

The
FELZKOWSKI FLYER



WISCONSIN'S 12TH SENATE DISTRICT

JOINT FINANCE COMMITTEE TUESDAY UPDATE

On Tuesday, the Joint Committee on Finance (JFC) held an executive session to vote on budget provisions, closing out the following agencies:

- Department of Health Services (DHS)
- Office of the Commissioner of Insurance (OCI)
- Board on Aging and Long Term Care
- Department of Children and Families (DCF)
- Public Service Commission (PSC)

Key Takeaways:

- Provides increased funding for nursing homes, direct care workers, and personal care workers, mental health, seniors, and public health (DHS)
- Increases in Medicaid reimbursements for chiropractors, dentists, and physical therapists that see Medicaid patients (DHS)
- Raises the annual maximum amount of reinsurance payments by \$30 million in 2022, to lower healthcare insurance rates (DHS)
- Investments in child care subsidies, grants for Boys & Girls Club, child welfare prevention services, adoption assistance, foster care increases, and guardianship payments (DCF)
- \$125 million in Broadband Expansion (PSC)
 - Almost \$1 billion in Broadband Expansion money is moving through the state of Wisconsin right now

JUNE 18TH, 2021

**1 - JFC TUESDAY BUDGET
UPDATE**

**2 - JFC THURSDAY
BUDGET UPDATE**

**3 - WISCONSIN FLUSH
WITH FEDERAL CASH**

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JOINT FINANCE COMMITTEE THURSDAY UPDATE

On Thursday, the Joint Committee on Finance (JFC) held an executive session to vote on budget provisions, closing out the following agencies:

- Employee Trust Funds (ETF)
- Compensation Reserves
- Wisconsin Housing and Economic Development Authority (WHEDA)
- Shared Revenue and Tax Relief
- Department of Revenue (DOR)
- Wisconsin Economic Development Corporation (WEDC)
- General Fund Taxes
- Budget Stabilization Fund



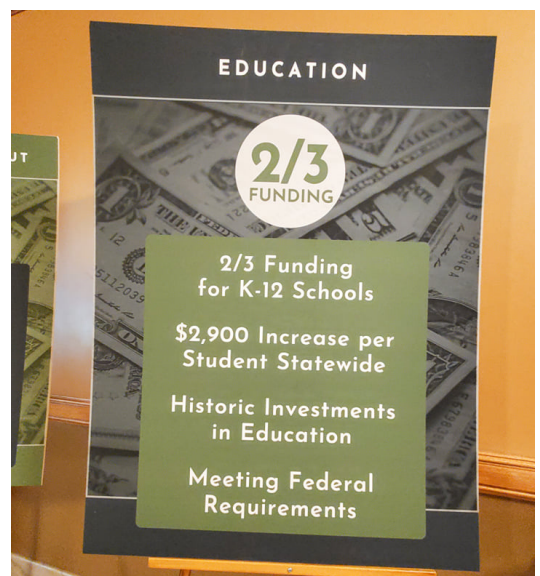
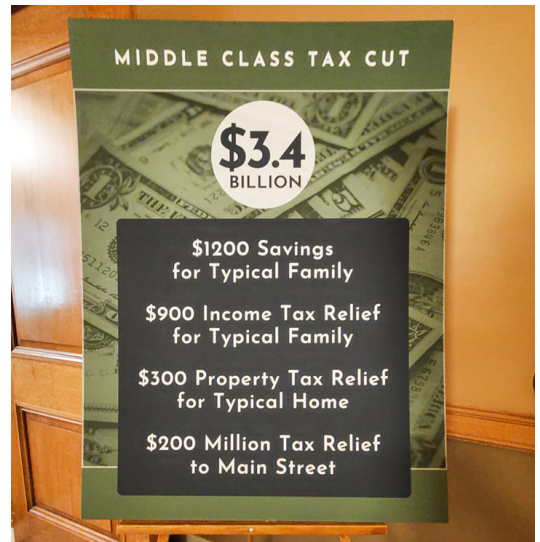
Key Takeaways:

- **Provides a \$3.4 Billion Tax Cut Beginning in Tax Year 2021**
 - \$900 income tax relief for the typical family
 - \$300 property tax relief for the typical family
 - \$1,200 savings for a typical family
 - \$200 million tax relief to main street businesses
- Hits the guarantee of 2/3 funding for K-12 education
- Repeals the Personal Property Tax
- Authorizes \$200,000 for cooperative feasibility grants (WEDC)
- \$3 million in talent attraction (WEDC)
- Exempts active duty military personnel from paying state income tax for earnings received while on active duty
- Creates a nonrefundable income tax credit for child and dependent care expenses beginning in tax year 2022

What's next?

Both houses of the Legislature will take the budget bill up on the floor for a vote of the entire body. Once the Assembly and Senate pass the bill, it will go to the Governor's desk, where he'll have the ability to do one of the following:

- Sign it as is
- Sign it with line-item vetoes
- Veto the entire bill

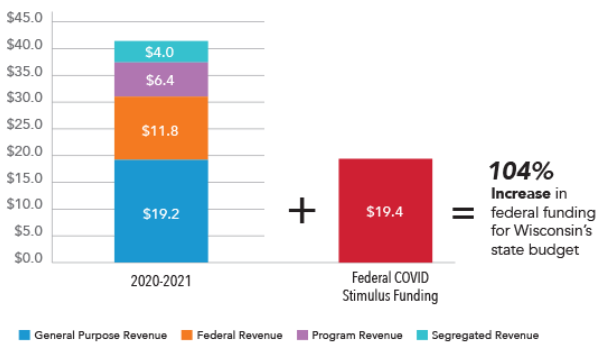


WISCONSIN FLUSH WITH FEDERAL CASH

Pooled together, Wisconsin has so much federal COVID-19 money that it could fund an entire year of the state budget. Put another way, the federal government is matching dollar for dollar what the state spends a year on its budget. There is a 104% increase in federal funding for the state budget from COVID-19 relief. For K-12 schools, federal COVID-19 funds will, by itself, result in a 15% increase in spending - that's more than \$2,700 per student.



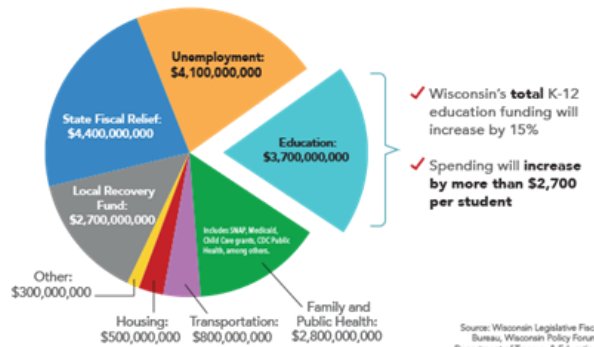
Wisconsin Budget 2020 – 2021
Compared to Wisconsin Federal Covid Funding (Billions of Dollars)



Source: USA Spending.gov, Peter G. Peterson Coronavirus tracker, Wisconsin Policy Forum, Department of Treasury, Education, OMB, CBO, Wisconsin Legislative Fiscal Bureau.



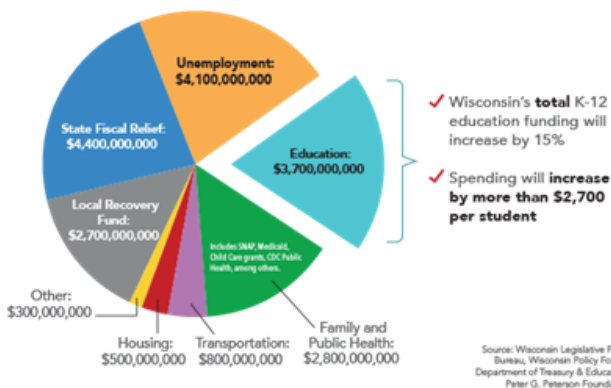
Wisconsin's COVID Federal Stimulus Funding
(American Rescue Plan, Consolidated Appropriations, CAREs Act)
(In total, \$19.4 billion dollars)



Source: Wisconsin Legislative Fiscal Bureau, Wisconsin Policy Forum, Department of Treasury & Education, Peter G. Peterson Foundation



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