about the 'establishment clause' in his dissent on the 1985 *Wallace v. Jaffree* decision. Alabama law allowed teachers to have a moment of silence at the beginning of class. *Wallace v. Jaffree* deemed the law an "establishment of religion" thereby rendering it unconstitutional.

Rehnquist wrote the *Wallace v. Jaffree* decision would "come as a shock to those who drafted the Bill of Rights." Rehnquist further explained Thomas Jefferson wasn't even in the country when the first amendment was debated and ratified. Allegedly, the "wall of separation" between church and state originated with a letter Jefferson wrote to a Baptist association 14 years after the First Amendment was actually drafted.

Although all Americans are encouraged to pray within the parameters of their particular religion on the National Day of Prayer, individuals aren't required to participate. No specific religion is either mandated or endorsed. Our Forefathers intended the First Amendment of the United States Constitution would guarantee freedom of religion – not freedom from religion.

Wis. State Representative Kevin Peterson

National Debt Update.

Another notable event that escaped the national news media. At some point during the past few days the U. S. National Debt passed the \$13 Trillion point, up about \$379 Billion since we last reported at the end of March. This equates to \$42,027 for each citizen or \$117,985 for each taxpayer. Not all citizens pay taxes.

How has the money been spent so far this year? Through the end of May the checkbook totals would be Medicaid-\$775 Billion, Social Security-\$690 Billion, National Defense-\$190 Billion, Interest on the debt-\$195 Billion and earmarks, \$18 Billion.

What is causing the National Debt to rise so rapidly. Without pointing fingers, it is simply a matter of spending our federal money in excess of what it budgeted and made available by either reserves or revenue. The funds are borrowed from what ever source available (foreign governments) for payment in the future.

We are probably all to blame. Witness the government bailouts of various industries. Look at our own state, schools, and municipal budgets which have their hands out for any federal money which they can use to apply to their own deficits and wish lists. Look at the spending programs from Washington to stimulate the economy. Everything from "Cash for Clunkers" to rebates for "Energy efficient appliances", which have a questionable impact on the economy. What good does it do to invest Billions in railroads and other massive spending schemes when the money is not available or the need fully justified?

The Association of Mature Americans (AMAC) refers to our countries rapidly growing National Debt as *"more dangerous to the United States than any enemy our country faces today."* They point out that it has the potential to bring our economy into a massive depression. It allows foreign entities to influence the policies of our government and has already created a huge burden that must be paid for by our children and future generations.

The group also calls for the repeal of Obamacare as being far too costly, and maintain that AARP, another group representing senior citizens and which openly supported health care reform, did so without the support of their membership. **Jim Frink – BCTA**

Take The Car Away.

While some progress has been made in Madison, Wisconsin's drunk driving laws are still considered some of the weakest in the nation, and driving under the influence the major cause of fatal traffic accidents.

I believe the best solution would be to authorize judges to simply impound the vehicles of repeat offenders. If an offender is driving the vehicle of another person with their permission as a result, that other persons vehicle should be taken away. Simple and effective. **Mark Leistikow-BCTA**

"Nothing is so unbelievable that oratory cannot make it acceptable." . . . **Cicero**

"If we have so much disrespect for politicians, how come we put them in charge of the government?" . . . **Doug Larsen**

"Thinking is the hardest work there is, which is probably why so people engage in it." . . . **Henry Ford**

A Way Forward.

A state budget is much different than the federal budget. We cannot print money and our budget must be balanced. We cannot borrow excessive amounts without negative consequences for the state. If spending and revenue collections go out of balance, we as lawmakers must address it with spending cuts or more revenue. There is no free lunch.

How lawmakers approach these issues affect the likelihood an employer coming to or expanding in Wisconsin. If lawmakers tend to cut spending and reform programs to address deficits, it would be viewed favorably. Raising taxes to address budget deficits is viewed less favorably/

Wisconsin is facing yet another state budget deficit. The structural deficit going into 2011 is \$2.3 billion. The Pew Center on the States has labeled Wisconsin "a state in fiscal peril." Raiding segregated accounts to balance the budget as Governor Doyle has done since 2003 is not an option. His more than \$2 billion in raids have already put some of these accounts in the red.

So what do we do? First, Wisconsin lawmakers need to go line-by-line through the budget looking for efficiencies. This isn't pie in the sky thinking, it can be done. In 2007, facing a deficit Assembly Republicans did this and passed a budget that cut taxes and held the line on government spending. State borrowing was reduced as well, limiting future state debt obligations.

The creation of jobs and growing of employers will also ease our budget woes. Income taxes and corporate taxes feed the state's general fund which pay for K-12 education and social programs. The recession and rising unemployment have greatly reduced these tax collections. By creating jobs and attracting employers we can set Wisconsin back on solid financial footing.

Job creation will become much easier if we pass the Small Business Regulatory Reform Act which was authored this session. This will give employers a voice in drafting government regulations. These regulations add thousands of dollars in costs to small employers and hinder job growth. Also, I proposed a small business advocate within the Department of Commerce to assist employers attempting to navigate through bureaucratic red tape.

Small employers should be able to review current regulations and work with government to reduce their obstructions to growth. We can do this while also maintaining public health and safety.

We should eliminate the capital gains tax increase included in the 2009 budget and allow employers to invest that money in Wisconsin tax free. This will encourage growth of businesses in Wisconsin and improve the likelihood of job creation.

We should eliminate the combined reporting tax. This tax has already been linked to thousands of job losses and could potentially force Harley Davidson to leave Wisconsin. They have already decided to build a new plant in a state other than Wisconsin.

Regarding health care, employers are being smothered in insurance costs and dropping coverage for their employees. Wisconsin should allow its employers to shop across state lines for the best health plan available at the most affordable prices for their employees. Also, families' health savings should not be taxed by the state of Wisconsin.

Employers are looking for friendly states to call home. Wisconsin needs to take steps to becoming a partner of employers instead of treating them as piggy banks

Rep John Nygren

Less taxes please.

As a first-time candidate running for State Assembly this fall, I have spent a good deal of time discussing the real-life concerns shared by my neighbors throughout our area. All too often, the excesses of state government have overburdened businesses and average citizens, including young families like my own.

There is a justified feeling that many of our elected state officials are simply not reflecting our values, or the need to exercise some good old common sense. Basic concepts like not spending more money than we actually have, when you're in a hole, quit digging and other principles contrary to our irresponsible state budget practices seem to be lost on legislators all too quickly.

There is also a mistaken belief by some policymakers that government itself actually creates jobs, when it far more frequently gets in the way of the private sector, especially in Wisconsin. It's not difficult to see why so many are frustrated by the grandiose declarations and spin coming from the administration in Madison.

Sadly, \$5 billion in tax increases, a 4 percent increase in property taxes, a 10 percent increase in state spending, and a loss of more than 160,000 jobs since the last state election. We've seen just how widespread that belief is in Madison. The fact is, if you own a home, drive a vehicle, use a telephone, pay a utility bill, land in a hospital, own a small business (the list goes on and on), the present administration voted to raise your taxes, killing jobs and hurting families.

In fact, according to Forbes magazine, Wisconsin now has the third-worst business climate in the country, while the legislature has signaled it's intent to penalize state job creators and investors even more.

How can we get out of this mess? Honest budgeting would be a good start. Last year, the incumbent, Rep. Zigmunt, called the reports of the nearly double-digit state spending increase a "distortion," then went on local radio and admitted that he voted for the use of one-time stimulus funds and raiding segregated funds to pay for it.

It's time that the legislature take a look at everything left in the state budget for years without review, instead of starting with the previous budget, declaring almost everything off limits, then removing a handful of projects from the Governor's new wish list and calling them "cuts." Wisconsin has one of the worst structural state budget deficits in the country; it's not a debt that I want my children to have to pay.

André Jacque

(Candidate for the 2d Assembly District.)

Constitutionally-Required Fiscal Responsibility for State Government.

Spend less and save more. These basic principles of fiscal responsibility are money management lessons individuals, families and businesses are bound to follow and they should apply to government budgeting as well. Unfortunately, the recent budget decision-making by the Democrat-led Congress and State Legislature has proven that immunity from these fiscal responsibility principles is the preferred path.

Because money does not grow on trees and excessive government spending supported by higher taxes and more debt is unsustainable, fundamental reform is necessary. Recently we unveiled a plan to restore fiscal responsibility to the process by which state government balances its two-year budget.

The cornerstone of the Wisconsin Fiscal Responsibility Amendment is the creation of a constitutionally-protected Fiscal Responsibility Fund (Rainy Day Fund). Every state budget approved by the State Legislature and enacted into law by the Governor must include a deposit in the Rainy Day Fund. Recognizing that tax receipts fluctuate depending on economic growth, the Wisconsin Fiscal Responsibility Amendment places an upper limit on the annual growth in state government spending and requires a minimal contribution into the Rainy Day Fund even in the leanest of economic times. The constitutionally-mandated state government spending limit is set at a level below the average growth in personal income (a widely accepted measure of the taxpayers' ability to pay). Tax receipts above the spending limit must be deposited in the Rainy Day Fund. A supermajority vote of the State Legislature is required to increase or reduce the state government spending limit and with one notable exception, the supermajority vote requirement also applies to withdrawal of money from the Rainy Day Fund. If the Governor certifies that the state's economy is in recession, the Legislature, by a simple majority vote, can use money in the Rainy Day Fund to balance the state's two-year budget. Furthermore, any accumulated amount of money in the Rainy Day Fund over 10% of annual tax revenues must be returned to Wisconsin taxpayers in the form of a property tax credit.

By limiting how much of your tax dollars state government can spend every year and putting money aside to balance the state's budget when the economy is not growing, we can restore some much-needed fiscal responsibility to the state's budget process. Because this fundamental reform requires a change in the Wisconsin Constitution, the Wisconsin Fiscal Responsibility Amendment will need to be adopted by two successive legislatures and ratification by Wisconsin voters, before it can become effective. When the Legislature reconvenes in January, 2011, this Amendment will be at the top of Assembly Republican "to do" list and I fully expect that you will hear a lot more about this budget reform in the coming months.

As a member of the Legislature's Joint Committee on Information Policy and Technology, I take special interest state government information technology (IT) projects. In the last few years, the Legislature has discovered millions of dollars in wasteful spending. As reported on May 17, 2010, by the Milwaukee Journal Sentinel, these extreme costs continue to occur despite our best efforts to control IT spending. Currently the state is working to consolidate its computer servers. This state IT project was originally projected to cost Wisconsin \$12.8 million. Yet as reported by the Milwaukee Journal Sentinel, the computer server project is now on track to cost the state of Wisconsin, thus ultimately the taxpayers, upwards of \$110 million. That is approximately nine times the original estimated cost.

The state's chief information officer believes that the delays occurring in this project are due to three additional state agencies and their servers being added to the consolidated server located at the Madison Data Center. It is the chief information officer's hope that the remaining work left to be completed on this project can be handled by the IT division solely as part of their normal business.

As originally proposed, consolidating the state's computer servers into one data center would eventually save the state money. At this time, the data center spends roughly \$18 million a year to run the center.

Rep Phil Montgomery

2009-2010 Legislative Session Ends.

At 4:20 A.M. on April 23, 2010, the Wisconsin 2009-2010 Legislative Session finally came to a close. Any bills that were introduced but were not passed by both the full Senate and the full Assembly with identical language died which means they have no chance of becoming law this session. The authors of these bills will have to start the process all over again from scratch and re-draft and re-introduce their proposals as new bills in the 2011-2012 legislative session.

1,686 bills were introduced by the Assembly and Senate, and to date, 214 have been signed into law by Governor Doyle. Unfortunately, far too many bills were introduced at the very end of session, pushed through committee and to the floor with little to no public notice or input. The last two weeks of floor period were nothing short of chaotic as Assembly Democratic leaders forced legislators to review and vote on 75 to 95 bills each day with about 24 hours notice. As a result, most floor votes ended up being taken in the dead of night when folks were at home sleeping, which is a practice I deplore.

Here is what happened with some high-profile bills in the last few days of session:

- **Text Message Ban:** I have been a supporter of banning text messaging or emailing while driving because it is by far the most dangerous form of inattentive driving there is on the road today. The proposal passed both the Senate and the Assembly and now is waiting for Governor Doyle into law
- **Payday and Auto Title Loan Regulations:** The Senate and the Assembly passed regulations that will help protect people from lenders that loan money to those who can't afford to pay it back and then get caught in an ever-increasing cycle of debt. Governor Doyle is expected to sign this bill into law.
- **Global Warming Bill:** Governor Doyle's top priority to enact a variety of state mandates, regulations, and tax increases to reduce emissions of greenhouse gases in Wisconsin died this session as it was never voted on by either the full Senate or the full Assembly. A 150 page substitute amendment was crafted behind closed doors and released to the public and the committee members just two days before a critical committee vote was to be held just before the end of session. Consequently, the Senate committee with jurisdiction over the bill never held a vote on the bill.
- **Regional Transit Authorities (RTAs):** A bill allowing municipalities to create a RTA addressing transit needs of the municipalities who have joined it died this session as it was never voted on by either the full Senate or the full Assembly. Under the proposal, RTAs would have the power to implement a new sales and use tax to fund their transit plans.
- **Election Law Changes:** This is a proposal that election clerks statewide have stated would not only lead to election fraud but protect election fraud and call into question the validity of future election results. It never received a vote on the floor of either house. That means that this ill-conceived bill is dead. A recent Green Bay Press Gazette reader poll showed that 89.1% believe that voters should be required to show a photo ID at the polls to prevent voter fraud.

Rep. Karl Van Roy

May Meeting Notes.

Rebecca Kleefisch Addresses BCTA

Monthly Brown County Taxpayers Association held May 20, at Titledown Brewing Co.

Rebecca Kleefisch, candidate for Lieutenant Governor, presented her background, her concerns about the direction of our state, and her vision for the role of the Lieutenant Governor.

After Rebecca earned a journalism degree from the UW-Madison, she began a television news career, first in Illinois, and then for four years at WISN-TV in Milwaukee, working as the morning news anchor. She remembers questioning County Executive Tom Ament about the Milwaukee County pension scandal. She left her television news career to become a stay at home mom, and became a home-based marketing consultant. When she decided she could not accept what the government is doing to her children's future, she was motivated to file papers to run for Lieutenant Governor of Wisconsin.

Rebecca discussed issues related to getting Wisconsin back on the right track. "We have a spending problem, not a revenue problem," she stated. She supports truth-in-budgeting. She believes we don't need an \$800 million high-speed train. We do need jobs, and the business climate to foster creating good-paying jobs. To keep manufacturers in Wisconsin, we need consistency from government and positive leadership. Our excessive taxation and excessive regulation are causing Wisconsin to fall behind neighboring states. She noted with concern that now we have more government jobs than manufacturing jobs in Wisconsin.

When we reduce spending, cut taxes, and reduce the regulatory burden on Wisconsin businesses, Rebecca envisions the lieutenant governor's job as the Chief Marketing Officer, selling Wisconsin to businesses around the country. As a professional communicator and marketing professional, she believes she is the best qualified of the field of candidates to fulfill this mission.

James Murphy an organizer for the Green Bay Tea Party (www.greenbayteaparty.org), presented an overview of his organization's activities.

The next BCTA meeting will be Thursday, June 17, at Titledown Brewing Co. The speaker will be Scott Walker, Milwaukee County Executive and Candidate for Wisconsin Governor. Details on the back page of this *TAX TIMES*.
Dave Nelson – Secretary

"Nancy Pelosi told Catholic leaders they should support the Democratic version of immigration reform, and to preach it from the pulpit. She would have said more but she had to leave to attend a rally for the separation of church and state." . . . Jay Leno

"Those who hammer their guns into plows will soon plow for those who do not." . . . Thomas Jefferson

"Politicians are the only people in the world who create problems and then campaign against them." . . . Charlie Reese

Dues Reminder.

We want to thank our loyal members who have supported the BCTA for the past 25 years. However, your dues are necessary for us to exist. We send out dues notices each quarter close to the anniversary you joined our group. We will send a reminder if we do not receive your payment. This is a reminder if you have not paid your dues or responded to our reminder you will be removed from our mailing lists. Thank you.

A “Fair Tax” or Just “Fare” Taxes?

Dictionaries describe the adjective “FAIR” as “impartial and free from self interests and partisanship, just, unbiased, equitable in accordance with the rules.” Sounds like a great word to use in describing a tax that everyone would be happy with. They describe the word “FARE” as, “the price charged a paying customer on a public conveyance,” which could well define the taxes we are charged by the various government units and the ride we get for our money.

The case for more tax revenue.

There is no question that something will have to be done to control the ever increasing indebtedness faced by our local, state and most important the federal government. Our national security and economy is at stake. The potential cost of health care reform, Social Security, Medicare, public employee pensions, education, infrastructure, energy, the environment and debt interest are only a few of the problems looking for more financing.

While the obvious and most logical solution for an individual or business facing such a problem would be to reduce spending that does not seem likely based on the philosophy of our elected officials and the mindset of too many of their constituents who have been educated to expect more and more from their government. This has philosophy been reinforced dramatically by our own state and local governments and even the rest of the world turning to Washington for help with their own deficit problems.

Things have been further complicated by the Obama health care plan, and Congressional admission that it will cost far more to implement than originally announced to the public.

Is a VAT the best answer?

With the federal deficit obviously out of control, and Congress and the Administration showing no inclinations towards reducing spending, new sources of revenue are under discussion. For the past several years, the imposition of a Value Added Tax, or VAT has been the possible solution of choice. In it’s purest form, the idea is to add a tax to every stage of the manufacture, distribution and sale of virtually all goods and services, so that the total tax, usually 17-20% is included in the final selling price. It is presently used in about 150 countries of the world with varying degrees of success.

It is further claimed that the amount of revenue created would enable the elimination of the federal income and other payroll taxes. It would be based on consumption rather than income. It sounds great. While it is referred to as a “Fair Tax” or “National Sales Tax,” but remember that basically a tax is always a tax.

What are the advantages of a VAT?. Proponents seem to have all the answers.

First, they claim it would be easier to understand than the present system as it would eliminate the need for income and payroll taxes. They point out that the proposal now before Congress contains only 132 pages, compared with the present IRS Tax Code which has ballooned to over 60,000 pages in recent years.

They claim a VAT would be fair and transparent as it would apply to everyone and everything, including the underground economy and other transactions now avoiding taxation.

Federal income tax would be eliminated, individuals and business would have more money to invest thus helping the economy.

Sounds great. Eliminate the present income which nobody really seems to like anyway and replace it with a hidden tax which

probably wouldn’t even be noticed as we go about our daily lives while providing government with more money to take care of us. Hallelujah!

The case against a VAT.

Unfortunately we believe that if this idea is seriously pursued, there will be an immense number of details to be addressed. What are some of the problems which could be encountered?

First and foremost, just how far do they intend to go as far as eliminating other taxes? Most of us face a tax burden from three different sources. We have state taxes, consisting of income, sales, fees and assessments which pays for highways, prisons, education, social services, revenue sharing and all of the other services we have grown to expect and appreciate from the benevolent people in Madison.

We have local property taxes and local fees which pay for our schools, local police and fire protection, snow and garbage removal, plus many, many others we expect from local government.

In recent years, the federal government has returned more and more money to state and local governments in the form of grants, subsidies, and Congressional pork handout. In many cases we have grown to expect this assistance including it in our budgets accordingly.

One observation is that in most other countries of the world, their national government is more responsible for doling out money for local units than in the United States. Local taxes do not provide all of the services we receive here.

The question is, to what extent would a national VAT impact our state and local taxes? Would we still be left to our own resources to fund services. Many if not most states in addition to Wisconsin are deep in debt with few choices for raising more revenue.

In addition, does the federal government actually intend to replace the income and other taxes, or are we just implementing another layer of taxation to pay for health care and perhaps make a dent in the National Debt.

We recall efforts in the past by the Wisconsin Legislature asking that any group or interest proposing a new program would also have to suggest a source of revenue to pay for it. It may have worked a few times but in recent budgets the Governor has inserted so many new sources of revenue without specific programs to be funded that there are few acceptable things left to be taxed.

Remember, the interests proposing and promoting a VAT are strictly interested in increasing revenue so as to increase spending and not necessarily making life any easier for the rest of us. There is absolutely no way that this could not be implemented without adding a massive bureaucracy that would dwarf anything seen to date. How can they say only 132 pages without laughing out loud. No doubt the Obama health care plan started out with 132 pages until Congress started amending and adding to it to make everybody happy and ended up with the 2,000 plus page document that should properly be called, “*The Monstrosity That Ate America.*”

imposing new taxes not always simple.

In a previous life I had a job with the Wisconsin Dept. of Revenue at the time they first imposed the State Sales Tax. Governor Gaylord Nelson made his case that the state needed more money to spend and the Legislature hastily approved a “temporary 3% tax on what was considered luxury items” and went home for the year.

It was left to the Dept. of Revenue to determine what was to be taxed and establish the rules. The Legislature wasn’t interested in details, or what people in business thought. Certain exemptions were established for non-profit groups, farmers, government units, manufac-

urers and a host of other interests. It was an absolute nightmare for a business selling to any or all of the above groups to decipher.

It was not long before the state discovered what a money maker they had, and the tax quickly rose from 3 to 5% and was amended to include most common items and services. It is the states second largest source of revenue after the income tax. I point this out to illustrate there is no doubt that extra revenue only increases greater government spending rather than the other way around.

The economy of America is very complex, and much more difficult to make one size fit everyone than the sales tax laws of Wisconsin. While adding a portion of the final tax to an item along the way may be the way to go, it has to be much more complex than adding a set amount at the final point of sale. Some items go through single steps in manufacturing and others consist of thousands of processes and subcontracted parts. How do you treat imported goods, used merchandise, real estate, building materials, or how many different things can you think of? How do services fit in? Would real estate transactions be addressed? Would medical services and food be exempt? A VAT is supposed to apply to everybody and everything.

Special exemptions and refunds.

Under any circumstances, it is difficult to imagine Congress not taking care of all the special interests. One reason that we have a 60,000 page tax code is due to all of the stuff added by Congress during the years. Many of which should sunsetted to oblivion.

Exemptions for religious and charity, labor unions, special incentives for certain manufacturers and situations, the list goes on and on. While the need for many of these special rulings may no longer be valid, they would have to be addressed on a case by case basis. Our guess is that this law would be the grandmother of laws written by lobbyists sweet talking Congress on behalf of their employers. To a much greater extent than the health care law which took care of everybody except the American taxpayers looking for improving the system.

Another concern to be addressed is that almost 50% of wage earners do not pay federal income taxes either due to low income or other exemptions. We can also assume this group is also the largest recipient of government aid and welfare services. Since the VAT is a consumption based tax, provisions in the plan allow for some type of reimbursement based on income. A reverse tax if you please. On the other hand, do more affluent taxpayers actually purchase more?

Since manufacturers paying the tax during stages of production do not know where their goods will end, someone will be paying taxes that will not be collected if purchased by an exempt entity.

If the cost of purchases rises 20% due to the addition of the tax, wouldn't this cause massive inflation, particularly among those least able to afford it. The claim that consumers will have more money to invest is difficult to believe when even more taxes would be taken from them than at present. Cutting consumer buying power is not the way to create more jobs which is the major problem today.

Another claim hard to believe is that the underground economy would be forced to pay their share of taxes. If the IRS can't stop the problem now what will they do then?

If all businesses are required to pay their share of this tax as it progresses, who will be responsible for setting the rules and policing the system? Government help isn't cheap and the IRS can't keep up with their load at present..

Finally, as mentioned previously, no matter what the purpose, government will spend all the money it can get. Would this tax

actually go to health care and the National Debt. Don't count on it.

Countries in Europe have had the VAT for years, and their financial problems are causing problems throughout the world.. They are now paying for government mandated six weeks paid vacation for all employees plus generous health care and retirement benefits. A perfect example is Greece, where government spending on entitlement programs exceeded income to the point of bankruptcy, causing financial problems throughout Europe extending to the United States.

While we acknowledge that higher taxes may be a necessity in the future, and the VAT has a strong base of support, it would seem that the cons exceed the pros. Is it worth the disruption it would cause to our economic infrastructure? It is a bad idea, would not work as advertised and be detrimental to the economy of the USA.

Are there alternatives?

First of all, do a better job of enforcing the tax laws we already have in place. One recent estimate claimed that at least \$300 Billion in taxes could be collected each year with better enforcement methods. Review all provisions in the tax code allowing specific exemptions and sunset them if possible. In the meantime, all efforts should be made to control government spending. Eliminate waste and elect qualified responsible to office who have some business experience rather than political ideology. People appointed to key government positions should be responsible for submitting and keeping conservative budgets. This applies to the local, state and national levels.

As much as people don't like the IRS, they should be staffed and authorized to do their job. The simple rule is, if you make money expect to pay taxes accordingly. The underground economy costs us all when someone else has to pay the bill.

If another source of revenue is needed, take another look at the "Flat Tax." This does away with a lot of confusing rules and paperwork and would actually lower the taxes owed by many.

Jim Frink – BCTA

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 BCTA@ExecPC.Com.

Plan on Attending the Next BCTA Meeting. Speaker

SCOTT WALKER

*Milwaukee County Executive and
Candidate for Wisconsin Governor.*

**Thursday, June 17, 2010 - 12:00 Noon
TITLETOWN BREWING Co.**

This meeting will be held in the second floor meeting room.
Extra seating will be available for those who do not wish to have lunch.

Your guests and all interested parties are cordially invited to attend.
More details on the back page of this TAX TIMES.

Things That Make Us Wonder.

THE STIMULUS AND JOBS.

While the White House claims that 3.5 million jobs will be saved or created as a result of their \$787 Billion recovery act, CNNMoney.com reported that a survey by the Nat. Assn for Business Economics reported no change by most respondents in their number of employees.

Nonetheless, members of Congress probably found you can buy a lot of pork for \$787 Billion.

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THIS JUST IN.

The media recently, and rightfully so, made a big issue about a group of Republicans spending \$2,000 for night club entertainment at one of their meetings. At least it was their money and not the governments, but it set a poor example.

A story that was not as well publicized was during the last two years, *Judicial Watch*, a group which monitors Govt corruption, reported that Speaker Nancy Pelosi incurred \$2.1 Million in expenses for the use of air force jets on private travel, plus another \$100,000 for "in-flight" services such as food and drink for her entourage during these trips. That's our money.

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TEA PARTIES AND TAX CUTS.

President Obama made the statement that he was "Amused" by all of the Tea Party Rallies being held around the country. Addressing a party fund raiser, he then stated the groups "should be saying thank you, because of the tax cuts he has signed into law." Interesting.

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ONE SIDE TO EVERY QUESTION.

It is amazing how politicians can put a spin on issues if it helps to reinforce their agenda.

Immigration reform could likely be next on the fast track Congressional agenda for passage intended prior to the fall elections. Reports are that some sort of "amnesty" will be proposed for the millions of illegal immigrants who have set up residency within our borders. It is also rather clear that votes in future elections are more of a concern of the present administration than either compassion, the law, or what is best for the country.

Considering that over 70% of the

U.S. population, (including a recent *Press-Gazette* poll) seem to agree with Arizona's recent crackdown on undocumented aliens, it appears that simple amnesty may not be an acceptable option.

Now the Service Employees Union is claiming that by giving 12 Million Illegal immigrants the opportunity to remain could "boost the economy and help reduce the national deficit."

This could be difficult to justify in view of the nations present unemployment rate and costs involved in dealing with illegal immigrants.

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MILWAUKEE SCHOOLS A PROBLEM.

The Milwaukee Public School system has been a basket case compared to the rest of state. While their average salary is \$56,500 which probably compares with the rest of the state, benefits raise their annual compensation to just over \$100,000 annually.

Plans to eliminate 682 positions including 260 teachers for next year, which would cut costs but could also effect the quality of education which is also one of their problems.

School districts (and taxpayers) from throughout the state complain about the complicated formula the state uses to reimburse school districts which is based on local property values, school costs, number of students, and doesn't seem to work to anyone's satisfaction.

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DO WE NEED HIGH SPEED RAIL?

The \$822 Million allocated by the federal stimulus package for a high speed rail line between Milwaukee and Madison has a few strings attached. First for every \$10 the state receives they must come up with \$2 of their own money. Planning and other costs have yet to be determined, but would likely come from the DOT budget which already has been drained by Gov. Doyle for other purposes and is also looking for additional ways to finance other projects on their drawing boards.

Now they want the train to go to downtown Madison, which will in effect make it a local commuter train and require a lot of grade crossings to guard.

There is talk of extending high speed rail service to the Fox River area and the twin cities. To an extent, this is being promoted by railroad buffs reminiscing the past over the cost of the proj-

ect or safety concerns at all of the grade crossings that would have to be upgraded. Is this the time, or the best use of scarce federal and state money, or just another stupid boondoggle with immense cost overruns serving no real useful purpose?

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BUREAUCRACY MARCHES ON.

The state is proposing licensing the operators of heavy duty construction equipment weighing over 26,000 pounds. They claim it would assure that operators of this equipment are fully qualified.

While they may have some justification, it also be another annoying state agency for business to deal with.

It could likely benefit union contractors more than independents and add to the cost of construction projects.

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GOOD-BYE HARLEY?

For years Harley-Davidson has been synonymous with "made in Wisconsin." The company, it's workers, Milwaukee and the state have always worked together throughout various business climates and have a world famous reputation for their product,

The company claims it is having problems due to present economic conditions, a changing customer base, and more specifically trying to do business in Wisconsin. It is more expensive here.

They recently notified their employees that they will have to reduce costs and are even considering moving out of Wisconsin. Recently we have seen some of our manufacturers use this as a ploy to gain concessions from employees and government, but Harley has been through all that already.

High labor costs in Milwaukee are a big factor, but the business climate in Wisconsin seems to be a bigger problem. Taxes, business regulations, and laws favoring labor unions have been cited by Harley as reasons to consider leaving'

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THE POWER OF PIG POO.

Gov. Doyle's pledge to shift energy usage to renewable sources has everyone scrambling for workable solutions. Biofuels, solar and wind farms may help a little but so far are expensive and not practical for many purposes.

Perhaps the solution may come from scientists at the University of Illinois who claim to have developed a process to

produce crude oil from pig manure. They claim they could save the country \$1.5 Billion annually in crude oil imports.

Just think what a boon this could be for Wisconsin farmers who would have a new market plus a source of getting rid of all the pig manure they now accumulate.

Only problems would be the energy needed to grow and process feed for the pigs to eat, finding enough available land to raise another 10 million pigs, and getting the EPA to approve such a project.

Seriously many state farmers are using what is called an *anaerobic digester* which converts manure and other solids to produce methane gas which can be burned for heat and other power uses.

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THE COST OF THE OIL SPILL.

No matter how it plays out, we will all be big time losers from the disastrous oil spill in the Gulf of Mexico.

If nothing else, it will be an excuse to raise the price of petroleum products and make it difficult to expect increased offshore drilling in the future.

The cost to BP will be in the Billions. The value of oil floating on the surface must be staggering. The original platform cost them \$350 Million and could be double that to replace. They have agreed to cleanup costs and environmentalists will be sure to monitor their progress. No doubt after everything settles down there will be calls for substantial fines.

Also, It was reported that BP was a heavy contributor to the Obama campaign which may explain his recent support of offshore drilling.

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DOT PLANNING AHEAD.

It was disclosed that in 2009 the Wisconsin DOT had the equivalent of 850-1,000 full time private consultants working for them. This in addition to 3,100 of their own employees working on engineering and other projects. While we realize that highway planning is a necessary and time consuming project, will we ever have enough money available to complete all of the highway improvements they propose?

Someday we are going to run out of room for more round-a-bouts.

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A NEW LEVEL OF PRIVATIZATION.

An article in the May 11, *Press-Gazette* reported on a private management group contracting to manage the

Green Bay fire department.

Although it did not specify how day to day decisions are handled, how it relates to the chain of command or response to emergency duties, it sounded as though the arrangement was working satisfactorily to all concerned.

The bottom line is cost to taxpayers and delivering the services they expect for their tax dollar. As long as it doesn't represent another yet layer of government expense it is certainly something for municipalities to look at.

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TOURIST SPENDING DOWN.

The Wisconsin Dept. of Tourism reported that tourist spending in Wisconsin dropped about a Billion dollars, or 7.8% in 2009 compared to 2008. They blamed this on the economy. It also represented a drop of about 14,000 jobs related to the tourist industry.

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THE NOBODIES FROM NOWHERE.

With surprisingly little fanfare or publicity, Gov. Doyle signed into law the mandate regulating the use of what is considered offensive mascots and nicknames by Wisconsin high schools. It remains to see how well it is enforced.

This is a controversial issue, and has been described by some as a "solution in search of a problem." A May 3, article in the *Journal-Sentinel* drew 321 reader comments, virtually all of them opposed to the mandate.

Problems with the law are provisions which could fine school districts up to \$1,000 per day for non-compliance if cited, and to what point does the state have to pass laws to mandate behavior.

Hopefully the thought police won't get so carried away with their campaign that they start mandating the names used by private business, song titles or rock bands although some of them may be offensive to some.

We recall a number of years ago when political correctness was the rage a group of animal rights activists demanded the Green Bay Packers change their name because the word "Packers" was offensive because it referred to slaughterhouses for animals. There are some people you can never make happy.

* * * * *

LINE-ITEM VETO FOR THE PRESIDENT?

In a recent P-G guest editorial

Sen. Feingold claimed he agreed with Rep. Ryan on the need for a national line-item veto so the President could eliminate wasteful spending measures inserted into budget bills by members of Congress.

Great idea, and could give the President some authority to control spending if he was so inclined and more fiscally responsible.

One problem could be that like Wisconsin, one of the states granting line-power to their governor, is that after he sits down with his line-veto pen more spending items are added than taken out He may ever add a few new laws and mandates of his own for good measure. Under the circumstances, what damage could President Obama do?

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DRINK LESS WATER.

The *Detroit News* reports that water levels in all of the Great Lakes this year could be at record lows. This could be a serious problem for shippers, as it is estimated that each inch of water depth lost can equate to 270 tons less a bulk cargo carrier is able to carry.

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THE LAW IS THE LAW!

On April 15, Federal Judge Barbara Crabb of Madison upset a lot of people in the country by "finding" the National Day of Prayer unconstitutional. No doubt this arbitrary ruling will be appealed all the way to the Supreme Court, but it appears to be a classic example of how a single federal judge, right or wrong, can interpret laws and the constitution. Their rulings can be far reaching.

There are over 1,200 federal judges in the United States, including courts of appeals, etc. They are appointed by the existing President for life, and once in office are almost impossible to remove.

In Wisconsin, State Supreme Court and local and county judges are elected by voters. While these elections are generally low key and dignified, recall last years election for the supreme court was had partisan backing with a TV ads, and the works. As with all elected officials, campaign contributions can purchase influence. If nothing else it pointed out the importance of fair and honest judges able to interpret the law with impartiality.

On May 6, retired Supreme Court justice Sandra Day O'Connor addressing the Wisconsin Bar Association stated she



would like to see Wisconsin judges appointed by a special panel rather than be elected to office as at present. The problem here would be that the party in power would likely be able to appoint partisan judges to their advantage. You can't win.

* * * * *

DON'T GIVE UP A GOOD DAY JOB.

President Obama reported a net income of \$5,505,409 for the year 2009. In addition to his \$400,000 salary most of the other income came from book royalties. Like many of us he probably found it necessary to supplement his salary.

Being President has a few perks over what most of us receive. His residence is furnished by the government. Also a \$50,000 expense account and a \$100,000 travel allowance which wouldn't last long with two 747s and a fleet of limousines. Nice health and retirement benefits are also provided at employer expense.

If anybody wants the job all they have to do is raise about 50 million dollars to campaign for it. No thank you.

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JUST ASK UNCLE SAM.

Proof that Wisconsin schools are concerned about the state taxpayers.

The Journal/Sentinel reported the UW system spent \$2.7 Million during the past decade lobbying in Washington for more federal money to spend. Milwaukee Public Schools spent \$15,000 in an effort to get more money for hot lunch programs, and even St. Norbert spent \$50,000 for more federal funding.

In many cases, these expenditures are only a small part of their budgets, and seek reimbursement for research projects of benefit to the country as a whole.

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SCHOOLS HAVING PROBLEMS.

School boards throughout the state are facing drastic budget problems.

Madison schools will need \$84 million in repairs during the next 5 years. A referendum in 1996 failed which asked for \$200 million for repairs. They have been doing a few repairs each year since then.

This year they are proposing a pay freeze for all employees except teachers.

* * * * *

1 IN 4,000 GETS THROUGH.

In an interview with *U. S. News & World Report* Pres. Obama claims he receives about 40,000 letters each day. He

has his staff pick out about 10 which he reads at night. We realize he is a busy person with a lot of responsibility but his reading a letter you send with your concerns would carry about the same odds as winning a lottery. If you want personal attention, you are probably better off to write your Congressman, and if you don't like his response, write him again.

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WATCH THE ADS CAREFULLY.

The primary elections for the state and local elections are still 5 months away, but TV ads are busy with commercials trying to form public opinions.

After each election there is always a call to make the ads more honest and transparent, and to somehow remove the influence which seems to be bought with campaign contributions. There has also been a call for more disclosure as to the sponsors and contributors of third party advertising. So far little has been done except allowing big money contributors to spend even more money than previous.

One ad worth noting which has played several times daily, admits that the state is in a mess caused by poor policies, but neglects to mention that the "Greater Wisconsin Committee" which sponsors the ad is supported by the same people who have been in power the past 8 years.

Hopefully as the campaign season progresses the ads will be more positive as to what the candidates will actually do if elected rather than discrediting their opponents with misleading information.

* * * * *

MEDICARE FRAUD COSTS US ALL.

A group called the National Health Care Anti-Fraud Association estimate that the government loses at least \$65 Billion each year from Medicare fraud.

While much of this is from billings submitted for services not necessary or never performed and inflated billings, the biggest problem seems to be from claims submitted by medical providers that don't even exist.

You would think the government would have some system to check the legitimacy of people submitting claims.

* * * * *

CORPORATE WELFARE OR JOBS?

Governor Doyle has offered \$50

Million in incentives to Marinette Marine in the hopes they can receive some pending government contracts worth many times that amount.

This is a tough call when the state is already several billion in the hole, and probably qualifies as "corporate welfare" when there are many other pressing needs for state spending. The result could end up providing employment for thousands of people through a trickle effect or as sometimes happens it goes to the wrong pockets with no tangible benefits realized. If Marinette Marine gets the contract will they pay the state back?

* * * * *

ENERGY SAVINGS ADD UP.

We commend the Green Bay District for their energy saving efforts.

They reported they were able to reduce electrical usage by over \$3 Million and heating costs by more than \$2.6 million since the 2002-03 school year. Much of this was achieved by simple steps such as keeping lights off when not needed and more efficient use of heating systems.

Whether the savings realized from these actions will be sufficient to cover the 7.9% compensation package recently approved by the district board and the teachers union for this and the next school year was not disclosed but it will be a budget concern.

* * * * *

YOUR GUARANTEED PENSION.

The sluggish stock market has reduced the assets available in various public employee pension funds. A report in the Journal/Sentinel claims the state teachers fund alone is \$10.9 Billion short at present.

The way these things are set up, the taxpayers are responsible for providing these retirement funds even though they have no say whatsoever in determining the benefits, their distribution or how the funds are invested. Most fund contributions are made over and above the recipients salary.

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LOBBYISTS RUN THE SHOW.

While it is nice to believe that representatives in Washington are representing the "people back home," it is obvious that lobbyists have a lot more clout.

An article in the May 24, *Forbes* claimed that lobbyists representing special interests spent over \$903 Million, or an increase of 11% over the first three months of this year alone. What interests spent the

most? Health care spent \$138 Million, energy spent \$129 Million. , on down. Money is spent to try and influence pending legislation in favor of special interests affecting the environment, taxes, labor laws. It has been disclosed that lobbyists even have a hand in writing proposed legislation which would benefit their clients. Lobbyists are highly paid, and usually have a legal or government employment background.

The \$903 Million does not include corporate contributions for election campaigns, but that is likely an even higher figure.

* * * * *

LEARN TO SAY "NO"

The Wisconsin Legislature just can't stop coming up with ways to spend money. I

In order to appear politically correct, they passed a law mandating that all police agencies in the state install equipment to collect data about traffic stops to study if racial profiling was a factor.

Only problem their solution was to install computers and special software in every squad car in the state at a cost of between \$6,000 to \$8,000 per unit.

My guess is that the guy selling the equipment was a really good salesman.

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A CONSTITUTIONAL AMENDMENT?

The Wisconsin Road Builders Association are lobbying the Legislature for an amendment to the Wisconsin State Constitution? They are feeling the loss of business from Gov. Doyle's shifting \$1.3 Billion from the segregated highway fund to spend on other budget items, and as a result highway construction and maintenance is falling behind. These funds came from gas taxes and vehicle registrations.

The amendment would specifically prohibit shifting segregated funds held by the state from one account to another. They may have a case and maybe the next governor can help them out.

* * * * *

CHECK YOUR CAR INSURANCE.

Motorists should be aware that effective June1, higher liability limits on their auto insurance is mandatory. While many people already carried higher limits, this could be a major cost to many, and subject to a fine of \$200 if stopped by a state trooper.

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THE COST OVERTIME.

Apparantly the state didn't tell all

of its employees about taking days off in order to save money.

A Journal/Sentinal article told of employees more than doubling their salaries with overtime. The biggest problem seems to be in the Dept. of Corrections where a sergeant made \$151,181 last year, including \$94,000 overtime. A survey found that over 100 employees made over \$30,000 in overtime last year, and 700 of the 4,800 correction officers employed by the Bureau of Corrections earned at least \$10,000 in overtime.

We acknowledge security at a prison is a necessity, but the people managing the system should have a budget to abide by and take responsibility in determining absolute necessity or perks.

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DON'T THROW AWAY THE KEY.

On the subject of prisons, there seems to be a difference between how Wisconsin and Minnesota operate.

The two states share about 300 miles of common border, are roughly the same size, population, economy and crime rate. For some reason, however, in 2008 Wisconsin had 23,000 inmates in their state prisons while Minnesota only had 9,000. The main reason isn't that Wisconsin has more laws than Minnesota or more criminals but that their system relies more on parole, which is far less expensive than keeping people locked up.

We realize that punishment for crimes and protection of the public from criminals is part of our system but it seems to have grown to be an industry.

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MAKING MORE WORK.

The 2010-11 State Budget contained many provisions not directly related to state spending. One was a provision requiring that any construction jobs using state or federal funding be performed by workers earning "prevailing wages."

While we can understand some of the justification for such a mandate and realize where it came from, the Department of Workforce Development also started requiring a lot of expensive paperwork from various municipalities and others to substantiate their requirements were being met. The problem is this is very costly and does not necessary.

* * * * *

JUST TO THE RIGHT THING.

With the important fall elections just around the corner, the legislature has been tinkering with the states election laws claiming to "prevent voter fraud," and make registering to vote easier for many people. A 72 page bill was introduced which would allow making it easier to register new voters, and even automatically register to vote at the time a new drivers license was issued. While many of the provisions in the bill could probably cause more problems than would be eliminated, no there no question that people should be encouraged to vote. How to get them to be informed on the issues and what the candidates stand for is another issue.

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BACK TO THE FUTURE.

While Gov. Doyle's efforts to produce more renewable energy are to be applauded, it may be easier said than done. Money and practicability are probably the biggest obstacles.

In any event, energy sources will probably be different than today. For some reason or other the *Press-Gazette* recently published a story about the amount of coal Wisconsin was importing each year. While this may not be the cleanest stuff to burn, it is still much cheaper than alternatives such as natural gas or oil for the same purpose and which are in short supply. All other alternatives so far are extremely expensive to build and install, and far from practical for many purposes such as transportation or industrial use. Too bad someone can't come up with a way to save all this summer heat we are having for winter use.

As usual, lots if things to wonder about.

Jim Frink

"Things That Make Us Wonder," consists of thoughts that occur to us, mostly taxpayer related in some way from current news events. We use reliable, published information and statistics. Some items are unimportant and probably not worth commenting about while others could easily be expanded to full length feature articles worthy of future study and action to protect our interests as taxpayers. We try to cover a wide variety of subjects in limited space and perhaps put a different spin on items from what you read in the papers or see on TV. We acknowledge that our perspective on some items in this column may be contrary to some of our readers. One of our purposes is to encourage debate, as we realize there are two sides to every question. Comments or suggestions are welcome to include in this section of the "TAX TIMES."

The TAX TIMES

Brown County Taxpayers Association
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The TAX TIMES - June, 2010

BCTA Meeting and Events Schedule – MARK YOUR CALENDARS.

Thursday - June 17, 2010, BCTA Monthly Meeting. 12:00 Noon
Titletown Brewing Co., 2d Floor Meeting Room.
Speaker – **SCOTT WALKER**, Milwaukee County Executive
Candidate for Wisconsin Governor. *(Note: We will have extra seating available for those not desiring to have lunch.)*

Thursday – July 15, 2010, BCTA Monthly Meeting. 12:00 Noon.
Titletown Brewing Co., “Frost Room,”
Speaker: Brett Davis, Candidate for Lieutenant Governor

Thursday – August 19, 2010, BCTA Monthly Meeting. 12:00 Noon.
Titletown Brewing Co., “Frost Room,”
Speaker to be announced.

Unless otherwise notified, BCTA monthly meetings are held the Third Thursday of each month, 12:00 Noon, at Titletown Brewing Co., 200 Dousman St.

Meetings are open to the public.

BCTA Members, their guests and other interested parties are cordially invited to attend and participate in our open discussions.

COST: \$8.00, Payable at meeting. Includes lunch, tax & tip.

Call Tom Sladek – 499-7701 for information or to leave message.

June, 2010



“It’s awful hard to get people interested in corruption unless they can get some of it.” . . . Will Rogers

“Government is like a baby: An alimentary canal with a big appetite at one end and no sense of responsibility at the other.”
. . . Ronald Reagan

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.