

Wisconsin's Budget Misses the Mark in Addressing Racial Disparities and Continues the Status Quo

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WHO ARE WE?

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What we'll talk about today:

Correcting some Narratives - Budgets & Racial
Equity Impact

Overview of the Budget Process

Governor's Proposed Budget & Final Budget

What Could a Different Process Look Like?

Audience Participation & Questions



WHAT BUDGETS MEAN TO US?

- Budgets = Statements of Values
- Myth of Scarcity
 - Policy makers in power find money to fund priorities.
- Myth of Race Neutrality
 - “Color-blind” policies or programs don’t exist in terms of impact



A BUDGET IS A SERIES OF CHOICES



WHO MAKES THOSE CHOICES?

The Wisconsin State Senate and State Assembly vote on the budget. Those 132 people decide what the budget looks like and send it back to the Governor.

- 76% of Senators are men and 94% are white
- 72% of Representatives are men and 91% are white



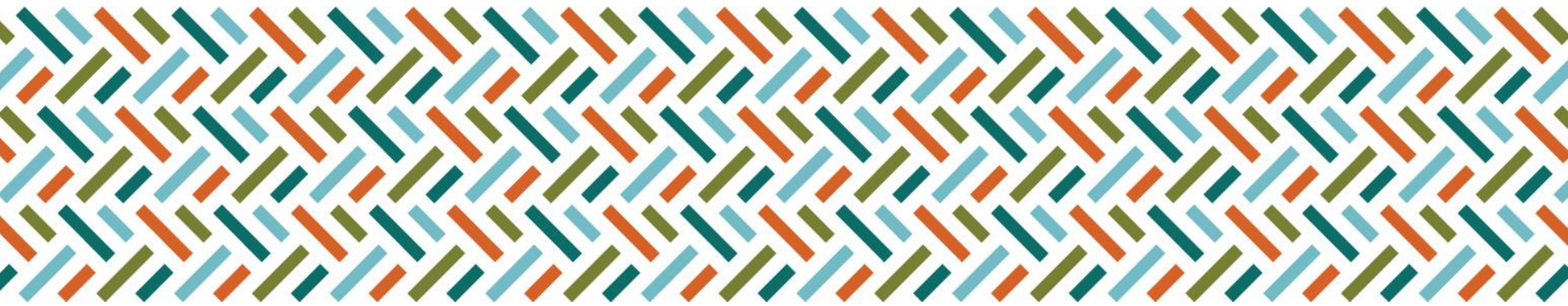
OVERVIEW OF WI BUDGET PROCESS

- Agencies submit budget requests **(Sep 2018)**
- Governor introduces proposed 2-year budget **(End of Feb 2019)**
- Joint Finance Committee (JFC) holds Agency Briefings **(April 2019)**
- JFC Holds Public Hearings around state **(April 2019)**
- JFC Makes Changes to the Budget **(May-June 2019)**
- Budget voted out of committee w/changes and referred to full Senate and Assembly
- Both houses can make changes, then vote on the budget bill and send it back to Governor **(June 2019)**
- Governor can veto all or part of the budget **(July 2019)**



Governor's Proposed Budget

First-time that a governor proposed initiatives directly aimed at addressing racial disparities



TAX POLICY



- Expand & Improve Tax Credits that Benefit Families with Low-Income
 - Homestead and Earned Income Tax Credits
- Limited Tax Breaks and Loopholes that Benefit the Wealthy, who are disproportionately white
 - Manufacturers and Agriculture, Capitol Gains



HEALTH CARE – HEALTHY WOMEN, HEALTHY BABIES

\$28 Million to support Maternal and Child Health

- Extend Medicaid coverage for mothers from 2 months to 1 year after birth of their child
- Pilot for Medicaid to pay for doula services in five counties
- Creation of an Infant Mortality Prevention Program
- Increase funding for women’s health block grant funding and remove restrictions
- More funding for home-visiting programs



OTHER HEALTH CARE PROPOSALS

- **Repeal Birth-Cost Recovery**
- **Funding for Home Abatement and Treatment for Children Exposed to Lead**
- **Expanding BadgerCare (Medicaid)**
 - Covering 80,000 more Adults
- **Community Health Funding for People Covered by Medicaid**
 - Transportation, Housing, Nutrition, etc.



EDUCATION

Early Childcare and Education

- \$43 Million Increase for Wisconsin Child Care Programs
- \$5 million to Create Early Care & Education Programs in Five Largest School Districts in WI
 - Intended to Reduce Achievement Gap by Ensuring Kids are more Ready to Start School
- Targeted funding for high-quality child care in 53206 zip code

K-12 Education

- \$1.4 Billion New Funding for Public Schools
 - \$38 Million for Most Rural and Urban School Districts
 - Changes to Funding Formula to Provide more Support for Students from Families with Low Incomes
 - Increased Funding for After School Programs and English Language Proficiency



DRIVER LICENSES FOR ALL

Allowing all immigrants to obtain driver licenses would positively benefit everyone in Wisconsin—children, families, communities, and the economy. **So what would happen if all immigrants had access to driver licenses, without regard to immigration status?**

Wisconsin drivers could see savings of \$16 million in auto insurance premiums every year.

Insurance companies could see increased revenue of \$13 million a year.

More money is put back into the local economy as those with driver licenses are more likely to work and spend money.

Wisconsin roads become safer as licensed drivers become more knowledgeable about traffic and road laws.



Final Budget – During the process, the majority party chose to remove many of the items that were intended to address racial disparities



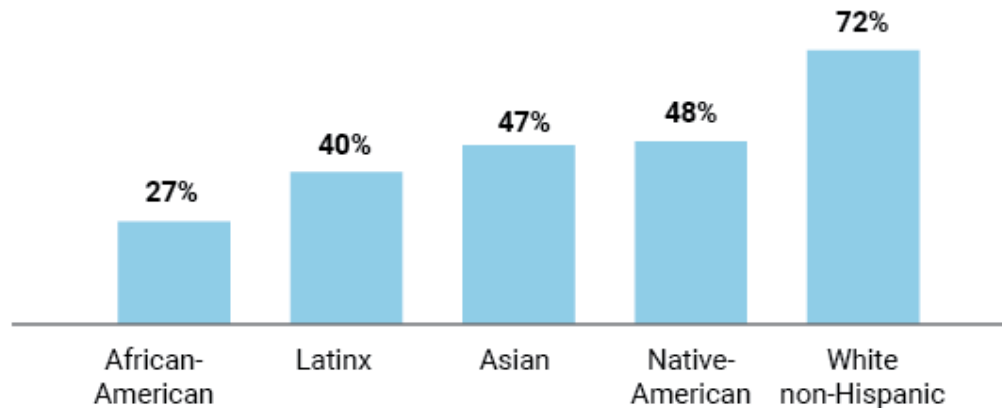
WHAT DID THE FINAL BUDGET LOOK LIKE?

Taxes

- Rejects governor's changes and increases a tax credit that disproportionately benefits white Wisconsinites
- Includes middle-class tax credit in final budget

Current and Historic Practices Have Made it Harder for Residents of Color to Own Homes

Rates of home ownership of Wisconsin households, 2013-17 average.



Source: American Community Survey

WISCONSIN BUDGET PROJECT



FINAL BUDGET CONTD.

Health Care

- Less than half funding for lead abatement
- Most of Healthy Women, Healthy Babies initiatives removed
- Did not expand BadgerCare or fund Community Health Pilot
- \$\$\$ Increases for aging and direct care work



FINAL BUDGET CONTD.

K-12 Education

- General aid increase was less than 1/3 of Gov's recommendation
- Eliminated funding for after-school programs, English language proficiency, and school breakfast funding
- Legislature rejected new funding formula, which would have prioritized districts with high poverty rates

Early Care & Education

- Half of recommended funding for child care programs
- Refused to fund school-readiness programs aimed at lessening achievement gap

Driver Licenses for All

- Removed from final budget



What could a different budget or budget process look like? How could we make it better?

- *Reform Budget Process*
- *Protect & Strengthen Voting Rights (Gerrymandering and Voter ID)*
- *Racial Equity Impact Analysis*



QUESTIONS?



CONTACT US?

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