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Jobs NOW Agenda Introduced in the Assembly

Madison... Representative John Nygren (R-Marinette) and Assembly Republicans introduced multiple bills in the Assembly today that would create and keep jobs in Wisconsin. The Wisconsin Department of Workforce Development estimates 134,000 jobs have been lost over the last year. Unemployment in Wisconsin has been 9 percent or higher for months. Companies cutting jobs in Wisconsin have cited numerous proposals brought forward by the Democrat majority this session as reasons for leaving the state or cutting jobs.

In February of this year, Democrats passed a budget repair bill that raised taxes by over \$1.2 billion. Within that bill was a new combined reporting tax that has been a deterrent for companies who want to relocate or expand in these tough economic times. Harley Davidson cut 400 jobs soon after this tax was enacted and cited this tax as one of the reasons for the cuts. Thomas Products cut 366 jobs in Sheboygan and sent a majority of them to Louisiana. Briggs and Stratton cut 530 jobs from a plant in Jefferson and are moving almost all of them to Alabama or Georgia. Wisconsin lost the Janesville General Motors plant to Michigan. The list goes on and on.

"We are in a competition with other states for jobs and the employers that create them," Nygren said. "Many of the jobs Wisconsin has lost have been shipped to other more employer friendly states. If Wisconsin is going to grow and create jobs legislative leaders will have to view employers as partners as opposed to piggy banks."

Within the Assembly Republican Jobs Agenda is a proposal that would sunset the new combined reporting tax. As well, Republicans are proposing to sunset another tax increase enacted by the Democrat majority on savings and investments. That tax totals \$242.5 million and falls directly on capital that is used to create jobs and for employer expansion. Republicans are also proposing to sunset the new 75 cent per phone line tax enacted by Democrats in the last budget. This would save phone users \$107.6 million if it were not enacted in the last budget.

Republicans are also proposing to offer employers jobs tax credits immediately. Under this proposal, an employer that creates jobs would be able to deduct up to 10 percent of those wage and training costs.

“Within the Democrat’s budget enacted this year was a jobs tax credit that does not get paid to employers until 2012,” Nygren said. “Wisconsin needs jobs NOW, not more than two years from now. Under the Republican agenda the jobs tax credit would go into effect this year.”

Within the agenda, Republicans are also proposing to allow small businesses the option of deducting business expenses at a level similar to the federal government. This will increase small business investment and will assist employers in these tough times. Additionally, in the Republican Jobs Agenda is a proposal that would allow employers the option to invest up to \$10 million in Wisconsin NOW without being taxed on capital gains. The Democrats enacted a similar proposal, but it does not go into effect until 2011.

Health insurance costs are also addressed in the Republican proposal. Under this bill, employers would be able to purchase insurance across state lines. Currently, employers are prohibited from doing so. This will offer more choice to employers and reduce costs through insurance industry competition.

“Allowing small businesses to purchase quality health insurance at the best price they can find is a common sense part of health care reform,” Nygren said. “Automobile insurance can be purchased from out of state and this helps to reduce the costs because consumers shop around for the best deal. Consumers should be able to purchase health insurance in the same way.”

If the Republican Jobs Agenda were passed, the Department of Commerce would be required to develop a rapid response team to retain employers in Wisconsin. As well, Commerce would have to report to the legislature on employer retention efforts they are undertaking. This provision was in the budget, but vetoed out by Governor Doyle.

The proposals would also end the practice by the Department of Revenue of unilaterally raising taxes. Over the years, Revenue has creatively found ways to increase taxes on software, the internet, and business transactions among other things. Over the years, these taxes total over \$100 million.

“The Republican Agenda would place the power to tax back in the legislative branch where it belongs. Employers should be able to operate on a level and transparent playing field. They should not be hindered by taxes they never knew existed because an executive branch is short on revenue.

The Democrats budget repair bill and biennial budget have raised taxes by \$4.76 billion this year alone. Spending has increased by 6.2 percent under the new majority. Property taxes have risen \$1.5 billion and controls on property taxes were eliminated that will result in even higher property tax burdens on Wisconsin families. The actions by the Democrats have chased jobs out of the state and are threatening to eat away at family savings. The Republican Jobs NOW Agenda is a good start that will begin to turn the corner and bring jobs and employers back to our state,” Nygren concluded.

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