



**We Advocate for our Members**

Fall, 2011

# Government Affairs Task Force

## *Survey Indicates Wisconsin is "Going in the Right Direction"*

The 2011 Economic Outlook Survey from Wisconsin Manufacturers & Commerce shows that business leaders have more confidence in state legislature. The survey of June 2011, indicated that 88% of the survey respondents said they believed Wisconsin was going in the right direction, compared to just 10% a year ago.

## *Special Session Tax Bills Advance*

- Health Savings Accounts: federalizes the treatment of health savings accounts
- New Business Tax Credit: provides a tax credit equal to a company's tax liability for 2 years, for companies that locate in WI and haven't done business here for the previous 2 years
- Economic Development Tax Credits: increases the tax credits available for allocation by the Dept. of Commerce for economic development by 25 million
- Super Majority Requirement: requires a two-thirds vote of the Legislature to raise taxes in the future
- Job Creation Tax Deduction: Creates a \$4,000 tax deduction for companies with gross receipts of less than \$5 million for each job created in a tax year, and a \$2,000 deduction for companies with gross receipts of more than \$5 million for each job created.

## *State Report Card*

The Wisconsin Taxpayers Alliance publication "Measuring Success: Benchmarks for a Competitive Wisconsin" assesses Wisconsin's competitive position using 34 measures in six areas. Results are for 2009 or 2010, the most up-to-date data available.

### Areas of Strength:

Education: High School graduation rates (89.6%) remained above the national average. Students also scored above average on college entrance exams averaging 22.4 (out of 36) on the ACT.

Quality of Life: The percentage of

the population with health insurance (90.4%) is well above the US average (84%) and among the nation's highest. The state's percentage of people living in poverty remains below the national average at 11.4%. The state's violent crime rate is about 40% below the national average.

### Areas that need Improvement:

Firm Creation: A key indicator of economic health is growth in number of private businesses. Over the past five years the number of businesses nationally grew by 11.2% while Wisconsin experienced a 0.7% drop. The state had the largest 5-year

decline of any of the surrounding states—including Michigan (0.6%). Venture Capital: from 2008 to 2009 venture capital investments per worker here dropped from \$22.30 to \$8.73. Over the past five years they fell 57.0% vs. 18.4% nationally.

Public Sector: The state tax burden relative to income has fallen over the past decade but remains above surrounding states and the US (11.8% of personal income vs. 11.2%). Wisconsin's taxes ranked 13th highest nationally.

## *Conceal Carry Legislation and your Business*

The bulk of this legislation will go into effect November 1st, 2011. Act 35 allows citizens to carry concealed weapons in public. Business owners can opt to prohibit concealed weapons on their property.

In order to prohibit concealed weapons on their property, business owners or occupants must post a sign notifying persons of the restriction. The sign must be at least five inches by seven inches and be located in a prominent place near all of the entrances or all

probable access points to the grounds or land to which the restrictions apply. A website for reference/faq's is: [http://www.doj.state.wi.us/dles/cib/ConcealedCarry/ccw\\_frequently\\_asked\\_questions.pdf](http://www.doj.state.wi.us/dles/cib/ConcealedCarry/ccw_frequently_asked_questions.pdf)

## *Ad Hoc Committee for Role & Form of Mayor issues Final Report*

On August 9th, 2011, the committee unanimously voted to recommend to City Council that the mayor's position should be full-time rather than part-time.

The core of the committee's research has been dedicated to what form of government would be best for Sun Prairie. Wisconsin, over the past several decades, has three basic forms of governance: commission, city manager and mayor-council. Presently, Sun Prairie operates on a mayor-council format. The city administrator directs and coordinates all city employees and services and the council has the powers of the city not

specifically vested in the mayor or city administrator.

"After examining these governmental forms, interviewing a wide array of government officials and engaging in spirited, yet constructive debate, a near unanimous majority of this committee concludes that Sun Prairie should have a full-time mayor with expanded duties and a strong administrative presence to support him/her," the committee report stated.

"While the array of reasons for this recommendation is varied, there are two common threads. The first is a call for expanded

responsibility and accountability from the chief executive of the second largest city in Dane County. The second is mayoral accessibility to the citizens of Sun Prairie, visibility and participation at local, regional and state sessions where discussions impacting Sun Prairie are occurring."

The report also states "ordinances stipulating the mayor's responsibilities and compensation should be adjusted commensurate with expanded duties by action of the city council, whether or not the recommendations discussed in this report are adopted."

Source: *The Star*