

A Budget Made for Wisconsin: Vetoed

On July 5th, Governor Evers signed into law many provisions of the Republican-authored budget, while line-item vetoing key components. His vetoes all but eliminated the \$3.5 billion of income tax relief on hardworking taxpayers and created the potential for billions of dollars of property tax hikes.

A Closer Look:

- Governor Evers used his veto authority to eliminate the tax rate changes for the top two brackets— making income tax relief negligible for those earning over \$36,840. This means those with truly middle-class incomes will see little relief.
 - o The Republican-authored tax cut would have resulted in an average savings of \$573 per filer per year, totaling \$3.5 billion statewide. As a result of Governor Evers’ veto, Wisconsinites will see a total of less than \$175 million in income tax relief—*a reduction of 95%*.

Single/ Head of Household	Married Joint	Married Separate	Current Law Tax Rate	Republican Proposal Tax Rate	Governor Evers’ Veto
\$0 - \$13,810	\$0 - \$18,420	\$0 - \$9,210	3.54%	3.5%	3.5%
\$13,810 - \$27,630	\$18,420 - \$36,840	\$9,210 - \$18,420	4.65%	4.4%	4.4%
\$27,630 - \$304,170	\$36,840 - \$405,550	\$18,420 - \$202,780	5.3%	4.4%	5.3%
\$304,170 +	\$405,550 +	\$202,780 +	7.65%	6.50%	7.65%

- Not only did Governor Evers slash the much-needed income tax relief, his vetoes create the potential for billions of dollars in property tax hikes over the next *four hundred years*. His veto allows school districts to increase their per pupil revenue limit by \$325 per year for the next 402 years.
 - o The cumulative total cost of this veto and individual district cost is unknown due to the complicated funding system for schools, including local school board authority, whether state aid covers a portion of these costs, etc.
 - o Considering the continuous changes in school needs and structure, the concept of providing guaranteed revenue limit increases for the next four hundred years is ridiculous and irresponsible.
 - o While the Governor is touting this as ‘providing funding certainty for schools,’ it does little to address certainty and future state budgets could impact this authority. Meanwhile, it opens the door for massive hikes on property taxpayers.

Other Notable Vetoes:

Lakeland STAR Academy

Governor Evers vetoed funding for the Lakeland STAR Academy, the state's autism school. This veto rejects important support for the northern Wisconsin charter school that provides a tailored environment to students with autism and diverse learning needs.

Early Learning Pilot Program

The Governor vetoed the extension of an early learning pilot program that serves six school districts to help pre-kindergarten students get kindergarten-ready in reading, math, and science. At a time when students are falling even further behind in core academic skills, eliminating programming to help students early is harmful to our students.

Diversity, Equity, and Inclusion Positions

Governor Evers deleted the elimination of 188.8 diversity, equity, and inclusion positions in the UW System. The associated funds were cut because he is unable to veto numbers up, however, as a result of the veto the position of authority was retained.

Talent Attraction and Retention

He vetoed the requirement that the Wisconsin Economic Development Corporation expend \$4 million on talent attraction and retention initiatives. At a time when our state is facing a workforce shortage and competing for talent, this veto is nonsensical. We should be expanding resources to support the recruitment and retention of hardworking individuals in our state.

Medicaid Payment for Puberty Blocking Drugs/Surgeries

Governor Evers vetoed the prohibition on Medicaid paying for puberty-blocking drugs and gender transition surgeries. This veto will allow taxpayer dollars to continue funding these drugs and surgeries through state-funded health insurance.

Mileage Aid Payments

This veto would retain the increase in general transportation aid (GTA) while eliminating the increase in mileage aid payments under the GTA formula. The effect of this veto is to provide counties and larger municipalities an increase in GTA while denying any meaningful increase to towns and small municipalities.

Electrical Vehicle Sticker ID

The Governor vetoed a \$1 electric vehicle fee, which he proposed, that would have paid for an identification sticker for EVs. His veto goes back to his original position of supporting the creation and funding of an EV identification sticker.

Eliminating Legislative Oversight

Governor Evers also made a series of vetoes eliminating legislative oversight, such as reporting requirements on the Medical College of Wisconsin Psychiatry Residency Program and reporting on the performance of the Fund of Funds, operated by the Department of Administration. The Governor has proven time and again that he doesn't support the Legislature's role as an equal branch of government and does not want transparency in agency operations.

Statewide Projects

In addition, he vetoed several specific projects, such as the Echo Lake Dam, Steve Creek Dam, and upgrades at Pattison and Amnicon Falls State Parks, among others. These critical infrastructure projects that would have made improvements throughout the state will no longer receive specified grants. Not only does this veto harm the local community, but in many instances, these funds would have supported continued and new tourist interest in these locations.