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By Scott Bauer  
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Gov. Jim Doyle released his plan for solving the state 's \$527 million budget shortfall on Monday, but without agreement from the Democrats who control the state Senate or the Republican majority in the Assembly, its prospects are dim.

Doyle 's plan relies on a hospital tax Republicans blocked last year, a \$293 million transfer from the state 's transportation fund and a variety of other cuts. Layoffs and dramatic reductions in state services would not be necessary, Doyle said.

His plan, which he said "tried to make changes on the edges " of the state budget, also protects state aid for schools and local governments and funding for the University of Wisconsin System.

The major reasons for the budget shortfall are sagging tax collections, shrinking revenue and burgeoning expenses.

Doyle called a special legislative session to pass the budget bill starting Thursday and said he hopes it would be done within the next two weeks. But that appeared unlikely without the support of legislative leaders.

Assembly Speaker Mike Huebsch, R-West Salem, came out swinging against the plan.

"This budget shortfall should not be used as an excuse to raise taxes, " Huebsch said in a statement. "Our solution should be doing what families are already doing: tightening our belt, looking for ways to save money and cutting unnecessary spending. "

Senate Majority Leader Russ Decker, D-Weston, who said last week that passing a budget before the Legislature adjourns on Thursday would be a "euphoric scenario " did not join fellow Democrat Doyle at Monday 's news conference.

Decker was not immediately available for comment, but he has pushed for closing tax loopholes to help deal with the shortfall.

Doyle said he left those proposals out of his plan because he was a realist.

"I 'm trying to make sure we get something done here, " he said.

Assembly Minority Leader Rep. Jim Kreuser, D-Kenosha, appeared with the governor and gave his support to what he called "a fair compromise. "

With 47 Democrats in the Assembly and 50 Republicans, leaders will likely need bipartisan support to get a budget passed in that chamber.

The governor called on lawmakers to negotiate quickly.

"We can 't go back and fight every budget battle we 've had, " Doyle said.

Wisconsin was the last state in the country to get a budget passed last year due to partisan bickering. The plan cleared the Legislature more than three months late.

If there isn 't a deal to address the projected shortfall by mid-June, state payments to schools and local communities could be prorated, Doyle warned Monday. He also said road projects may have to be delayed.

Doyle defended the hospital tax, calling it an assessment and saying hospitals will recoup the money they pay to the state from the federal government. The Wisconsin Hospital Association supports the proposal, which Democrats fought for last year but failed to get in the budget.

The state would get about \$125 million from the hospital tax, Doyle said. His plan also calls for a \$293 million transfer from the state 's transportation fund, which would be repaid with federal money and new borrowing.

State programs that were to start this summer will either be scaled back or eliminated to save up to another \$40 million, Doyle said. Details on the cuts were not immediately available.

In February, Wisconsin 's budget was projected to be \$652 million short for the current two-year cycle that started July 1, 2007, and ends June 30, 2009.

That was lowered after the state delayed \$125 million in principal payments on short-term debts.

Doyle 's plan would leave \$100 million in reserve, which is \$22 million less than what the budget passed in October called for.

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