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## **FOR IMMEDIATE RELEASE**

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## **Governor Walker Releases Column: Conservative Reforms Pay Dividends**

**Madison** - Governor Scott Walker released the following column today highlighting the common sense conservative reforms included in his 2017 - 19 Executive Budget. This column is for your consideration to publish.

### **Conservative Reforms Pay Dividends**

By Scott Walker

The state of our state is strong, and the state of our budget is outstanding. This is very good news, and we are able to make these important investments because our common sense conservative reforms are working.

We have already lowered the burden on hardworking taxpayers by over \$4.7 billion, helping put more money into the economy. Reducing excessive regulations and frivolous lawsuits improved the business climate so employers could add more jobs and offer higher wages.

Just look at the results. During the past year, more people were employed in Wisconsin than ever before. Unemployment is now down to the lowest levels since January 2001, and the percentage of people working in Wisconsin is among the best in the country.

In addition, we put in place reforms that helped the government be better stewards of the taxpayers' money. We are able to reduce waste, fraud, and abuse in state government. Independent studies show our Act 10 reforms have saved schools, local and state government some \$5 billion.

Overall, our reforms brought us here to the point where we have a significantly better budget outlook. It's what we call the "Reform Dividend," and our priorities fall into three categories: Student Success, Accountable Government, and Rewarding Work. Our budget includes major new investments and conservative reforms in each of these areas.

When it comes to student success, we require school districts to comply with our reasonable Act 10 reforms in order to receive an increase in funding. This is about ensuring more money gets spent in the classroom for the benefit of our children.

We also allow school districts to share services in order to find greater efficiencies and do away with costly mandates that have little impact on our schools.

We're making important investments in higher education that require accountability of our public institutions. A college degree should become more relevant to students and employers, and to that end, we are tying increases in funding for the UW System to a performance-based system which includes criteria like the number of graduates, the length of time to graduate, how many graduates are employed, and how many are in high-demand areas within the state.

We propose aligning incentives to get professors into the classroom to reverse a nationwide trend where professor time in the undergraduate classroom is down, while tuition has gone up about four times the rate of inflation since 1978.

Our budget prioritizes accountable government by driving down costs through reforms. We propose a full elimination of prevailing wage and prohibit project labor agreements which result in higher costs on taxpayer-funded projects. These projects should be completed efficiently and effectively without costly mandates.

The budget also includes a provision, commonly known as the REINS Act, which would require any bureaucratic rule that costs businesses more than \$10 million to be subject to further legislative review and approval. This reform will make Wisconsin a national leader in holding government more accountable and preventing administrative overreach.

Our conservative reforms to put the taxpayer first continue by adopting suggestions put forward by our Commission on Government Reform, Efficiency, and Performance. From modernizing how state government works by allowing shared services between agencies, to eliminating redundancies and obsolete functions in boards, councils and commissions, we guarantee more savings in the future. We propose saving at least \$60 million by allowing the state to self-insure state employees. And we identified that between the 487 mailing requirements, 83 printing requirements, and 88 publishing requirements government must comply cost taxpayers over \$100 million a year. It's time to end these mandates. We rewrite how government works so the taxpayer is put first.

Taxpayers are the biggest winner from the Reform Dividend.

First, we will continue to lower property taxes. As promised, property taxes on a median-valued home will be lower in 2018 than they were in 2010. As a percentage of personal income, they are the lowest since World War II. And we are going to take it farther by eliminating the state portion of your property tax bill. For the first time since 1931, there will be no state tax collected on your property tax bill.

Second, we add in another round of income taxes for everyone that pays taxes. As promised, income taxes in 2018 will be less than they were in 2010. Overall, income taxes on a typical family will go down more than \$130 in this budget - so cumulatively from 2010 to 2018, that's a savings of \$1,542.

Overall, the total new tax relief in our budget is \$592.7 million.

We should not raise taxes on farmers and manufacturers. We should not raise the income tax. We should not raise the gas tax. Now is not the time to raise taxes on the hardworking taxpayers.

Our budget also prioritizes Rewarding Work through our Wisconsin Works for Everyone welfare reform package. Here in Wisconsin, we are good and decent people. We will help our fellow citizen when they are down and out. But public assistance should be a trampoline, not a hammock.

For starters, that means that able-bodied adults will need to be employed at least 80 hours a month to receive things like food stamps. If not, they will need to be enrolled in our job training program. On top of that, we are working with the new administration and Congress to get approval to expand drug testing for people seeking public assistance.

We promote work in this budget - and we also promote two parent households. We get rid of the marriage penalty under the Earned Income Tax Credit. Research shows that people, who graduate, get a job, and wait until they are 21 and married to have children, are overwhelmingly more likely to succeed in life.

Part of expanding our workforce also requires removing barriers to employment and to people starting their own small businesses. Our budget requires review of occupational licenses to determine which are truly needed to protect public health and safety and which of those are just barriers to job growth.

The common sense reforms that helped build this healthy economy and strong management of our state resources created our positive budget outlook. This is a solid budget built on a strong foundation. The Reform Dividend gives us plenty of ways to support our priorities. And, this budget continues our efforts to put the taxpayer first.

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