

MMAC 2010 Candidate Survey – Scott Walker

I. MARKET LEADER IN EDUCATIONAL ATTAINMENT

With Milwaukee recently ranking a startling 47th out of 50 comparable metro areas in terms of educational achievement, the MMAC has set an ambitious goal of transforming our region into a market leader in educational attainment and workforce quality. To reach that goal MMAC has supported a broad array of educational options in Milwaukee aimed at increasing the city's number of high-performing schools, including Milwaukee Public Schools, charter schools and the Milwaukee Parental Choice Program (MPCP).

Currently, MPCP enrollment is capped at 22,500 students and only two entities in Milwaukee (the city of Milwaukee and the University of Wisconsin- Milwaukee) are authorized to establish independent charter schools. Choice schools receive taxpayer support of \$6,442 per pupil compared to \$7.775 for independent charter schools in Milwaukee and \$13,318 for students in traditional Milwaukee Public Schools. Statewide, students attending public schools received an average of \$11,894 in taxpayer support in the 2007-08 school year.

- 1. Would you support increasing per-pupil funding for MPCP and Charter school students to 80% of the per pupil amount received by MPS students?**

Yes X No _____

- 2. Would you support allowing the expansion of Charter Schools by giving additional entities the authority to authorize Charter Schools?**

Yes X No _____

- 3. Would you support the creation of alternative pathways for certification of teachers and school administrators?**

Yes X No _____

- 4. Currently, all schools receiving public funding in Milwaukee are required to take state's Wisconsin Knowledge and Concepts Exam (WKCE). Would you support requiring all schools receiving public funds to annually administer a nationally-normed achievement test of their choice?**

Yes X No _____

- 5. As governor, what would be your top priority to improve educational attainment in Milwaukee?**

My plan for improving education in Milwaukee includes four parts: lift the caps on the Milwaukee Choice Program and expand charter schools so parents can move their children from failing public schools to better educational environments; ensure that all students can read at grade level before being passed into 4th grade; implement turnaround plans for individually failing schools that lift union rules and allow major changes to staff and administration; and implement a merit pay system that rewards our best teachers, mentors struggling teachers, and removes persistently failing teachers from the classroom.

II. COST-COMPETITIVE AND POSITIONED FOR GROWTH

MMAC has set a goal of creating a business climate that is cost competitive and positions Wisconsin competitively for growth. Recently, Wisconsin's tax burden ranking has dropped to 14th nationally. Despite this drop, however, Wisconsin is still often perceived as having a negative tax climate, and recently *CEO Magazine* ranked Wisconsin as the 10th worst state in the nation for business.

6. For each of these Wisconsin taxes, indicate whether you believe they are too high, too low or about right:

Individual Income Tax

Too high Too Low About Right

Sales Tax

Too high Too Low About Right

Property Tax

Too high Too Low About Right

Corporate Income Tax

Too high Too Low About Right

7. Which of the following tax changes would you support:

- Reduce Wisconsin's top personal income tax rate
- Enact retroactive transition rules to mitigate the impact of Combined Reporting on state businesses
- Repeal the Domestic Production Activities Tax
- Restore the 60% tax exemption for capital gains
- Repeal the Corporate Income Tax
- Increase the state sales tax in order to lower other taxes

8. Wisconsin faces a budget deficit of nearly \$3 billion. What specific tax and budgetary plans will you propose to address that budget shortfall while, at the same time, change the negative perception of our state business climate?

Balancing the budget without raising taxes will signal to job creators in other states that Wisconsin is serious about attracting new businesses to Wisconsin. My plans for requiring state workers to contribute to their pensions, eliminating 4,000 state positions and establishing a Fraud, Waste and Abuse Commission to find savings will put us on the path to fiscal sustainability. Beyond cutting spending, we must also begin to reverse the damage by Democrats in the legislature in the last two years by raising taxes and fees by nearly \$5 billion. We must make Wisconsin's income tax competitive with other states, restore the capital gains tax exemption and repeal Combined Reporting. These taxes are killing jobs at the worst possible time. Wisconsin deserves better.

III. RELIABLE INFRASTRUCTURE TO SUPPORT COMMERCE

MMAC has set a goal of building a reliable infrastructure that supports commerce. This goal includes adequate, fair and dedicated funding for our entire transportation infrastructure from roads and rails to airports and public transit. It also includes ensuring a reliable, affordable energy and information technology network that positions our region competitively for growth.

- 9. Over the past decade, more that \$1.2 billion have been transferred from the state Transportation Fund for use in state General Fund spending. Would you support a constitutional amendment to prohibit the use of transportation funded revenues for general fund initiatives?**

Yes X No _____

- 10. Would you support lifting the state moratorium on nuclear power plants?**

Yes X No _____

- 11. Should Wisconsin impose state environmental standards and renewable energy mandates that go beyond federal standards?**

Yes _____ No X

- 12. Would you support reconstruction and capacity expansion of the Zoo Interchange?**

Yes X No _____

- 13. Would you support giving local governments the option of creating a dedicated funding source for mass transit services?**

Yes _____ No X

- 14. There is increasing concern that the existing gas tax and registration fees cannot provide sustainable long-term funding for our transportation infrastructure system. How do you believe the state should generate revenue sufficient to support our ongoing transportation infrastructure needs?**

First and foremost, we must end the raids on the Transportation Fund that have resulted in \$1.3 billion being spent on non-transportation related programs. I also support a constitutional amendment that will protect this fund from future raids by future governors. As vehicles become more fuel-efficient, it's clear that we will no longer be able to rely so heavily on the gas tax to fund transportation projects. We must diversify our funding sources. I support looking at a phased-in shift of existing sales tax collections from automobile and related purchases from the General Fund to the Transportation Fund. By diversifying the Fund, we can make it healthy well into the future to ensure we are adequately investing in infrastructure.

IV. HIGH-VALUE, COST-EFFECTIVE HEALTH CARE

MMAC has set a goal of creating a regional system of high-value, cost-effective health care. While progress has been made recently, Milwaukee remains above the Midwest average in health care costs. Rising private sector health care costs continue to place incredible strain on businesses' bottom lines. In addition, rising public sector health costs create fiscal pressure forcing tough choices between higher taxes and cuts in other government services.

- 15. Health Savings Accounts (HSAs) are federally tax-exempt accounts that may be used by individuals to pay health care costs, and which are often used in conjunction with high-deductible health insurance plans. Because high deductible health insurance plans encourage consumers to be more informed and cost conscious, they have been viewed as a valuable market-based tool for lowering health care costs. Wisconsin is one of only four states that does not exempt HSAs from state taxation.**

Would you support legislation to exempt health savings accounts from state taxation?

Yes X No

- 16. Many public sector employees make little or no contribution toward their own health insurance benefits, leaving the entire cost of this benefit to be covered by taxpayers. Will you require any new state collective bargaining agreements you approve to include public employee contributions toward their health care benefits commensurate with the average private sector employee contribution?**

Yes X No

- 17. What role would the state play under your leadership in ensuring high-quality health care at cost-effective rates?**

Wisconsin's health care challenge is more about cost and less about quality or access. Wisconsin families have access to some of the best health care options in the world. 91 percent of the state's population is insured and 98 percent have access to health care. The challenge our families and job creators face is skyrocketing costs. Unfortunately, federal health reform does nothing to address the rising costs of health care and, in fact, jeopardizes the access and quality Wisconsin already has. This is why I will allow Wisconsin's Attorney General to join other states in fighting to opt-out of the new federal system so Wisconsin families are free to keep the coverage they have today and so we won't face federal roadblocks each time we attempt to implement meaningful reform. My plan for lowering costs has three parts: providing more information to patients and employers so they can make informed health care choices; reform existing government programs like Medicaid to eliminate waste and abuse; and put a renewed focus on patients by encouraging wellness and prevention, enhancing the use of technology, and ending frivolous lawsuits that put money in trial lawyers pockets while increasing costs for the rest of us.

V. ACCELERATE ECONOMIC DEVELOPMENT

MMAC is a founding member of the Milwaukee 7 regional economic development partnership and, as such, is committed to strategies designed to support the growth, expansion, and attraction of jobs and capital investment.

18. Last year, the state passed the Jobs Tax Credit, allowing a refundable 10% tax credit for 10 years on wages paid by qualifying businesses relocating to or expanding in Wisconsin. Would you support expanding the scope of this tax credit so it can be offered to more companies in Wisconsin?

Yes X No

19. Our region's access to Great Lakes water is widely recognized as a key economic development advantage for us. The Great Lakes Compact allows communities in counties that straddle the Great Lakes Basin to apply for diversions of lake water. Would you support qualifying diversion requests to the broadest regional footprint allowed under the Compact?

Yes X No

20. How would you direct state involvement in economic development to impact job creation and capital investment?

First, Wisconsin needs a governor who will be a cheerleader for our state again. I will make job creation and economic development my top priority as governor and personally market Wisconsin to businesses around the nation. Second, we need to reform the Department of Commerce, making it an economic development agency, not a business regulator. We need a public-private partnership in the agency to bring in true economic development experts that can help businesses expand and hire new workers and attract new job creators from other states. We need to increase access to investment capital and lower the cost of doing business in Wisconsin for all job creators. Finally, we need a comprehensive plan. My plan to create 250,000 jobs and 10,000 new businesses by 2015 will lower taxes, reduce regulations, end frivolous lawsuits, improve education, lower health care costs, and invest in infrastructure.