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Wisconsin Democracy Campaign

GRAFT TAX 2005 SCORECARD

A Wisconsin Democracy Campaign report issued earlier this month, “Graft Tax 2005: Playing Peter to Pay Paul,” described how tax breaks, fee and tax increases and state spending measures in Democratic Governor Jim Doyle’s proposed 2005-07 state budget and 17 bills mostly sponsored by majority Republican legislators benefit or cost special interests who make large campaign contributions to state policy makers at the expense of taxpayers.

The report found the proposals will cost at least \$458 million or \$118 per taxpayer each year if they are approved.

This feature, “Graft Tax 2005 Scorecard,” will monitor the actions taken by legislators and the governor on these proposals to show whether cash constituents fare better than voting constituents.

After the budget is proposed by the governor the Legislature’s Joint Finance Committee, which is dominated 12-4 by Republicans, spends several weeks making changes it deems necessary before sending it to the full Legislature for consideration and passage. Republicans control the Senate 19-14 and the Assembly 60-39. If both houses fail to agree on each other’s changes, a committee of legislative leaders – known as a conference committee – crafts a compromise budget and submits it again to the full Legislature for approval. The budget is then sent to the governor who can use his veto power to remove or change policy and spending items before signing it.

Like the budget, Senate and Assembly bills must be considered by both houses of the Legislature and then sent to the governor for final approval.

The special interests that have a stake in one or more of these measures have given Doyle \$7.7 million or 84 percent of his large individual and political action committee contributions since 1995. Special interests with a stake in the mostly Republican legislative proposals have given current legislators \$18.22 million in campaign contributions since 1993, including \$12.65 million, or 69 percent, of their contributions to Republicans.

programs and giveaways to two businesses			Senate	Approves budget 17-16 with Joint Finance and Assembly changes, as well as an amendment to cut an additional \$100 million in state agency spending in 2005-07; requiring state workers to pay \$42.2 million toward their retirement benefits; cut an additional \$1 million from the UW-Madison budget; giving home schoolers and parents of children who go to private schools a \$100-per child income tax credit that will cost the state \$14.6 million in 2005-07; giving adoptive parents a \$5,000 tax credit that will cost the state \$12.8 million in 2005-07.
			Final by Governor	
	All sectors of the business community. <i>These interests have contributed \$7.42 million to Doyle from 1995 through 2004, including \$6.19 million or 83 percent since 2002 when he ran for governor.</i>	\$10.3 million on new development grant and training programs and tech grant and loan program staff; \$10.1 million in no-strings-attached grants to Palmer Johnson Yachts and Bay Shipbuilding Company.	Joint Finance	Cuts governor's \$10 million new development grant and training programs.
			Assembly	Approved Joint Finance Committee changes.
			Senate	Approved Joint Finance Committee changes.
			Final by Governor	

Item	Affected Special Interest(s)	Value of Benefit or Expense to Special Interest	Subsequent Actions	
Assembly Bill 100, the proposed 2005-07 state budget: Road Construction	Road builders, the Wisconsin Laborers District Council and the Operating Engineers Local 139. <i>These special interests have contributed \$389,367 to Doyle.</i>	Spends an additional \$64 million in 2005-07, for a total of nearly \$385 million, on major road projects. Spends \$184 million a year to pay off the interest on borrowing for past major road projects. That figure is 180 percent or \$118 million over the inflation rate since 1990.	Joint Finance	No change.
			Assembly	Approved without changes.
			Senate	Approved without changes.
			Final by Governor	
Assembly Bill 206	Business, manufacturing utility, telecom, transportation and anti-abortion interests which have given \$3.61 million or 81 percent of their contributions to GOP legislators.	Creates a third tax credit for corporate research and development at a cost of \$10 million a year to taxpayers.	Joint Finance	Approved 9-6. Nine Republicans voted for it and four Democrats and two Republicans voted against it.
			Assembly	Approved on a 59-36 party line vote.
			Senate	
			Final by Governor	

Item	Affected Special Interest(s)	Value of Benefit or Expense to Special Interest	Subsequent Actions	
Senate Bill 163.	The business community and restaurant interests which have given <i>\$1.32 million or 78 percent of their contributions to Republicans.</i>	This bill creates a property tax exemption for restaurant machinery and equipment at a cost of \$4.7 million a year to taxpayers.	Joint Finance	
			Senate	
			Assembly	
			Final by Governor	
Assembly Bill 4	Business, manufacturing banking, agriculture, construction, insurance and restaurants which have given <i>\$7.13 million or 81 percent of their contributions to Republicans.</i>	Creates a state tax credit for people who want to contribute to an individual health savings account to pay for health care costs. The bill would cost taxpayers \$4.5 million the first year and increase \$500,000 a year thereafter.	Joint Finance	Approved on a 12-4 party line vote
			Assembly	Approved 63-33
			Senate	
			Final by Governor	

Item	Affected Special Interest(s)	Value of Benefit or Expense to Special Interest	Subsequent Actions	
Assembly Bill 55	Campground owners and business interests which have given \$988,572 to Republicans. It is opposed by lawyers who have contributed \$675,257 to Republicans.	Provides campground owners with immunity from customers who sue them for property damage, injury or death.	Joint Finance	
			Senate	
			Assembly	
			Final by Governor	
Assembly Bill 101 and Senate Bill 58	Business, manufacturers, construction, petroleum marketers, ag equipment retailers drug makers and restaurants which have given \$3.94 million or 84 percent of their contributions to Republicans. It is opposed by the AFL-CIO which has contributed \$281,834 to Republicans.	Redefines the standard for defective products and when manufacturers and retailers are liable for the injuries or other problems caused by products they make or sell.	Committee	Senate Bill 58 was approved on a 3-2 party line vote by the Senate Judiciary Committee
			Senate	Approved on a 18-14 party line vote.
			Assembly	
			Final by Governor	
Assembly Bill 243	Business, utility, manufacturing telecom and transportation interests which have given \$3.61 million or 81 percent of their contributions to Republican legislators.	Creates an income tax credit for engine manufacturing and vehicle design research and a tax credit for 10 percent of the cost to build facilities for engine manufacturing and design. The bill will cost taxpayers \$2.5 million a year.	Joint Finance	
			Assembly	
			Senate	
			Final by Governor	

Item	Affected Special Interest(s)	Value of Benefit or Expense to Special Interest	Subsequent Actions	
Senate Bill 52	Business, manufacturing utility, telecom and transportation interests which have given \$3.61 million or 81 percent of their contributions to Republican legislators.	Cuts the corporate income tax of companies that create 100 or more jobs in a year and keep those jobs for three years.	Committee	Approved 4-1 by the Senate Job Creation committee
			Senate	
			Assembly	
			Final by Governor	
Senate Bill 69	Business, manufacturing construction and road building interests which have given \$3.94 million or 85 percent of their contributions to Republican legislators.	Creates an income tax credit for employers that pay wages to an apprentice in industrial manufacturing, service sector and construction trade programs. The bill would cost taxpayers \$11.2 million a year.	Joint Finance	
			Senate	
			Assembly	
			Final by Governor	

Item	Affected Special Interest(s)	Value of Benefit or Expense to Special Interest	Subsequent Actions	
Assembly Bill 277 (dubbed part of “Job Creation Act II” by supporters and the “Dirty Air” bill by critics).	Construction, business, manufacturing transportation, utility and telecom interests support the bill and have <i>given \$6 million to legislators and \$1.9 million to Doyle who supports the bill.</i> The bill is opposed by local governments, environmental groups, lawyers and the AFL-CIO which have <i>given legislators \$1.34 million and Doyle \$1.69 million.</i>	Exempts some companies from construction permit requirements intended to reduce air pollution; allows some company projects to proceed without state environmental reviews; and removes a five-year time limit for companies with air pollution permits to undergo a state review.	Committee	Approved 12-3 by the Assembly Natural Resources Committee. Nine Republicans and three Democrats voted for it and three Democrats voted against it.
			Assembly	Approved 73-25.
			Senate	Approved 21-12.
			Final by Governor	
Assembly Bill 278	Agriculture, construction, business, manufacturing transportation, telecom and restaurant interests support the bill and have <i>given \$5.75 million or 82 percent of their contributions to Republican legislators.</i> Environmental groups, local governments, municipal utilities and the AFL-CIO oppose the bill and have <i>given \$23,963 to Republican legislators.</i>	Prohibits workers from suing company shareholders for wages when a company goes out of business; limits public nuisance suits against businesses by state and local governments; and sets standards for admissible expert testimony in court cases.	Committee	Approved on a 4-3 party line vote by the Assembly Judiciary Committee.
			Assembly	Approved on a near party line 56-40 vote.
			Senate	
			Final by Governor	

Item	Affected Special Interest(s)	Value of Benefit or Expense to Special Interest	Subsequent Actions	
Assembly Bill 336	Opponents are labor unions and local government officials who have <i>given \$301,392 or 16 percent of their contributions to Republican legislators.</i> Supporters of the bill are business, manufacturing temporary service agencies, SBC, WPS and American Family Insurance which have <i>given \$2.37 million or 81 percent of their contributions to GOP legislators.</i>	Creates a sales tax break for certain work performed by temporary service agency workers. This bill would cut state sales tax collections by \$4.2 million a year.	Committee	
			Assembly	
			Senate	
			Final by Governor	

Item	Affected Special Interest(s)	Value of Benefit or Expense to Special Interest	Subsequent Actions	
Assembly Bill 155 (bipartisan sponsors)	Business, manufacturing real estate, tourism and real estate interests support the bill and have <i>given \$5 million or 82 percent of their contributions to Republican legislators.</i> Opponents are environmental groups and local officials who <i>have contributed \$19,558 to Republican legislators.</i>	Prohibit local governments from removing nonconforming buildings, billboards and other fixtures.	Committee	Approved on a 4-2 party line vote by the Assembly Property Rights and Land Management Committee.
			Assembly	
			Senate	
			Final by Governor	

Proposals Opposed by Special Interests

Item	Affected Special Interest(s)	Value of Benefit or Expense to Special Interest	Subsequent Actions	
Assembly Bill 252 (bipartisan sponsors)	Opponents of the bill are business, manufacturing and insurance interests which have <i>given \$2.19 million or 83 percent of their contributions to Republican legislators.</i> Supporters of the bill are local health officials, nurses and social service groups which have <i>given \$23,580 to GOP legislators.</i>	Increases the minimum coverage insurers must provide for treatment of nervous disorders, mental illness, alcoholism and other drug abuse.	Committee	
			Assembly	
			Senate	
			Final by Governor	

Item	Affected Special Interest(s)	Value of Benefit or Expense to Special Interest	Subsequent Actions	
Assembly Bill 303 and Senate Bill 156	Opponents include road builders, Wisconsin Laborers District Council and Operating Engineers Local 139 which have <i>given \$787,698 to Republican legislators</i> . Supporters are the trucking industry and 1000 Friends of Wisconsin which have <i>given \$162,135 to Republican legislators</i> .	Repeals a state law that automatically increases the state gasoline tax every April 1 to pay for road projects, maintenance and repair. The 2005 increase is expected to cost drivers an additional \$32.4 million	Joint Finance	
			Senate	
			Assembly	
			Final by Governor	

Item	Affected Special Interest(s)	Value of Benefit or Expense to Special Interest	Subsequent Actions	
Senate Bill 141 (bipartisan sponsors)	Opposed by insurance interests which have <i>given \$862,121 or 77 percent of their contributions to Republican legislators.</i>	Prohibit insurers from not renewing property or automobile policies because of claims for damage caused by acts of nature.	Committee	
			Senate	
			Assembly	
			Final by Governor	

Item	Affected Special Interest(s)	Value of Benefit or Expense to Special Interest	Subsequent Actions	
Assembly Bill 100, the proposed 2005-07 state budget: HMO gross revenue assessment	Opposed by health maintenance organizations which have <i>given \$130,789 or 79 percent of their contributions to Republican legislators.</i>	HMOs would pay a 6 percent gross revenue assessment designed to qualify the state for more federal Medicaid matching funds that would be passed back to HMOs for the patients they serve. The assessment would cost HMOs \$88.2 million.	Joint Finance	Deleted governor's proposal. The industry has contributed \$164,621 to current legislators, including \$130,789 or 79 percent to Republicans who control the Senate and Assembly.
			Assembly	Approved Joint Finance Committee version.
			Senate	Approved Joint Finance Committee version.
			Final by Governor	
Nursing home bed assessment	Opposed by the nursing home industry which has <i>given \$88,623 or 87 percent of its contributions to Republican legislators.</i>	Nursing homes would pay an increased monthly bed assessment that would cost them \$52.2 million per year.	Joint Finance	Deleted governor's proposal. The nursing home industry
			Assembly	Approved Joint Finance Committee version.
			Senate	Approved Joint Finance Committee version.
			Final by Governor	