



# AFT-Wisconsin

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## *A Union of Professionals*

### **Understanding the 2021-23 Wisconsin Budget Proposal**

Over the past several months and even years AFT-Wisconsin members have persistently advocated for the needs of public education and services. As you will see below, Governor Evers' Badger Bounceback Budget proposal shows the results: fair raises and benefits for permanent and limited-term employees in the state agencies, dramatic increases in funding for both PK-12 schools and our technical colleges, and a UW budget that finally funds the tuition freeze. What's more, this budget grants full bargaining rights to every single one of our locals.

This budget is *our* budget, and AFT-Wisconsin is proud to support it.

#### **Collective Bargaining Rights for Front-line Workers**

##### ✓ **Bargaining Rights for All Unions Representing Front-Line Workers**

- Collective bargaining rights are extended to any union representing state, local, or municipal employees whose regular job duties include interaction with the public or large groups of people. This would include all unions with school district employees, city and county employees, technical college and university employees, and state workers.
- If one worker in the bargaining unit qualifies, the entire bargaining unit qualifies.

##### ✓ **Certification**

- Eliminates annual recertification election requirement.
- Initial certification necessary to be recognized representative and to collectively bargain.
- For bargaining units that are not certified, mandates employers consult with union representatives regarding any proposed or implemented change in policies affecting wages, hours, and working conditions; or quarterly if there are no proposed changes.

#### **Investments in Higher Education**

##### ✓ **Fund the Freeze at the University of Wisconsin System** – After years of advocacy to Fund the Freeze at the UW System to maintain quality instruction, the Governor's proposal is finally meeting our demands.

- The budget expands the tuition freeze for 2 more academic years, while infusing the UW System with \$16,800,000 from General Purpose Revenue

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(GPR) in the first year and \$33,600,000 in the second. This infusion will help offset the fiscal effect of decreased tuition revenue at our institutions.

- ✓ **Make College More Affordable** – In addition to continuing the tuition freeze, this budget directly helps make an in-state, public college education more affordable.
  - The Governor plans to expand Bucky’s Tuition Promise, to provide 4 years of free tuition to low-income students (family income less than \$60,000) who wish to attend *any* UW System campus. In fiscal year (FY) 2021-22 the Governor will provide \$13.8 million, and in the following year the budget provides for \$25.2 million. The nonresident tuition exemptions for the UW System are extended to support students of color who are members of indigenous tribes and undocumented immigrants.
  - The budget includes 10% increases in each of the next two years for need-based financial aid. It also doubles funding for Minority Undergraduate Retention Grant, a needs-based program to support students of color with up to \$2,500 of grant money per year.
  - Affordability and racial equity: The tremendous cost of college in Wisconsin is felt even more by families of color, who pay a greater share of their income to attend school. The average net price of a public 4-year university in Wisconsin accounts for 45% of the median household income for Black households in the state, while on average it accounts for only 21 percent of white, non-Hispanic households.<sup>1</sup>
  
- ✓ **Investing in Public Higher Education** – The Governor’s budget proposes \$190 million in funding increases in higher education over the course of the biennium, to include:
  - \$20 million in unrestricted aid to address UW operational costs. The increase received in the 2022-23 fiscal year “will continue as a part of the system's base budget for the 2023-25 biennial budget.” These funds can also be used to address student health needs as they relate to ensuring COVID safety.
  - An increase of \$36 million for the Wisconsin Technical College System “to ensure the technical college system has the resources to assist Wisconsinites seeking education and training, including individuals returning to school after a pandemic-related job loss.”
  - These increases would be the largest the state has made to the UW System in over 20 years.
  
- ✓ **Support Wisconsin Student Loan Borrowers** – AFT-W participated in the Governor’s Task Force on Student Debt, offering recommendations that have made it into his budget.
  - The proposal would establish a student loan bill of rights to ensure borrowers in Wisconsin are given all necessary information and support needed to pay off their student loans or receive loan payment relief.

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<sup>1</sup> [States Can Choose Better Path for Higher Education Funding in COVID-19 Recession | Center on Budget and Policy Priorities \(cbpp.org\)](https://www.cbpp.org/policy-priorities)

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- It would establish a Student Loan Ombudsman to provide borrowers support on financial literacy and hold student lenders accountable.
- If passed, these policies would align Wisconsin with the dozen other states that have, since 2014, passed legislation to establish a Student Loan Borrower Bill of Rights: California, Colorado, Connecticut, District of Columbia, Illinois, Maryland, Maine, New Jersey, New York, Rhode Island, Virginia, and Washington.<sup>2</sup>

## Investment in K-12 Public Education

- ✓ **Restoring the Two-Thirds Funding Commitment** – Overall Governor Evers is proposing a two-year education budget estimated at over \$7 billion, and he plans to restore more funding to K-12 through the two-thirds commitment.
  - Wisconsin’s historic two-thirds funding commitment originated as a policy with bipartisan support and was in effect from FY 1997–2003. The legislature failed to pass it in the last biennium, even though the model was supported by a Republican-led bipartisan commission at the time. Governor Evers calls on the state to reinstate the two-thirds promise.
  - According to research by the American Federation of Teachers<sup>3</sup>, Wisconsin continues to spend less than pre-Recession levels on K-12.
- ✓ **Increasing Funding for Student Support**
  - Over the biennium, the education budget proposed by the Governor provides \$55.8 million for per pupil payments of \$750 for every student (previously \$742). It would offer a further supplement of \$75 per pupil for each economically disadvantaged resident pupil as a means of offering equitable support for those who need it most.
  - This budget proposes over \$709 million in aid for special education in order to achieve reimbursement rates of 45 percent in fiscal year 2021-22 and 50 percent in fiscal year 2022-23. Special education transition readiness grants will increase by \$1.5 million to help special needs students transition to college or the workforce.
  - Freeze on enrollment for private voucher schools, and would also provide information containing the reduction in state aid as a result of these programs on property tax bills, to increase public awareness of voucher program costs.
  - Ten years after the Great Recession, per pupil spending in Wisconsin is down by \$317, falling behind 36 states plus the District of Columbia, according to AFT research.<sup>4</sup> These investments get the state on track to support every student in reaching their potential.
- ✓ **Supporting Early Childhood Education**
  - The budget proposal includes allocating \$140 million over the next two years for early childhood education. This funding for infant and toddler care gives

<sup>2</sup> [Student Loan Borrower Bill of Rights - Student Borrower Protection Center \(protectborrowers.org\)](https://www.protectborrowers.org/)

<sup>3</sup> Decade of Neglect, 2020 Update

<sup>4</sup> Ibid.

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providers “grant opportunities that require half of the total to be allocated towards staff salaries and benefits.”

✓ **Expansion of English Language Learner support**

- The budget would move from a limited reimbursement model for schools with a bilingual-bicultural program to a standing program for any district with English Learners, putting additional resources into these classrooms for the first time in over ten years.

✓ **Increased Support for Student Transportation, Especially in Rural Districts**

- Rural school districts often face the highest transportation costs for students. This budget would fully fund expenditures eligible for high-cost pupil transportation aid, including eliminating a \$200,000 cap on total stopgap payments.

### Public Service and UW Employees

✓ **Wage Increases**

- 2% salary increase on January 1, 2022 and on January 1, 2023.
- Increase minimum wage to \$15 for state employees.

✓ **Improved Benefits**

- Decrease waiting period for medical insurance from three months to one month.
- Create a paid parental leave program for up to six weeks annually.
- Paid sick leave for Limited Term Employees (LTEs).
- Establish Juneteenth as a holiday for all state government.

### Investment in Equity

✓ **Supporting Minority-Owned Small Businesses**

- COVID has hit the Wisconsin economy hard, but the hit has been felt especially hard among people of color. That is why the Governor’s proposed budget provides \$10 million in assistance specifically to underserved communities and businesses, including minority and women-owned businesses.
- The budget recommends that annually, \$390,000 in tribal gaming revenue go to the Wisconsin Economic Development Corporation to support tribal economic development, businesses and communities.

✓ **Housing Justice for All**

- The pandemic has also hit home, limiting availability of affordable housing, increasing evictions, and spurring the creation of the Wisconsin Rental Assistance Program (WRAP) to assist low-income renters. In Milwaukee, more than two-thirds of landlord eviction filings disproportionately hit Black-majority neighborhoods, even though Black residents make up 39 percent of the city's population. While WRAP has been funded through federal COVID relief dollars, this state budget seeks to increase Wisconsin Housing and

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Economic Development Authority's State Housing Tax Credit Program from \$42 million to \$100 million and establishes a \$50 million Affordable Workforce Housing Grant program.

✓ **Health Disparities**

- The disparities in mortality rates among people of color due to COVID prove that racial disparities are health disparities. The governor's healthcare budget invests \$25 million in efforts to address health determinants such as housing, nutrition, and transportation. It allocates almost \$30 million in a Healthy Women, Healthy Babies Initiative, which includes \$3.5 million in grants for organizations focused on reducing maternal and infant mortality and \$4.5 million to "Black woman-led and community serving organizations working to improve Black women's wellness."

### Other Support for Families and Communities

✓ **Childcare**

- \$140 million investment over two years to program to address quality, affordability, access and equity for children.
- Create several grant programs to support infant and toddler day care, including pilot programs in areas where there are few providers.
- Funding for after-school programs to support low-income communities.

✓ **Expansion of the Wisconsin Family Medical Leave Act**

- Require more employers to provide this benefit.
- Extend leave for care of a grandparent, grandchild, or sibling for medical quarantine.

✓ **Mental Health**

- \$55 million investment in mental health support for minors.

✓ **Broadband**

- \$200 million over the next two years, including \$150 million in broadband infrastructure and \$40 million towards helping low-income families afford internet services.

✓ **Transportation**

- Continued investment in transportation aid for cities, villages, towns and counties

✓ **Non-Partisan Redistricting**

- Require the legislature to consider district maps based on a proposal by the People's Map Commission.
- Require all legislative redistricting meetings to comply with open meetings law.

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✓ **Automatic Voter Registration**

- Requires the Department of Transportation to work with the Elections Commission to implement voter registration for all eligible voters who come to the DMV for a driver's license or identification card.

✓ **Tax Relief**

- \$450 million in tax relief for low- and moderate-income individuals.
- Create a \$500 nonrefundable tax credit for family caregivers.
- Raise the Homestead Credit maximum income threshold to \$30,000 to benefit more lower-income individuals.
- Create a new nonrefundable \$500 Caregiver Tax Credit for child and dependent care.
- Tax relief for business investment and job creation, including creating a \$200 million fund to help businesses recover from the pandemic.

## Revenue

✓ **Legalize and tax recreational marijuana use for citizens 21 years and older**

- This would eventually raise \$165 million annually. 15 states have passed similar legislation including neighboring Illinois and Michigan. \$80 million reinvested into equity initiatives and support for rural schools.

✓ **Expand Badger Care and Accept the Federal Medicaid Expansion**

- 90,900 more Wisconsinites would have access to affordable, quality healthcare while saving the state \$634 million.

✓ **Manufacturers and Agriculture Tax Credit Cap**

- Limits a tax credit for the wealthy to \$300,000 of income from manufacturing but does not change credit for farming or agricultural industry.

✓ **A Balanced Budget**

- Added together, these revenue increases balance this budget.

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