

## WISCONSIN PROPERTY TAXPAYERS, INC.

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# **Capitol Report**

January 26, 2015

## Governor Nixes Kenosha, Beloit bids for Casino

#### Governor Scott Walker Announces Non-Concurrence with Bureau of Indian Affairs on Kenosha Casino

Friday, January 23, 2015
- Press Release
Madison – Today, Governor Scott Walker informed the Bureau of Indian Affairs (BIA) at the Department of Interior (DOI) of his non-concurrence with their determination on the proposed casino project.



an ideal scenario, jobs could have been created by the casino, the reality of Governor Doyle's compacts with the tribes open the State of Wisconsin up to significant litigation risk, which would put state taxpayers on the hook for up to hundreds of millions of dollars.

"After a comprehensive review of the potential economic impact of the proposed Kenosha casino project, the risk to the state's taxpayers is too great," said Governor Walker. "Due to the compacts negotiated by Governor Doyle, the current cost to taxpayers of approving the proposed casino project is up to \$100 million and the long-term economic hit to the state budget would be a potential loss of hundreds of millions of dollars."

"We have had tremendous success in helping grow quality, family-supporting jobs in Kenosha, including the recent Amazon, InSinkErator, and Meijer Distribution Inc. expansions," continued Governor Walker. "We remain committed to using state resources effectively to continue growing the economy and creating jobs in Kenosha and around the state."

The federal Bureau of Indian Affairs took more than nine years to review the proposed casino project. For over a year, Department of Administration Secretary Mike Huebsch conducted a comprehensive economic analysis of the potential impact of the proposed casino project. In Secretary Huebsch outlined the potential litigation risk in a recent memo to Governor Walker, which can be found here.

In a report to Governor Walker, Secretary Huebsch explained the outstanding issues facing the proposed casino, which could have a devastating impact on the state budget:

Although the Kenosha casino could result in these positive economic benefits, approval also comes with substantial and significant risks. Our analysis shows taxpayers could lose out on hundreds of millions of dollars of tribal revenue sharing payments as a result of the compact negotiated by Governor Jim Doyle. Due to the legal exposure created by the Doyle compacts, beyond just losing future revenue, approving the Kenosha casino could require taxpayers to pay FCPC [Forest County Potawatomi Community] hundreds of millions of dollars in refunds of previous payments made to the State. If the Kenosha casino is approved, there are a number of other issues that should be considered:

- the impact of possible expanded gaming in >

northern Illinois;

- the Menominee's use of more than 220 acres that would likely be put in trust;
- the cost of litigation;
- the consequences of a delayed casino opening;
- the immediate and long-term impact on our

state budget and consequently Wisconsin taxpayers; and.

- the cost of indemnifying FCPC.

  The entire report from Secretary Huebsch can be found here.
- See more

### **Business**

## Ho-Chunk Casino Backers Next In Line



BELOIT, Wis.
(AP) — Supporters of a proposed
Ho-Chunk casino
in Beloit hope
the proposal
will move more
quickly through

federal review now that Gov. Scott Walker has decided against the Menominee Nation's request to build a casino in Kenosha.

City management and Ho-Chunk officials held intermittent talks after the tribe bought 32 acres of city land in 2008, and a deal was reached in 2012. But officials were told that the Beloit application was hung up in Washington for months "in part related to the Menominee project" in Kenosha, Beloit city manager Larry Arft said.

"I'm hopeful that finally getting a decision will now open the door to the Beloit casino application to continue forward in the review process," Arft told The Janesville Gazette.

On Friday, Walker denied the Menominee Nation's request for permission to build an off-reservation casino in Kenosha, saying it could leave the state owing a rival tribe millions of dollars.

The Menominee have been pushing for years to build a casino at Kenosha's Dairyland Greyhound Park dog track, hoping the facility would pull the tribe out of poverty.

But the governor said Friday that the state's compact with the Forest County Potawatomi requires Wisconsin to refund payments that tribe has made to the state if a Kenosha casino became a reality.

The Ho-Chunk Nation is awaiting a federal decision on its application for a casino in Beloit. Ho-Chunk President Jon Greendeer said Friday the news brings finality to "an incredibly long issue," but the decision isn't something he's celebrating.

The Environmental Impact Statement for the Beloit casino project is currently at the Bureau of Indian Affairs office in Washington, D.C., and is waiting for approval from the office before being sent back to the regional BIA office in Minnesota.

Greendeer told the Beloit Daily News he was still confident their applications would be approved based on a compact the Ho-Chunk Nation has with the state, which permits the Ho-Chunk to build another casino in the state.

# Wisconsin Main Street Businesses Have Chance to Win a Full 'Makeover'

WEDC contest provides downtown stores in 36 communities with chance to win up to \$10,000 in upgrades

MADISON, WI. Jan. 26, 2015 – Businesses located in one of the 36 Wisconsin Main Street communities have a chance to get a whole new

look by entering the Wisconsin Economic Development Corporation's first-ever Main Street Makeover contest. >

Modeled after the popular reality TV show, the contest asks Wisconsin Main Street business owners to provide details on how their establishment could benefit from a "makeover" from the WEDC's Main Street staff. The winning business will receive personalized technical assistance and up to \$10,000 to implement the changes that could include interior and exterior design improvements, and marketing, business planning and merchandising assistance.

The winning business will be visited by the Main Street team, which will spend several days at the store to implement the improvements. The new downtown storefront will be formally unveiled during a public celebration featuring state and local officials. The winning business also will be featured in a promotional video and will receive statewide media coverage.

The application deadline is March 20, and five finalists will be selected. All finalists will be recognized at the annual Wisconsin Main Street awards dinner in April, and all eligible applicants will receive outreach and technical assistance from WEDC staff to help them achieve their business goals.

"This unique contest will not only provide additional support and services to the winning business, but it also highlights the benefits of the Wisconsin Main Street program, which has resulted in the creation of more than 4,500 new businesses and 7,000 new jobs in Wisconsin since its inception in 1987," said Reed Hall, secretary and CEO of WEDC, which oversees the Wisconsin Main Street Program. "A vibrant downtown is critical to the overall economic health of a community, and our staff works closely with local Main Street organizations to help ensure their success."

To enter the contest, businesses should visit In-Wisconsin.com/MainStreetMakeover and submit an application that includes photos of their existing store; information on the history, operations and plans for their business; and information on why their business should be selected for this award. A committee of historic and economic development experts will review all applications

and announce the finalists and winner in April. The "makeover" that the winning business will receive could include:

- Renovated façade, including signage, awnings, windows, masonry or cornice repair.
- Upgraded interior space, including storefront merchandising, improved layout and/or space design.
- Updated marketing materials and plan, including social media, e-marketing and print marketing promotions design and plan.
- Statewide media coverage, including press release and promotional video.
- Additional one-on-one technical assistance as needed from Main Street staff during implementation period.
- Cash mob on opening day organized by local Main Street program.

For more details on the contest or to enter, visit InWisconsin.com/MainStreetMakeover.

The Wisconsin Main Street Program is a comprehensive revitalization program designed to promote the historic and economic redevelopment of traditional business districts in Wisconsin. Communities selected to join the prestigious program receive technical support and training needed to restore their Main Streets to centers of community activity and commerce. The Wisconsin Main Street Program, part of a nationwide program of the National Trust for Historic Preservation, has been recognized nationally for its participation, initiatives and outcomes.

For more information on the Wisconsin Main Street Program, visit InWisconsin.com/Main-Street.

Current Wisconsin Main Street communities are: Algoma, Beloit, Chippewa Falls, Darlington, De Pere, Eagle River, Fond du Lac, Green Bay (On Broadway), Kenosha, La Crosse, Ladysmith, Lake Mills, Manitowoc, Marshfield, Milwaukee (BID 32), Monroe, Omro, Osceola, Pewaukee, Platteville, Port Washington, Prairie du Chien; Rhinelander, Rice Lake, Ripon, Sheboygan Falls, Sturgeon Bay, Tigerton, Tomahawk, Two Rivers, Viroqua, Waterford, Watertown, Wausau, West Allis and Whitewater.

About the Wisconsin Economic Development Corporation

The Wisconsin Economic Development Corporation (WEDC) leads economic development efforts for the state by advancing Wisconsin's business climate. WEDC nurtures business growth and job creation by providing resources, technical support and financial assistance to companies, partners and communities in Wis-

consin. WEDC has four focus areas: business and industry development, economic and community development, entrepreneurship and innovation and international business development. Together with more than 600 regional and local business development partners, it represents a highly responsive and coordinated network. Visit www. inwisconsin.com or follow WEDC on Twitter @\_ InWisconsin to learn more.

## **Agriculture**

# Register now to exhibit at food show in Brazil



MADISON – The Brazilian food and beverage industry sectors are growing as demand increases for a wide variety of food products. Capitalize

on this trend and register now for the international food show, SIAL Brazil, in June in Sao Paulo, Brazil.

Trade specialists from the Wisconsin Department of Agriculture, Trade and Consumer Protection's (DATCP's) International Agribusiness Center along with staff from Food Export Association of the Midwest will help Wisconsin companies connect with buyers at the show and identify additional market opportunities.

Products in demand include alcoholic and non-alcoholic beverages; canned and frozen foods; cereals; condiments and spices; confections; dairy products including cheese; foods labeled as healthy, natural or organic; meat products and snack foods. Among the most popular foods at the U.S. pavilion last year were bakery products, dips, cheese sauce and dried fruits.

The show is an excellent point of entry to food markets in Brazil and throughout South America. Last year, companies that exhibited in the U.S.A. pavilion introduced 91 new-to-market products. They made 290 business contacts and reported \$2.2 million in on-site sales or sales expected in

the 12 months following the show.

Sales of U.S. foods into the Brazilian market continue to grow. In 2014, sales of consumer-ready products reached a record high of \$238.8 million, a 64 percent increase compared to 2010. Retail sales of packaged foods reached \$126 billion in 2013 and are expected to reach \$157.9 billion by 2018.

Food Show Plus! services include introductions with pre-qualified buyers, pre-show custom product research, a market briefing by U.S. Foreign Agricultural Service staff, interpretation during booth hours, translation of as many as two pages of exhibitor material into Portuguese and on-site show assistance.

Save \$125 by registering by February 16. The cost of early registration is \$225. After February 16, the cost to register is \$350. The deadline to register is March 16.

For more information or to register, contact DATCP's Ashwini Rao at 608-224-5119 or Ashwini.Rao@Wisconsin.gov or visit foodexport.org. The demand is growing around the world for safe, quality Wisconsin food and agricultural products. Staff at the Wisconsin International Agribusiness Center provide support, technical assistance and export education to Wisconsin farmers and business owners that want to reach new international markets. Learn more at datcp. wi.gov/Business/Exports

# Affordable Care Act brings new tax forms



For the first time, taxpayers will be asked to provide information about their health insurance on their federal

income tax forms.

Individuals will have to state via a check box on form 1040 whether they had health insurance in 2014. If they weren't insured, they will be required to pay a penalty unless an exemption applies.

Filing taxes will be a little more complicated for those who received a premium tax credit under the Affordable Care Act because there is a new form to file. About 90 percent of Wisconsin residents who purchased insurance through the marketplace received a subsidy, said Marty Anderson, director of marketing for consumer products at Security Health Plan in Marshfield. Anyone who received a premium tax credit will have to file form 8962 to determine the amount of premium tax credit they should have received based on their 2014 income. People who underestimated their 2014 income when they applied for insurance might have to pay back some of the tax credit they received, and those who overestimated their income might be entitled to a larger credit and a tax refund.

The federal government will send a pre-filled form 1095-A to people who received premium tax credits. The form, which includes information about the recipient's insurance policy, covered household members, monthly premium costs and tax credits, will be used to complete form 8962, said Don Zais of Marshfield, an AARP Tax-Aide volunteer. Some taxpayers won't get their 1095-A forms until early February and

will have to wait until they receive it or download the form through their HealthCare.gov account.

"The (1095-A) form should detail everything we would need to complete the 8962," Zais said. He and other volunteer tax preparers have received training on the form and can provide free tax assistance to moderate- to low-income taxpayers.

But completing form 8962 might not be as simple as copying information from the 1095-A, Anderson warned. Individuals who changed plans during the year could receive multiple 1095-A forms that must be used to complete form 8962, he said. For example, two single individuals who purchased subsidized insurance in the beginning of 2014 and got a new plan later in the year after they married would receive three 1095-A forms. "There's definitely a large possibility there's going to be confusion," Zais said.

Others might find the information on their 1095-A doesn't match what they paid out of pocket for insurance. If this is the case, they should verify payment information with their insurance provider and contact HealthCare.gov at 1-800-318-2596 to get a corrected form, Anderson said. "If people are going to contact their insurer for tax advice, we can't give that," he added. The Security Health Plan website includes answers to frequently asked questions about the Affordable Care Act and tax returns, and representatives can help customers verify information from their 1095-A forms.

Those who weren't insured in 2014 will have the pay the higher of either 1 percent of yearly household income or \$95 per adult and \$47.50 per child when they file their federal income taxes. The penalty increases in 2015, to 2 percent of household income or \$325 per adult and \$162.50

per child.

Anderson said the increased penalties might give those who didn't obtain insurance last year reason to consider enrolling this year. The deadline to purchase insurance through the marketplace is Feb. 15 for coverage that will take effect March 1. "It doesn't hurt to go to HealthCare.gov and see what's out there, but the sooner the better. As deadlines approach, high-traffic days on the website increase," he said. ■

## **Politics**

# **New EPA rules Will Raise Power Costs Eliminate Jobs**

[Madison, Wisc...] The John K. MacIver Institute for Public Policy released a policy brief in conjunction with the Beacon Hill Institute at Suffolk University on Tuesday that shows newly proposed

EPA regulations will increase electricity prices by 19 percent and eliminate nearly 21,000 jobs by 2030.

Three recently proposed Environmental Protection Agency regulations on mercury and carbon dioxide emissions will significantly reduce the generation capacity of coal-fired power plants in Wisconsin. Currently, 62 percent of electricity in the state is generated by coal-fired power plants. According to the economists that authored the report, a reduction in the supply of coal-generated power would increase average annual residential electricity costs by \$225, commercial electricity costs by \$1,530 and industrial electricity costs



by \$105,094.

"The EPA's proposed rules will be absolutely detrimental to Wisconsin's families and businesses," said Brett Healy, President of the MacIver Institute. "These regulations

will cost thousands of hard-working Wisconsinites their jobs and electricity prices will soar." If the rules go into effect as proposed this summer, Wisconsin's real disposable income would drop by \$1.82 billion by 2030 and the state's cost of compliance in 2030 would be \$920 million, according to the study.

"Wisconsinites simply cannot afford any more burdensome regulations that will only serve to hinder an already struggling economy," Healy added. "The EPA and policymakers need to be very aware of the harmful effects of these proposed rules."