

March 28, 2019

To my constituents,

In this new era of divided government, I have made it a priority to reach across the aisle and find common ground with my legislative colleagues so we can come up with solutions together that will benefit all Wisconsin residents.

Simply put, if we can't compromise when disagreements arise, nothing will ever get done.

Having said that, I've spent a lot of time analyzing Gov. Tony Evers' proposed budget, and unfortunately, many of his proposals are fiscally unsustainable. To some extent, this was expected, because historically, newly-elected governors will include many of their campaign promises in the budget, knowing the Joint Finance Committee will later remove them.

During each budget cycle, the spending plan that is initially proposed is never what it looks like when it's signed into law. The release of the governor's budget is just a starting point – what follows is a collaborative effort that is based on negotiations and compromise.

Keeping that in mind, Gov. Evers has proposed a nearly 10 percent increase in spending above the current budget. While he promised no increase in taxes during his campaign, his budget actually raises taxes by \$1.3 billion while also dramatically increasing borrowing and leaving us with a very large structural deficit. This is not acceptable.

What's even more worrisome is that a recent analysis by the nonpartisan Legislative Fiscal Bureau (LFB) has revealed that the financial numbers in the actual budget are even higher than those released by the Evers administration earlier this year. Their analysis puts total spending at about \$715 million more than the figures put out by Gov. Evers' office, which brings actual spending to \$84.2 billion over the biennium.

I understand that some state agencies and offices may need additional funding from time to time, but under Gov. Evers' proposal, many of them would be getting double-digit percent increases in general purpose revenue (GPR), which is money collected by the state mainly through taxes.

Here are some of the agencies and offices that would be receiving double-digit increases under Gov. Evers' spending plan:

- Office of the Lieutenant Governor: \$187,100, or 23.7 percent
- Department of Administration: \$7.5 million, or 21.7 percent
- Department of Public Instruction: \$1.6 billion, or 12.7 percent
- Department of Justice: \$13.6 million, or 11.4 percent.
- Department of Agriculture, Trade and Consumer Protection: \$6.1 million, or 11 percent



• Department of Veteran Affairs: \$1.36 million, or 35.1 percent

• Department of Tourism: \$7.1 million, or 68.2 percent

In that same vein, Gov. Evers is also providing double-digit percent pay hikes to most of his cabinet members who are secretaries for state agencies.

But the untenable spending doesn't end just there. Gov. Evers has also unveiled a capital budget that calls for \$2.5 billion in new building projects, which is almost three times as large as the previous budget approved by former Gov. Scott Walker.

What concerns me the most is the level of borrowing within the capital budget. Of the \$2.5 billion total, almost all of it - \$2 billion - would come from borrowing. That is three times the amount of former Gov. Walker's most recent capital budget and significantly higher than the \$100 million in borrowing approved in 2015.

When taking all aspects of Gov. Evers' budget into account, his spending plan would increase property taxes by the largest amount in a decade.

To most of my constituents, that is not acceptable. Instead of a budget that grows government considerably and resembles an impractical wish list, the people of Wisconsin deserve a spending plan that is both fiscally responsible and addresses our most pressing needs.

All of that being said, I know there are areas where the state Legislature and governor can still find common ground, like coming up with a sufficient funding mechanism for fixing our roads and ensuring everyone has access to clean water. I also expect us to find room for agreement on education. While we will not see eye-to-eye on everything, I am looking forward to having further discussions with my legislative colleagues and the governor so we can work toward a budget that will improve our state without relying on heavy tax burdens and amassing considerable debt.

Sincerely,

Rep. Joel Kitchens

1st Assembly District

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