



COUNCIL FOR NATIONAL POLICY

Remarks

The Honorable Rebecca Kleefisch
May 2013

I am so honored and humbled to be with you this evening. I come from television news which is the tenth most hated profession in America, but it made my transition to politics that much easier, also one of the ten most hated professions in America. So I may have a career ahead of me in tax collecting when I am done in politics.

It is my honor to join you to talk about the amazing story that we all shared together over the last couple of years. We have you to thank for our great victory in Wisconsin, and we have come so very far. Next week we will celebrate the one year anniversary of this great American victory of only the third recall of a statewide officer in American history. But for me it was special, you see I was the only Lieutenant Governor in national history to face a recall. But what the protestors, the union bosses, and the special interest groups didn't realize at the time was that they actually made me the only Lieutenant Governor in America to be elected twice in my own first term. But it needed to happen. We needed your help in order to do it. So, for those of you who told your friends and neighbors that this was an important race to watch on TV, or those of you who called your spouse into the room and asked him or her to watch what the protesters were doing in Wisconsin, or those of you who sent some money to the Governor or - God bless you - if you sent some money to the Lieutenant Governor: we thank you. Because it was a tremendous opportunity for America to see what courage looked like, and for our friends and neighbors across the country to rally behind the cause of fiscal responsibility and reform governments, and boy did Wisconsin need it. Because when we came into office in 2010 our State was facing a 3.6 billion dollar budget deficit. Now you all are sitting here in Washington DC and thinking, "wow, a 3.6 billion deficit, that sounds terrific," but in Wisconsin that was significant. And we knew that our families and our taxpayers were still hurting in the midst of steep recession. So the solution was never going to be raising taxes. We knew that we had to fix the problem and we knew that as parents we had a responsibility to not kick the can down the road to our children.

Daniel mentioned that I have two little girls in elementary school. Scott Walker our Governor has two boys, one in high school and the other in college, and we wouldn't just be poor leaders, but boy really bad parents if we gift wrapped this problem and sent it over for them to open 20 years down the road. We had to address our legacy costs in Wisconsin that were not only cost drivers of today, but would have been the cost drivers of tomorrow. So that is exactly what we did. The good news is that today we don't have that 3.6 billion dollar budget deficit anymore. In fact, today Wisconsin has a \$560 million dollar surplus. Leading up to our election Wisconsin had lost 150,000 jobs in three years, and I tell you today that in two years under the Walker/Kleefisch administration we have created 60,000 new jobs and are on the march to recruit more businesses and continue growth in the businesses in Wisconsin that we already

have. Unemployment in Wisconsin was at 7.8% when we took office. Today we have driven it down to around 7% and we continue to drive it lower every day. Property taxes had shot up 27% over the last decade before we were sworn in. Today they are frozen still for the last two years and our property taxpayers are finally seeing some relief.

I like the idea of my government being fiscally responsible and that is why for the first time in our state's history, Wisconsin deposits money in our rainy day account if we have money left over. Every single year of this administration we have made a deposit in Wisconsin's rainy day fund, and we finally have security in the State of Wisconsin. That is a good thing for the children of our State. But it wouldn't have happened if we weren't able to keep our jobs, if we were not able to fulfill our State's motto and continue to move forward. What we faced in our State were legacy costs driven largely by collective bargaining. You saw the protestors descend upon the Wisconsin State Capital. Those were tough times for us. Our children were yelled at, our lives were threatened, and my husband was spat upon. In addition to being a hunting and fishing television show host, he is a State Representative in our capital. Those were tough times, but we needed to stand tall through them because we needed to have our taxpayers' backs as we recovered from this recession. And so we asked our government employees to make a 5.8% contribution to their own pensions, their own retirement funds - about half the national average - and we asked for our government employees to make a 12.6% contribution to their healthcare - about the national average - and we asked for some changes in collective bargaining. Collective bargaining is the process by which the union relieved a volunteer crossing guard up in North Wausau, Wisconsin for simply being there because they wanted a paid union employee to do it. Collective bargaining was the process by which a Madison bus driver was making \$100,000 a year. Collective bargaining was the process by which another union relieved inmates of mowing medians in Racine County, because they wanted paid union employees to do it. And collective bargaining was the process by which tax payers got taken to the cleaners every single year, because they couldn't shop around for the best deal for health insurance or school district employees, because they had a company associated with the union to do it. We needed to make those changes. And now that we have passed our reforms known in Wisconsin as "Act 10" between state and local governments, Wisconsin taxpayers have saved more than \$2 billion dollars.

Over the last two years, that was the birth of great reform and Wisconsin is the home of a lot of extraordinary reform. Wisconsin is the birthplace to a lot great things. Many of you know from the stories you have watched over the last couple of years that Wisconsin is the birthplace of the public sector union. Wisconsin is also the birthplace of the Republican Party. Wisconsin is the birthplace of W-2 welfare reform. It is the birthplace of the school choice movement. Wisconsin is also the birthplace of the personal income tax; you are welcome for that, 45 other states adopted that as well. The Federal Government began in 1911 in the Great Badger State, eight years before women were granted the right to vote in Wisconsin, and also the first in the nation to ratify that. I could only imagine that if moms like me were able to vote back in 1911 when the income tax passed, there would be a whole different legislature.

Wisconsin is the birthplace of reform and that is why, though the curtain has fallen on Act 1 of our great Wisconsin reforms and our administration. The curtain is up on Act 2. Many of you know about the food stamp crisis that we are seeing in America right now. It is epidemic and it is not just in Wisconsin. The Congressional Research Service says that today one in seven Americans is on food stamps, 47 million Americans on food stamps. If you guys know seven people one of them is on food stamps. We know today that the number of able-bodied Americans on food stamps between the years 2008 and 2010 has doubled. If you are accepting free government benefits to nourish your family, then we are concerned that folks aren't getting the opportunity for the empowerment that comes with it. Because we know in Wisconsin, as you know here at this dinner in Washington, DC tonight, there is no social program on this earth like a job. In Wisconsin we are introducing food share reform. We are asking that our able-bodied, childless adults work for their food share benefit. And we know that this will empower those who receive this food share benefit with the power of a paycheck, 20 hours a week in workforce training or a job. There is nothing like the power of a paycheck, and that is why this entitlement change is going to start the change of minds of many of the folks who receive government benefits. It is the same thing with our unemployment insurance program, also one of those things devised by the Wisconsin legislature, this one in 1932. We also gave you workers comp, and you are welcome for that as well.

Unemployment insurance is a problem for Wisconsin business owners. Every single week I travel the State of Wisconsin and meet with our small business owners and hear what we are doing right, sometimes what we are doing wrong, and often how we can get out of their way. When it comes to unemployment insurance, getting out of the way is pretty darn important, because Wisconsin tells the story of the 18 quits and the five lies. The 18 quits are exceptions to the rule that you cannot quit your job and get unemployment unless you do one of these 18 things. Eighteen things, we have more quit exceptions than any state in the country in Wisconsin, 18. Our next closest is Minnesota, they have nine. So when Brett Favre quit the Green Bay Packers to go to the Minnesota Vikings - sorry there is always a Brett Favre joke in there somewhere - and in Wisconsin there is never an end to the Brett Favre jokes, though he did give us his good years. But those eighteen quit exceptions are going away in our legislature. And our team of allies who believe in commerce as the great way to pull Wisconsin out of this recession for once and all understand that business owners need to change and that half of those exceptions are going away. Wisconsin is also one of a handful of states that requires only two work searches per week in order to receive your unemployment benefits. In our budget, introduced on February 20th, we are doubling that requirement. We know that if you are truly searching for work in the great State of Wisconsin, then you are going to want to do at least four work searches per week. And the five lies ends, too. In Wisconsin you are allowed to commit unemployment fraud five times before the government takes action against you. I wish that was a joke, I wish that was a punch line, but it is not. That is why it is so important that we empower people to go back to work and allow people the power of the paycheck. Entitlement reform is the future, not just for our state, but it is the future for our country because as soon as people understand the pride of bringing home their own paycheck, they understand the power that

comes with infusing their own dollars back into the economy by being a leader in their own family. And we know people will be in the State of Wisconsin and people will be in this great country we love.

Next week, as I mentioned, we get to celebrate one year since the great victory, the epic victory in Wisconsin. We have all of you to thank and we are tremendously grateful. Thank you for allowing us to continue reform. Thank you for allowing us the opportunity to reform entitlements in our state and let the world continue to watch one of the great laboratories of democracy, one that was all blue both in the executive branch and the legislature just in 2009. If it can happen in Wisconsin, it can happen anywhere. May God bless you and may God bless this outstanding organization.