# Tony Evers

Office of the Governor | State of Wisconsin

July 10, 2026

Dear Secretaries and Agency Heads:

Over the last seven-plus years, four biennial budgets, and more than 900 bills signed into law, together, as an administration, we have made it a priority to listen to the will of the people, do the right thing for Wisconsin, and create prosperity that will continue to define our state for generations.

With historic accomplishments and generational transformations that we worked to pass with bipartisan support, Wisconsin has seen firsthand how the work we do every day can change and improve lives in communities across our state when we work together, focus on solving problems and getting things done, and make sure government works—and works *better*—for the people we serve. This is among the reasons why Wisconsinites rightfully have high expectations for our efforts and our success to continue.

During my time in office, together, we've secured generational increases to shared revenue for local communities, made historic progress in our work to fully fund our public schools, provided some of the largest state increases in state history in critical infrastructure investments, including investing over half a billion dollars to build housing for our workforce, expanded access to affordable highspeed internet to help 410,000 homes and businesses get connected to new or improved service, and improved more than 9,600 miles of our darn roads and 2,400 bridges statewide. We've also made progress on key state priorities to move Wisconsin forward: making critical investments supporting our kids and schools, lowering costs of child care and household bills for working families, stabilizing our child care industry, ensuring Wisconsinites have access to healthcare, and making significant investments in our local communities, among much more.

We have made critical investments in our farmers, producers, and their families, including supporting our meat and dairy producers, investing in farmer mental health resources, and bolstering Wisconsin's exports worldwide to ensure our $116 billion agricultural industry remains on top and that we continue to retain the title of "America's Dairyland" for generations to come.

We've ensured our first responders can access workers' compensation for post-traumatic stress, created a holiday honoring our Hmong-Lao veterans and a bill that ensures our kids learn our Hmong and Asian American history in school, and fixed gaps in the AMBER Alert System through the Prince Act so we can locate missing kids faster.

Together we expanded tax credits to help lower the costs of child care for working families, made it so State Park passes can be used for 12 full months, regardless of when it's purchased, provided Medicaid coverage for telehealth services so folks can access healthcare right at home, supported peer-to-peer suicide prevention efforts for kids in schools, invested in helping local communities prepare for and prevent flooding before disaster happens, and worked together to keep Major League Baseball in Milwaukee until 2050, so future generations of Wisconsin's kids will grow up rooting for the Brewers like so many of us have.

This most recent legislative session, we also did what some said was impossible and expanded postpartum coverage for Wisconsin's moms to up to a year—legislation that has been seven-plus years in the making as part of my "Healthy Moms, Healthy Babies" initiative. We also worked across the aisle to pass bipartisan "Gail's Law" to ensure women can have the coverage they need to screen for breast cancer, provided a historic bipartisan investment in addressing PFAS contamination statewide, and we removed unnecessary barriers to career licensing for "Dreamers," who are recipients of the Deferred Action for Childhood Arrivals program, and more.

We've also done all of this while cutting taxes for hard-working Wisconsinites, more than delivering on my promise to provide a 10-percent tax cut to the middle class by reducing overall income tax collections by approximately 23 percent since 2019. Since that time, we have enacted overall state tax reductions that will total roughly $12.6 billion, including $2.4 billion on an annual basis by the end of this biennium. Wisconsinites are keeping more of their hard-earned tax dollars in their pockets today than at any point in the last five decades.

At the same time, we have been prudent and judicious with Wisconsin taxpayer dollars—we have had to stay well within our means while still working to build the future we want for our state. Wisconsin ran a general fund Generally Accepted Accounting Principles

(GAAP) deficit for 30 consecutive fiscal years before we took office. We have since reversed course and have had six consecutive fiscal years with a GAAP surplus, including a $3.9 billion surplus at the end of the 2024-25 fiscal year. Since we took office, the state's budget stabilization fund (also known as our "rainy day" fund) balance is more than six times larger than it was the fiscal year before I took office and will reach roughly $2.1 billion by the end of the 2026-27 fiscal year. Current estimates project a nearly $2.4 billion surplus in our state's general fund at the end of the 2026-27 fiscal year.

We have also reduced the state's overall outstanding debt by $3 billion—from over $13 billion in 2018 to just over $10 billion in 2025. In addition, the amount of state transportation revenue bonds has been reduced by $545 million since the end of calendar year 2018. Overall, we have reduced the state's General Purpose Revenue debt service as a percentage of tax revenues in fiscal year 2025-26 to 2.16 percent, which is down from 3.40 percent at the end of fiscal year 2017-18, the last full fiscal year before we took office. Over the past seven years, we have completed numerous debt refinancing transactions that have provided present value debt service savings for all borrowing programs of over $635 million. Finally, we received the 2025 Bond Buyer Deal of the Year award in the innovation category, with the winning deal producing $30.2 million in present value savings.

Thanks in large part because of our work together and all of you, Wisconsin's economy and our workforce are strong, and we remain in a strong financial position as we quickly approach a brand-new biennium and build upon our hard work these past seven-plus years. To this end, I write to you today to note several objectives for agencies to follow when crafting proposals for the 2027-29 Biennial Budget.

Our 2027-29 Major Budget Policies require most state agencies to not request any additional GPR-funded expenditures in either year of the upcoming biennium. Further, I am directing agencies not to request any new GPR positions when they submit budget requests on Sept. 15, 2026.

Additionally, although I remain hopeful that our national economic headwinds will dissipate, I remain concerned about the reckless and erratic decisions being made by President Donald J. Trump and Republicans in Congress in Washington, D.C., and the serious consequences Wisconsin expects to endure because of their policies in the years to come. Among the concerns Wisconsin faces is a projected $284 million in costs to taxpayers in future state budgets. To this end, while Wisconsin must continue to build upon the key investments we have worked hard to secure—increasing funding for K-12 schools, higher education, shared revenue, affordable housing, clean water, and stabilizing our healthcare system, among them—it is important that we continue to be judicious, deliberate, and decisive in our future investments, just as we have during my time as governor.

Thus, in recognition of several key priorities that must continue to make progress, my budget instructions will include exceptions to this zero-growth policy. Specifically, I am committed to ensuring we are able to make progress on our corrections realignment plan, our efforts to ensure a robust cybersecurity infrastructure for state operations, as well as critical investments in our K-12 and University of Wisconsin schools and programs like Medicaid.

My promise to the people of Wisconsin has always been to be a governor who works for all Wisconsinites, who does the right thing when it matters most. We've worked hard to be prudent with taxpayer dollars and save where we can, while still investing in the needs that had long been neglected, and evidence of our hard work together and our many accomplishments together can be seen in every part of our state every single day.

It's because of you that Wisconsin is uniquely situated and in the best possible position to continue building on the progress we've made over the last seven years, and I could not be more grateful for your dedication, hard work, and persistence that helped make it happen. With leaders like you at the helm, I know you will continue doing great things for the people we are so fortunate to have the opportunity to serve.

Wisconsin only knows one direction to go, and that's *Forward*. There is, as always, more work to do. Let's get back at it.

Humbly yours,

Tony Evers

Tony Evers
Governor

cc: Agency budget directors