GOV. EVERS’ 2023-25 BUDGET MESSAGE TOPLINES AND BACKGROUND

OVERVIEW

- In his 2023-25 Budget Message, Gov. Evers unveiled a “breakthrough budget” that delivers on his promises to provide a 10-percent tax cut to middle-class families, a significant increase in shared revenue to support local governments, the largest increase in K-12 schools, and investments in important priorities like fixing the roads and expanding high-speed internet.
- Under the governor’s leadership, the state has emerged from the worst economic crisis in decades into its best fiscal position in state history, with an unprecedented surplus of approximately $7 billion and a record-high amount in the state’s ‘rainy day fund.’
- This fiscal position has laid the groundwork for a budget that invests in Wisconsinites’ top priorities while providing real, responsible tax relief targeted at lower- and middle-income earners—including parents, seniors, caregivers, veterans, and student loan borrowers—who still need help affording rising costs and national inflation.
- The governor’s budget provides:
  - A historic more than $2.6 billion investment in doing what’s best for our kids and providing the resources and support our kids and schools need;
  - More than $1.2 billion in tax relief targeted at low- and middle-income earners, as well as additional tax relief for businesses;
  - A new model for shared revenue that will provide more than half a billion dollars in new resources to help local governments fund public safety and meet other basic and unique needs;
  - More than $500 million to expand access to mental and behavioral healthcare and make 2023 the Year of Mental Health;
  - Critical investments to support working families and address long-standing workforce challenges—from providing guaranteed paid leave to investing in child care and affordable housing;
  - Needed resources to advance clean water, clean energy, sustainability, and conservation; and
  - Investments to build the kind of resilient infrastructure Wisconsinites deserve—whether its fixing the roads or connecting more folks to high-speed internet.
- In this budget, there’s more that unites us than divides us. These aren’t Republican or Democratic priorities—they’re Wisconsin priorities—areas where we should be able to find common ground.
- This is a budget about getting back to basics and doing the right thing—expanding high-speed internet, improving healthcare access, reducing child care costs, keeping communities safe, building more housing, addressing PFAS and water contaminants, funding our schools, improving mental health, fixing roads and bridges, bolstering our current and future workforce, maintaining our economy’s momentum.
- We have so much work to do and so much we can accomplish if we’re willing to get to work. And together we will.

PROVIDING TAX RELIEF TO WORKING FAMILIES

- Gov. Evers promised he’d fight for a 10-percent tax cut for middle-class and working families and that he would provide real, responsible tax relief targeted at middle-class and working families—not big breaks for the wealthiest 20 percent of earners in our state who don’t need the extra help affording rising costs.
• This budget not only delivers on that promise, but it provides more than $1.2 BILLION in tax relief for working families while limiting tax giveaways to wealthy earners.
  o If you’re a single filer making less than $100,000 or a married joint filer making less than $150,000, the credit will cut your taxes by 10 percent.
  o That’s real, sustainable relief that will keep income taxes low now and into the future without causing devastating cuts to priorities like public schools and public safety.
  o The governor’s plan also provides relief to seniors living on fixed incomes that haven’t kept up with rising costs; working families with kids to help afford child care and reduce child poverty; families providing care and assistance to an aging relative; and veterans and surviving spouses paying rent and utilities.
• The plan builds upon income tax cuts signed by Gov. Evers since taking office that have returned $1.4 billion annually to taxpayers.
  o This includes one of the largest tax cuts in Wisconsin state history, which the governor signed into law in the 2021-23 biennial budget, providing $2 billion in individual income tax relief over the biennium and approximately $1 billion annually going forward.
  o When combined with the tax cuts Gov. Evers signed in the 2019-21 biennial budget, as well as 2019 Wisconsin Act 10, 86 percent of Wisconsin taxpayers have seen an income tax cut of 15 percent or more, with 2.4 million taxpayers getting relief.
• The governor’s plan also creates a fairer tax code and ensures the wealthiest earners in Wisconsin pay their fair share by minimizing special tax breaks that primarily benefit millionaires and billionaires while generating the ongoing revenue needed to invest in key priorities like public safety, infrastructure, and K-12 schools.
• Gov. Evers’ tax plan draws a stark contrast to the Republican-backed flat tax proposal to give enormous breaks to wealthy millionaires and billionaires rather than prioritizing relief for working families.
  o Based on available details, Republicans’ plan would provide more than $3.5 billion in tax breaks to the wealthiest 20 percent of Wisconsin tax filers, which is nearly four times what the remaining 80 percent of filers would see combined.
  o All told, nearly 80 percent of the flat tax plan will benefit the top 20 percent of earners who file taxes in Wisconsin.

Providing Long-Term Relief for Working Families
• Creating a nonrefundable Family and Individual Reinvestment (FAIR) Credit, which would cut taxes by 10 percent for single filers at or below $100,000 in annual adjusted gross income and married-joint filers at or below $150,000.
  o The credit would gradually phase out for single filers with adjusted gross incomes between $100,000 and $120,000 and married-joint filers with incomes between $150,000 and $175,000.
  o Below the start of the phase-out thresholds, the credit will have a $100 minimum for single and married-joint filers and a $50 minimum for married-separate filers.
  o This will provide total tax relief of over $400 million in total income tax relief annually to the middle class.
• Increasing Wisconsin’s supplement to the federal Earned Income Tax Credit (EITC) for working families with one or two children.
  o Targeted tax relief through the EITC has been effective in reducing child poverty to help kids succeed, yet Wisconsin’s credit for those with one or two children lags most other states and should be increased.
o Beginning with tax year 2023, the governor’s budget will increase the percentage of the federal credit that filers with one dependent child may claim from 4 percent to 16 percent and increase the percentage that filers with two children may claim from 11 percent to 25 percent.

o Under these changes, nearly 200,000 filers with children will receive total tax relief of $60.7 million in fiscal year 2023-24 and $63.8 million in fiscal year 2024-25, and the average tax relief for these taxpayers will be over $300 annually.

- **Expanding the current state Child and Dependent Care Tax Credit** from 50 percent of the federal credit to 100 percent beginning with tax year 2023.
  o Most people eligible for the credit could receive up to $600 if they are claiming it for one qualifying individual’s expenses or $1,200 for two or more qualifying individuals’ expenses.
  o This will provide over $27 million annually in tax relief to over 100,000 Wisconsin taxpayers at an average benefit of over $260 per filer.

- **Creating a caregiver tax credit** equal to 50 percent of the qualifying expenses incurred by those providing care or support to adult family members requiring assistance with one or more daily activities, limited to $500 in a tax year for most filers.
  o For single filers, the credit will be available for those with incomes up to $75,000, subject to a phase-out for those with incomes between $75,000 and $85,000. The credit will be available to married-joint filers with incomes up to $150,000, subject to a phase-out for those with incomes between $150,000 and $170,000.
  o This will result in $96.7 million in tax relief in fiscal year 2023-24 and $98.3 million in fiscal year 2024-25, providing an estimated 240,000 taxpayers with an average tax cut of nearly $400.
  o Qualifying expenses under the credit include modifications to a dwelling for the care or support of a family member, purchase or lease of assistance equipment, and acquisition of goods or services or support to assist in caring for a qualified family member.

**Providing Targeted Tax Relief for Seniors and Veterans**

- **Enhancing the Homestead Credit** to provide increased property tax relief to lower-income Wisconsinites, particularly seniors and individuals with disabilities.
  o Over the years, Republicans have eroded the value of the state’s Homestead Credit by failing to adjust the credit for inflation, and due to inflationary adjustments in Social Security benefits, the number of senior claimants of the Homestead Credit has been greatly reduced in recent years.
  o The governor’s budget will increase the maximum eligible household income under the program from $24,680 to $35,000 and restore indexing for the credit beginning with tax year 2023, which is vital for those on fixed income streams such as Social Security or disability payments.
  o Beneficiaries will see approximately $100 million in targeted property tax relief over the biennium through this expansion of the Homestead Credit.

- **Expanding the Veterans and Surviving Spouses Property Tax Credit** to include renters and increasing availability of the credit to those with disability ratings in excess of 70 percent.
  o This proposal would extend the credit for renters at the rate of 20 percent for those with heat included in their rent and 25 percent for those without heat included in their rent.
  o In total, these provisions will provide $26.2 million in relief in fiscal year 2023-24 and $27.3 million in fiscal year 2024-25. This proposal was previously announced along with
the governor’s other budget investments to support Wisconsin’s 300,000 veterans.

Protecting Student Loan Borrowers

- Keeping his promise to student loan borrowers, the governor’s budget will include adopting federal tax changes that would ensure federal student debt relief received by Wisconsinites would not be subject to state taxes.
- The federal ARPA exempted student debt relief from being subject to taxation until 2026, but unlike residents of more than 40 other states, Wisconsinites who qualify for student debt relief will be subject to state income tax if current law is not changed per the governor’s recommendation.
- More than 300,000 Wisconsinites have applied and been fully approved for student loan debt relief under President Biden’s plan, and the governor believes they should not be penalized for receiving that relief.
- The governor’s budget also adopts most of the remaining provisions of the Tax Cuts and Jobs Act of 2017, which have resulted in increased tax collections in the numerous other states that automatically adopted them.
  - These provisions will raise $187.6 million in fiscal year 2023-24 and $200.6 million in fiscal year 2024-25.

Providing Tax Relief for Wisconsin Businesses

- Fully repealing Wisconsin’s outdated personal property tax and providing more than $200 million in tax relief for businesses.
  - The governor has long supported repealing this burdensome tax on businesses, and because this provision also provides $202.4 million in fiscal year 2024-25 to compensate all local taxing jurisdictions for the reduction in their property tax bases, homeowners will be protected from any shift in property tax burden.
  - Payments to local governments to offset the reduction in property taxes will continue and increase with inflation.
- Increasing the refundable share of the research credit for businesses from 15 percent under current law to 50 percent beginning in tax year 2024.
  - This increase will provide $16.1 million in tax relief to businesses in fiscal year 2023-24 and $64.4 million annually beginning in fiscal year 2024-25, further incentivizing critical research and development spending by Wisconsin businesses and improving their competitiveness in developing new products.
  - Refundability of the research credit is important because many of the most innovative start-up companies do not have the tax liability to offset with a nonrefundable credit. Providing enhanced refundability gives new firms a meaningful incentive to conduct research in Wisconsin.

Creating a Fairer Tax Code

- Limiting the manufacturing portion of the Manufacturing & Agriculture Credit to only apply to the first $300,000 in qualified production activities income for each firm qualifying for the credit and preserving the agricultural portion of the credit as it is under the current law.
  - This credit has failed to demonstrate any measurable success at increasing Wisconsin’s share of national manufacturing employment or increasing wages in the manufacturing sector while costing the state more than $400 million a year.
  - Wisconsin’s relative standing in manufacturing wages has declined, with Wisconsin manufacturing workers only ranking 34th among the 50 states for average annual wages.
Meanwhile, in tax year 2021, a mere 7,560 taxpayers—approximately 0.3 percent of all individual income tax filers with a net tax liability—claimed the manufacturing portion of the credit for a total of $402.4 million, approximately $53,300 per claimant.

Sixty-seven percent of the total tax break went to taxpayers with incomes greater than $1 million, and more than half of those claims were to taxpayers with incomes greater than $5 million. In 2021, approximately 170 claimants with incomes greater than $5 million claimed $149.7 million in the manufacturing credit or nearly $900,000 per claimant.

To put these massive claims in context, the amounts claimed by this handful of taxpayers with incomes greater than $1 million in adjusted gross income exceed the cost of the Homestead Tax Credit, the Wisconsin Earned Income Tax Credit, and the Veterans and Surviving Spouses Property Tax Credit combined.

Limiting the credit will generate $348.7 million in fiscal year 2023-24 and $306.4 million in fiscal year 2024-25, which will be used to offset some of the additional tax relief provided to lower- and middle-income Wisconsinites and support small business growth and development.

- **Limiting the current 30 percent long-term capital gains exclusion** to individuals with incomes below $400,000 and married-joint filers with incomes below $533,000.
  - This exclusion is another large tax break that primarily benefits a small share of the overall taxpayer population by providing a preferential rate for disproportionately high-income earners on income derived from capital asset sales.
  - For very high-income Wisconsin taxpayers subject to the highest tax bracket, instead of facing the ordinary 7.65 percent marginal rate that applies to wage and salary income, investment gains qualifying for the capital gains exclusion have an effective preferential rate of 5.355 percent. This is only slightly above the marginal tax rate faced by most middle-class taxpayers.
  - The governor’s recommendation preserves the exclusion for all but the highest income earners while continuing to provide relief to ordinary retirees and small investors.
  - The limits to the 30 percent long-term capital gains exclusion will raise an estimated $185.2 million in fiscal year 2023-24 and $154.2 million in fiscal year 2024-25.

**BUILDING RESILIENT INFRASTRUCTURE**

- We have a lot of work to do together to keep building our economy from the ground up, but we have to start with making sure our infrastructure is prepared to support a workforce and economy of the 21st Century.

- In this century, nearly everything about our economy, our workforce, and our way of life depends on access to reliable high-speed internet, and the longer it takes to get everyone connected, the more costly it becomes for our state to catch up.
  - No administration in state history has done more to expand access to high-speed internet than the Evers Administration.
  - Gov. Evers declared 2021 the Year of Broadband Access and has allocated more than $340 million to ensure more than 387,000 homes and businesses will have new or improved reliable, high-speed internet.
  - Gov. Evers is again proposing to make the largest investment in high-speed internet in our state’s history, with a $750 million investment into the Broadband Expansion Grant program so we can meet our goal of getting every Wisconsinite, every home, and every business connected to reliable, affordable, high-speed internet by 2025.
- The governor’s budget also builds upon our work over the last four years to improve over 5,800 miles of roads and nearly 1,600 bridges by making significant investments in our transportation system.
  - The governor’s budget will propose the highest level of funding ever into aid that goes directly toward helping local counties and communities repair and maintain our roads.
  - Gov. Evers is also proposing to invest in key projects across the state from the Ray Nitschke Memorial Bridge in Green Bay to the Blatnik Bridge in Superior, as well as investments to expand transportation alternatives in our small communities, build out our electric vehicle charging infrastructure, and re-engineer roads to improve safety and help prevent reckless driving.
  - While these investments are critical to bringing our infrastructure into this century, we also need to prepare for future economic uncertainty, and that’s why the governor is proposing to use a portion of our state’s surplus to pay down $380 million in state debt in transportation revenue bonds.
  - That means we’ll spend less of your hard-earned tax dollars in the future paying on debt and interest so we can stay focused on fixing the darn roads.

- Building resilient infrastructure also means addressing and mitigating the devastating impacts of the hundred-year floods and heavy storms that are becoming an increasing threat to folks’ lives and livelihoods.
  - That’s why Gov. Evers’ budget proposes multiple strategies to mitigate and prevent the effects of flooding and erosion in Wisconsin.
  - Flooding costs Wisconsin families millions of dollars in damage to homes, businesses, and the environment, and the effects of climate change continue to increase the risk.
  - By investing in resilient infrastructure and nature-based solutions, we can prevent much of this damage while ensuring our homes and businesses remain standing for years to come.

**Transportation**

- **Local Roads and Services**
  - Increase general transportation aids for both counties and municipalities by 4 percent in calendar year 2024 and another 4 percent in calendar year 2025. The governor’s proposal provides the highest level of funding for general transportation aids in the program’s history.
  - Provide $50 million SEG annually for an ongoing supplement to the Local Road Improvement Program (LRIP) to increase direct support of local road and bridge projects across the state. Additionally, increase funding for the existing LRIP program by 4 percent in each year of the biennium.
  - Increase state support of mass transit aids by 4 percent in calendar year 2024 and calendar year 2025 to further support non-drivers’ access to employment, healthcare, and recreation throughout the state. Additionally, increase funding to programs supporting transportation for the elderly and people with disabilities, paratransit, and employer-sponsored commuting options.
  - Restore the ability of cities, villages, and towns to use eminent domain to build pedestrian and bike paths.
  - Provide $1.2 million SEG annually to provide matching funds for the Transportation Alternatives Program for small communities.
  - Allocate $8 million SEG to support local government administration of federal funding opportunities to support local roads.
  - Allow local governments to establish Regional Transit Authorities throughout the state as local governments deem necessary for the benefit of their residents.
- Restore roadway design considerations in state law that support non-motorist infrastructure known as Complete Streets, empowering local communities to safely integrate all modes of transportation.

- **State Highways**
  - Provide $140 million bonding for the I-94 East/West project in Milwaukee County to help support metropolitan Milwaukee highways for future generations.
  - Invest $77 million in the State Highway Rehabilitation Program.

- **Bridges**
  - Provide $47.2 million in bonding to begin reconstruction of the Blatnik Bridge in Superior in partnership with the Minnesota Department of Transportation.
  - Provide $50 million in bonding to support the Southern Bridge project on the Fox River in Brown County.
  - Direct $1.2 million SEG for pressing repairs for the Ray Nitschke Bridge in Green Bay.

- **Safety on our Roads and Addressing Reckless Driving**
  - Improve the safety of travel on Wisconsin’s highways by providing 35.0 FTE SEG positions for additional state troopers and 10.0 FTE SEG positions for motor carrier inspectors.
  - Provide $60 million GPR to establish a new traffic calming grant program.
  - Implement Driver Licenses for All, regardless of documented status, to improve the safety of Wisconsin roads for everyone in Wisconsin.
  - Invest $6.5 million to cover the cost of comprehensive driver education for economically disadvantaged students.
  - Require that courts order the use of an ignition interlock device (IID) for all offenses involving the use of alcohol and operating a motor vehicle while intoxicated (OWI), joining 30 other states and D.C. in requiring all offenders, including first-time offenders, to install an IID.
  - Increasing Wisconsin’s seatbelt violation penalty from $10 to $25 to match neighboring states.

- **Electric Vehicle Infrastructure**
  - Establish a program to utilize federal funding to further build out Wisconsin’s electric vehicle charging infrastructure. This action will enable the state to use $17.1 million of federal funding in fiscal year 2023-24 and $17.4 million of federal funding in fiscal year 2024-25, along with potential state funds to allow greater use of electric vehicles throughout the state.
  - Provide $234,900 GPR in fiscal year 2023-24, $177,300 GPR in fiscal year 2024-25, and 2.0 FTE GPR positions to the Department of Agriculture, Trade, and Consumer Protection to provide consumer protection oversight of electric vehicle charging stations.
  - Modify current law to explicitly exempt from the definition of a public utility, a nonutility that supplies electricity through an electric vehicle charging station and charges by duration or the kilowatt-hour.

- **Supply Chain Investments**
  - Provide $16 million in bonding for dredging, seawall reconstruction, and other projects associated with the Harbor Assistance Program.
  - Provide $20 million in bonding for the Freight Rail Preservation program.
  - Increase the number of days that an employee of a Farm Service Industry employer can carry a seasonal Commercial Driver's License from 180 to 210 days.

- **Laying the Foundation for Future Infrastructure**
  - Use nearly $380 million GPR of the state’s historic surplus to pay down debt in the transportation revenue bond program. This action will allow funds currently devoted to debt service to become available for improving Wisconsin roads as well as saving the state money on interest payments.
- Provide two new sources of revenue to fund infrastructure improvements throughout Wisconsin and maintain a healthy transportation fund. The first is an amount calculated from the state sales tax generated by the sale of electric vehicles. The second is a transfer of a portion of state sales tax on the sale of auto parts, tires, and repair services. These transfers will allocate nearly $190 million from the general fund to the transportation fund over the biennium.

**Broadband**

- **Expanding Access and Affordability**
  - Invest $750 million GPR for the Broadband Expansion Grant program with a requirement that the Public Service Commission (Commission) spend at least $75 million annually on grants.
    - This historic proposal builds upon the governor’s previous record-setting investments in expanding broadband across the state and is more than four times larger than the total funding provided to the grant program over the governor’s past two budgets.
  - Strengthen the Broadband Expansion Grant program to ensure that all Wisconsinites have access to reliable and affordable broadband service by:
    - Increasing the speed threshold for broadband service for an area to be considered “served” to 100 megabits per second (Mbps) download and 20 Mbps upload and allow the Commission to periodically update this speed threshold.
    - Requiring an area to have access to broadband service that is “available, reliable, and affordable” for the area to be considered “served.”
    - Requiring the Commission to consider the affordability of broadband service in the proposed project area when evaluating grant applications.
    - Establishing a procedure for internet service providers (ISPs) to challenge a grant award.
  - Create a Broadband Line Extension Grant Program, funded at $1.75 million GPR in fiscal year 2023-24 and $3.5 million GPR in fiscal year 2024-25, to provide grants and financial assistance to eligible households to subsidize the cost of a line extension from existing broadband infrastructure to a residence that is not served by a broadband provider.
  - Eliminate several statutory restrictions for certain municipalities defined as broadband “unserved” to enable them to directly invest in broadband infrastructure and provide service to residents. Allow these communities to apply directly for broadband expansion grant funding from the Commission.

- **Promoting Equity and Reliability**
  - Modify current law to create a Digital Equity program supported by funding from the state universal service fund. Digital equity is defined as “a condition in which all individuals and communities have the information technology capacity needed for full participation in our society, democracy, and economy” by the National Digital Inclusion Alliance.
  - Modify current law to protect broadband customers by requiring broadband service providers to meet certain service requirements, including prohibiting a provider from denying service to residential customers based on race or income and requiring providers to award credits to customers’ internet bills based on service outages.

**Flood Prevention, Preparation, and Response**

- **Preparation and Mitigation**
  - Authorize $11 million in environmental fund-supported general obligation bonding authority for the Department of Natural Resources for urban nonpoint source cost-sharing and the municipal flood control program.
- Provide $1 million SEG in expenditure authority in each year for the Department of Natural Resources to provide funding for the preparation of flood insurance studies and other flood mapping projects.
- Authorize $10 million in bonding for the repair, reconstruction, and removal of dams. Of the authorized amount, provide $500,000 in bonding in fiscal year 2023-24 in one-time funding to rebuild the Sheboygan Marsh Dam located near the Department of Natural Resources’ Sheboygan Marsh Wildlife Area.

**Support for Coastal Communities**
- Create an Erosion Control Loan Program to assist municipalities and owners of homes located on the shores of Lake Michigan, Lake Superior, or the Mississippi River where the structural integrity of municipal buildings or homes is threatened by the erosion of the shoreline. Provide $7 million SEG in fiscal year 2023-24 as an initial capitalization for the programs.

**SHARED REVENUE AND LOCAL OPTION SALES TAX**
- For a decade now, our local municipalities have been forced to do more with less. They’ve had to make impossible decisions about what essential services to fund in our communities, having to choose between paying for first responders, addressing PFAS, fixing the roads, and other critical priorities.
- Gov. Evers has been clear for years that the state must do more to fulfill our obligation to ensure our local partners can meet basic and unique community needs alike.
- The governor’s budget delivers on the promise he made in his 2023 State of the State address when he announced his proposed biennial budget will send 20 percent of the state’s sales tax revenue back to local communities for shared revenue.
- The historic proposal means more than half a billion dollars more per year in new resources for local communities to invest in key priorities like local health and human services, transportation, EMS, fire, and law enforcement services, and other challenges facing our communities such as PFAS and district attorney recruitment and retention—the largest increase in aid to municipalities and counties in decades.
- To empower local governments to diversify revenue sources and fund essential services, the governor’s budget will also allow counties to impose an additional 0.5 percent sales tax and allow municipalities with populations over 30,000, other than the city of Milwaukee, to impose a 0.5 percent sales tax to generate revenue for public safety and other essential services, if approved by local referendum.
- To assist the state’s largest metropolitan area with its unique needs, the budget allows Milwaukee County to impose an additional 1.0 percent sales tax, with 50 percent of the resulting new revenue distributed to the city of Milwaukee if approved by local referendum.

**Shared Revenue**
- The governor’s budget creates a new shared revenue appropriation that will provide increased aid to municipalities and counties of $576.2 million GPR in fiscal year 2024-25. Future allocations will grow with sales tax collections.
- The appropriation’s allocation for each calendar year will be 20 percent of the state’s sales tax collections of the fiscal year ending in that calendar year. As part of the 20 percent, communities will continue to receive existing County and Municipal Aid, Expenditure Restraint, and the county and municipal components of personal property aid; the remaining funds will be divided between public safety aid and general aid to municipalities and counties.
Public safety aid will be 43.4 percent of the total funds available ($250 million) under the new appropriation. Public safety aid payments can be used to support law enforcement, fire, and EMS as well as courts and district attorneys’ offices, and the distribution formula ensures that no government will receive less than $10,000 under the public safety aid distribution.

The remaining 56.6 percent of the aid will be distributed as general aid, with 70 percent allocated to municipalities and 30 percent to counties.

Details regarding the distribution to each local government in the state will be available at the time of the governor’s budget address.

For future distributions under the new shared revenue, no local government may receive less than 95 percent of their prior year’s allocation. Existing shared revenue programs will continue under their current law provisions.

**Local Option Sales Tax**

- The governor’s budget will allow Milwaukee County to impose an additional 1.0 percent sales tax, with 50 percent of the resulting new revenue distributed to the city of Milwaukee. This will diversify local revenue sources and improve the ability of both Milwaukee County and the city of Milwaukee to address unique needs in the state's largest metropolitan area. This proposal must be approved by local referendum to take effect.

- The budget also allows counties other than Milwaukee County to impose an additional 0.5 percent sales tax and allows municipalities with populations over 30,000, other than the city of Milwaukee, to impose a 0.5 percent sales tax to diversify local revenue sources and better empower local governments to fund police and fire protection, EMS, transit, roads, and other important services, if approved by local referendum.

**DOING WHAT’S BEST FOR OUR KIDS**

- Budgets are about priorities, which is why every budget the governor builds begins with doing what’s best for our kids.

- Gov. Evers is proud that over the last four years, we’ve seen the largest per pupil revenue limit adjustment or the largest nominal increase in general aid in a decade; in 10 years, not one additional cent had been invested in special education aid; and if the governor hadn’t been there to use his veto pen and take unilateral action, per pupil aid wouldn’t have increased by more than $300 per student.

- While we’ve made significant progress, Gov. Evers knows communities have still been forced to go to referendum and raise their own property taxes to keep their local schools afloat, and while some districts have successfully passed referenda to help keep the lights on and the doors open, many have tried and failed.

- And while some lawmakers seem to think that because of our previous budgets and federal pandemic aid, our kids and our schools have already received enough—we know that our kids need our help now more than ever—particularly when it comes to mental health challenges.
  - The CDC recently released its Youth Risk Behavior Survey report, including alarming statistics about student mental health.
  - In 2021, more than 40 percent of high school students felt so sad or hopeless nearly every day for at least two weeks in a row that they stopped doing their usual activities.
  - One in 10 students attempted suicide, and one in five students seriously considered attempting suicide.
o Nearly 60 percent of teen girls felt persistently sad or hopeless—double the rate for teen boys—and nearly a third of teen girls seriously considered attempting suicide.

o About 70 percent of LGBTQ students experienced persistent feelings of sadness or hopelessness, and more than 20 percent of LGBTQ students attempted suicide.

- Gov. Evers knows our kids can only achieve their full and best potential when they can bring their full and best selves to the classroom, and that’s why Gov. Evers promised his budget will provide more than $270 million to make his “Get Kids Ahead” program permanent and ensure every kid has access to mental health services.

- It’s also why the governor’s budget includes $120 million for his “Healthy Meals, Healthy Kids” initiative, which will provide universal school breakfast and lunch so that every kid can be focused on their schoolwork and not when or whether they’ll eat next.

- Overall, Gov. Evers’ 2023-25 budget proposal will provide an increase of more than $2.6 billion for public schools, including the second largest proposed direct investment in state general aids since the 1995-97 biennium, the largest per pupil adjustments since revenue limits were imposed, and a historic investment in special education.

- The proposal also includes:
  o Significant and historic investments in special education, per pupil aid, and revenue limit increases
  o More than $15 million for literacy programs to improve reading outcomes
  o $10 million to bolster computer science curriculum, including requiring high schools to provide computer science instruction.
  o Investments in our educator pipeline to ensure we can address teacher shortages and keep class sizes small.

**Overall Investments**

- To ensure kids and educators have the resources they need to be successful, Gov. Evers is providing an overall state investment of over $2.6 billion in general and categorical aids for public schools, including:
  o $1 billion over the biennium through the state’s general equalization aid formula, the second largest proposed direct investment in state general aids since the 1995-97 biennium.
  o A more than $1 billion increase in special education aid over the biennium, which would increase reimbursement rates to 60 percent in both years of the biennium.
  o Granting districts a sizable increase in revenue-raising authority, with per pupil revenue limit increases of $350 in FY 2023-24 and an additional $650 in FY 2024-25—the largest per pupil adjustments since revenue limits were imposed.
  o A low revenue ceiling increase of $450 per pupil in FY 2023-24 and an additional $750 per pupil in FY 2024-25, increasing revenue limit equity among school districts.
  o A combined increase of $1,000 per pupil over the biennium while keeping the estimated gross school levy increase below one percent on a statewide basis in both fiscal years.
  o A per pupil aid investment of $46.5 million over the biennium, resulting in a $24 per pupil increase in FY 2023-24 and an additional $45 per pupil in FY 2024-25.
  o Per pupil payment increases of $374 in FY 2023-24 and another $695 in FY 2024-25 for independent charter schools and schools participating in a parental choice or special needs scholar scholarship program. These increases are commensurate with the increased spending power provided to public school districts through revenue limit adjustments and per pupil aid increases.
Freeze enrollment in schools participating in a parental choice program for school year 2024-25 at year 2023-24 enrollments, allowing families continued access to private schools while affirming the state’s commitment to robust funding for Wisconsin’s excellent public schools.

Special Education

- Wisconsin, like its peers across the nation, is experiencing a special education staffing crisis. Special education teachers are 2.5 times more likely to leave the profession than their general education peers.
- Before Gov. Evers took office, special education funding in Wisconsin had been held flat for a decade, during a period when costs for special education skyrocketed. Under the governor’s leadership, the final 2019-21 biennial budget included the largest increase in special education aid in state history.
- Gov. Evers is now proposing an increase more than 10 times that record-setting amount by:
  - Providing a more than $1 billion investment in special education aid, reaching 60 percent in both years of the biennium and going beyond his fall proposal with a historic and critical investment of $491.4 million in FY 2023-24 and $521.7 million in FY 2024-25; and
  - Investing $1.6 million in FY 2023-24 and $5.9 million in FY 2024-25 to increase high-cost special education reimbursements, increasing the reimbursement rate from 39.5 percent today to 60 percent at the end of the biennium.

“Get Kids Ahead” Initiative

- Gov. Evers is meeting Wisconsin’s student mental health crisis head-on by investing more than $270 million over the biennium to make his “Get Kids Ahead” initiative a permanent program, including:
  - $117.9 million per year to continue the “Get Kids Ahead” initiative, providing per pupil payments instead of competitive grants;
  - $18 million per year to reimburse schools for costs around an expanded list of school mental health professionals; and
  - $580,000 per year for staff training on evidence-based strategies.
- Additionally, the governor’s investment will provide $3.6 million in FY 2023-24 and $7.3 million in FY 2024-25 to allow schools to receive Medicaid reimbursement for telehealth origination costs.

Increased Medicaid Support

- Gov. Evers is also recommending modifying Medicaid school-based services to allow participating school districts to retain 100 percent of the federal funding received for those services as opposed to the 60 percent share they currently receive. This will result in school districts receiving an estimated additional $112 million of federal funding over the biennium.

Healthy Meals, Healthy Kids

- Gov. Evers has long maintained that a kid who’s hungry isn’t going to be able to focus on their studies or in the classroom, and his budget proposal makes critical investments to provide universal breakfast and lunch and engage local farmers and producers in the school meal marketplace. The governor’s plan includes:
Creating the Healthy Meals, Healthy Kids program, an initiative aimed at improving student health and reducing hunger by investing $120.2 million in FY 2024-25 to fully fund school breakfasts and lunches for all children;

Providing $4.3 million in FY 2023-24 and $4.7 million in FY 2024-25 to increase the school breakfast reimbursement rate to 15 cents per meal and extending eligibility for the reimbursement to independent charter schools and state residential schools operated by the Department of Public Instruction (DPI); and

Incentivizing schools to support Wisconsin farmers, food producers, and local economies by providing $2.75 million in FY 2024-25 for an enhanced 10 cents reimbursement per meal for those including locally sourced foods.

Literacy and Improving Reading Outcomes

Gov. Evers’ is honoring his commitment to improving reading and literacy rates statewide by investing:

- $10 million per year to fund comprehensive training for 28 new coaches in literacy and 28 new professionals in early reading instruction practices, designed to focus on school reading instruction improvement and early childhood; and
- $4.9 million over the biennium to engage multiple stakeholders and strategies, including:
  - $1.4 million for The Literacy Lab,
  - $3 million for the Wisconsin Reading Corps and
  - $500,000 for Reach out and Read.

This budget also provides $742,500 per year for Wisconsin Literacy to conduct adult literacy activities, including expert trainings, personalized consultations, and workforce connections.

Financial Literacy, Mathematics, and Computer Science

Gov. Evers believes that strong financial literacy and mathematics curriculum will provide a strong foundation for students’ financial futures. This budget invests in financial literacy and mathematics curriculum training by:

- Introducing a new “Do the Math” personal finance initiative, allocating $2.5 million per year to help schools start or improve programs around financial literacy curriculum and innovative instruction practices; and
- Providing $10 million in FY 2024-25 to the Milwaukee Math Partnership, a collaboration among the Milwaukee Public Schools district, the University of Wisconsin-Milwaukee, and Milwaukee Area Technical College focused on the implementation of mathematics curriculum and professional development for current and aspiring Milwaukee teachers.

In 2022, Gov. Evers signed the National Governors Association Computer Science Compact, pledging to improve access to computer science instruction in Wisconsin’s K-12 schools. Gov. Evers understands that equitable access to computer science instruction is critical to student success and the state’s future. The governor’s plan includes:

- Funding a statewide computer science education coordinator through DPI, allocating $20,000 in FY 2024-25 for a computer science education task force, and providing $5 million annually for grants to school districts to access computer science curriculum, particularly around programming concepts and professional development; and
- Creating a statutory requirement that each Wisconsin high school provide at least one computer science course.

Supporting English Learners

Gov. Evers’ budget improves school capacity to support English Learners by investing:

- $8.2 million in FY 2023-24 and $14.2 million in 2024-25 to increase reimbursement of costs for schools with higher concentrations of English Learners from 7.9 percent to 20 percent by the end of the biennium; and.
More than $25.9 million per year for a new Aid for English Language Acquisition program and $310,500 over the biennium to formalize the process for Wisconsin English learners to earn a Seal of Biliteracy and support districts that assist students in achieving this seal.

Teacher Workforce

- Gov. Evers’ budget creatively approaches the teacher shortage to help keep class sizes small and improve student outcomes by investing:
  - $5 million in FY 2024-25 for grants to support “grow your own” educator programming, which may include providing current employees with funding to pursue additional higher education credits, licenses, or certifications, engaging with community organizations, and supporting student organizations with “future teacher” missions; and
  - $9.4 million in FY 2024-25 to provide stipends to student teachers and interns, $2 million in FY 2024-25 to provide stipends to teachers who agree to train and oversee student teachers or interns, and $50,000 in FY 2024-25 for stipends to school library interns.

- Gov. Evers knows the value experienced teachers provide to their communities and leverages that value amid the shortage by proposing to authorize state agencies and local units of government, including schools, to rehire a retired annuitant teacher under certain circumstances to address workforce recruitment and retention issues. This will make it easier to hire experienced educators and staff.

Supporting Tribal Partners

- The governor’s budget also invests $200,000 per year for a grant program administered by DPI to reimburse expenses incurred by school districts that choose to change race-based mascots and logos.

Additional Student Supports

- **Out-of-School Programming**
  - Gov. Evers’ budget provides supports for students before, during, and after school by investing $20 million in FY 2024-25 for out-of-school time grants, enhancing offerings from schools and communities to help kids avoid risky and dangerous behaviors, keep kids engaged in their coursework, and provide homework assistance. This budget also provides $2 million per year to Graduation Alliance, which works to reengage students at risk of not finishing high school.

- **Driver’s Education**
  - Gov. Evers knows the lack of Driver’s Education funding has impacted students, families, and the safety of roads. That is why this budget provides $6.5 million in FY 2024-25 to subsidize the cost of providing driver’s education to economically disadvantaged students. This provision was also announced as part of the governor’s initiatives to address reckless driving.

- **Career and Postsecondary Opportunities**
  - This budget provides $500,000 in FY 2024-25 to pay General Education Development (GED) testing costs and increase high school equivalency attainment to open doors for employment and postsecondary opportunities.
  - In addition, this budget provides $704,000 over the biennium to continue support for contract costs related to academic and career planning for pupils in grades 6-12.

- **Prevent Opioid Overdoses**
  - Gov. Evers knows that the opioid epidemic is affecting communities, families, and schools throughout the state, and his 2023-25 budget proposal establishes a requirement that every school in Wisconsin have opioid antagonists on hand in the event of a suspected opioid drug overdose.

- **Encouraging Family and Outdoor Engagement**
Gov. Evers’ budget provides $243,600 per year to the Wisconsin Department of Natural Resources to provide fee waivers for annual admissions receipts to state parks for the families of fourth-grade students, aligning state parks with the national Every Kid Outdoors program.

SUPPORTING WORKING FAMILIES

Paid Family and Medical Leave
- Gov. Evers has a plan to bolster our state’s workforce, maintain our momentum, and build an economy for our future from the ground up—that plan includes making sure parents can put their kids and families first.
- Gov. Evers is taking a comprehensive approach to paid family leave for workers and employers across the state by creating a first-of-its-kind Wisconsin Paid Family and Medical Leave Act (FMLA) Program for public and most private-sector employers across the state.
  - Note, for private sector employers, the program will apply to businesses that regularly employ at least 50 employees and any self-employed individual who elects coverage under the family and medical leave benefits insurance program.
- In order to launch the program expeditiously, the governor’s budget infuses the new benefit and administration trust fund with a transfer of $243.4 million.
- Under the paid FMLA Program, workers will be eligible for 12 weeks of leave beginning Jan. 1, 2025.
- The governor’s proposal also expands eligibility for workers to use family and medical leave, paid or not, to include deployment of a spouse or child and an unforeseen or unexpected closure of a school or child care facility, among other modifications.

Accessible, Affordable Child Care for Working Families
- Child care is a critical factor that affects our state’s workforce in every corner of the state, but 54 percent of Wisconsinites today live in a child care desert—where there are few to no high-quality options for child care in their neighborhood or community. And even if there is a nearby child care provider, it still might not be affordable for a working family.
- During the pandemic, the governor directed federal pandemic aid to support our child care industry to help keep child care providers afloat so parents could get to work.
  - The governor created the Child Care Counts Program: COVID-19 Stabilization Payment Program, which provided the financial stability to stay open and recruit and retain quality staff to care for our kids.
  - The governor also created the “Partner Up!” Program, which encourage employers to partner with child care providers and cover a portion of the cost of child care for their employees, with the state funding the rest of the cost.
- Gov. Evers knows we need to make child care more affordable and accessible for working families and bolster child care providers statewide.
- That’s why during his 2023 State of the State address, Gov. Evers announced he will be proposing additional support to make child care more affordable and accessible for working families and to bolster child care providers statewide in his 2023-25 budget proposal, including providing investments in the Child Care Counts: COVID-19 Stabilization Payment Program and the “Partner Up!” Program.
  - The governor is proposing more than $340 million to provide a permanent investment in the Child Care Counts Program so providers can have the financial stability they need to keep the lights on, pay their workers fair, competitive wages, and continue to provide high-quality care to kids across the state.
The Child Care Counts Program provided the financial stability needed to help over 3,300 providers to stay open, recruit and retain over 22,000 qualified staff, and continue providing high-quality care for over 113,000 kids statewide.

- Gov. Evers is also proposing more than $22 million to support the innovative “Partner Up!” Program, supporting employer-child care provider partnerships and child care provider staff recruitment and retention.
  - Our employers are ready to play a role in ensuring workers have access to affordable child care, and we’re ready to support them.
- The governor announced he will be including his previously proposed plan to create a caregiver tax credit and expand the Child and Dependent Care Credit in his budget proposal, providing nearly $30 million in tax relief to more than 100,000 Wisconsinites.

Affordable Housing and Neighborhood Development

- Gov. Evers recognizes in order for workers and working families to be successful, they need to have safe, stable housing and thriving neighborhoods to grow in.
- In addition to the governor’s investment in the Neighborhood Capital Investment Fund Grant Program, Gov. Evers is proposing to expand access to affordable housing for the workforce by:
  - Establishing an Affordable Workforce Housing Grant program and providing $150 million to provide funding to local municipalities to encourage the development and maintenance of additional affordable workforce housing in the state, including costs for infrastructure projects related to new residential developments, such as water, sidewalks, and sewer. Additionally, municipalities that change zoning criteria in order to support additional affordable housing development would qualify for a bonus;
  - Providing $100 million to create a Municipal Home Rehabilitation Program to award grants to municipalities to renovate and restore blighted residential properties with the goal of increasing available, affordable housing options within the municipality;
  - Providing $100 million to support a revised and more robust Workforce Housing Rehabilitation Loan Program at the Wisconsin Housing and Economic Development Authority. The revised program would provide low-interest and forgivable loans to low- to moderate-income households to renovate or repair their current home, including lead remediation.
  - Modifying the State Housing Tax Credit program to help address the need for affordable housing in the state by: (a) increasing the limit on the total amount of state housing tax credits that may be authorized annually by the authority from $42 million to $100 million; and (b) increasing the credit period from six taxable years to 10 taxable years.
  - Extending from one year to three years, the allowable extension of the lifespan of a tax incremental finance district for the purpose of using surplus funds for investments in affordable housing projects. Requires joint review board approval for a further two-year extension; and
  - Modifying tax incremental finance policies to support the development of workforce housing by increasing the amount of a tax incremental finance district’s area that can be comprised of newly platted residential developments to 60 percent instead of the current law of 35 percent.

PROTECTING RENTERS

- In recent years, there have been countless instances of mothers, individuals with disabilities, survivors of domestic and intimate partner violence, low-income individuals and families, young people and students, aging and older adults, and many others that have been wrongfully evicted,
taken advantage of by predatory landlords, and left to live and raise their families in dangerous and unhealthy living conditions.

- Electrical fires and impacts on renters in the Milwaukee community, for example, have been the ongoing focus of a recent Milwaukee Journal Sentinel investigation series.
- Additionally, from 2011 to 2019, Republicans in the Legislature have passed more than 100 changes to landlord-tenant law, including eroding the ability of local governments to enact ordinances regulating the landlord-tenant relationship and hindering the ability of cities like Milwaukee to manage problematic landlords.
- That’s why the governor’s budget includes a comprehensive, multi-pronged package of initiatives designed to address the unique challenges facing Wisconsin renters, including renovating existing housing, improving rental unit safety, providing legal aid for evictions, and expanding renter protections.

Upgrade Existing Properties

- To ensure Milwaukee residents have access to safe rental properties, Gov. Evers is proposing to provide $5 million to create a Housing Safety Grant Pilot Program for the city of Milwaukee for activities that support the improvement of rental housing safety, including:
  - Design and implementation of a central, searchable database for renters that discloses the history of rental properties;
  - More robust property inspection programs; and
  - Funding to allow municipalities to help landlords remedy minor violations following inspections.
- Additionally, the governor’s budget will provide $7.25 million to create a pilot program for whole-home upgrades within the city of Milwaukee with the goal of reducing energy burdens and creating a healthier living environment for households with lower incomes.
- The governor’s proposal will also help rehabilitate existing housing while keeping housing affordable by providing $100 million to create a Municipal Home Rehabilitation Program to award grants to municipalities for renovating and restoring blighted residential properties in order to help increase available affordable housing options in our communities.

Expand Renter Protections

- To ensure communities statewide have the tools they need to keep tenants safe, Gov. Evers is proposing modifying landlord-tenant responsibilities to provide a better balance of rights and protections by allowing local governments to:
  - Limit the types of information a landlord may obtain to consider a tenant;
  - Impose requirements on inspections, including building out enforcement programs to proactively enforce code violations more earnestly;
  - Require a landlord to disclose certain information to tenants;
  - Require a landlord to report information to the municipality;
  - Impose certain requirements or fees related to the inspection of a rental premises; and
  - Impose moratoriums on eviction.
- Additionally, Gov. Evers is proposing requiring landlords to disclose to a prospective tenant a building code or housing code violation, regardless of whether the landlord has actual knowledge of the violation if the violation presents a threat to the prospective tenant’s health and safety.

Expand Civil Legal Aid
Gov. Evers is proposing to expand access to civil legal aid, including in eviction proceedings, by providing $60 million over the biennium to create a new civil legal assistance program for low-income individuals, focusing on establishing a statewide right to counsel for evictions.

- Civil legal services may also include unemployment compensation, consumer law, domestic violence, and health insurance matters.

The governor also proposes expanding the civil legal assistance program at the Department of Children and Families by $1 million over the biennium to include providing legal services related to eviction matters.

LONG-TERM COMMUNITY CAPITAL PROJECTS

- In order for local communities to address local challenges workers, families, and communities are facing, they need the infrastructure to do so.
- The governor is proposing continuing three successful grant programs, originally funded by ARPA, that have made transformative investments in communities.
- These programs target capital improvement projects across the state—from affordable housing to expanding access to healthcare in rural communities to bolstering local economic development through the state’s tourism and travel industry.

This investment includes the:

- $150 million for the Neighborhood Capital Investment Fund Grant Program, which provides grants to local and Tribal governments to invest in community and regionally-based solutions to bolster Wisconsin’s workforce for the future, such as projects to build affordable housing, increase transit and transportation access, and expand child care, or other areas based on unique local workforce needs;
- $100 million for the Healthcare Infrastructure Capital Grant Program, which provides grants for investments in healthcare infrastructure necessary to expand access to affordable healthcare, build facilities in areas of high need, and reduce disparities in healthcare outcomes and services statewide, among other key priorities; and
- $50 million for the Tourism Capital Investment Grant Program, which provides funding to assist local and Tribal governments and nonprofit organizations in bolstering Wisconsin’s tourism, travel, and lodging economies.

STRENGTHENING OUR WORKFORCE

- Developing homegrown talent to bolster our workforce and support our local businesses and our local economies has been a top priority for Gov. Evers and his administration these past four years.
  - We had record-high job numbers in 2022 in key sectors like construction, wholesale trade, professional, scientific, and technical services, and transportation and utilities.
  - Wisconsin’s unemployment rate and labor force participation rate continue to beat national averages.

Workforce Innovation Grant Program

- Over the last two years, Gov. Evers has made a groundbreaking more than $150 million investment of ARPA funds into three programs designed to address our state’s post-pandemic workforce needs, including:
  - The Worker Advancement Initiative and Worker Connection Program, which helped provide more skills training, career coaching, and connected unemployed workers with available jobs; and
The Workforce Innovation Grant Program, which recognizes that we cannot solve our workforce challenges with a one-size-fits-all approach—what Superior needs to support its local workforce and economy might be different from the needs in Platteville and Milwaukee or in La Crosse and Marinette.

- This program invested in 27 local projects across our state to help develop long-term, locally based solutions that meet the unique needs of our local community and regional workforce needs.

- But the governor knows with so many people working, employers are still facing the same challenges they’ve faced for a decade filling jobs, and there’s more we can do to support solutions to our workforce issues.

- During his State of the State address, Gov. Evers announced he will be making a $100 million investment into the Workforce Innovation Grant Program and making it a permanent state program to continue harnessing our local ingenuity and developing new, innovative ideas and locally based projects that will support our workforce and economic development based on what those communities and regions need.

  - NEW: Gov. Evers is including an additional $100 million for this program, bringing the total investment to $200 million, which will be focused directly on bolstering the healthcare workforce across the state, in addition to the investments highlighted below.

Attraction and Retention Efforts at WEDC

- The governor will also invest $10 million in an initiative led by WEDC to collaborate with industries in every sector of our state’s economy to develop and implement initiatives to retain and attract talented workers.

Clean Energy Workforce

- Additionally, Gov. Evers will be investing $10 million into expanding clean energy job training and reemployment for folks joining our clean energy workforce.

  - Gov. Evers and his administration released the state’s first-ever Clean Energy Plan last year, which provides a blueprint for skills training, apprenticeships, and creating good-paying, family-supporting jobs by investing in new, innovative industries and technologies.

Expand the State’s Forestry Industry and Workforce

- Wisconsin’s forestry industry is a critical part of the state’s economy, but like many sectors, it has struggled to attract and retain skilled forestry professionals.

- The governor is proposing providing an additional $500,000 over the biennium for both the Wisconsin Institute for Sustainable Technology (WIST) at the University of Wisconsin (UW)-Stevens Point and the Advanced Manufacturing, Engineering Technology, and Apprenticeship (AMETA) Center at Mid-State Technical College (MSTC) to further support their critical work in building out Wisconsin’s forestry and paper industry workforce.

- Gov. Evers is also proposing providing $84,200 in fiscal year 2024 and $110,800 in fiscal year 2025 to hire an outreach officer to work with groups that are historically underserved by traditional forestry and environmental higher education programs to help expand the pool of interested individuals in this vital industry and ensure the long-term viability of the industry.

- Finally, Gov. Evers is proposing providing $775,000 in fiscal year 2024 for the development of a forestry industry strategic plan and roadmap, which will help to retain existing businesses, identify new market opportunities, and drive innovation.
Healthcare Workforce

- In addition to the $100 million health care Workforce Innovation Grant noted above, the budget includes $50 million GPR for healthcare workforce shortage solutions, including:
  - $22.5 million GPR over the biennium to establish an ongoing Innovation Grant program for healthcare employers to engage in improved recruitment and retention of long-term care providers.
  - $1,576,600 GPR in fiscal year 2024-25 for the Qualified Treatment Trainee grant program, which facilitates the licensure and certification of those obtaining or already possessing a graduate degree in psychology, counseling, marriage and family therapy, social work, nursing, or a closely related field. This investment aims to reduce the bottleneck of finding certified practitioners to supervise qualified treatment trainees and help them fulfill their supervised hours licensure requirement. Additionally, this budget will ensure that those services provided by qualified treatment trainees and in the presence of a certified practitioner are covered by insurance.
  - $8 million GPR in fiscal year 2024-25 for the continuation of the WisCaregiver Careers program, which aims to address the shortage of certified nursing assistants in the state by supporting recruitment, training, and retention of individuals to care for nursing home residents across Wisconsin. Additionally, the Governor recommends providing funding for healthcare innovation grants, which would help healthcare providers implement best practices and innovative solutions to increase worker recruitment and retention.
  - $10 million GPR over the biennium for the highly successful nurse educators program, which provides incentives for nursing professors to stay in Wisconsin to teach the next generation of nurses.
  - $7 million GPR over the biennium for a new psychiatry residency program through the Medical College of Wisconsin.

INVESTING IN MAIN STREETS AND ENTREPRENEURSHIP

Main Street Bounceback Grant Program

- Gov. Evers knows that small businesses make up more than 99 percent of Wisconsin businesses, they employ nearly half of Wisconsin workers, and they’re more likely to hire locally, buy supplies locally, and reinvest locally back into our communities.
- A key priority in the governor’s strategy for investing federal pandemic aid was supporting Wisconsin’s small businesses, our workforce, and long-term economic development, and that strategy was successful.
  - A new 2023 report shows that, as a share of aid Wisconsin received under the American Rescue Plan Act, Wisconsin ranks number one in the country for both aid Gov. Evers directed to support businesses and aid the governor directed toward economic development.
  - Gov. Evers invested more than $800 million to provide grants to tens of thousands of businesses to respond to and get through the pandemic—to make health and safety improvements, purchase inventory, afford payroll and rent, and keep the lights on.
  - Through the governor’s successful Main Street Bounceback Grant Program, we’ve helped more than 8,500 Wisconsin small businesses expand and move into vacant storefronts in communities across all 72 counties.
- We fueled our economic recovery by harnessing the ingenuity and homegrown talent we already have right here in Wisconsin. And it’s why the governor’s focus will continue to be building our economy from the ground up—starting with our small businesses, our Main Streets, and the hearts of our communities.
That’s why during his State of the State address, Gov. Evers announced he will be continuing the Main Street Bounceback program with a $50 million investment in his 2023-25 budget proposal.
- This investment will provide as many as 5,000 eligible businesses with grants up to $10,000 to help afford building repairs and improvements, lease and mortgage payments, and defray other expenses that can be a barrier to someone’s dream of becoming a successful business.

Venture Capital Fund
- In addition to these previously announced initiatives, a significant part of Gov. Evers’ investments is aimed at continuing to further develop Wisconsin’s start-up business ecosystem.
- Improving Wisconsin’s entrepreneurial environment is vital to the state’s economic success, especially in high-growth industries in medical and informational technologies.
- The governor is proposing creating a $75 million venture capital fund of funds under the direction of WEDC.
  - This fund of funds investment program will invest in venture capital funds that commit to investing the state’s funds in emerging Wisconsin companies alongside other private capital to leverage other sources of financing.
  - This fund of funds proposal will require that 20 percent of all investments go to historically underserved communities, including rural areas that do not traditionally receive venture capital financing and diverse- and women-owned businesses.

- The governor also recommends removing the requirement that the current Badger Fund of Funds program, overseen by the Wisconsin Department of Administration, repay its initial investment to the state.
  - The Badger Fund of Funds has developed important relationships with venture capital funds, emerging businesses, and other entities.
  - Allowing the fund to reinvest will enable the fund to continue its important work in improving the venture capital ecosystem in Wisconsin.

Creating Safer Communities
- In addition to the governor’s budget plan to send 20 percent of the state’s sales tax revenue back to local communities for shared revenue, the governor’s budget includes investments to strengthen the justice system workforce and continue bolstering emergency medical system (EMS) providers across the state.
- These investments build on the more than $100 million in federal funds the governor has invested in violence prevention and community safety statewide, including:
  - Directing $14 million in funding to Milwaukee County to address case backlogs by increasing the number of criminal cases that can be heard by supporting staffing for the Milwaukee County District Attorney’s Office, the State Public Defender, the Milwaukee Clerk of Courts, and the Milwaukee County Sheriff’s Office.
  - Allocating $5.5 million for the State Public Defender and $5.7 million to district attorney offices to ensure they have the staffing resources they need.
- These investments come as communities across the state have struggled to recruit and retain employees, including in Wisconsin’s justice system, which has grappled with low pay and high vacancies in recent years.
- The State Bar of Wisconsin recently noted that the state is approaching a constitutional crisis because of low compensation for state prosecutors and assistant public defenders.
• The governor’s budget also builds on the more than $69 million in total investments Gov. Evers has made since his 2022 State of the State address to stabilize and support EMS providers across Wisconsin.

Justice System Workforce Initiatives
• To bolster the justice system workforce and ensure qualified and experienced professionals can tackle the issues facing Wisconsin, Gov. Evers’ 2023-25 budget makes a nearly $36 million investment into compensation for assistant district attorneys, deputy district attorneys, assistant attorney state public defenders, state attorneys, and elected district attorneys to bring them to a more competitive starting wage and provide pay progression. Specifically, the governor’s budget proposal prioritizes recruitment and retention efforts by providing:
  o $28 million to increase the starting pay for assistant district attorneys and assistant state public defenders to $35 per hour, an increase of $7.76 per hour over the current starting wage;
  o $3.6 million for a one-step pay progression in the second year for assistant district attorneys, deputy district attorneys, and assistant state public defenders to increase retention of experienced attorneys;
  o $854,300 in fiscal year 2024-25 to increase compensation for elected district attorneys, beginning with their new term in 2025; and
  o $3.3 million for a one-step pay raise in fiscal year 2024-25 to continue to provide pay progression for state attorneys.
• In addition, the governor’s budget includes measures to provide additional staff to the different components of the justice system, which is vital to ensuring reasonable caseloads, reducing burnout, and meeting constitutional protections for justice-involved individuals. The governor’s budget supports these efforts by creating:
  o an additional 51.8 full-time equivalent (FTE) assistant district attorney positions;
  o an additional 50.0 FTE positions for the State Public Defender; and
  o an additional four circuit court branches beginning in fiscal year 2023-24.
• Finally, to boost the ability to recruit and retain private bar attorneys who accept State Public Defender appointments, Gov. Evers proposed providing $21.6 million over the biennium to further increase the private bar reimbursement rate from $70 to $100.

Supporting and Stabilizing Wisconsin EMS
• Gov. Evers’ budget responds to the state’s acute EMS crisis with a strategic range of approaches meant to expand education and credentialing opportunities, incentivize potential employees, and provide the flexibility to purchase equipment that programs need. Specifically, Gov. Evers’ 2023-25 budget proposal will:
  o Provide $150 million in fiscal year 2023-24 in EMS Flex Grants to support public and private emergency medical services providers;
  o Provide $1.2 million all funds over the biennium to implement the public ambulance provider certified public expenditure provisions of 2021 Wisconsin Act 228;
  o Provide $720,000 per year to purchase epinephrine for public ambulance providers;
  o Provide 1.0 FTE position to expand the Office of Preparedness and Emergency Health Care; and
  o Authorize 1.0 FTE position to staff an ambulance inspection program.
• Gov. Evers’ budget addresses the challenges and barriers preventing interested applicants from pursuing EMS as a career by allowing certification of individuals as emergency medical responders who complete a certified training program without additional examination or who pass
the National Registry of Emergency Medical Technicians examination for emergency medical responders.

- The budget also expands worker’s compensation coverage for EMS providers experiencing PTSD, in line with 2021 Wisconsin Act 29, which expanded worker’s compensation to cover PTSD for firefighters and law enforcement.

**BOLSTERING FORESTRY AND CONSERVATION**

- Wisconsin has a proud and rich history of conservation and stewardship—from our work to safeguard our unique forests and urban trees to the historically bipartisan Knowles-Nelson Stewardship fund, which has preserved outdoor spaces for folks to enjoy in all 72 counties over the last three decades.
- We know protecting our environment and investing in sustainable industries is vital for conservation, protecting our quality of life, and maintaining our economy’s momentum.
- That’s why the governor’s budget includes a wide range of investments aimed at promoting sustainability and combating climate change while providing the training and support to ensure Wisconsinites can meet the state’s clean energy and conservation workforce needs.
- This includes efforts to strengthen Wisconsin’s forestry industry and improve transparency and accountability in the state’s allocation of stewardship funds.
- These investments build on the Evers Administration’s work over the last four years to promote forestry across Wisconsin, including:
  - Investments in the 2021-23 biennial budget increased the County Forest Acreage Share Payments from 30 cents to 63 cents—the first increased investment in more than 30 years.
  - Executive Order #112, which committed the state to plant 75 million new trees in rural and urban areas and conserve 125,000 acres of forest in Wisconsin by 2030 in collaboration with public, private, and non-governmental partners.
    - When fully realized, Wisconsin’s tree pledge will result in nearly 29 million metric tons of carbon dioxide stored over the next 50 years.
    - By April 2022, Wisconsin had planted more than 9.3 million trees.

**Bolster Forest Regeneration and Management**

- The governor’s budget will continue working toward this important goal and will include more than $4.4 million to encourage the planting and growth of trees and forests, including:
  - $395,000 annually for forest regeneration on state-owned lands, including state forests;
  - $667,500 annually to provide technical and financial assistance to public landowners for reforestation, forest regeneration and management, with a focus on county forests; and
  - $286,200 in fiscal year 2024 and $341,600 in fiscal year 2025 to support the state nursery program to increase the production and distribution of seeds and seedlings for reforestation.
- The governor is also proposing additional funding to support 30 county forests across Wisconsin, totaling over 2.4 million acres available to the public with:
  - $250,000 annually for county forest administration grants and sustainable forestry grants to support county forests; and
  - $128,300 annually to support wildlife habitat management on county forest lands.
- Gov. Evers is also proposing providing $807,600 in fiscal year 2024 and $150,000 in fiscal year 2025 to replace fire protection equipment used in combating forest fires, ensuring firefighters and first responders have the tools they need to safely and effectively battle these fires.

**Prevent Invasive Species**
• The governor is proposing more than $2.7 million for invasive species prevention. Invasive species degrade natural habitats and make it more difficult and expensive to manage forests, parks, grasslands, and other natural spaces. This investment includes:
  o $589,500 annually to Terrestrial Invasive Species Protection;
  o $310,000 annually for the Resilient Forests Initiative, which provides grant funding to the Wisconsin Forest Landowner and Weed Management Area programs to assist with forest management and invasive plant control on private forest land; and
  o $475,000 annually for urban forestry grants to help communities with forest management, education and outreach, emerging invasive species threats, and emergency storm response.

Promote Conservation and Stewardship
• Wisconsin’s Knowles-Nelson Stewardship program protects our state’s natural resources through land purchases by conservation organizations and the Department of Natural Resources to maintain parks, build new trails, and protect shorelines.
• Unfortunately, the review process for these projects has been weaponized by members of the Legislature to indefinitely suspend critical projects from moving forward, leaving projects hanging in limbo.
• Gov. Evers is proposing multiple commonsense initiatives to make the review process of Stewardship projects more democratic and transparent, including:
  o Repealing the arbitrary requirement that all projects north of Highway 64 be subject to legislative review;
  o Increasing the threshold for legislative review of stewardship grants and acquisitions from $250,000 to $500,000; and
  o Requiring that if a member of the Legislature objects to a proposed stewardship project approval, that member’s name and nature of the objection be announced publicly.

SUPPORTING WISCONSIN’S VETERANS
• From creating our Blue Ribbon Commission on Veteran Opportunity to investing in employment opportunities, housing assistance, and increased mental health services for our veteran community, Gov. Evers has made important progress these last few years to ensure Wisconsin veterans have access to the support and resources they’ve earned and deserve.
• Now, the governor is continuing that good work in the upcoming biennial budget by proposing continued investments in various innovative initiatives to ensure the state is equipped to meet the needs of our veteran community and help them build strong, lasting success.
• The governor’s budget builds on the work of the Blue Ribbon Commission on Veteran Opportunity, which Gov. Evers created last year, and the $10 million investments that Gov. Evers made last fall based on several of the Commission’s recommendations.

Addressing Veteran Needs
• Providing $500,000 GPR to DVA to evaluate post-9/11 veteran needs arising from the increase in multiple deployments, higher survival rates, and longer-term use of skilled nursing.
• Requiring DVA to explore expansion opportunities at all existing sites of the Veterans Housing and Recovery Program.
• Providing funding to DVA to create a master plan for the campus of the State Veterans Home at King to assess the current status of the campus and how the campus can serve veterans.
• Providing funding to the state veterans homes to address their ongoing needs so that each home has adequate resources to provide the best possible care to the most vulnerable veterans in Wisconsin.
• Supporting the continuation of pilot add-ons to address critical recruitment and retention needs at DVA by providing $6.7 million in non-GPR funding to the Department of Veterans Affairs to support add-ons for several nursing classifications.

• Doubling the amount of funding to County and Tribal Veterans Services Offices (CVSOs and TVSOs) by providing $843,600 annually for CVSOs and $253,000 annually for TVSOs. CVSOs and TVSOs play a vital role in connecting veterans to needed services.

• Providing $2.8 million to enable University of Wisconsin System campuses to provide services tailored to veterans, military personnel, and their families, including achieving the recommended School Certifying Officer (SCO) staffing level of one SCO for every 200 GI Bill-eligible students or otherwise improving or expanding services and supports for veteran and military personnel students.

• Providing $450,000 GPR in each year as state support for the peer-run respite center for veterans to ensure the center has a reliable, ongoing funding source.

• Providing 7.0 FTE SEG positions and $957,200 SEG over the biennium to expand the Veterans Outreach and Recovery Program, which provides outreach mental health services and support to veterans who may have a mental health condition or substance use disorder.

• Providing $250,000 for a grant program to aid Wisconsin dog trainers in attaining Assistance Dog International accreditation, specifically for providing post-traumatic stress disorder training to better serve veterans.

• Expanding access to the Assistance for Needy Veterans Grant program by including medical devices as an allowable expense under the program and increasing the annual and lifetime caps for support under this program.

**Veteran Housing and Employment**

• Increasing eligibility for the Veterans and Surviving Spouses Property Tax Credit by extending eligibility to those with a disability rating of at least 70 percent. This would provide an additional $43.2 million in tax relief to claimants over the biennium.

• Further expanding eligibility for the Veterans and Surviving Spouses Property Tax Credit by offering the credit to persons who otherwise qualify but rent instead of own their home. This proposal would provide approximately $10.2 million in tax relief over the biennium.

• Broadening the current disabled veteran-owned business certification within the Wisconsin Supplier Diversity Program to be a veteran-owned business certification and eliminating the fees associated with participating in the program.

• Providing $450,000 GPR annually to assist employers that hire veterans who are transitioning to civilian life. The funding will help employers provide training and wrap-around services to veterans.

• Creating a veteran rental assistance program funded at $1 million GPR in each fiscal year.

**Honoring Veterans Past and Present**

• Funding one new position at each of the Wisconsin Veterans Memorial Cemeteries to maintain adequate services to those who qualify for interment.

• Investing $425,000 in FY24 and $355,000 in FY25 into new equipment to serve the needs of the Wisconsin Veterans Memorial Cemeteries.

• Providing $500,000 GPR in each year of the biennium for the University of Wisconsin Missing-in-Action Recovery and Identification Project for missions to recover and identify Wisconsin veterans who went missing during deployment.
• Establishing Veterans Day as a state holiday to commemorate their service. Wisconsin is the only state that does not observe Veterans Day as a state holiday.

PROTECTING VOTING RIGHTS AND DEMOCRACY
• Gov. Eves believes the right to vote is fundamental to our democracy, and we should be making it easier—not harder—for every eligible voter to cast their ballot without interference from politicians.
• Even as some politicians continue their efforts to undermine our safe, secure elections, restrict access to the ballot box, and control the outcomes of our elections, the governor will continue to defend and support the right to vote, our clerks, poll workers, and election administrators, and the opportunity to participate in our democracy.
• The governor’s budget includes investments that will help ensure eligible Wisconsinites can exercise their fundamental right to vote and that our local partners have the resources they need to continue administering elections safely, efficiently, and securely.

Making Voting Easy and Accessible
• Providing $172,700 for the Wisconsin Elections Commission (WEC) to work with the Department of Transportation (WisDOT) to implement automatic voter registration.
  o WEC will facilitate the initial registration of all eligible electors as soon as practicable, and WisDOT will be appropriated $349,000 in fiscal year 2023-24 to address one-time costs.
  o More than 20 states, including Michigan and Illinois, as well as Washington, D.C., have implemented automatic voter registration;
• Restoring state law requiring all public high schools to offer voter registration for enrolled students and staff and allowing private and Tribal high schools to do the same, expanding access for newly eligible voters to register to vote;
• Restoring previous residency requirements so that a resident of Wisconsin is eligible to vote in an election in a municipality or ward if the voter has been a resident of that location for at least ten consecutive days before an election;
• Eliminating the restriction on how soon a person may complete an absentee ballot in person, making in-person absentee voting more accessible; and
• Modifying certain voter identification requirements to comply with current court rulings and requiring the University of Wisconsin System and the Wisconsin Technical College System to issue identification cards that meet the revised requirement.
• Requiring polling places to post a voter bill of rights that informs voters of voting rights guaranteed under current law.

Supporting Local Election Administration
• Allowing a county or municipal clerk to canvass absentee ballots on the day before an election after working with WEC to ensure it will be conducted securely and effectively.
  o This will allow clerks to better manage the workload of administering elections and may result in faster vote tabulation and reporting;
• Modifying the scheduling of special elections to ensure they are scheduled with sufficient time to comply with federal requirements for sending ballots to military and overseas voters, protecting these voters from disenfranchisement;
• Enabling WEC to reimburse counties and municipalities for certain costs incurred in the administration of special primaries and special elections through a GPR sum sufficient
appropriation, further ensuring these local governments have the resources they need to safely and efficiently administer elections;

- Modifying WEC’s recount appropriation to allow local units of government and petitioners to be reimbursed in a timely manner;
- Explicitly allowing WEC training funds to be used to train municipal and county clerks on all aspects of election administration, in addition to voter ID requirements; and
- Providing $400,000 to create a grant program for municipalities to purchase Badger Books. Badger Books are an electronic version of the voter list and are used to check in voters, process election day registrations, and record absentee participation.
  - The use of Badger Books can help clerks manage Election Day tasks more efficiently and speed up the registration and voting process for in-person voters.

Creating the Office of Election Transparency and Compliance

- To better and more quickly respond to inquiries and complaints regarding potential election law violations, Gov. Evers’ budget invests nearly $2 million over the biennium and creates 10 full-time equivalent (FTE) positions to create an Office of Election Transparency and Compliance.
- The office will be provided resources to improve audits on voting equipment and databases and potentially hire an outside contractor to review certain information, such as voter lists, to ensure continued confidence in Wisconsin elections.

KEEPING THE BREWERS IN MILWAUKEE

- Wisconsin has a historic opportunity to keep Major League Baseball here in Milwaukee for another twenty years and to usher in a new generation of Brewers fans in Wisconsin, and Gov. Evers—a lifelong Brewers fan—has a plan to do it that saves taxpayers money, saves family-supporting jobs, and generates significant revenue for state and local economies.
- Gov. Evers’ 2023-25 biennial budget proposal will use a portion of the state’s approximately $7 billion surplus to keep Major League Baseball and the Milwaukee Brewers in Milwaukee for the next 20 years.
  - Not only will this plan ensure the Milwaukee Brewers remain in Milwaukee through 2043, but it will save Wisconsin taxpayers more than $200 million in the long run and generate $400 million in revenue in that same period.
  - Without this investment, the Milwaukee Brewers and Major League Baseball could leave Milwaukee as soon as the conclusion of the 2030 season, when the current lease with American Family Field expires.
- Ensuring professional baseball remains in Milwaukee and the ballpark is successful is also crucial to supporting working families, local and state economies, and retaining jobs.
  - Since opening its doors in 2001, the ballpark has generated $2.5 billion in total economic output for the state.
  - In 2022 alone, the ballpark supported 3,000 jobs, and the Milwaukee Brewers and American Family Field also support more than 1,100 union jobs, including Brewers employees and union employees through vendors and related services.
- Under the governor’s plan, the state will provide a one-time investment of $290 million to the Southeast Wisconsin Professional Baseball Park District, which is charged with overseeing, operating, and maintaining American Family Field.
  - These funds will be used to maintain, repair, and improve the baseball park facilities at American Family Field to ensure the baseball district can meet its existing lease obligations.
Examples of necessary capital projects include maintenance and repair of the retractable roof at the stadium and replacement of aging and outdated infrastructure, such as boilers, fire suppression systems, plumbing, elevators, escalators, etc.

- Without an investment from the state, the district does not have the resources to meet its existing legal obligations to maintain and update American Family Field, posing the imminent risk of Wisconsin losing the Milwaukee Brewers and Major League Baseball.

- Because the governor’s plan makes a one-time investment rather than using long-term bonding, it will save taxpayers over $200 million over the Brewers’ lease term while generating $400 million in revenue over the next two decades.

- The Brewers are not only a cherished part of our state’s heritage but an essential part of Milwaukee’s and our state’s economic success, and with the governor’s fiscally responsible plan, we can ensure the Brewers remain in Milwaukee and continue to play a critical role in our state’s economic success for the next two decades.