

THE WISCONSIN STATE BUDGET



UPDATE: JULY 13, 2011



BUDGET FACTS

- Two-year (biennial) budget.
- Budget year runs July 1-June 30.
- Total budget is about \$33 billion per year (of which \$14 billion is state revenue).
- Over half of the budget goes to cities, counties, towns, villages and school districts.
- $\frac{1}{4}$ goes for state operations, primarily Corrections and the UW system.



ITEMS IN THE 2011-13 STATE BUDGET OF PARTICULAR INTEREST :

- Education
- Early Childhood Care & Education
- Income and Basic Needs



EDUCATION

- Reduces K-12 school funding by some \$730 million statewide (\$500+/child), approx \$100m less than initially proposed due to improved revenue projections and budget savings in other areas.
 - MPS funding is estimated to be cut by \$74 million (\$80m+ by some estimates – more in 2012) due to changes in aid formula and program eliminations {Note: MPS will simultaneously lose some \$94m in federal “stimulus” dollars}
- Expands school choice vouchers to eastern Racine County, higher income limits for families and additional schools; academic test reporting requirement for students participating in MPCP (choice).
- Eliminates state funding for “Project Lead the Way.”



EDUCATION

- Eliminates GPR-funded “categorical aid programs” in several programs including advance placement programs and “science, technology, engineering and mathematics programs” (2012).
- Reduces state aid to technical colleges by \$71.6 million over biennium (about 30%). \$7.5m cut to MATC each year.
- Cuts the UW system by \$250m over two years (\$94m from UW-Madison, less than the \$125m if Madison would have been spun off). Note: \$125m annual cut is from current allocation of \$1.1 billion per year.
- Charter schools: JFC removed all charter provisions including expanding chartering authority and issue of teachers’ licenses; will be taken up separately.
- Launches a new literacy effort focused on third graders.



EDUCATION

- Reporting student testing data
 - Students in Wisconsin take the WKCE standardized exam at several points K-12.
 - The current school year was the first that “choice” schools were required to administer the test and report scores, as is required of public schools.
 - State budget requires “choice” schools to use the WKCE but will not include those who do not take the test in calculating proficiency levels.
 - Public schools are required to include “zeroes” from those not taking the test.
 - As part of Milwaukee Succeeds we are working with DPI to achieve an “apples to apples” measure.



EARLY CHILDHOOD

- Authorizes waiting list, changes in payments to providers, increased co-payments and new (more stringent) eligibility criteria for child care subsidy program “if needed” to address overall program costs.
- Implementation of YoungStar continues
 - Tiered reimbursement starts July 2012
 - JFC restored 25% premium for Five-Star providers, beginning January 2013



INCOME AND BASIC NEEDS

- Continues *Transitional Jobs* program that Governor had planned to eliminate; JFC restricted job placements to for-profit entities (51% are currently in non-profits); Governor vetoed this restriction.
 - \$12m vs \$17m current; 2,500 participants now
- Reduces Medicaid / BadgerCare programs by some \$500m; authorizes significant cuts to medical assistance programs by modifying eligibility standards and other unspecified means.
- Creates multi-county consortia for benefits administration (exc Milw Co).
- Eliminates Food Stamp program for legal immigrants
- Reduces state Earned Income Tax Credit by \$56m (Gov. Walker had proposed cut of \$41.3 million over the biennium), impacting 152,000 families (WCCF).
- Reduces W-2 monthly payment by \$20.



OTHER

- Removal of residency requirement for City of Milwaukee teachers, police and firefighters removed from budget – will be separate legislation

