

Message to the Legislators.

Recently, newly-elected State Representatives Jacque, Klenke, Steineke and Weinger appropriately asked citizens for ideas on how to deal with Wisconsin's fiscal mess. I provided the following thoughts, and it was suggested that I share them with Tax Times readers. So, here is my message to the new legislature. – Tom Sladek, BCTA Treasurer

Our state is broke – deeply in debt, burdened with unfunded liabilities, and the economic engine upon which all of this spending was dependent is dormant and not likely to awaken rapidly. This is not a time for half-measures, accounting schemes which hide the problem, or timidity. You need to act – decisively – that's what the voters expect of you. Here are some actions you should take to reduce government spending:

Public Employee Compensation:

This is The Big One, and must be addressed straight on. The overall policy must be that public compensation should be comparable to private sector compensation – pay the price defined by the marketplace. Specific actions needed to turn around the current situation are: (1) strong revisions to arbitration law such that local economic conditions are a primary factor, (2) reversal of recent laws enabling still more unionization of the workforce, (3) immediate adjustments to the benefits, and the contribution to the benefit package paid by the employees. And, to put us back on sound long-term footing, launch a fundamental examination of public employee unionization in light of the role it has played in putting the system so far out of whack. Answer the question: are Wisconsin citizens better served by having a unionized government employee workforce, or not?

Eliminate All State Grant Programs:

This is just money going around in a circle, taken from the taxpayers and then redistributed back to localities by bureaucrats after deducting administrative costs. End all grant programs that send money to government or private institutions – it not only will reduce the grant spending, but will eliminate all the bureaucrats who create/administer/evaluate the grants. Plus, local institutions can eliminate the cottage industry of grant writers.

Eliminate Subsidies:

Subsidies are state attempts to manipulate the marketplace, asset redistribution schemes, social engineering, or a combination of these. Entire classes of subsidies should be dropped. Ethanol may be the worst example. Business should make its money in the marketplace, not in the Capitol. Charity work should be left to charitable institutions.

Stop State Land Purchases:

The government owns far too much land. Yet we have this Stewardship Program by which each year we run up millions of dollars in more debt to buy more land. This also takes the land off of local property tax rolls, creating hardship for property taxpayers. Stop the land purchasing. Immediately impose a rule that the only way the state can buy land is if other land is first sold to fund the purchase. That way, if the state believes a really high priority piece of land needs to be acquired, it can set priorities like everybody else and sell off property of lesser priority.

Eliminate Entire Programs and, perhaps, Entire Agencies:

The Wisconsin Shares Program stands as an ugly totem of fraud and abuse, yet despite the ugly record I know of no program administrator who has been fired or even faced disciplinary action over the squandering of millions of taxpayers dollars. Instead, people are calling for "reform" of the program, and still more costly schemes like child fingerprint devices to police this giveaway of taxpayer money. End the program. Just stop it. Tell the people who run this program, "you blew it, you showed yourselves untrustworthy and incapable of running such a program, so you're out of business", and lay them off. There are undoubtedly other programs we can do without – please find the courage to identify them and eliminate them.

Additionally, please ask the hard questions about whether entire departments or agencies are necessary and affordable under the state's current fiscal situation. I would question whether we need a State Patrol, as certainly the traffic duties performed by this agency are redundant to those performed by county and local units.

Finally, Keep Your Eye on the Ball:

You were elected because your predecessors created an irresponsible fiscal mess with their spending and borrowing ways and with accounting gimmicks. Fixing this is a big job and will require focus and you must stay focused or you'll never get the job done. The greatest hazard, the thing that most threatens your focus to fix our fiscal issues, is the prospect that you will get suckered into working on school funding "reform". The schools get enormous amounts of money and the only people chirping for reform are the school system insiders who want even more. School funding reform is a quagmire, it is a tar baby that once touched will mire you down and you will find yourselves engulfed by the tax-more, spend-more crowd. Voters in November did not elect you to take on school funding reform, they elected you to cut spending and get our fiscal house in order. Don't lose your focus.

Tom Sladek - Treasurer, BCTA

Holiday Gifts Lawmakers Could Give Us.

During this season, political pundits often pen columns offering tongue-in-cheek holiday gifts for politicians. With so many new faces (38) in the 2011-12 Wisconsin legislature, this might be the year to reverse the gift-giving and suggest a few real gifts state legislators could offer constituents.

First, some stocking stuffers . . .

Hearings. In recent years, lawmakers have voted on some bills without a public hearing or with only a last-minute one. A useful legislative gift to constituents is a pledge to hold hearings on all bills, and to provide at least a week's notice beforehand.

Scheduling. Too often, the legislature does important work after midnight or on weekends. The new legislature could end this practice. Concentrating floor business on Tuesday, Wednesday, and Thursday would add further family-friendliness to the proposal.

Catchall Budgets. State budget bills used to be modest in length and limited to financial items. Today they exceed 1,000 pages and contain many "nonfiscal" items. Lawmakers could commit to removing all nonfiscal policy items from budgets and redraft them as separate bills.

Budget earmarks. Another budget problem involves amendments from individual lawmakers that have no state benefit. Like federal earmarks, these amendments impact specific local programs or policies. Legislative leaders (backed by gubernatorial veto) could stop this practice, too.

"Affordable" gifts

The state budget prompts other gift-giving ideas for a new legislature eager to please voters.

Deadlines. State budgets here are sometimes not enacted until fall. To ensure timely budgets, Wisconsin could look elsewhere for ideas. Some states shut down nonessential state programs until a new budget passes. Others stop paying or freeze legislative expenses or salaries until passage.

Prudent Planning. Financial planners urge households to set aside savings for emergencies. State government has rarely done this. A welcome gift to the state would be legislative and gubernatorial commitments to follow the intent of state law and place 2%, or more, of what it appropriates in statutory reserves.

More Inclusion. In many states, the two legislative houses and multiple committees make independent budget decisions. In Wisconsin, activity is concentrated in the 16-member Joint Committee on Finance (JCF). This approach may streamline budgeting, but it also leaves many important decisions to as few as nine of 132 legislators.

At one time, JCF used issue-area "study groups" that included JCF members and legislators from relevant standing committees. This added expertise, diversity, and credibility to budget deliberations; returning to it would be a meaningful gift to all 132 legislators and the people of Wisconsin.

"Big" presents

In addition to small gifts, what eye-popping presents might legislators offer the people they represent?

Calendar Discipline. Wisconsin is one of a few states without a time limit on the length of legislative sessions. Lawmakers could establish statutory or constitutional limits on the number and timing of total days in session. Such a change could end tardy budgets; create more opportunities to serve for citizen-lawmakers; and reduce the cost and mischief associated with per diem claims.

Fiscal Discipline. The state budget process is unusual: Spending decisions come first; if revenue is needed, tax and fee hikes are voted; and, if any money remains, it is saved. A major reform could reverse the process. First, "budget framework" legislation would set the revenue amount available and make a mandatory appropriation to statutory reserves. Then, remaining revenue could be spent or taxes cut. This would ensure that the state manages its finances responsibly—saving first and spending within its means. An added advantage might be an end to recurring state budget crises.

Todd A. Berry, President, Wisconsin Taxpayers Alliance

Who's Problem is This?

While rising salaries and benefits for public employees requires more and more of our tax dollars, the real problem may be yet to come.

Generally people plan for their retirement through a combination of Social Security, private or employer pension plan, or personal savings and investments.

Alarmed that many private pension plans were not properly funded, in 1974 Congress passed the *Employees Retirement Income Security Act* or ERISA which provided that funding for employee pension accounts be set aside and secured. To encourage participation employees were allowed to deduct contributions as a business expense but it was taxable income to the retirees when withdrawn.

However government employers on all levels were exempted from the plan and allowed to continue offering generous pension plans (including health insurance benefits) without concern where the money would be coming from. Some units of government prudently set funds aside but many did not.

In the meantime they kept offering higher pensions along with earlier retirement ages, and in many cases do not even require employees to make contributions.

Now retirees are taking advantage of these benefits, and due to investments not making the returns they did 20-30 years ago and other factors such as rising insurance costs many of these accounts, private and public, are depleting to a danger point. It is estimated that liabilities in the various public employees accounts rival the National Debt.

It seems unlikely taxpayers would be willing or even able to accept government employee pension accounts as their problem at a time when their own retirement income may be in jeopardy. Don't expect any pity from Congress as they have their own sweetheart pension plan to protect.

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.

December Meeting Notes.

Monthly Brown County Taxpayers Association meeting held Thursday, Dec. 16, 2010 at Titledown Brewing Co.

Chad Weininger, newly elected Representative for the Fourth Assembly District, reported on the town hall meeting he conducted on December 13, concerning jobs and the economy. At that meeting, concerns were voiced about pension costs and the prevailing wage requirement for government contracts. Other newly elected representatives also participated in this town hall meeting, including André Jacque, John Klenke, and Jim Steineke.

Another town hall meeting has been scheduled for December 20 in the Green Bay City Council chambers. Brett Healy, president of the McIver Institute, will discuss the state's finances and attendees will be requested to suggest actions to cut wasteful state spending.

A third town hall meeting, on a date to be announced, will focus on government reform to reduce mandates and red tape in order to support job creation.

State Representative Karl Van Roy explained that the state collects money from taxpayers and then pays it out, often with political thoughts in mind. He stated that the fiscally responsible legislators will need support in the next legislative session. There will be many protests as the state budget is trimmed to a level that Wisconsin taxpayers can afford.

The Schools Committee reported that the Green Bay School District budgets only \$21,000 for programs to support gifted and talented students.

The County and Municipal Committee reported that the City of Green Bay Personnel Committee approved a resolution requiring all new administrative employees to pay 2.5 percent of their wages toward the employees' Wisconsin Retirement System contributions.

Members discussed an item in the TAX TIMES questioning why the federal dollars being returned for the Milwaukee to Madison "high-speed" rail project need to be spent, which questioned the wisdom of sending the money allocated for Wisconsin to another state when the Federal Government didn't actually have the money in the first place. It was agreed that the dollars returned would be better used to reduce the federal deficit instead of shifting them to California and Illinois for rail projects with similarly questionable economics.

The next meeting is scheduled for January 20, 2010. Our scheduled speaker is Russ Schwandt, Green Bay City Assessor. This meeting will be held in the upstairs meeting room and all members and guests are invited. Details on the back page of this TAX TIMES.

Dave Nelson – Secretary

"There are laws to protect the freedom of the press's speech, but none that worth anything to protect the people from the press."
... **Mark Twain**

"I've learned from experience that the greater part of our happiness or misery depends on our dispositions and not on our circumstances."
... **Martha Washington**

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E-Mail, BCTA@ExecPc.Com

Senator Kohl and Social Security.

Recently a BCTA member concerned with the future of Social Security wrote Senator Kohl for his comments. Here is his response.

December 15, 2010 Subject: Re: Social Security

Thank you for writing to me about Social Security. I believe that Social Security is a crucial and indispensable program. Social Security benefits provide vital replacement income for retired Americans, as well as families of disabled or deceased workers.

In May of this year, the Senate Special Committee on Aging, which I chair, released a report calling for Social Security reform. For nearly 75 years, Social Security has been the foundation of retirement income for most Americans and their families, significantly reducing poverty among our nation's retirees. Without Social Security benefits, many more seniors would live in poverty. While the program continues to remain strong, the fact remains that the solvency of the Social Security Trust Fund can be lengthened for future generations with some minor changes. Overall, Americans are living longer and are seeing modest increases in longevity at retirement age, more women are in the workforce, and the typical family structure has changed.

In our report, we put many reform options on the table and call for bipartisan action. Our report demonstrates that if we address Social Security's long-term solvency now, it is possible to strengthen the program with only a few modest changes. But we cannot address solvency alone. We must take a look at the changing demographics of our country to strengthen the program and improve benefits for those who need them most, such as women, poor Americans, and the oldest among us. When considering options for reform, it is essential that we examine more than the potential fiscal savings for the Social Security Trust Fund.

Recently, a study was commissioned by the Government Accountability Office (GAO) to examine the potential effects of raising the full retirement age, which is currently shifting to 67. The report looked at what would happen if the full retirement age were shifted to 69, determining that such an adjustment would have an unequal effect across various groups, likely causing disadvantaged seniors in need of assistance to request disability benefits at a more frequent rate. This expected increase in disability claims would have a negative financial impact on the system. You can be sure that we will continue to thoroughly examine options for improving Social Security's long-term fiscal outlook, keeping in mind the needs of many Americans that depend on the system.

There are some who want to address solvency by cutting the benefits older Americans have worked for over a lifetime. It is vital to remember that these are earned benefits, not a government handout. Americans pay into the system, and when they reach the age of eligibility, they receive the benefits they've worked a lifetime to earn.

As my colleagues and I continue to debate these important issues, please rest assured that we understand your concerns and will keep your thoughts in mind. If I can be of assistance in the future, please do not hesitate to contact my office.

Sincerely,

Herb Kohl – United States Senator

Efficient Government Agencies

A budgeting proposal .

There is a way to cut almost any state agency or department in half in about three years, with the employees cooperating enthusiastically and willingly.

Most government agencies propose their own budget for their next fiscal year, and each new budget is almost always larger than the current budget. Most agencies make sure that the current year's budget has been spent by the end of the fiscal year. They don't want to lose their current year's funding. There is no incentive for savings under this system.

here should be a new budgeting policy for each department. The new policy would take any unspent budgeted funds at the end of the fiscal year and split them among the people in the department. Then, the lower budget figure would be used for the next fiscal year, with, again, any unspent surplus being distributed to the employees who made the surplus possible. Personal interest would have every employee watching for any possible waste. Retiring employees would not be replaced, and hiring of new personnel would be virtually eliminated,

No money would be saved the first year, but after that, every department would have continuously lower budgets.

Herb Ripka – BCTA

Time to Stop the Expansion of 4-year-old Kindergarten.

We have called on Governor-elect Scott Walker to stop the state policy of encouraging four-year-old kindergarten in the new budget. The Madison School District has recently announced its intention to add four-year-old kindergarten next year.

If Walker does not act, the new Madison program, when fully phased in, will add a devastating \$10 million a year bill for state or local taxpayers. As other districts around the state make the same decision, the bill will go still higher.

Recent studies have confirmed that any academic benefits of government funded preschool disappear by the fourth grade. Reports in 2008 indicated that at that time Wisconsin was already seventh in the nation in percent of four-year-olds in kindergarten. Studies in Oklahoma, the state which has the model four-year-old program, show a decline in their fourth grade reading scores over the past eleven years, after benefits of their 4K programs should have been realized.

For the past 15 years, Wisconsin has encouraged adopting four-year-old kindergarten by allowing school districts as much revenue authority for a four-year-old as they have for their more costly to educate high school students. Last year four-year-old kindergarten programs cost this state \$140 million in state tax collections and cost local property taxpayers another \$82 million. It is important for Governor Walker to make it clear that the days of encouraging four-year-old kindergarten are at an end so local districts can plan accordingly.

Senator Glen Grothman

National Debt Update.

Last month in this column we tracked the growth of the U.S. National Debt from 1900 to the present.

The United States entered 2011 with an official National Debt of **\$13,931,559,567,111**. This is about a Trillion and a half over last year at this time, and \$3.9 Trillion over what we owed in 2009 at this time. Each U.S. Citizen owes about \$44,859 of this total, up from \$34,723, or an increase of over \$10,000 in just two years?

In addition to the official national debt, which is the amount we pay interest on, there is an unfunded federal liability estimated at another \$111 Trillion covering future Social Security, Prescription Drug, and Medicare payments. These are estimated payments over receipts for our present population, complicated that the first wave of baby boomers will reach age 65 during 2011. Not included in that total is the amount of unfunded government pension liabilities which just may become a taxpayer problem one of these days.

The value of all of the small business's, corporations, and private property in the United States was estimated at \$ 72. 3 Trillion.

In other words, not only has our government spent far more than they have in the bank, or can realistically assess as time goes on, they exceeded the net worth of the entire nation. Unfortunately this makes for a very sorry looking balance sheet.

Just how much is a Trillion dollars. We all know what a thousand dollars is and what we could buy with it. A million is a thousand, thousand dollars.

$$\begin{array}{r} \$ 1,000.00 \\ \times \quad \quad 1,000 \\ \hline = 1,000,000.00 \end{array}$$

Multiply by another thousand $\times \quad \quad 1,000$
And you have a billion = **\$ 1,000,000,000.00**

Multiply by another thousand $\times \quad \quad 1,000$
And you have a Trillion = **\$ 1,000,000,000,000.00**

No matter how you describe it, a million times a million, or a thousand times a billion it is a lot of money. A bundle or band of 100-\$100 bills would be less than 1/2" thick, and be worth \$10,000. You would need 100 of these bundles to make a million dollars.

Someone figured that if you stacked 10,000 of these bundles, or one hundred million dollars (\$100,000,000.) on a standard industrial use pallet. It would take 10 of these pallets of \$100 bills to hold a Billion dollars. Remember a Trillion is a thousand Billion.

Hold on to your hats. It would then take 10,000 pallets of \$100 bills to equal a Trillion dollars. What would this look like? If you could double stack 50 pallets in a semi-trailer, it would take a fleet of 200 trucks to haul them. If you put them in Lambeau Field, it would not only cover the field but fill the bowl to about the 30th row. If we decided to truck away the entire \$13.9 Trillion National Debt, it would take a fleet of 2,780 trucks, Talk about wasting paper.

Jim Frink – BCTA

"Much or the social history of the Western World over the past three decades has involved replacing what worked with what sounded good." . . . **Thomas Sowell**

"I wish that party battles could be fought with less personal passion and more passion for the common good. I am not interested in fighting person, but in fighting things." . . . **Woodrow Wilson**

Things That Make Us Wonder.

THE CAR OF THE FUTURE IS NEAR.

Maybe more of a pocket book than taxpayer issue but it concerns how the government spends our money,

The National Traffic Safety Commission has proposed that all vehicles have rear view video cameras by the year 2014. They estimate it would cost about \$400 per vehicle.

Their justification is that their should not be any "blind spots" to hinder a drivers vision. If this \$400 investment could save a few lives, why can't someone come with better side mirrors to eliminate the blind spot areas when changing lanes or someone is passing on your left side at 70 MPH?

This could probably be done for about \$1.00 per mirror and save more lives than a TV camera in your trunk.

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IS ETHANOL WORTH IT?

There are a lot of well intended government programs which seem to have no other purpose than to spend money. One is the .45 per gallon subsidy paid to ethanol producers which was set to expire at the end of this year, costing taxpayers about \$7 Billion annually .

We acknowledge this brings money to Wisconsin prompting Gov. Doyle to refer to us as the "Saudi Arabia of America." Trouble is that ethanol producers have not contributed as expected to the states economy.

It is vitally important that we develop new sources of energy for the future any conserve the limited supplies we have available for the future.

However, depending on ethanol taking a gallon of gasoline per gallon to produce a product with limited uses and then subsidizing it with taxpayer money seems to be going around in circles.

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STATES AND GAMBLING.

If a state can't make money running a gambling operation what can they do right.

Recall about 40 years ago New York realized it was losing money to "bookies" operating illegal betting operations. The state opened their own betting parlors making betting legal with a profit for

the state. These operated with mixed results and are now being closed leaving \$600 Billion in liabilities and 1,000 unemployed workers.

Didn't Wisconsin think it could make money by allowing dog tracks to operate? In this case the track operators and the state were both big losers.

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AT LEAST SAY THANK YOU.

Your annual property tax statement is a rather blunt document demanding that you submit an amount to your local treasurer determined by circumstances somewhat beyond your control. You can expect the amount due to be a little higher each year.

Words like "Pay this amount" and "Must be paid by Feb. 1" stand out as demanding. I would like to suggest at least a simple "Thank You" at the bottom of the form. It wouldn't help your pocketbook any but at least try to humanize the experience a little.

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WE'LL STILL HAVE 8TH DISTRICT.

Even though Wisconsin's population grew only 6% compared with 9.7% nationally the good news is that we will retain our 8 Congressional seats.

There still may have to be some adjustments made between existing districts to adjust for population variations.

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READ THE FINE PRINT.

One piece of legislation the Obama administration tried to push through Congress before the end of the year was the "Dream Act." Like much legislation there were features thrown in to please almost everybody.

Local school districts seemed to be in favor as it provided federal money for them to spend. However the purpose of the act seemed to be the granting of legal status to hundreds of thousands of illegal immigrant students throughout the country and open the door to more amnesty.

It was defeated in the Senate.

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BACK TO THE DRAWING BOARD.

The Oneidas are looking for a new site for their proposed garbage to energy gasification project. While it sound like a good idea, converting waste matter to electric energy, it

seems unusual that the county and utility companies were not more publicly involved, to answer questions like where the waste material will come from and where the electricity will go.

If this is strictly for the benefit of the Oneida Nation why did they decide to build it where they did?

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MORE COSTS FOR DOWNTOWN/

Is this correct? The City of Green Bay has already paid \$5.6 Million in judgments related to the Younkers Building property.

Now they have a bill for \$671 thousand in attorney fees from trying to avoid paying the \$5.6 Million. According to the article, they are seeking an appeals court ruling to recoup some of their losses. How much will that cost?

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POLITICS AS USUAL.

If you can't win at the polls, try the courts. The *Journal/Sentinel* reports that an investigation is underway regarding Scott Walker campaign activity and contributions by County workers.

Unfortunately this problem likely exists when anyone currently in office either wants to move up or be re-elected. That's one of things that keeps sore losers busy and attorneys in business.

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WHAT? NO ROUNDABOUTS.

We recently received a brochure from the DOT outlining their 2011-12 plan to update highways and interchanges on I-43 and I-94 from the south side of Milwaukee to the Illinois line., It is the busiest stretch of highway in the state..

What makes us wonder is that highway 41 which is being improved from Oshkosh to Green Bay at the same time contains about 41 roundabouts while plans for the Milwaukee area still indicate the use of conventional interchanges.

If roundabouts are so great you would think both projects would utilize them.

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THE BUCK STOPS HERE.

It will probably be some time before all the damage from the WikiLeaks security leaks scandal are resolved, but it indicates that our open society is a little too open.

Far too many people seem to have access to sensitive material, but can't necessarily be trusted with it. The Secretary of

State and other officials should take full responsibility for security in her department and the blame for intelligence leaks.

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BANKRUPTCIES ON THE RISE.

If the number of bankruptcy filings in Wisconsin is any indication, the economy has a long to go for recovery.. So far this year there have been 23,397 Wisconsin bankruptcies compared with 20,982 in 2009. An 11.5% increase. Many of these are Chapter 7, which allows the debtor to cancel his debts without a repayment plan.

Disturbing is a rise in bankruptcies in small business and self-employed persons. These are the people who either hire other people, or are trying to make a go of it on their own after losing another job.

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NO ANSWER FOR CARP.

After a federal judge in Chicago denied a request to close the navigation locks to prevent Asian Carp from entering the Great Lakes several states are considering a lawsuit to reverse the decision. Meanwhile Pres. Obama released a 63 page plan calling for more testing and research to properly access the problem. The carp somehow will probably manage to do whatever they want.

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WALKER WILL BE BUSY.

Gov. Elect Scott Walker seems ready to take over with both feet running, He is inheriting a financial mess. The Doyle administration is leaving him with a general fund balance of minus \$376 million, or about \$700 million less than the plus \$318 million in the state treasury just three months ago.

In his last month, Gov. Doyle has been trying to approve new contracts with the states labor unions rather than let the Walker administration deal with them.

Meanwhile the various state departments are preparing budgets calling for spending increases as if the federal government will keep bailing us out. For example, it was reported that preliminary request by state agencies for the 2012-13 budget call for 36,550 full time employees, an increase of 788 over present,

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MORE ENVIRONMENTAL PROTECTION.

The Environmental Protection Agency has a long list of regulations they would like to enforce in their efforts to

“protect” the environment and wilderness areas of the country. Many of them controversial and all of them expensive.

While we realize that some controls are necessary to preserve the environment, the EPA has the power to establish mandates at the request of the President and completely bypass Congress altogether in the process.

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THE OMNIBUS GETS SIDETRACKED.

I don't know if I have the facts all straight. The big talk in Washington recently had been about extending the “Bush Tax Cuts” which were established in 2003 and set to expire at the end of 2010. This probably could have been accomplished with a one page document and an affirmative vote by Congress.

President Obama opposed the extension, but then supported it for political reasons. These being in part an opportunity for the lame-duck congress to take advantage of any good will created to approve other legislation before the end of the year and a new congress with more conservative priorities for government spending takes charge.

What evolved was a 1,924 page “omnibus spending bill,” with 6,488 earmarks (out of 39,294 submitted) from virtually every Congressman and Senator wanting something for the folks back home. Fortunately even the present congress realized the cost was excessive and it was scaled back.

The Bush tax cuts and inheritance tax rates, along with a number of expenditures more important to the nation as a whole survived for another day. The latest omnibus bill became past history.

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FEDERAL EMPLOYEE PAY FREEZE?

Back in November Pres. Obama proposed a 2-year pay freeze for non-military federal employees. It would be the first since 1986. The Dec. 13, edition of *Time Magazine* claims that average salary for federal employees is \$81,258 annually compared with \$50,462 in the private sector plus \$41,791 annual benefits compared to \$10,589 benefits in the private sector. One report said the number of Federal employees earning more than \$150,000 has doubled under Obama.

No word of how many employees have been added but the 159 new agencies, boards, and commissions proposed as

part of Obamacare could add thousands of new employees to the federal payroll.

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THE POWER OF LOBBYISTS.

Lobbyists in Washington (and Madison) have access to legislators far greater than most of us with our E-Mails and letters. They can sit down in person with the people we voted for and try to influence on behalf of their client. (They might also mention any campaign contributions by their client.)

Recent articles on lobbying efforts report large insurance companies are pushing for reinstatement of higher estate taxes, the rationale being that people use life insurance policies to pay inheritance taxes.

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FOLLOWING THE MONEY.

The elections are over and the people have spoken. Just how much all of the money spent to actually influence who go vote for.. Despite the barrage of TV advertising only about 25% of Wisconsin's eligible voters even bothered to vote.

Russ Feingold spent about \$13 Million to get defeated and Ron Johnson about \$14 Million for a job paying less than \$200,000 a year. Obviously the way things are a lot of campaigning goes for simply raising money, and sometimes it is difficult to qualify the source or methodology used.

For example, it is estimated that \$9 Million spent in Wisconsin's Congressional races by independent groups came from anonymous donors, many of them from out of the state. The *Washington Post* reported on another questionable practice. Congressional incumbents holding key positions on current legislation were holding high-priced fund raisers tailored for donors with special interests in the outcome.

Not that this is anything new but it certainly indicates that money still talks.

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BACK TO THE CONSTITUTION.

Leaders of the new Congress claims they will operate with “greater transparency,” and a renewed focus on the Constitution.

It was announced that during the opening session they will also read the US Constitution aloud to the members. Perhaps they should take a test afterwards and publicize the results.

They also plan on requiring that every new bill that is introduced contain a statement by the lawmaker who wrote it

citing the Constitutional authority to enact their proposed legislation.

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SCHOOLS STILL NEED IMPROVEMENT.

An article in the Dec. 27, Journal/Sentinel reported that student test scores in Wisconsin public schools were dropping in comparison to other states.

While there was ample finger pointing to determine what the problem was, the usual solution, give us more money to spend was not mentioned.

The solutions offered were basically find out why some districts do better than others and more comparisons of teaching methods in those districts.

In a Dec. 13, J/S article it was pointed out that when changes or reforms in teaching methods have been proposed the most resistance the most resistance has come directly from teachers unions.

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GOOD NEWS FOR MARINETTE.

Assuming the expenditure was included as part of the Navy's annual budget as a prudent investment and vital to the Nations defense, the contract awarded to Marinette Marine for ten littoral combat ships will be a welcome economic gift for the entire area.

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THE CASE OF THE MISSING DNA.

Wisconsin residents have paid plenty through the years for state of the art criminal investigation techniques and the computer systems to keep track of them.

In 2009 the Wis. Dept of Justice discovered that about 18,000 DNA samples collected through the years were missing from their database files. Just like that.

In the meantime department employees have been contacting people on the list trying to obtain replacements.. At last count they still had 9,840 to go.

DNA has become the #1 tool in proving the guilt or innocence of a suspect and is crucial to criminal Investigations My guess would be it was an inside job and that someone is covering up.

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JOBS STILL #1 PRIORITY.

As Governor Scott Walker claims 250,000 jobs will be created in his first four years of office. That's even more than have been lost during the last four years.

Two of the main reasons Wisconsin has had a poor job creation climate are

higher taxes and more government interference in states that are doing better.

Some of the states largest and most successful corporations have union employees but the absence of "Right to Work" legislation giving more freedom to workers may be a factor in discouraging new manufacturers from investing here.

Gov. Walker has pledged job creation will be his #1 priority. A prosperous working economy is paramount to a balanced budget, support for schools, infrastructure, and just about everything else on peoples want list.

We assume the new Governors approach will be to first determine what our problems are, and then figure out how the state can truly partner with private industry to work together and solve them.

To this end he has already targeted the States Dept, of Commerce for reorganization. This 400 person Dept. is responsible for regulation of business as well as business promotion.

It is entirely possible some of the Legislation and restrictions placed on business during the past 8 years will have to be restructured in the process.

* * * * *

HELP THE MILWAUKEE SCHOOLS.

A group in Milwaukee is proposing providing free college education for Milwaukee Public School graduates.

No word of who would pay for this initiative, or what can be done to encourage more students to graduate from Milwaukee Public Schools in the first place.

* * * * *

JUST GIVE US THE MONEY.

The President of the University of Wisconsin said he would like more freedom from the state government in areas such as purchasing, personal decisions and construction projects. He said he would like more stable funding from the state, as it has also suffered from economic downturns. They already receive about 12% of the state budget with little apparant oversight.

In other words, just give us more money and don't ask questions.

* * * * *

GIVE THE MONEY TO CHARITY.

A group of YALE professors, dis-appointed that tax cuts "for the rich" have been extended be encouraged to give their money to charities that create hobs and boost the economy such as the Salvation Army and Habitat for Humanity.

At least if they give the money to charity they can use it for a tax deduction.

* * * * *

Several states are already preparing lawsuits to halt the implementation of the *Obamacare Health Reform Act*.

Many in Wisconsin would like to join in this suit. However supporters of health care reform claim it could cost the state about \$365 million in lost federal revenues and legal expenses to pursue.

Has anyone really read the plan and figured out what it will cost you and me and Uncle Sam. What will happen to our present system? At least we know what we have now and the level of care we receive.

* * * * *

THIS MAY BE EVERYONE'S PROBLEM.

Although not a true taxpayer issue, this could effect all of us.

One publicized estimate that if either the NFL has a lockout, or the NFLPA holds a walkout without a settlement, it could cost the economy of Green Bay as much as \$200 Million in lost business.

At least we could blame someone other than the government for this problem if it occurs.

As usual, lots if things to wonder about.

Jim Frink

"Things That Make Us Wonder," consists of taxpayer related thoughts that occur to us from daily 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. However, one of our purposes is to encourage debate, as we realize there are two sides to every question. Comments or suggestions are welcome for inclusion in future "TAX TIMES."

"Why does a slight tax increase cost you two hundred dollars, and a substantial tax cut save you thirty cents?" . . . Peg Bracken

"The current tax code is the chief source of corruption in the nation's capitol." . . . Richard Armev

"A nickel ain't worth a dime anymore." . . . Yogi Berra

The TAX TIMES

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The TAX TIMES - January, 2011

BCTA Meeting and Events Schedule – MARK YOUR CALENDARS.

Thursday - January 20, 2011. BCTA Monthly Meeting. 12:00 Noon.
Titledown Brewing Co., 2d Floor Meeting Room;
Speaker: Russ Schwandt, Green Bay City Assessor.

Thursday - February 17, 2011. BCTA Monthly Meeting. 12:00 Noon.
Titledown Brewing Co., Program to be announced.

Thursday March 17, 2011. BCTA Monthly Meeting. 12:00 Noon.
Titledown Brewing Co., Program to be announced.

***Candidates for public office in upcoming elections are cordially
Invited to attend our open meetings and be recognized.***

Unless otherwise notified, BCTA monthly meetings are held the Third Thursday
of each month, 12:00 Noon, at Titledown 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, beverage, tax & tip.

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

January,
2011



“Voters don’t decide issues, Voters
decide WHO will decide issues.”

. . . George F. Will

“Politicians are interested in people.
Not that this is always a virtue.
Flees are interested in dogs.”

. . . P.J.O’Rourke

“If you are not criticized, you may not be
doing much.” . . . Donald Rumsfeld

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.**