



2021-2023 Governor's Budget Overview



Peter Barca, Secretary

Oshkosh Chamber of Commerce | March 17, 2021

WI COVID-19 Vaccine Success

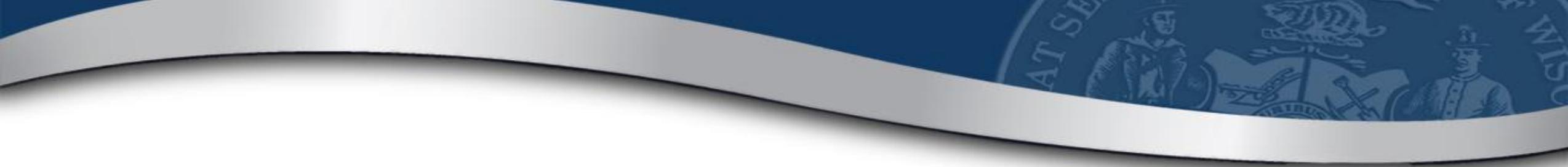
DHS data as of March 16:

- 2.043 million doses administered
- 21.9% of Wisconsin's population (over 1,273,000) has received their first dose
- 12.6% of Wisconsin's population (over 721,000) has completed their series
- 68.9% of people age 65 or older (almost 701,000) have received their first dose
- 41% (more than 416,700) of people age 65 or older have completed their two-dose series
- Our goal is 80% of the population will complete their series

WI COVID-19 Vaccine Success

Wisconsin is a national leader in COVID-19 vaccine administration.

- Wisconsin currently ranks **third in the nation in percentage of doses administered** (94% compared to national average of 80%) (NY Times)
- Wisconsin ranks **first among Upper Midwest states** in total doses administered/100,000 population (25,778/100,000); 13th in the nation (CDC) (excluding territories, federal entities, D.C.)

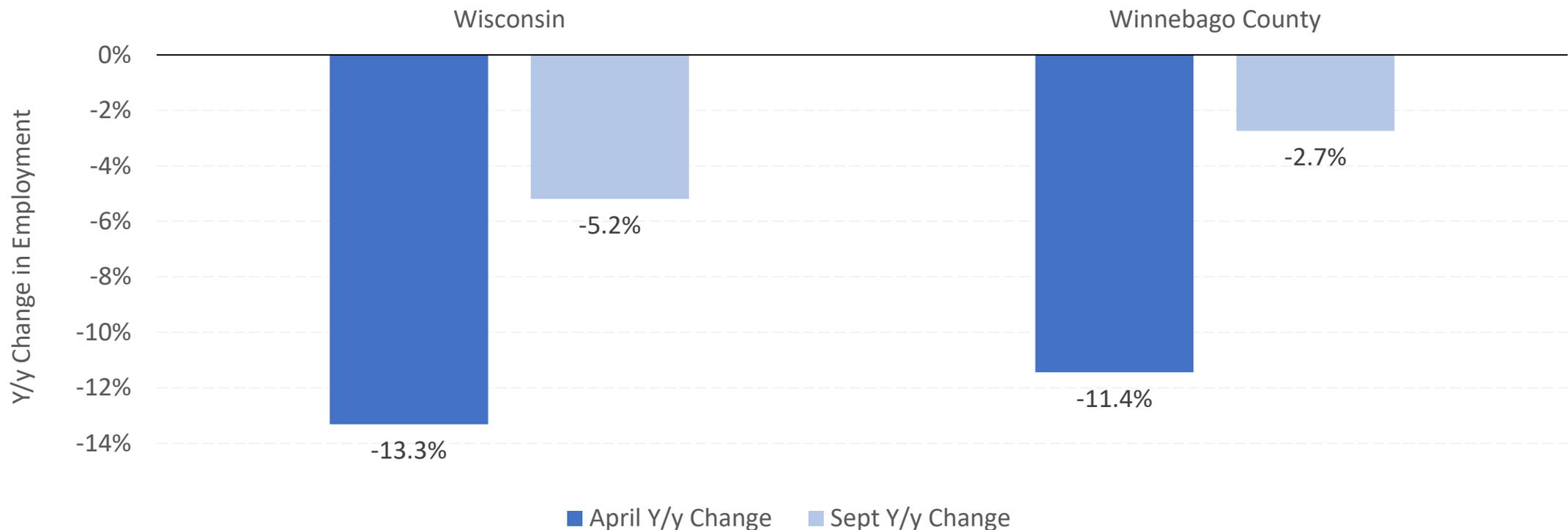


Oshkosh-Neenah MSA

A closer look at economic indicators

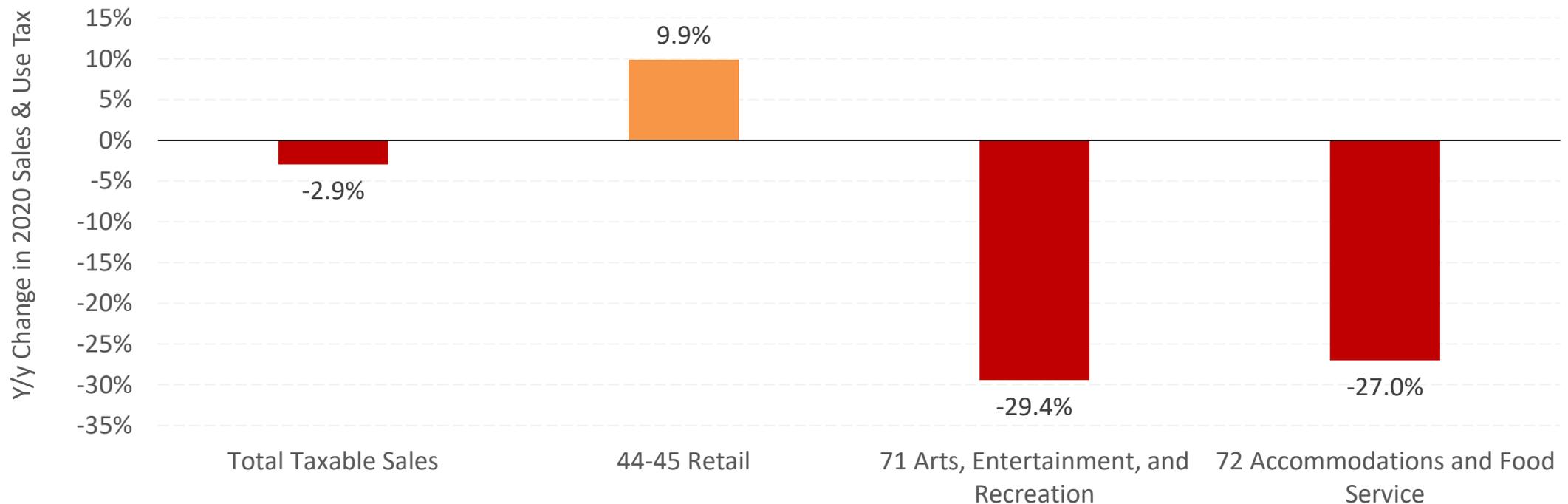
Employment has improved since April, but still down from last year in September

Percent Change in 2020 Total Non-farm Employment



Wisconsin retail sales increased in 2020, but the entertainment and hospitality sectors suffered

2020 Percent Change in Wisconsin Sales & Use Tax by Sector



New Tax Law Changes

- 2021 Wisconsin Act 1
- Medical Insurance Deduction for the Self-employed
- Transfers of Historic Rehabilitation Tax Credit
- Nexus for remote sellers – leaves nexus at \$100K in sales
- EITC – allow for 2019 earned income use
- PPP double-benefit
- Double-benefit for CARES Act grants to businesses

CARES Act grant money

Supporting Small Businesses

- \$50M Farm Support
- \$56M We're All In Phase 1
- \$133M We're All in Phase 2
- \$42M We're All in for Restaurants
- \$20M Lodging grants
- \$15M Events/Music Venue grants

2021 – 23 Budget Overview

A blueprint for Wisconsin to bounce back better than before COVID-19

After all we've been through, we aren't going to apologize for wanting more for each other – for our neighbors, for our kids, our parents and grandparents, and our state's future. This budget calls for strategic and significant investments in Wisconsin's:

- Small businesses, entrepreneurs, and workforce
- Education System
- Infrastructure – broadband, water programs, transportation
- Agriculture
- Local Government
- Tax Fairness
- Retirement Security

Small Business/Entrepreneurs

- Creates a \$200 million fund to assist small businesses affected by the pandemic with retaining and rehiring employees.
- Invests in our state's entrepreneurs through a new \$100 million venture capital fund of funds to spur long-term economic growth across the state.
- Medical Insurance Deduction for the Self-employed (already adopted)
- Providing \$8 million on a one-time basis to WEDC for awards to organizations focused on local or regional economic development.

Economic Development

- \$20M to support training for individuals, businesses, and organizations affected by the pandemic
- \$8M to local workforce development boards for pandemic recovery grants
- Increase in funding for Buy Local, Buy Wisconsin program
- Increase R&D credit (Also proposed last budget)

More Economic Development

- Increasing WEDC's annual block grant by \$10M in each year of biennium
- Providing \$10M over the biennium in assistance dedicated to underserved communities and businesses
- Providing WEDC with \$390,000 tribal gaming revenue to create a small business economic development grant program for Native American small business owners
- Continued investment in workforce programs like youth apprenticeships, green job training and Project SEARCH

Broadband

\$200M over the biennium for broadband access

- \$150M towards broadband infrastructure in underserved areas
- \$40M for helping low-income afford internet services

Largest state investment in broadband access in state history

- Legislature approved \$54M in 2019-21 biennium

Higher Education

\$190M investment in the UW System

- Continuing tuition freeze for WI residents
- Providing \$20M in each fiscal year in unrestricted aid

\$36M to the Technical College System to assist with education and training

Roads & Infrastructure

- Additional increases of 2% in each year for the general transportation aids program.
 - With last budget's 10% increase in GTAs, the total investment has never been higher
- \$75M fund for local multimodal transportation projects to address the need for supplemental infrastructure
- An additional \$162M for the state's highway system.
- More than \$30M for programs that help build resilient roads and infrastructure, restore wetlands to prevent flooding, support farmers when their crops are damaged.
 - First of its kind program to help purchase flood insurance

Healthcare

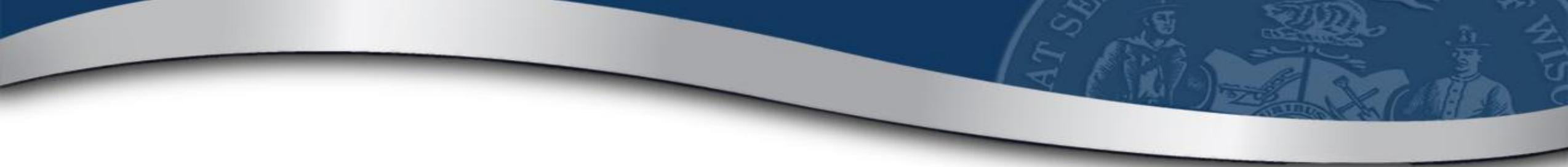
- Expansion of BadgerCare to provide coverage to tens of thousands of uninsured Wisconsinites- a savings of **\$630M** in state dollars.
- Expanding telehealth by reducing barriers to telehealth parity.

Other Key Investments

- \$50M for New Affordable Workforce Housing Grant program to provide grants to municipalities
- Creates pilot program to support floodproofing and prevention efforts for local roads and critical infrastructure, investing \$15M
- Provides for \$10M in each year for a municipal grant program for the testing and remediation of PFAS by local units of government

American Rescue Plan Act of 2021

- Will provide businesses, individuals, states and municipalities with billions in aid – a down payment in a stronger, more equitable America
- Small business:
 - Allocates \$10 billion to reauthorize the State Small Business Credit
 - Provides an additional \$7.25 billion for Paycheck Protection Program
 - Establishes the Restaurant Revitalization Fund funded at \$28.6 billion
- Economic development:
 - Provides \$3 billion to the Commerce Department to remain available until September 30, 2022 for economic adjustment assistance
 - 25% is assistance to states and communities that have suffered economic injury as a result of job loss and GDP losses in the travel, tourism or outdoor recreation sectors



Questions

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