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# Gov. Evers Delivers 2021-23 Biennial Budget Message

MADISON — Gov. Tony Evers today delivered his 2021 State of the State address. As <u>previously announced</u>, the address was held virtually this year and is available to watch on the governor's Facebook <u>here</u> and YouTube channel <u>here</u>.

Below are Gov. Evers' remarks as prepared for delivery:

Good evening, Wisconsinites. Thanks for tuning in.

I'm Tony Evers, and I'm proud to be the 46th governor of our great state and to introduce my 2021-23 biennial budget to you this evening.

Before we begin tonight, I want to mention that today is a pretty important day. And that's not just because I'm giving my second-ever budget address—it's because today we have a spring primary across our state. And there are a lot of important things on the ballot, from state superintendent of our schools, local mayors and village board members, judges, and so many others.

Polls close in less than an hour. So, if you haven't had a chance to vote yet and you're watching from home, hit pause, grab your mask, your photo ID, and your proof of residence if you need to register, find your polling location by going to myvote.wi.gov and get there right away. And remember, you just need to be in line by 8 p.m. to vote. Voting is such an important part of our democracy, so don't worry—I promise I won't be offended, and I'll still be here on YouTube when you get back.

When I gave my State of the State address last month, I talked about the struggles we've shared this past year, and the challenges we have faced and will face in the days ahead. I know I don't have to tell you how hard this past year has been because we've lived it—you've lived it.

People across our state and country spent the better part of the last year worried—worried about how you'll see a doctor or afford your prescriptions, worried about taking care of your loved ones from a distance, worried about affording childcare for your kids, and how this pandemic has affected them. I know there have been sleepless nights worrying about finding work or being safe at work, worrying about the future of the business you built from the ground up, worrying about making sure you can keep the lights and heat on at home.

So, as you're watching tonight filled with a year's worth of worry, I know you're also wondering whether we will claw out of this crisis, where we can go from here, how we get back on track, and what's next.

Well, tonight, Wisconsin, I want to tell you this: it's going to be ok. We are going to be ok.

As both a state and a country, we find ourselves with a decision to make—when this pandemic is over, we could go back to the way things always were and always have been, or we can take this moment to demand the future we dream.

We could ignore the problems this pandemic brought to the forefront, or we can face them and fix them, together.

We could make excuses for the last decade of decision-makers who cut corners, or we can commit right now to start putting people first.

Well, Wisconsin, we aren't going to retrace our steps back to the way things were.

We aren't going to follow the map back to where we started when this pandemic began.

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.

So, I want to tell you something tonight and I need you to really hear me—don't let anyone tell you we can't afford to make healthcare more accessible while saving your hard-earned tax dollars. Don't let anyone tell you we can't afford to fully fund our public schools while cutting taxes at the same time. Don't let anyone tell you we can't afford to support our farmers, our rural communities, and our small businesses while protecting our natural resources and investing in new, clean jobs. Don't let anyone tell you we can't spend within our means while still supporting Wisconsinites who need help to recover.

Because they're wrong. We can. I've got a blueprint that will do just that and make sure we bounce back and better than before.

But I didn't sit in a room and write it all by myself—I'm not about to make decisions about you, without you. So, just like we did two years ago, we went directly to folks from across our state to ask for your help putting together our Badger Bounceback agenda that I'm excited to share here tonight.

Take a look.

## [video interlude]

Now with all of the bad news out there, there is some good news. Our Badger Bounceback agenda has bold solutions to address the urgent crisis we face. And the good news is the Badger Bounceback is possible because we made critical decisions to get our state in the best position to be able to help folks recover and put this pandemic behind us.

Just before our last budget was signed, we decided to take the unprecedented step of making a payment on our state's debt. We paid off \$56 million early that helped save Wisconsin taxpayers an estimated nearly \$70 million in future debt service payments. And in response to this pandemic, just as so many have had to make sacrifices this past year, I asked our state agencies to make sacrifices, too. At my direction, they found hundreds of millions in cost savings over two fiscal years to make sure we had resources available to respond to this pandemic and invest in our economic recovery.

We've made some tough choices these past few months. But because of the financial position our state is in, this week we were able to announce part of our Badger Bounceback agenda will include significant investments in economic recovery for small businesses across our state. I was proud that more than \$370 million of our CARES funds went to supporting Wisconsin businesses, including nearly 53,000 of our small businesses, more than 15,000 farms, and our lodging, hospitality, and tourism industries. But we also know we have a long road ahead of us and our Main Street businesses need help now.

That's why we're going to make unprecedented investments in the Wisconsin Economic Development Corporation to be able to help support our small businesses and economic development. Our Badger Bounceback agenda makes a larger state investment into the WEDC than the last three budgets combined. We're going to put \$200 million into helping small businesses affected by the pandemic, including helping them retain and rehire the jobs they've lost. And we know that if we want to come out on the other side of this pandemic stronger than ever, we need to commit to investing in innovation and economic growth, too. That's why we're also going to invest \$100 million into a venture capital program to jumpstart innovation and startups in Wisconsin.

But as I've said all along, if we're going to get serious about economic development in our state, then we have to connect the dots. And you've heard me say that a lot—connect the dots. It means recognizing how every issue our state is facing affects all of the others. We have to understand how having good roads and transportation affects small businesses and farmers getting their product from Point A to Point B. We have to understand how lack of access to affordable housing affects kids in the classroom. We have to understand how lead pollution and poor water quality affects our healthcare system. We have to connect those dots between these issues to make sure we can recover from this crisis. And that's why, in the coming days, the WEDC will also be announcing our administration's vision for economic development to make sure we can bounce back with an economy that works for everyone.

But that's just part of our Badger Bounceback agenda.

Because it begins, as it always does for me, by doing what's best for our kids. It starts with education.

### [video interlude]

If we're going to bounce back from this pandemic, then we have to start by making sure our kids are better off than when we started this pandemic. Every kid in our state should have access to high-quality, public education. Period. But it has to start early—we know the first few years of our kids' lives help define their future. And for many Wisconsin families, quality childcare is something that isn't available or affordable.

That's why last week I announced that my budget will invest \$140 million to support our kids and our families—to address quality, access, and equity in our early education and childcare system for our kids, all while supporting the folks who care for them.

And those investments can't stop when our kids grow up and head off to kindergarten.

So, for the second budget in a row, our Badger Bounceback agenda proposes that this state delivers on its commitment to two-thirds funding for our schools. Look, Republicans and Democrats agree on this issue, including two years ago when two-thirds funding was backed by a Republican-led, bipartisan commission. It should've been passed in our last budget or in the special session of the Legislature I called last year. Unfortunately, the Legislature couldn't get it done in either case. Well, here's the bottom line: if members of the Legislature are going to make promises on this, then they sure ought to keep them. Let's stop talking about it and just get it done.

And two-thirds funding isn't the only place we've seen public education investments sidelined by politics despite having broad public support—the same goes for special education. I was proud my last budget provided \$95 million more for special education funding—it was the first increase in more than a decade. And that was a big step forward, but the fact of the matter is, after a decade of failing to provide more funding, we still have a lot more to get where we need to go. That's why this budget proposes trying to help close that gap with a more than \$709 million investment in special education aid.

And, finally, we're also going to invest in supporting our rural schools by fully funding sparsity aid with a \$20 million investment. The reality is that our public schools from Kickapoo to Cashton have been doing much more with far less for far too long, and these investments will not only enhance direct support to some of our most vulnerable students, but provide schools with the budget flexibility to fund things like mental health services, keeping buses running, technology, and other critical needs.

And our work can't stop when our kids finish high school—our higher education institutions have always been an economic driver for our state, and we need to double down if we're going to bounce back.

Our universities and technical colleges systems have a proud and proven history of not only preparing students to enter the workforce, but of generating billions of dollars of economic activity statewide and bringing thousands of jobs to communities all across our state. It's a direct pipeline to the skills, innovation and research, and creativity that will help our families, communities, and our state bounce back, and it's an investment that will pay dividends for our future.

So, we're going to build on the success of our state's technical colleges for the more than 280,000 students they serve and employers who count on them for Wisconsin's highly skilled workforce by providing an additional \$36 million investment over the next two years.

But we also have to make sure higher education is something that's accessible, affordable, and therefore attainable to all those who choose to pursue it.

So, we're going to keep the tuition freeze for our System campuses. And we're also going to expand Bucky's Tuition Promise to all UW System campuses statewide ensuring students from low-income households can get a 4-year education at no cost to them or their families.

And while we're going to freeze tuition, we're also going to fund that freeze and invest \$190 million into

the UW System over the next two years. So at the end of this biennium when all is said and done, the state will again be investing more GPR dollars annually in the UW System than the Department of Corrections.

And that's important, because we can't keep doing things the way we've always done them if we want to bounce back and better than we were before this pandemic hit. That's why our Badger Bounceback agenda is about investing in people, not prisons.

## [video interlude]

We know our justice system has put a strain on our state. We've failed to adequately fund alternatives to incarceration, especially for folks who need mental health services or substance abuse treatment. Our prisons have been overcrowded, which costs more of your tax dollars in the long run. And we haven't given folks enough resources or tools to be safe and successful when they re-enter our communities from education to affordable housing to workforce training. And perhaps most importantly, we have yet to address the disproportionate impact the last more than two decades of laws have had on our communities of color.

It's time to face the facts: we have got to change.

If we're going to bounce back from this pandemic, we have to get our priorities straight. We can't keep throwing your taxpayer dollars into a system that doesn't help our state or our people thrive—it's holding us back. And here's the deal, you know I'm a big believer in science. We can keep our communities safe by holding violent offenders accountable, save money, and reform our justice system all at the same time. Because in the 21st Century, we can use science and evidence to help us make better decisions.

And it starts with our kids.

It's been years since 2017 Wisconsin Act 185 was passed and the Legislature made promises to close Lincoln Hills and Copper Lake—many of those changes and promises have yet to be realized due to legislative inaction. By focusing only on physical buildings and not on holistic change throughout the system, Act 185 was always going to fall short. That's why in this budget, I am going to propose that we truly overhaul our juvenile justice system by focusing on best practices and a community-based approach to facilities.

We're once again proposing that our juvenile justice system treat youth under 18, with some limited exceptions, as kids, not adults. We are one of the only states in the nation that has not made this evidence-based change in ensuring that youth are treated as youth, and that needs to change now.

And right now, there's no foundational training for how to interact with and engage justice-involved kids. So, we're going to make sure that across our state, youth justice agencies have the training they need to help our kids be successful from understanding adolescent brain development to best practices on engaging kids to evidence-based practices for delinquency to understanding the unique needs of girls and LGBTQ youth.

We're also going to invest nearly \$9 million in a pilot program to start increasing services in our communities so kids who are at moderate or high risk can get intensive, evidence-based treatment closer to home. Because we know that we should be providing kids and families with as much support as we can to

get on the right track and prioritizing investments in rehabilitation and treatment for our kids.

That's why we are also going to change the way we sentence our youth, to require that courts truly consider the youth's risk, treatment needs, and the severity of the offense. Our justice system should be about both accountability but also about the opportunity for treatment and rehabilitation. And any meaningful reform of the juvenile justice system must include this approach.

Finally, we're going to again propose to close Lincoln Hills and Copper Lake so that we get our kids closer to home as soon as we safely and responsibly can. And we're going to do it by eliminating Act 185's outdated two-tier correctional system and creating smaller, community-based facilities across our state and make sure that our kids get the same evidence-based treatment and behavioral support no matter what part of the state they're from.

And when it comes to our adult justice system, we have work to do there, too. We can save more tax dollars in the long run by investing in treatment and alternatives to incarceration. A study conducted by the Wisconsin Department of Justice found that by investing in state treatment and diversion, for every single dollar we invest in diversion programs, we save more than \$8 in return.

Expanding access to treatment and diversion isn't just the right thing to do for people, it's the right thing to do for our pocketbooks, too. That's why in our last budget, we increased the funding for the Treatment Alternatives and Diversion programs to the highest funding level ever. And we're going to double down on this investment in this budget by providing an additional \$15 million to expand this program.

A decade-long study on "Race and Prison Sentencing in Wisconsin" found that, compared to their white counterparts, individuals convicted of felonies in Wisconsin, Black men are 28% more likely to end up in prison. Hispanic men were 19% more likely. Native American men are 34% more likely to end up in prison. The last wholesale rewrite of Wisconsin's criminal code hasn't happened in more than a decade. So, we're going to start by having a Sentencing Review Council go through every section of our state's criminal code to focus on equity, rehabilitation, and evidence-based sentencing practices that will result in better outcomes and make this system fairer while keeping our communities safe.

We're also going to expand the earned release program to include programs that are evidence-based to reduce recidivism like education, work training, and treatment programs so that when folks re-enter our communities, they have the tools they need to be successful.

Reforming our justice system is long overdue, and it's part of our overall goal to ensure our state bounces back and better than before. But I want to be clear: there's more to equity and justice than corrections and incarceration.

#### [video interlude]

We cannot ignore the role environmental justice plays in building a state where every family in every zip code can be successful. The climate crisis is taking an undeniable toll on folks across our state. Every Wisconsinite—whether they live in the Driftless, the Central Sands, or the Northwoods, or in the heart of our urban areas—has experienced the effects of climate change. And communities of color, low-income Wisconsinites, and our farmers have been among those most disproportionately affected.

At the crux of recovering from this pandemic and bouncing back is our willingness to stop pretending the problems we face don't exist. We have to acknowledge our challenges if we're going to have a chance at fixing them.

But I want to be clear: addressing climate change doesn't mean abandoning all of our state's history or our traditions—we aren't, and we won't. Because it is that very history and that very tradition—from the Indigenous people who were the first stewards of the land, to our farmers who've been the backbone of our state for generations, to our outdoor recreation economy—that demand we embrace a future where we don't have to choose between mitigating climate change and protecting our environment and good-paying jobs and economic development. And we're ready for bold and urgent solutions that will stop treating these goals as mutually exclusive—we can and will do both.

Over the last few years, increased flooding caused in large part by climate change, has cost Wisconsin communities, businesses, farmers, and families millions of dollars. But we know that for every dollar invested in flood prevention, we can save in costs down the road.

That's why our Badger Bounceback agenda proposes a \$30 million investment in proactively floodproofing, ensuring public safety, and reducing the risk of catastrophic flood damage. This will also help municipalities address at-risk properties and infrastructure with programs that help build adaptable roads and infrastructure, restore wetlands to prevent catastrophic flooding, and support farmers, families, and small business owners when they lose their crops or their properties are damaged. And we're going to get to work helping our shoreline communities by creating the Great Lakes Erosion Control Revolving Loan Program—this will help support communities across our state that are experiencing record or near-record lake levels and dangerous shore erosion.

We also know our small and family farms are some of our most ardent supporters of protecting our land and our water. We're ready to be good partners to our farmers who will play a critical role in our work to build a more sustainable future. That's why we are investing in farming innovation so that our small and family farms can lead the way on transitioning to more sustainable best practices in addressing local watershed issues, runoff, and reducing water contamination.

Our Badger Bounceback also builds on the work of the Task Force on Climate Change—led by Lieutenant Governor Barnes—which included a diverse, bipartisan coalition of farmers, environmental advocates, Indigenous leaders, utility companies, and businesses. Thanks to Lieutenant Governor Barnes for all his good work on this issue.

We made a commitment to make Wisconsin 100 percent carbon-free by 2050, and we're going to keep it. Our utility partners have made great strides this year toward reducing emissions, but we still have a long way to go to our 100 percent goal. It is critical that we take necessary and immediate steps to address energy production and efficiency.

So, we're going to double the required utility company contribution to the Focus on Energy Program, which will allow us to generate an additional \$100 million to help make our homes, our schools, and our businesses more efficient. We're also creating a new \$20 million energy efficient grant program for our schools, so that they can update aging infrastructure and reduce energy usage.

And as we embrace an economy that will allow us to protect our environment, we're going to invest in clean jobs and sustainable infrastructure. But we'll need skilled workers to make it happen.

That's why we are also investing \$1 million in our Fast Forward program specifically for training for green jobs across the state, encouraging folks to pursue career paths in clean energy production and environmental conservation. We're also creating a \$4 million renewable and clean energy research grant through the Office of Sustainability and Clean Energy and directing the Public Service Commission to establish an innovative technologies pilot program in partnership with the state's utilities.

Folks, we cannot afford to continue ignoring science and denying the reality of climate change in Wisconsin. I know we can deliver on the promise we make to our kids to leave them a better life and world than the one we inherited. But I also know there might be wavering faith that the Legislature and I can accomplish this budget together. So, I want to address that here tonight.

To my friends in the Legislature: our opportunity to bounce back from this crisis calls for you to summon the will to get this done. There's no time for false promises of hope and prosperity with empty words that you know full well won't match your actions. You can disagree with me if you want, but don't punish the people we serve so you can settle a score no one but you is keeping. Each time a bill fails to pass, each time a compromise ends up in flames, each time legislators lose sight of the people who sent you here, the disappointment, the resentment, and the disparities grow. We must be unafraid to agree, unwilling to wait, and unabashed about the work we have before us.

Wisconsinites, when I ran to be your governor, I said it was time for a change. And I told you then as I'll tell you tonight—that change won't happen without you.

That's why, because of you, I'm optimistic. I'm hopeful. Because over the last year, I've seen the heart and grit and resilience of the people of this great state. I believe we can pass a budget with bipartisan support. I believe we can pass a budget that will make sure our state can bounce back and better than it was before this pandemic hit. I believe we can pass a budget that will finally realize the future we've dreamed. I know that Legislature and I can get this done.

Change is possible. The future we want to build is possible. Because I know you will hold us to account and demand it.

So, let's go forward together, let's bounce back together, and let's get this done.

Thank you, and On, Wisconsin!

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