



STATE REPRESENTATIVE
GARY HEBL
46TH ASSEMBLY DISTRICT

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Contact: Rep. Hebl
608-266-7678

State Budget Grows Economy, Creates Jobs

It's understandable to have some gripes with the 2009-11 Wisconsin state budget. It was not an easy budget to put together and took a lot of compromise and tough choices. What I can't understand is why some people want to distort the worst financial crisis and economic downturn in recent history to point fingers and place blame, representing the \$6.6 billion shortfall we closed in this budget as the result of years of "budgeting gimmicks" and not the result of a national economic meltdown that has created major budget deficits in 49 states.

While states across the nation, from California to Pennsylvania and New York, are at each other's throats fighting about how to deal with their budget crisis, we here in Wisconsin have moved on from the fighting and towards economic recovery, with the first state budget passed on time in over thirty years. Already since the passage of the state budget, less than one month ago, a Minneapolis biotech start-up company, VitalMedix, Inc., announced that it will be moving to Wisconsin to take advantage of enhanced venture investment tax credits passed as part of the budget. It's clear that this budget did the best with what we had, just like every hard-working family in America does when times are tough.

This state budget features a number of provisions that will spark growth and development, create jobs, boost business, and support workers. Take for instance the Jobs Tax Credit, a 10% tax credit for businesses that create jobs and train workers. Or the Business Research & Development Tax Credit, which was expanded and simplified in the budget to let more Wisconsin companies take advantage of it. Landmark Wisconsin businesses like Harley-Davidson and Kimberly-Clark have hailed this tax credit as essential to spurring research and development in Wisconsin.

We also took one of the most powerful economic development tools in the nation and made it even stronger. The Enterprise Zone Tax Credit was already widely recognized as a muscular incentive program that encourages business investment and development in economically distressed parts of the state. In the past, this 10% tax credit was available only for businesses that create jobs in these designated areas. Now it can be claimed by companies that retain jobs as well as create them, and it applies to several new types of investments businesses make. These business-boosting tax credits are just one part of the job-creating power in the state budget. The budget also creates 10,000 family supporting jobs by investing \$250 million in Wisconsin's infrastructure, improving roads, harbors, airports, and railways.



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The decisions we faced in the legislature were exceedingly difficult, and the 6 percent across the board cuts we made were deep. Still, we maintained our focus on the public's highest priority – getting our economy back on track. As we proceed through the legislative session, I feel certain that a continued commitment to the budget's objectives, namely growing the economy and creating jobs, will move our state past the fiscal crisis and leave us stronger than when we started.

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