



**For Immediate Release**  
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## **State Budget Results for Children and Families** *Children's Advocacy Groups Reacts to Final Passage*

**Madison** - The 2005-2007 Wisconsin State Budget has passed the Legislature and awaits action from the Governor. The Wisconsin Council on Children and Families is very concerned about the implications of the budget for children and families throughout the state. Areas of concern are education, early education and care, economic security and the capacity of state and local government to meet the needs of Wisconsin children.

“The Legislative version of the state budget successfully provided much-needed health care for Wisconsin’s low-income working families and their children,” said Charity Eleson, executive director of the Wisconsin Council on Children and Families said. “However, we are highly concerned about the negative impact on children and families from decisions made in areas that affect child care, W-2, schools, and local governments. This budget also includes new tax cuts that will result in \$165 million less in revenue by FY 2010, which will continue to perpetuate cuts in essential services in future budgets.”

### **Co-pay increases on the states poorest households**

In addition to severe cuts in education, there are setbacks for children in the Legislative budget, through co-pay increases in child care subsidies for working parents who are struggling to pay for child care. Co-pays are also increased for generic drugs, which is a further hardship for low-income families and undercuts efforts to promote the use of lower cost generic drugs.

### **Economic security shortfalls**

The budget cuts nearly \$24 million in state funding for W-2 and child care programs and produces a 21 percent decrease in W-2 work benefits and services, which requires a sharp drop in enrollment.

### **Education**

A \$328 million cut in school equalized aid compared to the proposed amount by Governor Doyle, large cuts to per pupil spending caps, and cuts to categorical aid for the most needy children will require deep cuts in K-12 education that will affect school-age children throughout the state.

### **State and Local Government Restrictions**

A state growth cap and local property tax freeze will jeopardize additional programs at the county and state level. Cuts to many programs will result in less leveraging of federal dollars.

“Wisconsin values its children, and our state investments ought to reflect those values. We believe that this budget can be improved to do so, and that it is essential to correct some of the more onerous changes included in this budget to protect the safety, education, and opportunities for Wisconsin’s children,” Eleson said.

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