

# *Moving Wisconsin Forward*

*A Vision for Economic Renewal:  
Creating Better Jobs and A Brighter Future  
For Our Families and Our Communities*



**WMC**  
WISCONSIN'S BUSINESS VOICE

# *Moving Wisconsin Forward*

- **State, National and World Economy in Recession**
  - Unemployment Rising
  - Business Income Down
  - Tax Collections Down

# *Moving Wisconsin Forward*

- **What Will it Take ...**
  - To get the economy moving again,
  - For Wisconsin to lead the way out of the recession,
  - To create jobs for our families, our communities and Wisconsin's future.

# *Moving Wisconsin Forward*

- WMC has established a broad policy agenda called “Moving Wisconsin Forward.”
- The plan is a consensus business policy agenda developed by interviews with chambers of commerce, member companies, allied business trade groups, surveys, and approved by the WMC board.
- The plan represents the broad agenda of the business community – tax relief, tort reform, regulatory reform, and a commitment to quality education.
- The plan is available at [www.wmc.org](http://www.wmc.org)

# *Moving Wisconsin Forward*

- WMC's "Moving Wisconsin Forward" is a marked departure from the approaches under consideration in Madison and Washington D.C.
- WMC has a positive vision for growing the state and national economies.
- Some elected officials are pursuing a different direction. At this time much of our work is on defense. Some positive incentives in state budget, but tax hikes overshadow gains.

# *Moving Wisconsin Forward*

- **Investing In Our People**

1. Enhance Educational Achievement

- Science and Math Curriculum
- Advanced Placement
- Measuring Outcomes
- Educational Options

# *Moving Wisconsin Forward*

- **Investing In Our People**

- 2. Encourage Personal Improvement

- UW and Tech College Funding
    - Management Flexibility
    - Financial Aid

- 3. Enhance Employment Training Opportunities

- Rationalize Employment Training Programs
    - Employment Training Tax Credits

# *Moving Wisconsin Forward*

- **Promoting Innovation and Job Creation**

1. Encourage Economic Development
2. Enhance Tax Incentives
3. Encourage Research and Development
4. Encourage Reinvestment in Wisconsin
5. Enhance Venture Capital Access

# *Moving Wisconsin Forward*

- **Investing In Fundamentals**

1. Maintain and Improve Transportation Infrastructure
2. Encourage Energy Efficiency and Clean Energy Technology
3. Facilitate Regional Transportation Initiatives
4. Facilitate Electronic Commerce

# *Moving Wisconsin Forward*

- **Fostering a Competitive Business Environment**
  1. Foster a Competitive Regulatory Environment
  2. Promote Quality Health Care
  3. Enhance Fairness and Predictability in our Legal System
  4. Ensure Uniform Employment Regulations
  5. Keep Wisconsin Competitive

# *Moving Wisconsin Forward*

- **Improving Public Systems**

1. Encourage Balanced Budgeting
2. Control Property Taxes
3. Encourage Efficiency
4. Understand and Manage Benefit Costs
5. Reduce Cost Shifting

# *Taxes, Torts and Card Check*

- **The Three Big Threats to Industry Are:**

- ***Tax Increases:*** Over \$2.5 billion proposed in state budget helps fund 10 percent spending hike.
- ***Torts:*** Massive liability expansion is being pushed through the Legislature, even in budget.
- ***Card Check:*** Dubbed the “Employee Free Choice Act” (EFCA), the proposal would end secret ballots in union organizing drives and impose binding arbitration in first contracts.

# *\$2.5 Billion Tax Hikes Proposed*

- The Legislature and Governor pushed through combined corporate income tax reporting early in the session without a hearing. (*\$200 million tax increase, an 11 percent increase*)
- State budget contains \$2.5 billion in higher taxes to fund 10 percent spending increase.
- Particularly troubling in a recession with 8 percent unemployment and record job loss.

## *Other Tax Increase Proposals*

- Increase income taxes to a top rate of 7.75 percent – 11<sup>th</sup> highest in the nation – on couples earning \$300,000 a year or individuals over \$225,000. (*\$318 million tax increase*)
- Increase capital gains taxes by cutting the 60 percent exclusion to only 40 percent. (*\$180 million tax increase*)

# *Other Tax Increase Proposals*

- Increase taxes on gas and other petroleum products with a gross receipts tax that adds 6 cents to the price of a gallon of gas. (*\$271 million tax increase*)
- Increase pressure to raise property taxes by repealing Qualified Economic Offer law that limits school district contract settlements

## *Other Tax Increase Proposals*

- Increase property taxes by exempting transportation and other expenses from school district revenue limits.
- Increase the garbage tax from \$5.90 per ton to \$10.30 per ton.
- Increase fees for large water users.
- Extend the sales tax to custom computer software.

# *Torts: Rolling Back Liability Reforms*

- Restore joint and several liability that allows defendants to be held 100 percent liable for as little as 1 percent fault.
- Rolls back reforms the 1990s that required more than 50 percent liability in order to be held responsible for full claim.
- Allow judges and lawyers to tell juries about the legal consequences of a verdict in a civil case.

# *Torts: Rolling Back Liability Reforms*

- Mandate 300 percent increase in auto insurance coverage.
- Wisconsin has third lowest insurance rates in nation, would be one of the highest.
- Families and businesses see \$309 auto insurance increase.

# *Torts: Rolling Back Liability Reforms*

- Increase insurance premiums on employers by nearly \$100 million to fund autism coverage.
- Increase litigation by allowing direct access to circuit court for workplace discrimination claims, bypassing Labor and Industry Review Commission.
- Extend compensatory and punitive damages to workplace discrimination claims.

# *Card Check: Employee Free Choice Act*

- Employee Free Choice Act (EFCA)  
(H.R 1409 and S. 560)
- Fundamentally changes labor relations in U.S.
- EFCA stacks the deck in favor of organized labor in union organizing drives.

# *Card Check: Employee Free Choice Act*

- **EFCFA Would:**

- End secret ballots in union organizing drives.
- Allows unions to organize by only submitting a signed cards from a majority of employees.
- Force binding arbitration to establish first contracts.
- Dramatically increase fines and penalties for employers.

# *What Can You Do?*

- **Get Involved** – Go to [www.wmccan.org](http://www.wmccan.org) and join the WMC Community Action Network to get involved in promoting the business agenda to lawmakers.
- **Sound Off** – Write a letter to your Assembly Representative and Senator to oppose the tax increases in the state budget.
- **Sound Off Again** – Write a letter to your U.S. Representative and U.S. Senator Herb Kohl and tell them to vote NO on Employee Free Choice Act.

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### **Or Visit:**

[www.wmc.org](http://www.wmc.org)

[www.wmccan.org](http://www.wmccan.org)

*WMC's Community Action Network*

