



WEDC needs more oversight and controls

By Brett Hulseby
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It is no surprise, sadly, that Wisconsin has one of the worst job records in the nation. Gov. Scott Walker and the Wisconsin Economic Development Corp. are far from reaching their 250,000 jobs creation promise. Even under the rosiest jobs numbers, Wisconsin created 14,000 fewer jobs in 2011 than 2010, the worst jobs creation in the Midwest and among the worst in the nation.

This is no surprise because Walker pushed through an extreme budget that cut jobs and training, disorganized our job creation efforts and gave away \$1.3 billion of federal job help. The good news is there are sensible solutions to get Wisconsin working again.

Extreme cuts made it worse: Job training and education are keys to jobs growth yet Walker and the GOP cut funding for our job training technical colleges by 30%, public schools by over \$800 million, and the University of Wisconsin System by \$300 million. At the same time, the state gave away \$2.3 billion in corporate tax breaks over 10 years.

A UW economic analysis estimated these extreme cuts cost more than 20,000 jobs. Was it necessary? The giveaways and higher spending actually increased our long-term structural deficit to over \$3 billion, according to the Milwaukee Journal Sentinel and PolitiFact.

Changing horses in midstream of a recovery: Switching from the Department of Commerce to the Wisconsin Economic Development Corp. (WEDC) is like switching horses in midstream of a recovery. We have seen a recent scandal where WEDC picked winners and losers. The WEDC model was based on the Indiana Economic Development Corp., which the Journal Sentinel reported had unsupportable and inflated claims.

Indiana's former deputy budget director - now with the conservative Cato Institute - calls the agency a "boondoggle." A Good Jobs First report, "Public-Private Power Grab," found EDCs misused taxpayer funds, had political interference,

questionable subsidy awards, and conflicts of interest. Not a recipe for job success.

Walker gave away \$1.3 billion, losing over 5,500 jobs to other states such as Illinois: The Wisconsin Council on Children and Families reports that Walker gave away a total of \$1.3 billion in federal help to reform our health insurance, upgrade our train system and Internet, and for job training funds; some of that money went to other states. This year alone, that cost 5,500 construction jobs in the state.

Now that the Democrats are in charge of the state Senate, we have a chance to craft some real job creating plans.

First, we should restore money for our public schools, especially job training at our technical colleges.

Second, we need more oversight of the \$98 million in the WEDC annual budget and we need to review all our current job creation strategies to determine what works and what doesn't.

Third, we should maximize the federal return of our tax dollars to Wisconsin, and see if we can get the health care and job training money back.

If we take these steps, we can get Wisconsin working again.

Rep. Brett Hulsey (D-Madison) is a small-business owner and a member of the Assembly Energy and Utilities Committee.