

AMERICANS FOR PROSPERITY®

Quick facts about Wisconsin's Budget Repair Legislation

- **The plan is about reform:** Wisconsin's Budget Repair legislation is about enacting modest – but critical – reforms to public sector entitlement programs that are long past due. The proposal takes on some of the most egregious violators of taxpayer dollars including public employee unions and public sector pensions.
- **Ending public sector collective bargaining:** The plan would end the practice of public sector union bosses strong-arming politicians for exorbitant benefits and absurd contract concessions. The plan rightly calls for an end to the ability of certain public sector unions to band together to pressure policymakers into unnecessary contract concessions.
- **Respecting the taxpayer:** When public sector workers – who are paid with taxpayers dollars – resort to bullying tactics to gain sweetheart contracts filled with plush benefits unheard of in the private sector the taxpayer loses every time.
- **Respecting the public's trust:** When teachers choose not to teach purely to pad their already lavish contracts with taxpayer dollars they are violating a sacred public trust. Using students and their parents as leverage in contract disputes is a tried and true practice of teacher's unions that must end.
- **Stopping out-of-control benefit costs in the public sector:** The proposal would prevent unions from forcing extravagant pension and health benefits on the state that only serve to further cripple state budget. Also, the plan would make the commonsense change that public sector wage increases could not exceed a cap based on the consumer price index (CPI) unless approved by voters.
 - Also, some contracts would be limited to one year and wage rates would be frozen until the new contract is settled
- **The public vs. private sector:** In Wisconsin, private sector workers make 74% of their state-level public sector counterparts. This is the 48th worst pay differential in the nation and clearly shows that the public sector employee unions aren't hurting for better pay or benefits.
- **Paying a fair share:** The plan also would help ease the tremendous financial burden placed on the state by its bloated pension plan by finally requiring some public workers to pay their fair share into the program.
 - Overall, public employees would fund 50 percent of the annual pension payment – a total that would require a modest contribution of 5.8 percent of 2011's salary.
- **More needed reforms:** The plan also makes much needed reforms to other problems complicating Wisconsin's fiscal future. Among them, restructuring the state's debt burden will help reduce debt service costs by \$165 million in fiscal year 2010-11.