#### Wis. Auto & Truck Dealers Assn. October 26, 1998

THANK YOU, MARY ANN (GERRARD). YOU AND GARY WILLIAMS DO SUCH A GREAT JOB IN LOOKING OUT FOR THE INTERESTS OF WISCONSIN'S AUTO AND TRUCK DEALERS.

I WANT TO THANK THE WISCONSIN AUTO AND TRUCK DEALERS ASSOCIATION ... AND CHAIRMAN GREG ELLIOUS ("ELLY-US") ... FOR BEING SUCH A GREAT PARTNER IN WISCONSIN'S SUCCESS STORY ... A STORY THAT HAS MADE THE NATION'S FRONT PAGES.

WISCONSIN DEALERS DO AN OUTSTANDING JOB ... IN RUNNING THEIR BUSINESSES AND SERVING THEIR CUSTOMERS ... AND IN THE COMMUNITY.

A MILWAUKEE DEALER, VENUS FORD, WAS FEATURED JUST LAST WEEK ON OPRAH WINFREY FOR DONATING A QUALITY-TESTED 1991 FORD MUSTANG TO A LOW INCOME MILWAUKEE WOMAN WHO WAS STRUGGLING TO HOLD DOWN TWO JOBS WITH AN UNDEPENDABLE CAR.

THAT'S IN THE TRUE COMMUNITY SPIRIT OF OUR W-2 WELFARE TO WORK PROGRAM, WHICH HAS REDUCED THE WELFARE CASELOAD BY 69 PERCENT ... IN ONLY ITS FIRST 12 MONTHS ... WHILE WE GIVE FAMILIES THE TOOLS THEY NEED TO GET A JOB, BECOME FULL-FLEDGED, LAW-ABIDING MEMBERS OF THE COMMUNITY!

THE AVERAGE FAMILY LEAVING WELFARE FOR THEIR FIRST JOB IS 25 PERCENT ABOVE THE FEDERAL POVERTY LINE ... ON AFDC THEY WERE 30 PERCENT BELOW THE POVERTY LEVEL.

WISCONSIN ALSO DRIVES THE NATION IN PREPARING ITS YOUNG PEOPLE FOR SUCCESS ... THROUGH SCHOOL TO WORK.

YOUR MEMBERS HAVE BEEN PARTNERS IN TWO OF OUR MOST POPULAR YOUTH APPRENTICE PROGRAMS. ... WE ARE CURRENTLY TRAINING 325 HIGH SCHOOL STUDENTS TO BE TOMORROW'S AUTO TECHNICIANS AND AUTO COLLISION REPAIR EXPERTS.

THOSE TWO PROGRAMS ACCOUNT FOR ONE-QUARTER OF ALL YOUTH APPRENTICES.

### [PAUSE]

WISCONSIN TRULY IS ON THE "THE ROAD TO SUCCESS." WE'RE THE ONES WHO FIRST PAVED IT!

WE WERE THE FIRST STATE TO NUMBER OUR HIGHWAYS. BEFORE 1918 ... IT WAS "TURN LEFT AT MOE'S STORE."

WE USED ODD NUMBERS FOR HIGHWAYS RUNNING NORTH AND SOUTH AND EVEN NUMBERS FOR ROADS GOING EAST AND WEST. ... THAT SYSTEM WAS ADOPTED NATIONALLY.

OUR RUSTIC ROADS PROGRAM IS THE ONLY STATEWIDE EFFORT OF ITS KIND.

AND THEN THERE WAS THE GREAT AUTOMOBILE RACE OF 1878 ... THE NATION'S FIRST.

THE GREAT WISCONSIN RACE STARTED THREE YEARS EARLIER ... WHEN THE LEGISLATURE LAID DOWN THE CHALLENGE BY OFFERING A REWARD OF \$10,000 FOR THE INVENTION OF A SELF-PROPELLED VEHICLE WHICH WOULD SUCCESSFULLY RUN OVER 200 MILES OF PUBLIC HIGHWAY.

THAT MAKES WISCONSIN THE FIRST GOVERNMENT IN THE WORLD TO SUBSIDIZE THE DEVELOPMENT OF AUTOMOBILES.

Now, this was 30 years before the Ford Model T came out. It was before the internal combustion engine was perfected. All seven registrants were steam-powered. But only two started.

ONE, WAS NAMED THE "GREEN BAY." THE OTHER WAS NAMED THE "OSHKOSH."

THE COURSE WAS SET FROM GREEN BAY TO MADISON, VIA APPLETON, OSHKOSH, WAUPUN, WATERTOWN, FORT ATKINSON AND JANESVILLE — A DISTANCE OF 201 MILES.

SEVERAL THOUSAND SPECTATORS WITNESSED THE START OF THE RACE IN GREEN BAY AT 11:00 A.M. ON THE MORNING OF TUESDAY, JULY 16, 1878.

When the race started, the "Green Bay" showed superior speed and led in the race to a point 20 miles from Madison, but it did not finish because of mechanical difficulties.

THE "OSHKOSH" — WITH ALEXANDER GALLAGHER OF OSHKOSH AT THE TILLER — FINISHED THE RACE IN 33 HOURS AND 27 MINUTES. ... THAT'S AN AVERAGE SPEED OF SLIGHTLY MORE THAN 6 MILES PER HOUR.

THE JUDGES SAID NEITHER MACHINE PROVED TO BE "A CHEAP AND PRACTICAL SUBSTITUTE FOR THE USE OF HORSES AND OTHER ANIMALS ON THE HIGHWAY AND FARM."

EVEN SO, THE LEGISLATURE IN 1879, AFTER CONSIDERABLE DEBATE, AWARDED \$5,000 TO THE OWNERS OF THE VICTORIOUS "OSHKOSH" MACHINE.

BY THE WAY ... THE FIRST SPEEDOMETER WOULD ALSO BE MADE IN WISCONSIN, TOO.

WE WERE ALSO THE FIRST STATE TO REQUIRE THAT SEAT BELTS BE INSTALLED IN ALL CARS SOLD IN THE STATE, BEGINNING WITH THE 1962 MODEL YEAR.

# [PAUSE]

THE STATE OF WISCONSIN CONTINUES TO WORK WITH THE AUTOMOTIVE INDUSTRY TO SMOOTH THE ROAD FOR ALL OF OUR CUSTOMERS.

OUR DIVISION OF MOTOR VEHICLES IS CURRENTLY DEVELOPING AN INTERNET WEB PAGE TO ALLOW DEALERS TO RENEW THEIR LICENSES ELECTRONICALLY.

WE ARE ALSO WORKING AT THE NATIONAL LEVEL TO LOOK INTO SAFEGUARDS FOR DEALERS AND CUSTOMERS AS VEHICLE SALES OVER THE INTERNET CONTINUE TO GROW.

A GROUP OF 30 STATES WILL STUDY THE ISSUE OF CAR SALES OVER THE INTERNET, IDENTIFY POTENTIAL PROBLEMS AND DEVELOP FAIR SOLUTIONS.

ROGER CROSS AND CHUCK SUPPLE FROM THE D-O-T ... AND YOUR OWN GARY WILLIAMS ... ARE TAKING THE LEAD NATIONALLY.

OUR ELECTRONIC TITLE FILING PROGRAM LETS YOUR CUSTOMERS GET THEIR LICENSE PLATES, STICKERS AND REGISTRATION CERTIFICATES ON THE SPOT .... WHEN THEY BUY A NEW OR USED CAR OR SMALL TRUCK FROM A PARTICIPATING MOTOR VEHICLE DEALER.

OVER 300 DEALERS ARE SIGNED UP FOR THE PROGRAM AND I THANK THOSE PIONEERS.

THE USED VEHICLE DISCLOSURE STATEMENT "BUYER'S GUIDE" WE HAVE DEVELOPED IN PARTNERSHIP WITH W-A-T-D-A HAS BEEN SO SUCCESSFUL ... THE FEDERAL TRADE COMMISSION HAS EXEMPTED WISCONSIN FROM FEDERAL REQUIREMENTS.

THE SIMPLE FACT IS: WISCONSIN CONSUMERS ARE IN GOOD HANDS WHEN THEY BUY A VEHICLE FROM A LICENSED WISCONSIN AUTO OR TRUCK DEALER.

No wonder Consumer Digest Magazine has named Wisconsin as the <u>Best</u> place in the <u>Country</u> to buy a used car.

So I'M HOPING YOU'LL BUY A USED GOVERNOR.
HE'S GOT A FEW MILES ON HIM BUT HE'S ROADTESTED AND IN EXCELLENT CONDITION ... AND HE
GETS GREAT FUEL ECONOMY.

[PAUSE]

I HAVE A 12-YEAR RECORD OF CUTTING TAXES, STIMULATING THE ECONOMY, CREATING JOBS, AND PREPARING PEOPLE FOR THE OPPORTUNITIES THAT ARE OUT THERE.

I KNOW WHAT WORKS AND WHAT DOES NOT WORK.

Now, others are coming along trying their hand at an unfamiliar task.

[JOKE]

THAT REMINDS ME OF A PIRATE I ONCE MET.

THE POOR FELLA HAD A PEG-LEG, A HOOK, AND AN EYE PATCH. I ASKED ABOUT THE PEG-LEG.

THE PIRATE SAID, "WE WERE IN A STORM AT SEA, AND I WAS SWEPT OVERBOARD INTO A SCHOOL OF SHARKS. JUST AS MY MEN WERE PULLING ME OUT, A SHARK BIT MY LEG OFF."

ASKED THE PIRATE ABOUT THE HOOK.

"Well...," REPLIED THE PIRATE, "We were BOARDING AN ENEMY SHIP AND WERE BATTLING THE OTHER SAILORS WITH SWORDS. ONE OF THE ENEMY CUT MY HAND OFF."

ASKED HOW HE GOT THE EYE PATCH

"A SEAGULL DROPPING FELL INTO MY EYE," REPLIED THE PIRATE.

WAIT A MINUTE, I SAID. "HOW COULD YOU LOSE AN EYE TO A SEAGULL DROPPING?"

"Well...," SAID THE PIRATE, "...IT WAS MY FIRST DAY WITH THE HOOK." [PUT HAND TO EYE.]

[PAUSE]

TAX CUTS CAN WORK WITHOUT PUTTING OUT AN EYE.

WHEN I CAME INTO OFFICE ALMOST 12 YEARS AGO, WISCONSIN WAS FLOUNDERING IN A SEA OF ECONOMIC UNCERTAINTY. ... PEOPLE WERE LEAVING IN DROVES. ... JOBS WERE LEAVING. AND SHOWROOMS WERE CLOSING.

THE BUSINESS COMMUNITY EVEN TOOK OUT ADS IN THE WALL STREET JOURNAL URGING COMPANIES NOT TO MOVE TO WISCONSIN BECAUSE IT WAS ANTI-BUSINESS. ... CLEARLY, WE HAD A TOUGH SALE HEAD OF US.

WE NEEDED TO KEEP BUSINESS LEADERS COMING INTO OUR SHOWROOM ... BUT WE HAD TO CUT THE STICKER PRICE OF GOVERNMENT IN ORDER TO MAKE THE SALE ...

WITH YOUR HELP, WE CUT THE INCOME TAX RATE. WE CUT PROPERTY TAXES. AND WE COMPLETELY ELIMINATED THE GIFT TAX AND THE INHERITANCE TAX.

WE INVESTED IN A HIGHLY SKILLED WORKFORCE BY MAKING BUSINESS TRAINING COSTS TAX DEDUCTIBLE.

WE CUT WORKERS COMPENSATION TAX RATES BY MORE THAN 25 PERCENT. AND WE RETAINED A 60 PERCENT CAPITAL GAINS TAX EXCLUSION — THE ONLY STATE IN THE NATION TO DO SO. ... AND ONCE WE STARTED CUTTING TAXES, WE NEVER STOPPED. [PAUSE]

SINCE 1987, WE'VE CUT TAXES 87 TIMES. THAT SAVED TAXPAYERS MORE THAN \$8 BILLION. THAT'S BILLION WITH A B.

• WE COMPLETELY ELIMINATED INCOME TAXES FOR OUR POOREST FAMILIES EARNING LESS THAN \$18,000, HELPING THEM SUCCEED IN WORKING OUT OF POVERTY.

WE CUT PROPERTY TAXES BY A \$1.2 BILLION IN 1996. AND WE TOPPED OFF WITH ANOTHER PROPERTY TAX CUT LAST YEAR. ... NEVER IN THIS STATE'S 150 YEARS HAS THEIR BEEN A BIGGER PROPERTY TAX CUT.

It's true. Property taxes are 20 percent Lower today than in 1993 when compared to Family income.

- WE'RE TARGETING TAX CUTS TO HELP FAMILIES WITH THEIR EDUCATION BILLS, PROVIDING A \$3,000 PER CHILD TAX BREAK FOR COLLEGE TUITION.
- JUST AS IMPORTANT IS THE \$600 MILLION IN PROPOSED TAX INCREASES BY THE DEMOCRATS THAT I KILLED WITH MY VETO CLEAVER.
- WE CUT THE INCOME TAX RATE FROM 7.9
  PERCENT TO 6.77 PERCENT... AS WE USE BUDGET
  SURPLUSES TO REINVEST IN OUR FAMILIES AND
  BUSINESSES BY RETURNING THEIR HARD-EARNED
  MONEY.

Now that's a deal.

[PAUSE]

THE RESULT OF ALL THIS TAX CUTTING: REAL AND SUBSTANTIAL RELIEF FOR THE FAMILIES OF WISCONSIN. ... OUR STATE AND LOCAL TAX BURDEN IS AT ITS LOWEST LEVEL IN 15 YEARS BASED ON ABILITY TO PAY. ...

#### AND I'M NOT DONE YET!

OVER THE NEXT FOUR YEARS, I INTEND TO CUT TAXES ANOTHER 2-BILLION-DOLLARS ... A 10 PERCENT TAX CUT SAVING THE AVERAGE WISCONSIN FAMILY ALMOST \$1,000 A YEAR ... ALTHOUGH THE GREATEST NUMBER OF TAX FILERS WILL RECEIVE A TAX CUT OF ABOUT \$1,500.

FROM THE 7.9 PERCENT WE INHERITED TO TODAY'S 6.77 PERCENT ... WE WILL DROP THE TOP INCOME TAX RATE IN THE STATE TO 6.28 PERCENT IN FOUR YEARS.

SO YOUR CUSTOMERS WILL BE ABLE TO MOVE UP FROM THE ECONOMY MODEL ... TO THE FAMILY SIZE SEDAN. ... AND BUY THE WAY, WE ARE ONE OF THE CHEAPER STATES TO LICENSE A VEHICLE, SINCE THE FEE IS NOT BASED ON THE VALUE OF THE CAR.

# [PAUSE]

WORKING TOGETHER, WE'VE TURNED THE CORNER FROM THE DEAD END POLICIES OF HIGH TAXES ... AND THE POLITICS OF ENVY ... INTO THE ROAD TO SUCCESS FOR ALL OF WISCONSIN'S CITIZENS.

NEVER BEFORE HAS WISCONSIN'S UNEMPLOYMENT BEEN LOWER THAN IT HAS SO FAR THIS YEAR. AND WE'VE BEEN BELOW NATIONAL UNEMPLOYMENT RATE EVERY MONTH FOR OVER 10 YEARS.

- ✓ PER CAPITA INCOME CONTINUES TO GROW FASTER THAN THE NATIONAL AVERAGE THIS DECADE, WHILE OUR MEDIAN FAMILY INCOME EXCEEDS THE REST OF THE COUNTRY.
- ✓ OUR MEDIAN INCOME HAS GONE UP FROM 2.8 PERCENT BELOW THE NATIONAL AVERAGE TO 2.8 PERCENT ABOVE THE NATION AT NEARLY \$53,000.
- ✓ OUR ECONOMIC SUCCESS IS PUTTING ALL WISCONSIN FAMILIES IN THE DRIVER'S SEAT.
- ✓ WISCONSIN HAS THE EIGHTH-HIGHEST HOUSEHOLD INCOME IN THE NATION OVER THE LAST THREE YEARS.
- ✓ IN 1984, 32 OTHER STATES HAD HIGHER FAMILY INCOMES THAN WISCONSIN. FROM 33RD TO EIGHTH BEST IS REAL PROGRESS.

- ✓ WISCONSIN'S PER CAPITA INCOME GREW 9.4 PERCENT BETWEEN 1990-96, COMPARED TO ONLY 5.9 PERCENT NATIONWIDE.
- ✓ WISCONSIN HAS THE FOURTH-LOWEST POVERTY RATE IN THE NATION.
- ✓ AND WE HAVE THE FOURTH-SMALLEST GAP BETWEEN THE RICH AND POOR IN AMERICA — A GRAND TESTAMENT TO OUR ECONOMIC POLICIES. [PAUSE]

WORKING TOGETHER, WE CAN MAKE WISCONSIN A STATE WHERE ALL ROADS LEAD TO HAPPY ENDINGS.

WE BELIEVE IN WISCONSIN. AND WE BELIEVE THE ROAD TO SUCCESS WILL STRETCH FAR OVER THE HORIZON AND INTO A LIMIT-LESS FUTURE.

THANK YOU ALL SO VERY MUCH FOR HELPING WISCONSIN GET TO ITS DESTINATION.