



HOWARD MARKLEIN

STATE SENATOR • 17TH SENATE DISTRICT

Capitol Update By Senator Howard Marklein August 7, 2015

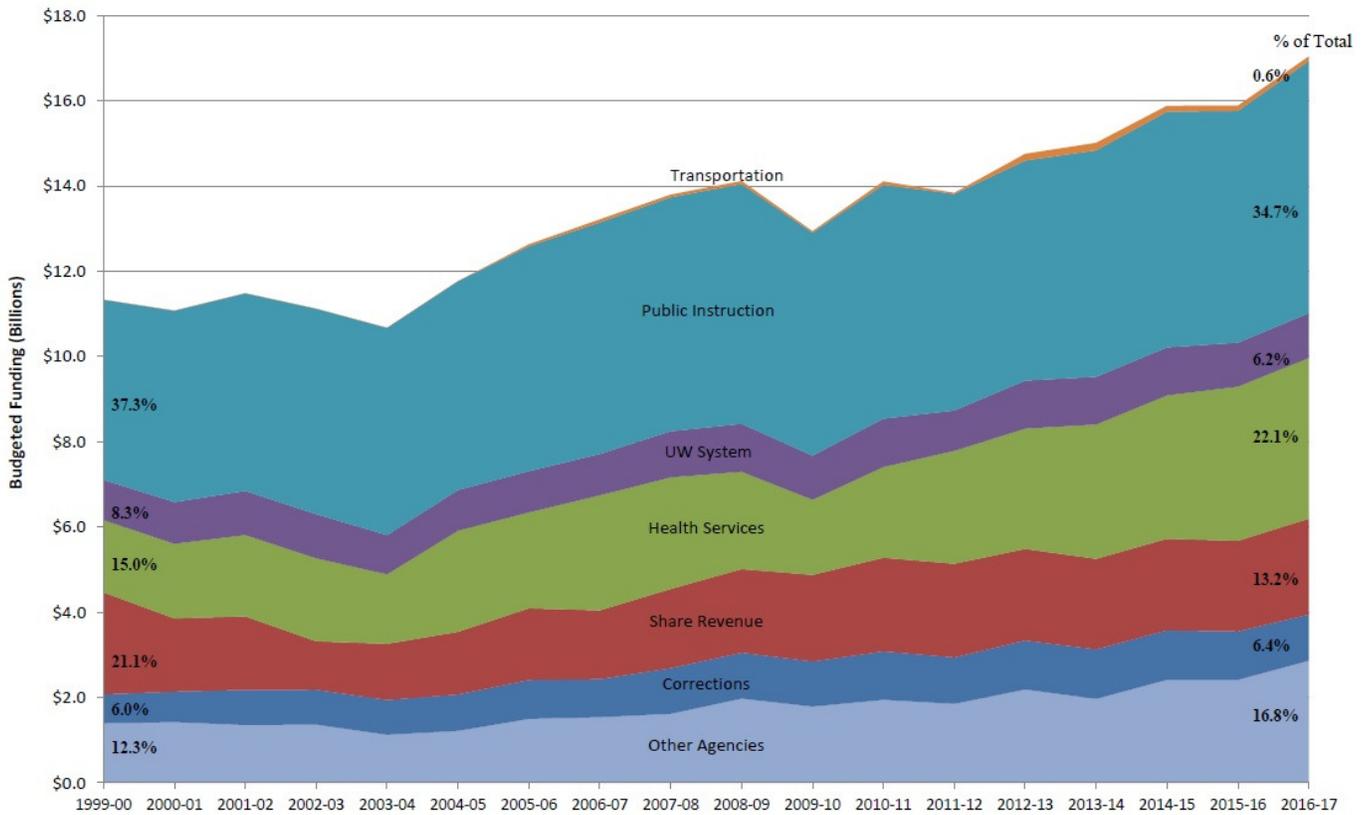
A Closer Look at Spending in Wisconsin

Budgeting is a common occurrence for all of our families. Matching what we take in as income with what we spend as expenses is an important exercise. This budgeting requires us to choose priorities and decide what is most important. As we've been discussing these past months, the State of Wisconsin is no different. Our budget should reflect our priorities and we should not be spending more than we can afford.

Overall, spending in Wisconsin is high compared to the rest of the country. According to the National Association of State Budget Officers, Wisconsin was the 11th highest spending state in the country per citizen in 2013, the most recently available year. Wisconsin spent \$7,448 per citizen, compared to an average of \$5,344 per person nationally. I'm often asked, *what are the state's priorities, where does all that money go?* A closer look at expenses reveals not only Wisconsin's priorities, but sheds light on some trends.

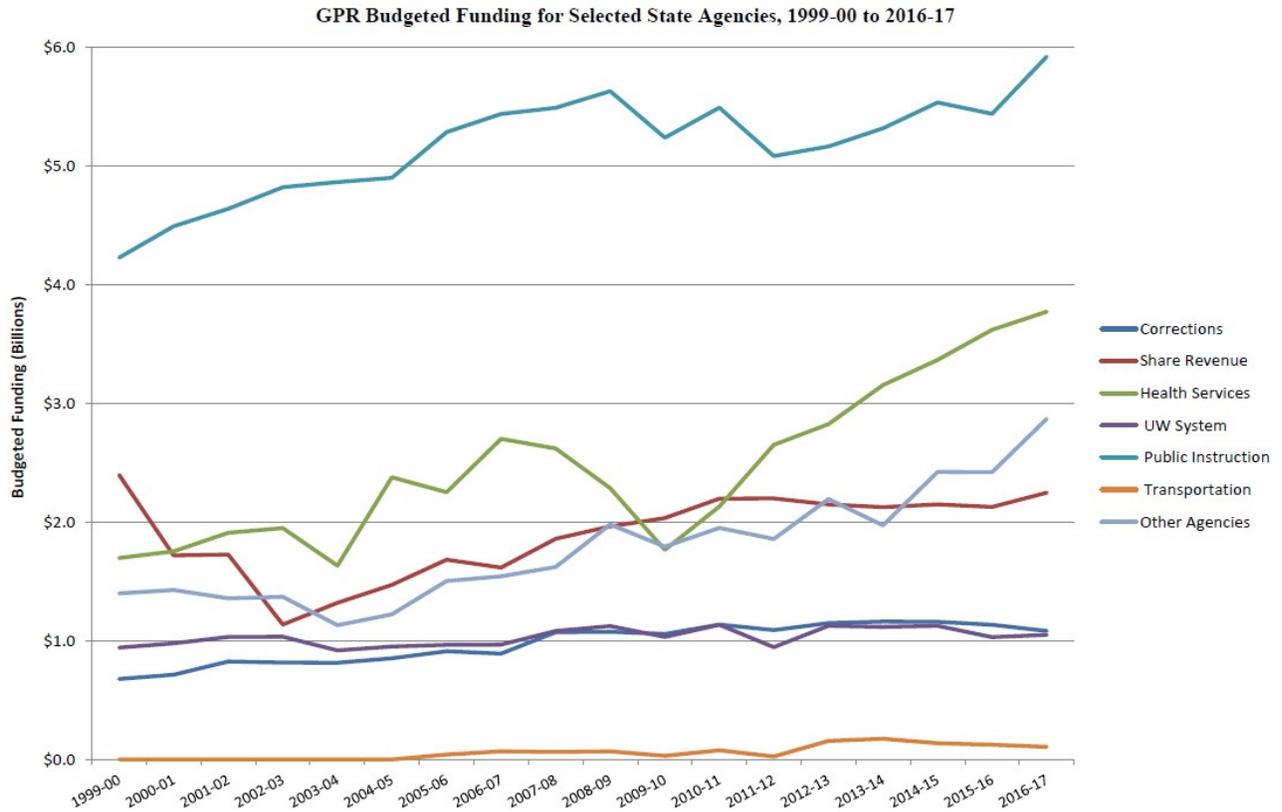
The chart below shows how every General Fund dollar is spent and budgeted by the State of Wisconsin since the year 2000. This is broken up into six major priorities of spending: K-12 Education, UW System, Health Services, Local Government Shared Revenue, Department of Corrections, and other agencies. Transportation appears small on the chart because the transportation fund is separate from General Purpose Revenue. The chart also shows what percentage of spending each category accounted for in 2000 and will account for in 2017.

Total GPR Budgeted Funding for Selected State Agencies, 1999-00 to 2016-17



*Source: Legislative Fiscal Bureau

There are a few points to highlight in this data. Overall, since 2000, spending by state government will have increased from \$21 billion to nearly \$37 billion in 2017. These numbers also highlight challenging trends in health services spending not only in Wisconsin, but across the country. Not only has health care gotten more expensive but enrollment in health programs has risen steadily over the years. In 2000, spending on health services accounted for just 15% of the State's General Fund. By 2017, health spending will account for 22.1% of state dollars. That rise represents an increase from \$1.7 billion in 2000 to nearly \$4 billion budgeted in 2017, by far the biggest increase of any agency.



*Source: Legislative Fiscal Bureau

The pressure this puts on other spending priorities for our state is unmistakable. Dollars that are spent on health services cannot also be spent on our roads or education. This shows the work that still needs to be done to keep state spending under control and ensure we're budgeting responsibly.

For more information and to connect with me, visit my website <http://legis.wisconsin.gov/senate/17/marklein> and subscribe to my weekly E-Update by sending an email to Sen.Marklein@legis.wisconsin.gov. Do not hesitate to call 800-978-8008 if you have input, ideas or need assistance with any state-related matters.