

For Immediate Release
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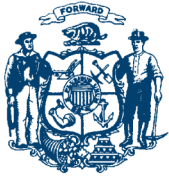
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Helpful Tips to Pass a Responsible Budget

MADISON – As the state budget impasse between the Republican Senate and Republican Assembly continues, Rep. Gordon Hintz (D-Oshkosh) offered five budget tips for legislative Republicans to help pass a responsible budget.

- 1. Pass a long-term transportation funding solution to address the ongoing shortfall.** As long as transportation funding relies on increased borrowing or delayed projects, budgets will remain difficult. If you continue borrowing, more transportation revenue is spent paying off debt and interest. Plus important building projects in the UW System will be cut in order to manage total state debt. If you raid the general fund to pay for roads, that funding comes at the expense of other state investments like K-12 public education. If you continue to delay projects, those cost increase, the state spends more on maintenance, and the problem will get worse for the 2019-21 budget. You increased fees to fund our state parks so it is hard to understand what is different here. Just fix it.
- 2. Fund your most important priorities first.** If funding K-12 education is truly the most important investment, then start there and pay for Wisconsin's public schools first. This might mean you don't have enough money to repeal the state forestry mill tax for \$180 million or fund the Governor's increased school levy credit at the full amount. But if putting dollars in classrooms around the state is really a priority, then there should not be a disagreement.
- 3. Don't create new spending programs when you are unable or unwilling to fund existing ones.** If you are struggling to fund K-12 education or the UW System's existing programs, don't create new ongoing expenses like expanded taxpayer supported private school vouchers for kids that are already going to private school. And reconsider the new \$3 million already approved for a new redundant public policy school of conservative thought.
- 4. Don't phase in tax cuts you won't be able to pay for in the future.** The manufacturing and agriculture tax credit was passed in the 2011 budget at the last minute, with zero public hearing or input. It was



supposed to be gradually phased in starting in 2013 before reaching a total annual cost of \$128 million in 2017 when fully implemented. The cost of the credit in the current 2015-17 budget is \$517.4 million. Despite modest growth in state revenue, programs were cut in order to pay for the credit, such as the \$250 million cut to the UW System. It is now expected to cost \$320.2 million in FY2018 and \$334 million in FY2019. Don't make this mistake again. Before you consider proposals such as repealing the personal property tax, make sure you can pay for it in the future. Since the Governor's proposed budget spends \$366 million more than the revenue collected, it is unlikely that the state will be able to cover the local revenue loss in future budgets without cutting other state programs.

- 5. Don't use one-time money to pay for ongoing expenses.** Spending one-time money from an existing fund balance or transferring money from a segregated account to cover ongoing general fund expenses creates future imbalances. It is irresponsible to use one-time money during a period of modest economic growth. Raiding the state veterans nursing home fund to pay for ongoing veterans trust fund programs creates future imbalances. When balances run out, the state general fund will have to cover the cost.

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