

Legislative Republicans Fail to Address Rising Costs, Barriers to Employment in Wisconsin

Written by GOV Press Wisconsin
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As gas prices near \$4 per gallon in Wisconsin and national inflation is highest in four decades, Republicans refuse to consider governor's plan to send every Wisconsin family of four \$600

MADISON — Gov. Tony Evers slammed Republicans in the Wisconsin State Legislature on Tuesday for refusing to even consider the governor's plan to send every Wisconsin family of four \$600 to help address rising costs at gas pumps and in grocery store aisles as businesses and industries face challenges getting supplies and resources. A report released [last month](#) showed national inflation is the highest it has been in four decades. According to the [American Automobile Association](#), the average price of gas in Wisconsin is currently \$3.942 per gallon compared to \$3.377 just one week ago on March 1, 2022, and \$2.646 per gallon at this time last year.

In January 2022, the nonpartisan Legislative Fiscal Bureau (LFB) [released](#) new projections indicating the state general fund balance will have a \$3.8 billion surplus at the end of the 2021-23 biennium—nearly \$2.9 billion more than was expected in June 2021. Additionally, the state currently has the highest-ever positive GAAP balance in state history at more than \$1.1 billion while the state's 'rainy day' fund sits at the highest level ever at \$1.7 billion. Meanwhile, Wisconsin's unemployment rate is at historic lows while the state currently has the fewest number of people who are unemployed ever.

Following the new projections, Gov. Evers [announced a plan](#) to refund the projected surplus to Wisconsin taxpayers, sending every Wisconsin resident a \$150 surplus refund to help support Wisconsinites who are feeling the squeeze of rising costs of everyday items. Under the

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governor's plan, every Wisconsinite would have received the full surplus refund, including for each of their dependents. A family of four, for example, would have received \$600 under the governor's proposal. Most Wisconsinites would have had to take no action to receive the refund, which would have been distributed through information provided by an individual on their tax returns.

After Republicans in the Legislature rebuffed the governor's proposal, suggesting they would delay using any of the state's historic surplus until the next biennial budget, which will likely not be passed until the summer of 2023, Gov. Evers [announced in his State of the State address](#) that he would sign an executive order [calling the Legislature into a special session](#) to take action on his surplus refund plan.

Despite the urgent needs facing Wisconsinites and the state, Legislative Republicans today gaveled out of Gov. Evers' special session to provide surplus refunds to every Wisconsinite in seconds without a single moment of consideration or debate.



“Wisconsinites are feeling the pressure of rising costs, and they need action now—today—not months from now or a year from now,” said Gov. Evers. **“Republicans are selfishly playing politics by sitting on a projected \$3.8 billion surplus until next year while the people of this state watch prices on everyday items go up and gas is almost \$4 a gallon. This is the people’s money. We should be doing the right thing and getting it back to them.”**

In addition to measures aimed at addressing rising costs, Gov. Evers' plan also included additional provisions aimed at reducing costs for childcare and caregiving—key proposals that would have helped support Wisconsin's workforce and address barriers to employment. Gov. Evers' plan proposed expanding the newly created Child and Dependent Care Credit from 50 percent of the federal credit to 100 percent. This would have provided nearly \$30 million in tax relief to 107,000 Wisconsinites who claim the federal credit, or about \$274 per filer. Most people eligible for the credit would have received up to \$600 if they were claiming it for one qualifying individual's expenses or \$1,200 for two or more qualifying individuals' expenses. Additionally, Gov. Evers proposed creating an income tax credit for qualified expenses incurred by a family caregiver. A majority of Wisconsinites are in income ranges that would have made them eligible for the credit and most filers would have received up to \$500, while married-separate filers would have received up to \$250. Moreover, the governor's plan would have provided an estimated more than \$100 million in tax relief to Wisconsinites who are experiencing increased costs and expenses caring for a family member. The governor originally proposed creating the Caregiver Tax Credit in his 2021-23 biennial budget, but the move was ultimately rejected by Republicans in the Legislature then, too.

Finally, the governor's plan would have also invested nearly \$750 million into education at every level to continue improving school quality and address the state's achievement gap while

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providing \$188 million in property tax relief. Importantly, Gov. Evers' plan would have also ensured the state [met federal requirements](#) and preserved more than \$2.3 billion in federal aid for Wisconsin's kids and schools. These funds have previously [been jeopardized](#) by the Legislature's failure to meaningfully invest in education through the biennial budget process, and in January 2022, the LFB [released](#) a separate memo indicating the state is projected to fail to meet federal requirements for K-12 education funding in fiscal year 2022-23. Today's failure by Legislative Republicans to act puts the state at risk of losing billions in federal funds for schools, again.

A full description of the provisions included in Gov. Evers' surplus plan that was rejected by Republicans Tuesday is available [here](#).