

## Poor Stewardship of Tax Money

by Christian Schneider

Wisconsin Governor Jim Doyle's proposed 2007-09 biennial budget has a little something for everyone. If you think insuring more people with taxpayer funds is a priority, you'll be pleased with the proposal. If you support taxing hospitals and oil companies, that's in there for you. And if you're one of the twelve people in Wisconsin that thinks the state should prioritize buying up a lot more land, then drop your bongos and listen up – you're covered there, too.

Doyle's budget proposes increasing the Knowles-Nelson Stewardship program by 75% per year beginning in 2010 – adding a total of \$1.6 billion in total state spending over 10 years. Surely, he's giving in to the woodchuck lobby, who listed "more serenity" as their number one campaign issue last year (barely beating out "don't shoot us," and "less Rosie O'Donnell on TV").

According to the [Legislative Fiscal Bureau](#), 18% of Wisconsin's total land is currently being held for public conservation by various levels of government – an irony completely missed by advocates of "affordable housing," who don't realize that the more land government takes off the market, the more expensive the land gets. It is estimated that the state will have to pay \$48 million in debt service payments on Stewardship land in 2007, before any more land *is even purchased*.

Doyle's love affair with the Stewardship program represents a bouillabaisse of broken state government concepts. First, the state incurs debt to purchase land. Anyone who's taken out a mortgage knows that they can expect to pay two to three times the purchase price of their home once interest is accounted for. Despite the current dire economic straits of state government, Doyle continues to rack up the state's credit card debt in order to pacify his environmental supporters. It's not Wisconsin citizens who are paying to buy these parcels of land, it's their kids – for the next twenty years. Until my one-year old son figures out a way to make eating crayons profitable, he's already in the hole a couple million.

Secondly, it's not as if Stewardship is the most trustworthy program with the use of state dollars. In the year 2000, the Legislative Audit Bureau [conducted a study](#) to investigate complaints that the state was overpaying for land purchased through the Stewardship program. The audit found that the Department of Natural Resources (DNR) was paying an average of 120% more per acre for properties than their assessed value reflected. In fact, on many purchases, the DNR would accept the price of a property based on an appraisal done by *the property's seller*. For instance, the Department purchased a 1.4 acre property in Newport State Park in Brown County for \$360,000, while the assessed value was \$70,000 – meaning the state paid 414.3% more than the assessed value. Even on

large grant purchases, the DNR wasn't even doing their own appraisal, instead counting on the word of the seller to set the price.

*(Note to self: Invite the DNR to my next garage sale, as they may pay well over the current nickel that a pair of my old underwear fetches.)*

In the 2002 budget adjustment bill, the Legislature changed the law to require two appraisals, although Wisconsin taxpayers continue to pay the debt service on previous purchases. However, lest anyone think the program was now on the straight and narrow, Doyle came along and used the much-publicized "Frankenstein Veto" to restore a lack of accountability in state land purchasing.

Here's how it worked: Since the inception of the Stewardship program, the Legislature's Joint Committee on Finance had the ability to review state purchases of land over \$250,000. As a response to what they perceived as a lack of accountability in the program, the Joint Finance Committee included a provision in the 2003-05 budget to reduce the minimum land purchase amount that triggered legislative review to zero. This means all Stewardship programs would have to go through the Legislature for approval.

In crafting that budget provision, the Joint Finance Committee created a new statute. Since the existing statute that set the minimum amount of purchase at \$250,000 was no longer necessary, they included a brief provision that repealed that section.

This line said simply:

**"SECTION 802m. 23.0917 (6) (b) of the statutes is repealed."**

Wisconsin Statute 23.0917(6) was the statute that authorized the Joint Finance Committee to have oversight, and subsection (b) was the portion that specified the minimum \$250,000 amount necessary for legislative oversight.

Doyle went in with his veto pen and simply eliminated the (b) from that sentence. As a result, the budget provision read:

**"SECTION 802m. 23.0917 (6) of the statutes is repealed."**

With the veto of that *one letter* in the sentence, Doyle was able to repeal the *entire statute* that granted legislative oversight.

As a result, Doyle is now proposing drastically increasing a program that plunges the state into more debt, has a shoddy history of accountability, and over which he has *unilateral control*. Makes perfect sense, right?

Maybe it does to the millions of Wisconsin squirrels who will now be able to move out of their parents' basements. Of course, they'll all move back when they realize how nasty squirrel neighborhood associations can get.