



WISCONSIN LEGISLATURE
SENATE CHAMBER
MADISON
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Listening to the People

**Report of the Senate Budget Committee on the State Budget Repair Bill
April 4, 2002**

State Senator Bob Jauch, Chair

**Senator Bob Jauch, Chair
Senator Jon Erpenbach
Senator Mark Meyer
Senator Dale Schultz
Senator Sheila Harsdorf**

Listening to the People

Report of the State Senate Budget Committee

“You have a difficult and thankless task. That you approach it with vision and dedication to the future is characteristic of the caliber of political leadership for which, as a recent outsider, I can report Wisconsin is recognized nationally.” Bruce Shepard, Chancellor University of Wisconsin- Green Bay

CONTENTS

Pg. 2	The Wisconsin Tradition of Open Government
Pg. 6	The Wisconsin Values of Respect, Opportunity and Community
Pg. 8	Higher Education is the Gateway to Opportunity
Pg. 13	Local Government is the Heart of the State
Pg. 19	Miscellaneous Concerns

Addendum

- Summary of Sessions and Attendance
- Voice of the People

The Wisconsin Tradition of Open Government

The Senate Budget Committee is a committee established by the State Senate to create a more open budget process, and provide for more public input before the Senate deliberates on the State Budget.

Wisconsin Government has long been a national leader in innovation and governance and the efforts by this committee reaffirm a commitment to open government and encourage greater public participation in the deliberative process.

In February, Governor McCallum introduced his Budget Repair bill. The Senate Budget Committee scheduled statewide hearings in an effort to establish a dialogue with the citizens of Wisconsin and allow their voices to be heard on the challenges of eliminating a \$1.1 billion State deficit.

Across the State, a total of seven hearings were scheduled. Manitowoc, Amery, Janesville, Milwaukee, Racine, Eau Claire and La Crosse. The Joint Finance Committee scheduled one hearing in Wausau and another in Madison. In addition, Legislators scheduled over 40 listening sessions across the State to allow citizens to be part of a comprehensive State debate on the deficit reduction plan.

These sessions produced a groundswell of public participation, as citizens were eager to express their reaction and to influence the decisions in Madison. At the seven public hearings, over 700 citizens attended offering a total of 30 hours of testimony.

The Manitowoc hearing was held in the Manitowoc Library, a beautiful new facility on the river that serves as a cornerstone for the community. While the building was built with both private and public dollars, the library budget is supported by 92% property tax dollars and services and hours are jeopardized if significant shared revenue cuts are required.

Milwaukee, Janesville and Eau Claire hearings were held at vocational college campuses where students, administrators, and business and local leaders acknowledged the severity of the proposed budget cuts on the ability to train workers, and meet service needs to their communities.

- Enrollment at Milwaukee Technical School is up by 3,000 students
- Milwaukee Area Technical School serves more minority students than Any college in the State
- MATC contributes \$505 million to the local economy, more than the Brewers, the Bucks, the Bradley Center or the Midwest Express Center
- 87% of MATC graduates find employment within six months of graduation and 97% stay in Wisconsin

Graduates and supporters of the Challenge Center also testified as to the effectiveness of this program in turning juvenile lives in the right direction.

***“I am a citizen taxpayer, a single parent struggling to live paycheck to paycheck but I believe that local officials are attempting to be responsible.” Deborah Pasha,
Milwaukee***

Following the Finance Committee and Assembly deliberation, a decision was made to hold five additional hearings on University campuses. Hearings were held in Superior, Eau Claire, Green Bay, Milwaukee and Madison.

Over 1100 citizens attended these hearings contributing to an additional 25 hours of testimony. Even though these hearings had short notice, and were criticized, it is obvious that these citizens had something to say, were pleased that someone in Government was listening and hoped that their words would lead to changes in proposals being considered by the Legislature.

“I am full of admiration. What you have heard at these hearings is incredibly important. I am a homeowner, independent. I am hoping to have some impact on your deliberation. Education is very important to my family. We are an average middle class family.” Betty Bennett, Green Bay

These citizens were taxpayers who represented the diverse character, philosophy and values of Wisconsin. They were Republicans and Democrats. They were students and retirees. They were laborers, businessmen and businesswomen. They work hard not just for themselves, but for others as well.

These are citizens who contribute to the well being of their community. They are tireless contributors as paramedics, library assistants, mentors, local officials and volunteers who seek nothing in return but wish to give more to help their communities grow. They care about their neighborhoods. They are the caretakers of their community but they want a State government that cares as much about them as they care about their State and community.

By their nature, they are optimistic. They are the leaders in their respected communities. Most were not elected officials but all volunteer in numerous civic activities. They are deeply proud of their State. They respect the traditions and appreciate the quality of life opportunity that Wisconsin citizens are afforded because of what happens at the local level. Many are citizens who have moved to Wisconsin to enjoy its quality of life, its good schools, its beautiful resources and safe communities.

These were parents of and they worry about the limited choices and missed opportunities for their children. They put a personal face on the magnitude of the effects of decisions in Madison and allowed the Committee to understand the harsh and painful impact these recommendations will have on lives of hard working citizens in Wisconsin.

Catherine Beebe of Superior is worried about her future as an employee at the University of Wisconsin Superior. She had already lost her job after 19 years at Burlington Northern because of corporate downsizing. Her husband has been laid off his job of 29 years. She and her daughter both have high medical bills due to diabetes. She and her husband may have to move from the community.

Shannon Jarecki described the cruel irony of the budget impact. She is a student at UWS whose part time summer job in Ashland will be eliminated because of budget cuts and her tuition at UWS will be increased because of budget cuts. She will have a difficult time staying in school.

These are citizens who believe Wisconsin is going in the wrong direction. They are very concerned about the future and some are very concerned about Madison's ability to fix this problem.

"I am 24, a single parent of a 7 year old, caring for my mentally disabled brother and I work to help pay my bills and tuition. The vocational schools are full of young students and unemployed workers who are attempting to turn their lives around and better ourselves. We will never become middle class people without education." Milwaukee vocational student

They were not demanding of their Government but expect a Government that would be on their side in helping families and communities build a better future.

"I appreciate the farmland tax break...But I now pay more in property taxes because of improvements on my farm but I believe most of my tax dollars are being paid for in good use." Lloyd Holterman, Dairy Farmer

They did not complain about their taxes but saw a necessity for Government to invest dollars to enhance Wisconsin, enrich our citizens and build a stronger future. They are concerned that citizens with the greatest needs will be harmed by the budget recommendations.

"Real people like me have great concerns with these cuts, as we are just at the beginning of building our careers and building our lives. These cuts will have a significant impact on us. I personally have serious fears that I won't keep my job in the graduate office, that I won't be able to continue my education and that I won't have

the services from the city and state to care for my family.” Kimberly Kelly, single mother of two, student and employee at UW-Superior who has worked her way through college while taking care of her children.

“I make \$6.50 an hour but with the hiring freeze and other budget cuts, I am worried about the effects on whether I can keep my job. Last year my tax liability was \$8.50. I want to make enough money to pay more in taxes.” Edward Wills, Milwaukee

The Wisconsin Values of Respect, Opportunity and Community

"I am proud to be a Wisconsinite. I believe in the Wisconsin Ideal that everyone is treated fairly."

Wisconsin is a great State. We live in a State defined by the wealth of our natural resources and by the characteristics of a caring people. Wisconsin is a progressive State long admired for its tradition of good government and progressive ideals.

The Wisconsin success story has been built upon the tireless dedication of citizens at the State and local level who have worked together to maintain a quality of life that has become a model for the rest of the nation.

- It is a success story that has been enriched through the partnership of State and local governments to help (meet the needs of our citizens) our citizenry live better lives.
- Our students consistently rank the highest in test scores in an excellent K-12 educational system and our system of higher education has continuously produced a qualified and skilled workforce.
- Wisconsin has always cared for its citizens through the development of human service programs that protect the disabled and frail elderly.
- Equal opportunity and equal treatment have always been a high ideal in Wisconsin.
- Wisconsin cherishes its natural beauty and through the laws of the State and the commitment of its citizens has established a legacy of preservation of its natural resources.

Assembly Budget cuts are destructive to the Environment

"The one thing we have going for us in our township is clean blue water and green trees and it appears that the Assembly Republicans want to deny us of these resources as well." Fred Anderson, Gordon

"I am shocked the Wisconsin Budget would propose an action that puts the economy of my county at risk. The maintenance of property values on our shorelines are the economic lifeblood of our county, therefore the shoreline ordinance must be enforced."

- Recent UW-Extension survey showed 84% in favor of protecting county surface water.

The Wisconsin Citizens Vision for the future

These speakers want an honest, fair and permanent solution to create a stable budget and a stronger economic future. They are extremely worried that a structural deficit will

handicap Wisconsin ability to meet the needs of citizens throughout the State and weaken our ability to grow.

Building a more skillful and knowledgeable workforce in the State is an important goal and maintaining quality higher education is critical to the development of a better educated, more informed, flexible person who works in Wisconsin Industry and Business.

They want a Wisconsin where the disparity is negligible and opportunity is apparent for each citizen. Prosperity is only enjoyed when shared by all. They want a strong economy, a healthy democracy, a clean environment and vibrant communities to live in.

“Please look at the common good. I am concerned about caustic language that ignores the common good. Don’t rely upon a political concept but adopt a religious concept. Expand your vision to always think about doing good for all.”

Higher Education is the Gateway to Opportunity

“History will judge us on how we invested in the worst of times to help us grow into better times.”

It was not by accident that the committee scheduled two hearings on Vocational Education campuses and an additional five hearings on University of Wisconsin campuses. It was a deliberate decision to emphasize the importance of higher education to improve the prosperity of our citizens. For Wisconsin to compete in a global society, we must encourage more students to obtain a higher education degree to provide the changing workplace with a workforce that is technically skilled and professionally able to help these new businesses thrive.

“The University is the engine that drives economic, social and cultural vitality we need to protect the University as a major part of the solution to a stronger state economy.”

Denise Scheberle, University of Wisconsin Green Bay

“We are willing to accept some cuts but elimination of the Chippewa Valley Initiative is a lost opportunity for recovery of the Chippewa Valley economy.” Donald Mash, Chancellor University of Wisconsin- Eau Claire

A faculty member from Green Bay informed the members that Wisconsin lags behind other states with citizens with higher education diplomas, pointing out that Minnesota has 31% of citizens with degrees compared to Wisconsin at 24%.

Student enrollment is up 10% at most University campuses and at least 15% to 30% at most vocational educational institutions.

“Cutting higher education budgets during a time when applications are up 10% and citizens need education to adapt to a changing workplace seems counter intuitive to good stewardship of State resources.” Kathy Pletcher

“The Governor’s proposal to reduce State aid by 4.5% and impose a tax levy freeze will mean our college will have to reduce our budget by \$1.5 million. We will have to reduce class sections, programs and increase tuition so students will pay more and get less.” Dennis Ladwig LTC

Every speaker provided examples to the vitality that University and Technical College campuses provide to the community, region and State. There is endless evidence that the existence of a strong higher education is critical to the existence of a thriving economy.

“Up to last year, everyone complained about a worker shortage yet now the Governor is proposing to cut the program that helps provide the workers and give them good jobs in Wisconsin.”

“Continuing education is important. I’m a 25 year-old single mother and a teacher to my 2 children. My goal is to have knowledge and give children everything they deserve.” Melanie Villanueva, Milwaukee

- Graduates of Wisconsin Technical Schools stay in Wisconsin to live and work. Almost 90% of graduates stay in Wisconsin returning their investment to the State
- The Governor’s proposal would reduce MATC revenues by \$5.2 Million, could force the closing of 1360 class sections and reduce By 12,240 students

“Hundreds of thousands of people are impacted by the various educational, social, cultural and athletic activities on our campuses. My family donates but feels strongly that the state must continue to make a commitment as well. The state can’t take a step backward and expect that other contributors who give so much won’t notice.” Kate Meeuwssen

During each hearing, speakers identified examples of public-private investments that are essential to the advancement of higher education but remain at risk if deep budget cuts are implemented.

“I am here to share the budget reality with the fiction. The Governor’s cuts would be difficult but the additional cuts would be devastating. The Madison Initiative will be jeopardized and private match dollars will be at risk.” John Wiley, Chancellor University of Wisconsin-Madison

“A good business case can be made to eliminate the harsh cuts on the University of Wisconsin. Only 38% of our local campus (UWGB) is covered by State money so it is grants, tuition and private fund raising that makes up the rest. We invest in the University because we know it is a winner for Wisconsin.” Rick Beverstein

“If education is the heart of economic development, then UW-Milwaukee is the heart of the economic vitality of this region. I am sorry to say that the Milwaukee IDEA to expand economic growth for our region is very much at stake.” Nancy Zimpher, Chancellor University of Wisconsin-Milwaukee

At each hearing long list of citizens testified whose quality of life today is directly attributable to the University of Wisconsin. There is a personal relationship between these citizens and this University.

They are proud alumnae; proud parents of students, proud business owners whose employees have attended a University campus, and proud farmers whose collaborations with the University are allowing them to improve their operations.

Numerous individuals testified that they are permanent residents of Wisconsin and productive taxpayers through their higher education experience.

Assembly Budget Cuts will be devastating to quality, access and affordability of Higher Education

The Governor's budget was manageable, but difficult. The System worked with the Governor to determine the management of the cuts to minimize the impact on quality. However, some course offerings, some of the economic stimulus proposals and some positions would be sacrificed.

The Finance and Assembly cuts were thoughtless, reckless and punitive to the entire University community.

- \$108 million reduction amounts to 12% of entire GPR budget.
- Hundreds of faculty positions are frozen and may be permanently lost
- Dozens of new faculty being recruited will take positions elsewhere

“Wisconsin has made so much progress in establishing competitive salaries for our faculty. It does not make sense to allow our competitive position to slip again.”

- Thousands of course offerings would be eliminated
- Students would take longer to graduate, increasing their costs and raising the risk many would not be able to finish their degrees.
- Out of State students will leave the state adversely affecting diversity and threaten UW campuses as national and world-class institutions.
- Class size will increase and access for student-faculty advisement will be limited, affecting student retention and achievement.
(already access to faculty is more difficult) Wisconsin faculty student ratio is 21-1 compared to a ratio of 18-1 for comparable four-year public universities
- Extension programs will be substantially affecting limiting citizens access. (over one million citizens have contact with UW Extension programs during the year) 2 year campus-157 course selections would be deleted-about every adult evening class would be eliminated.

“The budget cuts proposed by the Assembly will result in less access, less quality and greater frustration on the part of students and their parents. What good does it do to admit more student and not be able to offer the classes they need.” Kathy Pletcher

“If access is not going to be restricted, then quality of opportunity and costs to students will be severely impaired.” Bruce Shepard, Chancellor University of Wisconsin-Green Bay

The speakers provided the specific evidence to the degree of impact that the budget cuts would create:

- Green Bay 39 frozen positions (15 faculty)
- Superior 19 frozen positions (15 faculty, 15% of faculty workforce)
- Madison 110 frozen positions
- Eau Claire 49 frozen positions
- Milwaukee 170 frozen positions
- Stout 30 frozen positions

“These short term decisions are damaging to morale and will do long-term harm to the University community.” Ann Lydecker, Chancellor, University of Wisconsin-River Falls

“The deep cuts in UW will mean that the School of Veterinary Medicine cannot deliver the optimum service to students, practicing veterinarians or the public. It is imperative that the veterinary college has the budget to service the livestock industry. Also with the latest outbreak of Chronic Wasting Disease, we need a strong veterinary college and state diagnostic lab.” Frank Fier, Badgerland Farm Credit Services

Targeted cuts and surcharges will adversely affect students and the diversity of the campuses.

“If tuition is raised again, I won’t be able to accomplish my life long dream of graduating from an American University, or at lest, not from one in Wisconsin. The international population at Wisconsin schools will certainly decrease with this measure.” Tzabela Olekisak, born in Poland, raised in Germany, student at UW Stout

“I am not a Wisconsin citizen, does that mean I don’t count? Look around this room, and see how diverse it would be without me.” Chenthuran Jayuchandrian, University of Wisconsin-Superior international student

“One of my closest friends is an out of state student. If our out of state tuition is increased at the proposed higher rate, there is a good chance she will not be able to afford to continue her education here.”

Other tuition increases were addressed as students explained the financial pain increased tuition was having on their ability to continue to afford attendance at a UW campus.

Link financial aid to tuition increases

- Average debt per graduating student is \$15,000

*“Students can’t be the sponge for partisan politics.” Stephanie Hilton,
UWS student body president*

“Today, my roommate dropped out of school just due to struggling with tuition and lack of aid this year. If these cuts happen, and if tuition goes through the roof again, I won’t be here next year.” Emily Phillips, University of Wisconsin-Milwaukee student

Veterinary students outlined the huge impact of increases. Students will graduate with \$140,000 in debt for a job that starts at \$45,000.

*“These tuition increases are going to have a dramatic effect. I am from outside Wisconsin but came to this school because it is one of the best in the country. Wisconsin is now my home.” Cindy O’Connor, University of Wisconsin-Madison
Veterinary student*

“These tuition increases will drive the best and brightest students away from Wisconsin.” Brett Cousins, third year student, University of Wisconsin-Madison

“Wisconsin medical school tuition is 4th highest in the country. Do we really want to reduce the ranking of our State income taxes from the top ten but be high in the top ten in what we charge our students to get a higher education degree?”

It was also pointed out that budget cuts would decrease the number of physicians. Of the 800 family medicine students, 66% stay in Wisconsin so it will make it more difficult to attract physicians to underserved communities.

The Local Community is the Heart of the State

“Government that is close to the people is the most responsive and the best.”

Our communities are wonderful places for families to settle, children to grow, and businesses to begin. These hearings entitled citizens from all over the state to express their pride in their local community, show support for their local leaders and to condemn shared revenue proposals that would be harmful to their future.

When someone wants their road plowed, their sewer system to work, respond to a personal emergency or improve their recreational opportunities, they call their local official, not the Governor. When a company closes its doors, the workers call upon the Mayor and other local officials to provide services and when a new company opens its doors, it is the Mayor and local officials they call upon for the services and assistance to make sure that their business can prosper.

“There is statewide antagonism about the harsh inequalities of both the Governor and Assembly budget.”

The proposed reductions are unwarranted, unrealistic, unfair and unduly burdensome. The reductions will be harmful to communities and hurtful to individuals, particularly those in poorer communities.

- Ashland receives 56% of its operating budget from shared revenue not because it spends so much but because it has so little. Ashland has lowered its budget six years in a row and their levy is less today than 7 years ago.
- Beloit receives 53% and would only be able to \$9 million under the Governor's plan for the community budget of \$34 million.
- Beloit has cut the tax rate by 20%, reduced the municipal workforce by 9% and held the tax levy flat with less than 1% growth in 5 years.
- Whitewater receives 44% of its budget from shared revenue but is the third lowest spending city of its size in State.

In what way is shared revenue responsible for the State budget crises?

The citizens are particularly angry that the Governor would wish to blame local government that has had its revenue frozen for 6 years for the fiscal mistakes of State Governor.

Angry testimony came from conservative Republicans as well as Democrats who provided plenty of evidence that the proposals to eliminate or slash shared revenue are poorly conceived, ignore a historical partnership between the State and local governments and erode the local community ability to respond to changing community needs.

Economic development will suffer as communities delay infrastructure investments in order to protect basic public safety services.

“The City of Beloit is delaying the Gateway economic development project because the property tax freeze and proposed shared revenue reductions create instability to prospective bond buyers who have little certainty over future community taxing ability.”

“The City of Milwaukee has seen its bond rating decrease because of the loss of shared revenue. This will cost the taxpayers more when the community borrows but more importantly will result in delay of economic development and other infrastructure projects that will cost more next year.”

***“The city of Eau Claire has delayed road projects until next year
Because of difficulty in obtaining bonding.”***

“The village of Siren would not have been able to rebuild following the devastation because the property tax levy freeze restricts a community ability to respond to extraordinary circumstances.”

Manitowoc Mayor Crawford challenged the Legislature and Administration to explain why Manitowoc taxpayers should be punished for their frugality.

“Manitowoc is ranked 37 of 41 cities in property taxes and 41 in all taxes. We have consolidated services, a consolidated health department, cooperate with surrounding communities and constantly look for efficiencies in the delivery of our services. It is not that we can’t do better but the loss of shared revenue would be disastrous.”

Un-funded mandates continue to burden local governments, especially county units of government that will be forced to eliminate important non-required programs in order to pay the bills required by the State.

- Community Aids is severely under-funded and counties have stated that they would reduce “county overmatch dollars” and reduce services to the disabled.
- Community Integration Program—Douglas County will be required to pay \$250,000 every year to care for disabled residents forced out of a nursing home when it closed its doors.
- Youth Aids—County governments forced to pay more money from Juvenile detention facilities
- State Court Costs continue to be a major expense for County Government.
- Domestic Abuse shelters and outreach programs are already being cut

“Barron County has already eliminated its share of dollars to the Rusk County shelter. Eau Claire County and other counties are also making plans to reduce these dollars so we will have fewer services and space for abused women and children.”

Fairness is forsaken in Governor and Assembly proposal

“Wisdom, an organization comprised of 100 congregations, representing 15 religious denominations from throughout Wisconsin, demand that adjustments to the state budget be made in a spirit of fairness and equity.”

Shared revenue is an historical attempt to redistribute tax dollars paid to State Government back to local governments to level the playing field so that cities and poorer communities can provide basic services at comparably equal taxes.

“The elimination or significant reduction of shared revenue will gravely damage the quality of life in our cities and increase the gulf between the prosperous and the low-income communities in Wisconsin.” WISDOM

“It is unjust and unacceptable that the communities with the greatest concentration would endure the harshest impact of shared revenue cuts while upper-income communities would remain prosperous.” WISDOM

There is overwhelming evidence that the poorer cities, towns and counties will suffer a disproportionate burden from any reduction in shared revenue. There has been no evidence produced by the Administration or the Assembly to show how these communities will be helped one bit by these decisions.

In fact, the Assembly action distorts the inequities of shared revenue and punishes poor cities by redistributing the shared revenue cuts from poor communities to wealthier ones

- *An additional \$707,000 would be taken from Ashland, a community with an average property value of \$34,411 while \$518,000 would be generously offered to Brookfield, a community with an \$116,808 average property value.*
- *\$3.9 million is reduced from Beloit with \$30,990 in average property value, so that Wauwatosa with \$76,460 in average value can receive an additional \$835,000.*
- *Milwaukee with an average property value of \$32,664 will have \$25.9 million less so that its neighbor Waukesha with an average value of \$57,963 can gain an additional \$1 million.*

The Rhetoric and Divide and Conquer Mentality from Madison
is Inflammatory and Divisive

These citizens believe in one Wisconsin, and are deeply bothered about the deliberate political decision to pit one group of citizens against the other. Wisconsin ideal is about protecting firefighters as well as their children and not asking communities to pick one as more important over the other.

“It is morally abhorrent to force two vulnerable populations into competition for survival. WISDOM finds it shameful that politicians and lobbyists would even attempt to make public safety and a social safety net for the needy the adversary of quality education for children.”

Community Leaders Seek Shared Responsibility

Community leaders and other concerned citizens continually pledged to work with State Government to address the State deficit. They recognize the difficult fiscal challenges and wish to work in concert, not in conflict with State officials.

County officials expressed frustration with the Administration and Legislative decision to reduce highway reimbursement to county government for maintaining State highways. County Government will receive \$26 million less this year to plow and maintain State highways.

Cooperation between communities is regularly practiced throughout Wisconsin and consolidation of services is frequently a method of stretching resources.

They want a plan that will provide for a long-term relationship that will provide some certainty for communities to grow. They also want the State to get its fiscal house in order by developing a State budget plan that provides for an honest, fair and permanent solution.

Speakers agree with the Kettl Commission that it may be time to restructure State-county relationships but insist that reforms be implemented with care and forethought. They emphasized that cost savings can occur and efficiency can be gained in the long term only if the changes were based on a carefully developed blueprint.

Speakers also emphasized that most cost-saving measures require time and up-front investments and that most benefits occur in the long term.

Numerous speakers called upon the Legislature to adopt Kettl Commission recommendations.

The Kettl Commission calls for common sense solutions built on proven results. The Commission calls for pursuing these solutions through collaborative partnerships among

State and local governments. The Kettl Commission also calls for the making the citizens the center of Government work.

The Governor's proposal and the Assembly position severs or severely bleed a 92 year old partnership between State and Government and offer NO solution other than creation of another commission. The Governor ignores the successful collaborative efforts that currently allow Government to function well, punishes the communities that have already consolidated programs in order to better serve the citizens who are at the center of Government's work.

One of the foundations of the Kettl Commission is that one size does not fit all but rather that local governments must have maximum flexibility in pursuing statewide goals.

“The Governor’s proposal mocks this provision and maintains un-funded mandates and places increased expectations upon local governments all while taking away their financial ability to meet these goals. In addition the Governor assumes that all regions of the State, whether they be urban or rural, large or small can achieve should be bound by one uniform yet unspecified plan. The Governor completely ignores and does not seem to understand the long list of successful collaborative initiatives that have been effectively provided by local governmental officials across the State.”

A Tax is a Tax by Any Name

“My \$5,000 tuition increase is a tax, period!”

“The 263 students receiving the TOP Grant who will pay an extra \$500 because the budget eliminates this scholarship see that as a TAX INCREASE, and they are right.”
Cindy Bunde, Lakeshore Technical College

Speakers cited several examples where the Governor's budget utilizes direct or hidden tax increases to reduce the deficit.

- \$20 million property tax increase by reducing State equalization
- \$22 million utility tax increase by utilizing energy benefits to pay for UW energy costs
- \$500 tuition increase to 10,000 vocational students whose scholarships were eliminated
- \$10 million tax increase to out of State students due to a “surcharge” imposed by the Assembly

A Permanent and Honest Solution will Require Tax Increases

At every hearing, numerous speakers supported some form of revenue increases along with spending cuts in an attempt to arrive at a permanent, honest and fair solution to the long-range budget crises.

Speakers support an expansion of existing sales tax exemptions, or a temporary income tax surcharge.

In a show of hands, approximately half or more in attendance supported some form of tax increase along with budget cuts to stabilize the State budget. A few speakers supported expansion of video gaming devices in order to generate additional income to the State.

Many State employees expressed their frustration with the "meat-ax approach" taken by the Assembly to hurt State employees. Many State employees will lose jobs, and the Assembly intends to increase the cost to working for the State.

***"I am a part-time 65% state worker at UW-Madison and am also attending school. I make \$24,000 a year and the proposal will mean an extra \$4800 in costs for my family. Another woman in the office is unable to work more than half time because of doctor's orders, as she is a recovering stroke victim. This will put an unfair burden on 3,000 to 4,000 people who for various reasons may be unable to work full time." Martin Rouse,
Madison***

Miscellaneous Concerns

- Transportation workers identify outsourcing and private contracts as costly to the state.
- Librarians express deep concerns about reductions of library aids and effects on libraries if shared revenue cuts take place. They are extremely concerned and opposed to Assembly decision to allow libraries to charge fees.
- Open Enrollment is killing many districts. Chetek is losing 39 students, Spooner is losing 44 students and remaining students will be hurt because of revenue controls and declining enrollment.
- 911 surcharges leaves a \$9 million un-funded mandate on the backs of County Government.
- Reduction of Revenue agents will harm State ability to enforce tobacco and alcohol laws. Average State has 40 agents but Wisconsin has 13 and may be forced to utilize only 3. Since tobacco increase last year, investigation on tax invasion has tripled.
- Campaign finance reform was referred to by many as the mechanism necessary to ensure that spending, taxing and other budgeting decisions will be made with the best interests of the taxpayers and state in mind.
- Citizens at most hearings expressed frustration that when the state ran a surplus, a rebate check and several symbolic tax rate cuts were instituted. Now, most indicate that they would prefer to send that money back to the state, rather than endure the harsh cuts offered to fill the deficit.
- Several faculty and administrators at the University of Wisconsin-Madison campus suggested that certain assembly provisions would severely hamper the UW's ability to continue to be a leader in the field of stem cell research. Concerns were raised relating both to fiscal cuts to the UW System, and also to policy language relating to the definition of embryos.
- The lack of affordable housing in metropolitan areas was addressed at hearings in Green Bay, Milwaukee and Madison.
- Citizens at every hearing expressed serious concerns about the budget priorities of a state that has more than doubled its prison population over the last decade while at the same time capping resources to public schools and juvenile support programs. Minnesota, a neighboring state with nearly equivalent crime rates and population as Wisconsin, currently has 1/3 the number of inmates.

SENATE BUDGET COMMITTEE HEARINGS

Numerical Summary

<u>Date</u>	<u>Hearing</u>	<u>Attendance</u>	<u>Registering only</u>	<u>Speaking Against</u>	<u>Speaking in favor</u>
2/12	Manitowoc	150	129	32	0
2/15	Amery	50	30	11	3
2/18	Janesville	200	79	27	2
2/19	Milwaukee	140	64	33	1
2/19	Racine	15	15	08	0
2/21	Eau Claire	40	24	12	3
2/22	La Crosse	140	35	29	2
3/19	Superior	125	54	23	0
3/20	Eau Claire	250	92	29	4
3/21	Green Bay	225	90	56	0
3/25	Milwaukee	400	214	51	1
3/26	Madison	350	215	57	0

TOTALS:

2,085

1,041

368

16

Voice of the People

"We represent the common constituency." Manitowoc Mayor Crawford

"It is a sad day that property taxpayers are now being asked to pay for juvenile correction costs at the same time they are being told that their school districts and local officials can find ways to cut programs at the local level"

"You are telling us to eliminate services. We are hard at work in proposing solutions."
Jim Schramm, Sheboygan Mayor

"We are part of the solution, yet we are being forced to cut funds." Cindy Bunde

"There is other government more accountable than town government."
Kevin Behnke, Town Chair of Newton

"This is cutting the feet out from under us. We struggle every year just to put together a budget." Karen Matze, Mayor of North Fond du Lac explained that 43% of revenue stream is needed just for police, fire and EMS service.

"We have mutual aid with Fond du Lac, Rosendale and Ripon. We have a boundary agreement with 3 garbage trucks between two communities. We will now be required to cut evening activities at our recreational parks, eliminate swimming lessons and cut back the hours at our swimming pool."

"This will cripple many Wisconsin communities." William Lamb

"The nation saw the heroism of police and fire on September 11, yet the same daily dedication here in Wisconsin is being threatened by shared revenue cuts that will no doubt result in reductions of personnel and service." Chuck Huzag, Manitowoc fire Chief

"There needs to be benchmarks for efficiency to be able to identify the efficient models, and reward those for their efficiency." Chuck Huzag

"The best government is that government closest to the people." Perry Kingsbury

"Because of tuition increases and budget cuts at the vocational college, we are very nervous about the future. Invest in us and we will pay you back with dividends." Adrian Walsh and Suzanne Feldt, La Crosse vocational students

"We cooperate with recycling, don't have a fire department but any more consolidation in these towns will increase response time...I have been on the town board for 23 years...If you remove these funds, too much burden remains on those who are left. We have only 1 employee and we pay 20% of his insurance. If we cut his salary, we would

treat his family unfairly.” Willmer Geiser, Town official of Charleston in Calumet County

“It seems as though Governor McCallum wants the Counties to take the blame when citizens get less but are paying more.” Tom Stanton

“The Governor’s statement that he is fully funding education is just not true as his cuts in Vocational Education will make it harder for students to gain access to vocational education to develop the skills to meet workforce requests.” Dennis Ladwig

“Without shared revenue, vital human service programs will be cut and it will mark the death knell of a long tradition of progressive government.” Robert Wrenn, Milwaukee

“We at the town level of Vance Creek desperately need shared revenue to survive.” Paul Streif Town of Vance Creek

“We balance our budgets, we pay our bills and stay within the operating levy cap, however these revenue losses will result in the cut of health and human services.” Arnold Ellison, Barron County Board Chair

“The freeze on the levy would be devastating, especially to cities like ours who have kept their spending down...our community has been praised by the League of Municipalities as having the lowest staff per capita for cities below 3,000, and then we are called big spenders!” Bard Kittleson, Mayor Barron

“We have one full time employee who maintains the roads, we share an ambulance service. We desperately need the money.” Paul Streif Clear Lake

“I appreciate you letting me vent my frustration. I have spent 30 years in town government, 20 years in county government, and I am the president of the New Auburn Fire Department. I can tell you that we share services.” Chris Carlson

“Let’s be fair and be honest, you are going to raise taxes one way or another. The State may not do it now but cuts to locals will result either in fee or tax increases or both along with harmful cuts.” Bill Rehnstrand, Superior

“I am here to appeal to you. The quality of our higher education is being threatened. We are prepared to accept cuts but these proposals will be unfair to students and will deprive us of dollars necessary for the economic stimulus package.” Andrew Ottetinger, Student Body President, UW-Eau Claire

“This is our money. We have paid for it in the first place and it has been returned to our communities in a useful way to help pay for essential local services.” Dennis Kropp Menomonee Mayor

"This is a fatally flawed proposal that is unfair to citizens, punishes cities and will result in reduced services. La Crosse will maintain basic public safety services but programs like police officers in the schools will be eliminated and children and our schools will suffer." John Medinger Mayor of La Crosse

"Borrowing is not balancing." David Hox

"We need a long-term solution. We will need more revenues."

"These cuts are creating an uncertain future. To say they won't do any harm is to use a sledge cap against a knee and tell someone they will be fine in two years." John Peterson

"Eau Claire will lose shared revenue and then is going to be told to pay additional dollars for 911 cellular service. We need something in place, but..." Gregg Wallace

"Town Government is the backbone of our Democracy." Dick Rettke

"I chose to come to Wisconsin from another State with lower taxes but came here for the quality of life experience. Taxes are dues we pay to live in a civilized society. Concerned about loss of ombudsman program." Lyn Collins

"A freshman in high school, my mother passed away and I thought my dream of going to college would elude me...As a senior in high school, my father learned he had terminal cancer...I have worked and studied hard in college with some financial aid but if tuition goes up without big increases in financial aid, I am afraid I may not be able to graduate." Susan Culver, UW La Crosse student

"Your critical choice is this: To make a large investment, or spiral into a downturn in the economy where poverty is far too common. To maintain access for working families in Wisconsin. For every \$100 tuition increase, we lose a larger percentage of low income students." Adam Mueller Student body president, UW La Crosse

"As a school administrator I was informed I should be supportive because there aren't any cuts to K-12 education. Well, I am disturbed with the cuts to vocational education and to the municipalities and I am worried about proposed freezes that would be disastrous to our school district." Doug Happel, Assistant Superintendent La Crosse

"Public libraries are dedicated to public information and service, the Governor's library cuts are antithetical to public information and service." David Polodna

"I am retired, living on short income, paying a lot for health insurance, but if a tax increase if it has to happen to let the local communities decide. I do know that counties

and small municipalities can't afford to lose revenue. I just don't believe that cities are wasting the kind of money that people are talking about." Jerry La Point, Eau Claire

"As a result of the Governor's budget proposal, we would have to reduce 1300 class sections so 12,000 fewer students would have access to our technical college." Dr. Tony Baez, Milwaukee Area Technical College

"MATC is one of the quickest ways to change a person's life...we can take someone from being in orange suit across the street to being a productive taxpaying citizen. Without education, there is no opportunity." Earl Wheatfall, Milwaukee

"I don't want to be part of a state that adopts that kind of philosophy that only allows the strong to survive." Karen Ordinans Milwaukee County Board Chair

"Counties are an administrative arm of state government...this is not the counties being big spenders, it's us providing services your mandate." Karen Ordinans

"Local governments have been sharing in the pain over recent years but during this time of prosperity have not shared any of the gain." Mayor Michael Miller, West Bend

"I help collect taxes. One of the things that impressed me is that our residents don't squawk a lot about paying property taxes. For the most part, they appreciate the services that they receive." Chris Lear, Saukville

"My point of view is that we can incarcerate people...but need to take more time to look at how to helping people." Annette Pampuch

"I came from a lower taxed state but wouldn't go back there for anything." Robert Wren, Shorewood

"I don't understand why the Governor would propose to cut the one Institution that is so successful and organized and committed to training the workforce." Michael Rosen, Milwaukee

"I would rather have had the State manage those rebate funds in a rainy day fund and save if for bad times than sending it back." Michael O'Brien

"On the local level, even if we combined some services we wouldn't come up with anything close to the kind of savings to make up for the loss of revenue we anticipate." Mike Vinovich

"The Governor's proposal would reduce our revenue by \$242,031, a freeze of general aid would reduce revenue by \$1.4 million and an 11% cut would reduce revenue by \$6.3 million, crippling our kids." Tom Evert Superintendent School District of Janesville

**REPORT OF THE SENATE BUDGET
COMMITTEE**

2001-2003 BIENNIAL STATE BUDGET BILL

**Senator Bob Jauch, Chair
Senator Mark Meyer
Senator Jon Erpenbach
Senator Dale Schultz
Senator Sheila Harsdorf**

Senate Budget Committee
Report
2001-2003 Budget
June 19, 2001

The 2001-2003 Senate Budget Committee is a new committee created by the State Senate to create a more open budget process, allow additional public input and review of the two-year State budget. The Committee was directed to conduct informational hearings and submit a report to the State Senate.

Following the Joint Committee on Finance final vote on June 7, the Committee scheduled two public hearings in Cumberland on Monday, June 11 and the second in Verona on Tuesday, June 12. Each hearing was posted from 9:00 until 2:00.

A hallmark of Wisconsin Government has been the tradition of open Government that has made Wisconsin a national leader in innovation and governance. The establishment of this Committee reaffirms the commitment to open government and encourages greater citizen participation in the deliberative process.

Despite short notification about the hearings, over 300 citizens turned out to participate. In Cumberland 68 citizens testified and an additional 38 registered. In Verona 44 people testified and an additional 41 people registered. Both hearings lasted 5 hours. Numerous citizens were required to leave before they could testify so both hearings could have lasted much longer had all citizens been able to testify. A total of 46 written statements were submitted to the Committee.

"The Will of the People is the Law of the Land"

These hearings revealed a real life snapshot of the families of Wisconsin; parents, small business owners, retirees, disabled residents, health care workers, nursing home administrators, students, farmers, local government officials and educators. Many of them traveled a long distance to express their concerns and petition their State Government for a response.

These were exciting men and women from throughout Wisconsin who are working to help their neighbors, support their communities and make Wisconsin a better place to live. They love Wisconsin, are proud of our programs and see the Wisconsin way as the means to help every citizen succeed.

They didn't complain or whine. They respectfully expressed their concerns, identified problems and proposed solutions to make life better. They balance their checkbooks and many of them struggle to make ends meet but to a person, they look to their State Government to help reduce the burdens of their neighbors and improve the quality of life for all.

In many ways the message of these citizens was far different than some of the rhetoric in Madison. They did not complain about their taxes but saw a necessity for Government to invest more dollars to enhance Wisconsin, enrich our citizens and build a stronger future. They are concerned that citizens with the greatest needs will be harmed if the budget does not adequately address those needs. They are anxious about decisions that will burden their children, weaken our educational system, and further erode the partnership between State and local Governments.

These citizens have a personal stake in the budget decisions. The budget will deeply impact their lives but they have a deep and abiding faith that Wisconsin Government will make the prioritize their decisions to invest our resources to improve economic growth and raise the living standards for all Wisconsin families.

Many of these citizens are the caretakers of their communities. They invest their personal energy and resources to helping their families, their neighbors and the community grow. They want Wisconsin Government and the 2001-2003 budget to mirror their values and to reflect the priorities that mean so much in their personal lives.

GENERAL PRIORITIES

Generally, testimony reflected a desire for stronger investment to improve Wisconsin infrastructure and to strengthen individual opportunity.

Prescription drug assistance, independent living assistance, nursing home quality of care concerns, and community services for the elderly and disabled highlighted issues regarding community and family living concerns.

Flexibility from revenue controls, lack of funding for special education, and lower class size were frequently identified as critical to address the harmful effects of revenue controls that are hurting the quality of education in the State.

Helping Wisconsin prepare for the new economy and create higher incomes was the emphasis regarding the University of Wisconsin.

University students testified that freezing tuition assistance programs would increase the level of borrowing and make higher education more unaffordable.

Numerous individuals expressed deep concern about the growing tensions between State and Local Government and a weakening of the partnership that has resulted in an increase of property taxes to pay for unfunded State mandates.

Tobacco control advocates expressed concern about the crippling effects that proposed budget cuts to the tobacco control board would have on local tobacco control activities.

Problem gambling is devastating families across Wisconsin and members of Gamblers Anonymous advocated for a restoration of the Wisconsin Gambling Hotline.

Supporters of Vocational Education emphasized the importance of Wisconsin VTAE in preparing workers and assisting businesses but expressed concern for the lack of financial support from the State.

PROGRAM REQUESTS

“Retirees have worked their entire lifetime to provide for their families, their employers and their community. They have paid their taxes, fought in our wars and met their obligations to our society. They have spent their entire lifetime working for the betterment for others. They are known as the greatest generation. Why, therefore, must they only qualify for prescription drug assistance as though it is welfare?”

PRESCRIPTION DRUGS—Numerous citizens spoke in favor of SB-1, the Wisconsin-Care program as vitally necessary to assist moderate and middle-income seniors. All who testified are encouraged by joint finance committee decision but support additional funding as a top priority.

“For seniors, the first issue is prescription drugs...In fact, 90% of our members supported a state prescription drug program for seniors even if the program would require an increase in general taxes.” AARP testimony

COMMUNITY SERVICES FOR ELDERLY AND DISABLED—

- **Elder Abuse Funding**—*“Many of our elderly citizens are depriving themselves Of food, adequate housing and fuel because of a lack of funding for elderly Programs. They don’t pay taxes any longer and most will never benefit from income tax cuts but they will be hurt if these programs are not adequately funded.”*
Dale Bruhn—A caregiver for his wife who for 15 years has had Alzheimer’s
- **Community Service Support for Staff**—Francis Bicknell and others expressed concern that community service worker wages and benefits are not adequately addressed thereby jeopardizing the community services for the disabled who leave Institutions to live in the community. The CIP 1B rate will be increased but does nothing to help 5500 county supported CIP slots.

“Some counties such as Barron, Washburn, St. Croix, Sauk, Vernon and Dane put in county property tax dollars from 3-20 times the required State match to help these programs work. Counties have tried to do the right thing to save the State money but unfortunately at a cost to their local property taxpayers.

Ashland resident Tom Mitchell represented New Horizons North in Ashland to inform the committee of the prohibitive impact of escalating health care premiums.

"My health insurance premiums have increased from \$150 a month to \$600 a month for me and my two children. The disabled people I serve now make more money than I take home and they have better health coverage. Community support is a good idea and it is cheaper for the State than institutional care but many who currently provide these services can no longer afford to do so and still maintain support for their own families. I am concerned that the financial crises at New Horizons North could result in the loss of the non-profit business and a complete disintegration of the community based services in our area." Tom Mitchell

Assistive Living Services---John Nousaine and John Nudden Durst spoke of the needs of individual living centers for help in obtaining and promoting their assistive technology program for the disabled. He and others spoke eloquently of the cost effectiveness of such a program. Ben Barrett stated that previously he was a nursing home resident but now with the help of the Independent Living and Assistive Technology programs, he is able to live at home rather than a nursing home. Jeff Fox testified of his regular utilization of the equipment and that without additional state support, this resource might no longer be available for citizens in need.

Restoration of Gambling Hotline---

"We understand this state's budget shortfall but would like to point out that the elimination of the gambling assistance dollars will eliminate the only State program to assist problem gamblers." Randy Young

Several citizens expressed deep concern that the \$500,000 elimination of the gambling hotline would leave compulsive gamblers with no dedicated State program to offer them assistance. The hotline received 5,000 calls in the past year, a 32% increase from 1998. The average gambling debt was established at more than \$41,000, an increase of 46% since 1999.

NURSING HOME REIMBURSEMENT---Several persons testified regarding the current and future needs of state nursing homes and expressed concerns that inadequate reimbursement will lead to bankruptcy, nursing home closures and painful dislocation of many residents. Collectively, they pointed to the need to have the state assure long-term viability of the nursing home industry in order to ensure an aging population adequate long-term health care services.

"The future of nursing homes is bleak. In 1999 our home lost \$199,000 and in 2000 lost \$870,000. Our 2001 budget estimates a lost of \$368,000. This is a financial crises for all nursing homes and the Legislature and Governor are personally and politically accountable to take care of the most vulnerable residents in our society."

Frank Pascarella, Polk County Administrator

- **Intergovernmental Transfers**—Many speakers expressed concerns with Finance Committee action to reduce the IGT revenues dedicated to nursing home reimbursement by \$23 million. They are especially concerned with the decision to reduce the trust for future nursing home payments and put \$108 million in the general fund.

“Walworth County is one of the three participating counties assisting the State in claiming federal Medicaid funds through Intergovernmental Transfer. We wish to express our disappointment to use the funding to balance the State Budget rather than using it for long term care. Our willingness to bail out the State is now dampened by this diversion particularly after we were told that the money would be exclusively used for purposes related to the Medicaid program. We urge you to reconsider this action as we also are reassessing our own willingness to continue to transfer dollars to help the State.” Dave Brettl, Walworth County Administrator

Speakers also expressed hope that a compromise regarding labor regions could be achieved so that urban and rural areas might benefit from the changes.

Several speakers also expressed concern about the impact of State implementation of a Case-Mix payment system believing that the new system may be financially harmful to certain nursing homes.

STATE & LOCAL PARTNERSHIPS—breakdown in trust and unfunded mandates have led to burdens on local officials and taxpayers.

City, County and town officials all expressed growing frustration from the fiscal pressures and deep distrust that is growing because of the breakdown between the traditional partnership between State and local governments. Increased unfunded mandates are tying the hands of local officials and raising the local tax burden on property owners.

Myron Schuster testified on the shortfall of state revenues that pay for mandated programs. He particularly pointed to community aids, juvenile justice and court system as examples of where the state has shifted costs to the county rather than making the payments expected.

One member from Amery noted the loss of trust between the state and its counties. He pointed to broken promises with regard to gaming, jails, nursing homes and the kettl Commission. *“If a real partnership between the state and its counties were to be formed, it must be predicated upon the trust of both parties that each will support the other in times of need.”*

“The Juvenile Correction Institutions have increased their daily rates by 14% and neither the finance committee nor the Governor addressed the needs of the counties to pay for the increased costs. Our taxpayers must absorb these costs at the same time we are cutting important programs and services to the most needy in our communities.” Northeastern Wisconsin County Executives

The County officials also pointed out that Circuit Court needs were completely ignored and local officials continue to pay for statewide court programs. They expressed concern that the Kettle Commission recommendations to fully fund this state court system were ignored.

Town Road Aids—Several town officials attended both hearings to encourage an increase in transportation assistance to townships. Town officials are seeking \$1850 per mile through local road aids.

“for every dollar we receive from the State, the town taxpayers put up \$2. Nobody complains because we know the State is helping out and it is a good deal. Send the money. If you don’t, we can’t afford to keep our roads up for our people.”

William Bader, Richmond Township

- **Recycling Grants**—Several speakers encouraged greater revenues for recycling expressing concern that budget reductions would be harmful to local programs and expensive to local taxpayers. They encouraged a \$10 per ton landfill surcharge fee as a source of funding.

Shared Revenue—Municipal officials express deep concern about pending losses to many communities as a result of recent census and freezing of shared revenue payments. They are proposing a freeze on 2001 estimates to reconcile differences. In addition, they seek to freeze the formula to avoid harmful losses to many municipalities.

K-12 EDUCATION—Quality of education if being harmed and children are being hurt because of revenue controls and unfunded special education demands.

Numerous parents, teachers, and administrators identified a pressing need to have flexibility to meet special education needs and other unavoidable growing costs. All speakers warned of a growing split between children of special needs and able-bodied children because of a lack of funding for special education.

“I have never faced a more difficult year in education. I am forced to cut valuable programs to balance my budget and children are being hurt. I implore you to spend money on programs to help people and don’t want my tax cut.”

A mother of an autistic child testified in Verona and pleaded with the committee to assist her school because it is facing a large deficit. *“My school is facing a \$500,000 special education deficit because of the growing demands for special needs children and the cuts are pitting children with special needs against general education. I don’t want my \$33 tax cut but do want you to spend that money on education and helping children.”*

Small and Essential school initiative

Henry Lamkin, South Shore Superintendent told of the plight of the South Shore School District and pleaded with the committee for flexibility to keep his very geographically large school district doors open for two more years.

"My district is facing a real crises as a result of declining enrollments and the need to provide services to students spread over more than 300 square miles. The nearest school to the east is 42 miles, to the west 43 miles and our children are already on a bus for an hour and half each way. Two years ago, I closed a satellite school which was not a popular decision and revenue caps have now forced me to eliminate 25% of my teaching staff. If I must cut one more teacher, I will eliminate my math program.

UNIVERSITY OF WISCONSIN

Chancellors from UW River Falls and University of Wisconsin Extension along with Regent Fred Mohs urged the Legislature to adopt the Regents economic stimulus package to improve our workforce, assist Wisconsin businesses and help Wisconsin prepare for the new economy.

"Like my regent colleagues, I am very concerned about Wisconsin's future economic outlook. We are facing a serious labor shortage in many "new economy" professions targeted by our economic stimulus package—engineering, business, biotechnology and computer and information sciences. State funding is tight and you will be making painful decisions in the coming days. Each decision you make is a choice to seize or forego opportunities that will determine Wisconsin's future. Please consider the economic consequences of NOT investing in Wisconsin's workforce on the state's future revenue collections." Regent Fred Mohs

"The UW's economic stimulus package would address both our ability to produce a well-educated workforce, and our efforts to stimulate a healthy business education—the kind of engaged higher education that improves communities, stimulates commerce, and provides pathways to better jobs.

Financial Aids—Restore financial assistance to meet tuition increases.

Students sought increases in Wisconsin Higher Educational Program, Advanced Opportunity Program and Lawton Undergraduate Minority Retention Program. They also opposed increased flexibility to Board of Regents for fear that it will lead to less State assistance and increased reliance on tuition to fund higher education.

David Dies testified on behalf of the Wisconsin Association of Independent Colleges and Universities to encourage greater support for the Wisconsin Tuition Grant program.

"This is the most difficult budget in recent history but at a time when tuition increases are expected to average at least 5%, we cannot freeze tuition assistance and leave some students behind by pricing them out of the higher education marketplace."

TOBACCO PREVENTION PROGRAMS—Creation of Permanent Endowment to Reduce Tobacco Use in Wisconsin

Representatives of local tobacco coalitions talked of the success of comprehensive tobacco control activities and expressed concerns that budget cuts will severely hamper their abilities to reduce tobacco use in Wisconsin.

Jeff Melby of Columbia reminded the Committee that their County currently receives \$86,000 from the State but has \$11 million of Tobacco related health problems.

John Hasbeck of Dane County Public Health told the committee that a State restriction on local compliance checks has reduced the effectiveness of their program to reduce the sale of tobacco to minors.

"I am outraged that the tobacco money that was obtained from the Tobacco settlement to help people refrain from or quit smoking has been siphoned off to other programs. It angers me that the State is cutting the tobacco control budget when effective programs have just been implemented to help people. I am willing to give my tax cut back because I want the money spent to help people." Judy Omernick, Wausau.

"In Burnett County, we have established a comprehensive plan to target tobacco use in young people; to promote quitting among current smokers and to eliminate environmental exposure to tobacco smoke. We have just begun our work but the recent cuts to the Tobacco Control Board budget will cripple our ability to carry out these prevention efforts." Ruth Tripp, Siren

WISCONSIN VOCATIONAL EDUCATION

Speakers at both hearings informed the committee of budget pressures on vocational education districts that resulted in program cuts, staff lay-offs and waiting lists for popular programs. They emphasized the importance of vocational education in meeting workforce needs and the successful collaborative training programs with local businesses.

"We have 106 students currently on waiting lists to get into the Associate Degree Nursing Program. We desperately need three additional sections to help train nurses and address the nursing shortage in Wisconsin." Dave Hildebrandt, WITC

Speakers expressed worry that decreased funding for State aids to vocational education was driving up local property tax on homeowners. *“Failure to increase general aids doesn’t save taxpayers money, it only shifts the burden from the State general tax to the local property tax and these citizens are having a difficult time shouldering that burden.”*

Speakers sought increased funding for general state aids, capacity building grants, the e-tech initiative and special funding for limited fiscal capacity districts.

Great Lakes Forestry Museum—Jim Stoll spoke in favor of creating a Great Lakes Forestry Museum. He noted the wonderful educational impacts of the museum on our heritage and emphasized the importance to jobs and tourism. The community has been working on this project for years and they are eager to have a partnership similar to other museum projects around the state. They appreciated the finance decision to provide \$300,000 from the forestry account but are hopeful that Indian Gaming funds might be used to provide up to \$750,000 even though they were hopeful for a \$1 million grant.

Impartial Justice—Two speakers attended the Verona hearings to encourage public funding of Supreme Court elections. Funding suggestions included reduction of caucus budgets, luxury box sales tax in Miller Park and Lambeau Field and a sales tax on campaign expenditures for radio and TV ads.

Elimination of Caucuses—One speaker urged the elimination of funding of the caucuses to avoid using public dollars for campaign purposes.

Funding for the Arts—Several speakers encouraged the creation of an Arts Endowment. They applaud the initiative by finance to establish the license plate and establishment of an endowment but are hopeful for tax credit provisions covering contributions to the endowment.

County Sales Tax Option—Barron County Board Chair Arnold Ellison on behalf of his board is seeking additional ¼% sales tax to help county government pay for local programs and services. Growing demands and decreased state revenues are forcing county governments to dig deeper into the local taxpayer pocket to pay for mandated programs. In addition, new jail projects and other major building programs are necessary but severely stretching their ability to pay. County officials want the same options that are available to Miller Park and the Milwaukee Convention Center to help pay for local infrastructure projects.

“Wisconsin is a great place to live and we don’t appreciate our blessings of what we have. When there is a will to meet the needs of our citizens, there is a way.”

Bonding for Animal Health Lab—Several speakers testified at both hearings to express concern that failure to provide bonding for construction of the new facility in Madison will result in a loss of accreditation for the program. Though the

construction will not begin until 2003 (the next biannum) they are worried that officials may discredit Wisconsin because the bonding was part of an overall commitment that the State made to continue to the program.

Division of International & Export Services—Two speakers appeared to encourage the restoration of the funds to the Division. They stress that the Division provides valuable assistance to Wisconsin businesses, especially small and medium size companies in conducting worldwide economic activity.

Court Interpreters—Greg Moore spoke eloquently along with Gail Richardson to encourage more financial support for court interpreters. The existing pay plan of \$35 per diem is inadequate. The joint finance committee is even more inadequate. Competent court interpreters cost more than \$35 per day. Counties will be left with increased financial costs if this growing problem is not addressed.

“For heaven sake, don’t do a legislative council study because it just means longer delay.”

Cazenovia Dam—Two people spoke in support of the restoration of the Lee lake Dam. They emphasized strong local support and encouraged the funding to match the local contributions to save the dam.

On Taxes—112 persons testified at both hearings. Only 2 people expressed concern about high taxes. Most of the other citizens vigorously opposed the State rate cut this year that will average \$33.00 per person. Many vocally oppose the Federal tax cut and all who expressed a feeling on the issue encouraged government to spend the money on programs to help the elderly, the disabled and our children.

“In regard to the Income tax cut, I am proud to live here in Wisconsin. I know my taxes are higher here but I don’t care because we have a great State. We pay for it. I get something for my money here.” Janet Parr, Richland Center

Summary:

This report summarizes the testimony of citizens who attended the two public hearings on the budget. The large participation does demonstrate the public’s desire to influence the decision-making process. The people welcomed the opportunity to comment and each of the members were better informed of the public point of view regarding these many issues.

It is impressive that so many citizens would take the time and their participation strengthened the democratic process. Likewise, the public appreciates the willingness of all the committee members, who attended both hearings for their interest in listening to the public sentiment.

Cumberland public hearing 6-11-01

The following people attended and testified

Ralph Chiodo
1992 Hines Lakeview Dr.
Cumberland, WI 54829

Representing Cumberland Schools

Dr. Don Peterson
1420 18th St.
Barron, WI 54812

Representing Wis. Veterinary Medical Assn.

Ann Lydecker, Chancellor
UW-River Falls
410 S. 3rd St.
River Falls, WI 54022

Representing UW-River Falls

Linda Weiner
6314 Cloverrock Rd.
Middleton, WI 53562

Representing University of Wisconsin System

Henry Lamkin, Superintendent
South Shore Schools
83100 Grand Ave.
South Shore, WI 54865

Representing South Shore Schools

Tom Frazier
2850 Dairy Drive
Madison, WI 53718

Representing Coalition of Wisconsin Aging Groups

Charlene Oftedahl
330 E. LaSalle Ave.
Barron, WI 54812

Representing Barron County Office on Aging

Fred Schluter
1214 Elm St.
Spooner, WI 54801

Representing Coalition of Wisconsin Aging Groups

Robert W. Lee
1001 13th St.
Menomonie, WI 54751

Representing pharmacists

Ken Mosentine
532 E. Wisconsin Ave.
Barron, WI 54812

Representing Coalition of Wisconsin Aging Groups

Thomas Moore
2712 Jenssen Dr.
Frederic, WI 54837

Representing pharmacists

Tom Mitchell
PO Box 323
Washburn, WI 54891

Representing New Horizons North

Walter Day
Ashland, WI 54806

Representing New Horizons North

Jim Stoll
922 Terrace Dr.
Rice Lake, WI 54868

Representing Great Lakes Forestry Museum

David Dumke
3533 S. Wentela Rd.
Brule, WI 54820

Representing Wisconsin Counties Assn.

Wade Reddy
536 Moody Rd.
St. Croix Falls, WI 54024

Representing nursing homes

David West
1243 10 1/2 Ave.
Barron, WI 54812

Representing Knapp Haven Nursing Home

Mike Christensen
16453 92nd Ave.
Chippewa Falls, WI 54729

Representing Grace Lutheran Foundation

Tim Meehan
107 N. Van Rensselaer
Merrill, WI 54451

Representing Pine Crest Nursing Home

Eileen LaFavor
31 County Rd. Y
Baldwin, WI 54002

Representing Baldwin Care Center

Mary Ann Clark
523 21 1/2 Ave.
Cumberland, WI 54829

Representing Cumberland Nursing Home

Michael Thomas
3112 S. Union Rd.
Manitowoc, WI 54220

Representing Manitowoc County

Arlyn Mills
W4266 State Hwy. 29
Owen, WI 54460

Representing Clark County Health Care Center

Gary Taxdahl
Amery, WI

Representing Golden Age Manor

Myron Schuster
2410 Co. Rd. K #116
Siren, WI 54873

Representing Burnett County

Chuck Whiting
1101 Carmichael Rd.
Hudson, WI 54016

Representing St. Croix County

Frank Pascarella
904 Marty Way
Osceola, WI

Representing Polk County

Michael Miller
PO Box 337
Shell Lake, WI 54877

Representing Washburn County

John Nousaine
2231 Catlin Ave.
Superior, WI 54880

Representing North Country Independent Living

John Nedden-Durst
Ashland, WI 54806

Representing North Country Independent Living

Benjamin Barrett
N7478 Wood Dr.
Trego, WI

Representing self

Cathy Burch
Box 457
Minong, WI 54847

Representing self

Jeff Fox
8521 E. Jamar
Gordon, WI

Representing self

Mayor Robert Skinner
Cumberland, WI 54829

Representing City of Cumberland

Dennis Rockow
Cumberland, WI 54829

Representing City of Cumberland

Randy Young
13850 N. Sabin Rd.
Hayward, WI 54843

Representing Council on Problem Gambling

Al W
2746 Windsor Dr.
Eau Claire, WI 54703

Representing Council on Problem Gambling

Dennis Radcliff
2519 86th Ave.
Osceola, WI 54020

Representing self

Gregg Moore
405 N. Barstow, Suite C
Eau Claire, WI 54701

Representing Wisconsin State Supreme Court

Penny Kleinhans
202 Birch St. E
Frederic, WI

Representing Frederic School District

Sue Selbin
311 W. 1st St.
New Richmond, WI 54017

Representing CESA #11

Paul Vine
Rice Lake, WI

Representing Rice Lake School District

Ray Van Gilder
Rice Lake, WI

Representing Rice Lake School District

Mary Ann Dobler
Rice Lake, WI

Representing Rice Lake School District

Bruce Anderson
Boyceville, WI

Representing Boyceville School District

Kenneth Jost
PO Box 54
Chetek, WI 54728

Representing Chetek School District

Sid Bjorkman 612 Cross Ave. Amery, WI 54001	Representing Wisconsin School Boards Assn.
Roger Hulne 271 Hwy 63 Shell Lake, WI	Representing Shell Lake School District
Phil Markgren 217 Walnut St. Spooner, WI 54801	Representing Spooner School District
Don Hasch W7944 Carlton Rd. Spooner, WI 54801	Representing Spooner School District
Tom Hall 102 Monroe Rice Lake WI54868	Representing Rice Lake School District
Brian Wick PO Box 372 Clear Lake, WI 54005	Representing Clear Lake School District
La Moine MacLaughlin 250 85 th Ave. Clayton, WI 54004	Representing local arts groups
David Danielson 411 Day Road St. Croix Falls, WI	Representing self
Richard Best 401 Technology Dr. Menomonie, WI	Representing West-Central Wisconsin Workforce Development Board
Tom Harnisch PO Box 65 Neillsville, WI	Representing Wisconsin Towns Assn.
Richard Pecha, Jr. 14786 Hwy 40 Bloomer, WI 54724	Representing Town of Cooks Valley

Joe Lorence
W6364 Poplar Rd.
Sheldon, WI 54766

Representing Town of Marshall

Lawrence Klug
N7694 Pair O'Lakes Rd.
Spooner, WI 54801

Representing Town of Casey

David Hildebrand
WITC
Shell Lake, WI

Representing Wisconsin Indianhead Technical
College

Michael Bark
Rt. 1, Box 90
Washburn, WI

Representing Wisconsin Indianhead Technical
College

Tom Tihmahkena
1283 Jeffrey Blvd.
Cumberland, WI 54829

Representing St. Croix Chippewa Tribe

William Hindsley
2583 8 1/2 St.
Cumberland, WI 54829

Representing St. Croix Chippewa Tribe

Hazel Hindsley
2583 8 1/2 St.
Cumberland, WI 54829

Representing St. Croix Chippewa Tribe

Pete Sanders
PO Box 730
Hayward, WI 54832

Sawyer County Health & Human Services Dept.

Lester Erickson
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Cumberland, WI 54829

Representing self

Ruth Tripp
6921 Gordon Rd.
Siren, WI 54872

Representing self

Bill Van Offeren
802 E. Co. Hwy. B
Shell Lake, WI 54871

Representing Terrace View Living Center

The following people registered but did not testify

Jack Sroka 2310 Woodland Trail Cumberland, WI 54829	Representing Wisconsin Economic Development Assn.
Robert Marty 539 Homestead Trail Somerset, WI 54025	Representing self
Frank Koehn PO Box 3 Herbster, WI 54844	Representing self
Dwayne Farnsworth 1927 110 th Ave. Dresser, WI 54009	Representing self
Sandra Mackie 802 Ash St. Spooner, WI 54801	Representing Northwest Library Service
Pat Schmidt 2764 150 th St. Luck, WI 54853	Representing Indianhead Federated Library System
Bill Ihlenfeldt 620 W. Clarence Eau Claire, WI 54701	Representing Chippewa Valley Technical College
Amy Gostonczik 22 Oak St. Spooner, WI 54801	Representing Washburn County Health Dept.
Fred Sutherland 857 19 th Ave. Cumberland, WI 54829	Representing self
Lee Bush N37738 Fitch Coulee Rd. Whitehall, WI 54773	LaFarge School District
George Hoff 935 8 th Ave. Barron, WI 54812	Representing Barron County

Linda Thompson
2468 18 1/2 St.
Rice Lake, WI

Representing Indianhead Federated Library System
& Barron County Library System

Harold Thorson
410 S. 4th St.
Barron, WI 54812

Representing self (prescription drugs)

Rita Vanek
Rice Lake, WI

Representing self (prescription drugs)

Jane Wiggers
Cumberland, WI

Representing self (prescription drugs)

Frances Peichel
1325 Comstock Ave.
Cumberland, WI

Representing self (prescription drugs)

Betty Olson
Cumberland, WI

Representing self (prescription drugs)

Darlene Williams
Comstock, WI

Representing self (prescription drugs)

Margaret Lien
775-5th Ave. S.
Cumberland, WI

Representing self (prescription drugs)

Doloris Haley
Cumberland, WI

Representing self (prescription drugs)

Kelly Swanson
Cumberland, WI

Representing self (prescription drugs)

Chuck Reynolds
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Cumberland, WI

Representing self (prescription drugs)

Dick Ruzsa
2146 2 1/2 St.
Comstock, WI

Representing self (prescription drugs)

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Representing self

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Danbury, WI 54830

Representing Scott Township

Robert Clifton
PO Box 132
Luck, WI 54853

Representing Luck Public Schools

Ed Stroinski
N627 Hwy. 73
Thorp, WI

Representing Wisconsin Towns Assn. (Taylor
County)

Louis Gagner
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Cameron, WI 54822

Representing self

Dennis Sorensen
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St. Germain, WI 54558

Representing Association of Wisconsin
Snowmobile Clubs

Fred Ochs
1232 N. Broadway
Menomonie, WI 54571

Representing The Medicine Shoppe

Vernon O'Neil
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Birchwood, WI 54817

Representing Town of Edgewater in Sawyer
County

John Biver
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Spooner, WI 54801

Representing town of Dewey in Washburn
County

David Naser
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New Richmond, WI 54017

Representing Town of Richmond

Fred Ball
1133 130 Ave.
New Richmond, WI 54017

Representing Town of Richmond

Arlyn Helmer
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Springbrook, WI 54875

Representing Washburn County Towns Assn.

Warren Bader
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New Richmond, WI 54017

Representing Town of Richmond

Thomas J. Mackie
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Spooner, WI

Representing Washburn County Board

Len Meysembourg
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Rice Lake, WI

Representing Rice Lake Convalescent Center