

A comparison of Evers' and the GOP-controlled Legislature's budgets

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Here is a brief summary comparing major themes of Gov. Tony Evers' proposed budget to the two-year spending plan OK'd by majority Republicans in the Legislature. All of the below are two-year numbers before any potential vetoes.

Medicaid

Evers: Full federal expansion of Medicaid through the Affordable Care Act, resulting in \$1.6 billion for a variety of health care programs.

GOP Legislature: Would continue to direct some of the state's working poor to the exchanges offered under Obamacare while investing an additional \$588.2 million in general purpose revenue into Medicaid to accomplish goals such as increasing reimbursement rates for health care providers.

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Schools

Evers: \$1.4 billion for K-12 education, including a \$606 million increase in special education aid.

GOP Legislature: \$500 million boost over the next two years. And \$97 million more for special education.

Income tax cuts

Evers: Cut income taxes 10 percent for lower- and middle-income residents by about \$415 million a year, or about \$225 per tax filer. Help fund by capping the manufacturing component of the manufacturing-ag tax credit at the first \$300,000

in annual income and limiting capital gains exclusions. Boost the earned income and homestead tax credits.

GOP Legislature: Between budget and a separate bill, Republicans would use online sales tax and the surplus to cut income taxes an average \$136 in 2020, according to the Legislative Fiscal Bureau. The lowest income tax rate of 4 percent would drop to 3.89 percent in tax year 2019. It would then go to 3.76 percent in tax year 2020. The second lowest rate would drop from 5.84 percent to 5.08 percent in tax year 2019 and then 4.93 percent in tax year 2020. The state's top two brackets of 6.27 percent and 7.65 percent would remain the same.

Roads

Evers: Boost the gas tax by 8 cents a gallon. The gas tax boost would've climbed to nearly 10 cents by the end of the two-year budget thanks to indexing, which Evers wanted to bring back after it was eliminated 13 years ago. He also sought to offset the impact of the tax hike by eliminating the minimum markup on gas. Proposed \$10 boost in the vehicle transfer fee and \$338.3 million in bonding.

GOP Legislature: Rejects minimum markup elimination. Raises the vehicle transfer fee by \$95 to \$164.50, and boosts the annual auto registration fee by \$10 to \$85. The plan also includes \$326.3 million in bonding and a one-time \$90 million general fund appropriation to help local governments pay for road projects. The move would come on top of the existing \$87.8 million transfer from the general fund — comprised of income, corporate and sales taxes — to the transportation fund.

UW System

Evers: Fully fund the tuition freeze for resident undergraduates with \$50.4 million in state aid, part of a total boost of \$126.6 million.

GOP Legislature: Provides \$69.7 million less in state aid than Evers but approves more than \$1 billion for System building projects, slightly less than what Evers proposed.

Property taxes

Evers: The median-valued home, worth \$166,967 at the end of last year, saw a property tax bill of \$2,871. Under Evers' budget, that would go up \$56 to \$2,927 in the first year and \$48 to \$2,975 in the second. Those increases amount to 2 percent

and 1.6 percent, respectively.

GOP Legislature: Pumped another \$6.2 million into the lottery credit to ensure the GOP budget would have a lower property tax bill for the median-valued home than under the version of the budget Evers proposed. The \$6.2 million would result in lowering that bill by \$1 in the first year and \$4 in the second.

Medical marijuana

Evers: Decriminalize possession and legalize medical marijuana.

GOP Legislature: Stripped from the budget.

State employee/prison guard pay

Evers: Raise pay of state and UW System employees by 2 percent in each of the next two years. Increase the minimum wage to \$15 an hour for all non-UW executive branch employees.

GOP Legislature: Rejects the minimum wage. OKs 2 percent annual pay bumps but adds \$13.1 million more for prison guard salaries than what Evers proposed. For prison guards, the impact would be a starting wage of \$19.03 an hour by the end of the biennium and push up the corrections guards pay increase to Jan. 1 rather than April 2020. The move also would create one-time bonuses that would be: \$250 after 10 years of service; \$500 after 15 years; \$750 after 20 years; and \$1,000 for completing 25 years and every five years after that.

Overall spending

Evers: \$83.8 billion budget, which would amount to an 8.3 percent spending increase, and a \$2.5 billion capital budget.

GOP Legislature: \$81.7 billion two-year budget that would increase state spending in all funds by 5.6 percent over the base plus a \$1.9 billion capital budget.

Here is the Legislative Fiscal Bureau comparison of the budget agency-by-agency:
<https://bit.ly/2X6iEYJ>