

# Rep. Knodl: The Wisconsin Way works

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## Rep. Knodl: The Wisconsin Way works

Over the past seven and a half years Wisconsin has experienced quite the turnaround and the future looks bright. We have gone from a \$3.6 billion dollar budget deficit to having budget surpluses. Taxes have been cut by over \$8 billion putting more of your money back into your pockets. Unemployment has reached an all-time low and our workforce participation rate is among the highest in the nation. All of this was accomplished while we established the largest rainy day fund in state history.

The state is now in a sound fiscal position, but tough decisions were required to reach this point. When Republican's assumed the majority in 2011, we were faced with a large budget deficit that required a budget repair bill. Reasonable changes were made to erase the deficit and allow the state to begin moving in the right direction.

Once the state was back in the black, the opportunity presented itself to begin looking for ways to ease the tax burden. The number of income tax brackets were reduced while also lowering the income tax rates. Some personal property taxes have been eliminated for small businesses. The entire state portion of property tax bills was eliminated. Middle-class families will also feel less of a hit from the marriage penalty that was reduced this past session. The REINS Act was passed, which freezes new agency rules with a price tag of more than \$10 million until approved by the legislature. This list could go on, but it provides a small glimpse into the progress that has been made.

Assembly Republicans have also been focused on building our workforce and

ensuring the next generation has access to the education and training necessary to compete in the 21st-century job market. Over the past eight years, Wisconsin's unemployment rate has decreased by more than 6%. In January 2010 the statewide unemployment rate was 9.2% and the recent unemployment rate in Wisconsin was at an all-time low of 2.8%. There are many explanations for this decrease and one of them is the creation of Wisconsin's Fast Forward program. Fast Forward worker training grants were established to assist businesses with training workers for the modern economy. Wisconsin's labor participation rate of 68.6% in March ranked 5th in the nation. All of these indicators show the state has made positive progress over the past seven years.

The increase in economic activity and budget surpluses has allowed the state to begin building a nest egg. Our rainy day fund currently holds a balance of \$284 million. In 2011, the balance was \$1.68 million. A lot of progress has been made building up the rainy day fund, but we should continue our commitment to being financially prudent and depositing portions of the surplus into the rainy day fund.

Needless to say, the turnaround has been stark. I am proud to have played a role in the change our state has accomplished and look forward to what we can accomplish in the future.