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For immediate release
May 23, 2011

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New Issue Brief Examines Budget's Real-Life Impact on Families
Analysis Reveals That Low-Income Families Stand to Take a Big Hit

In the days and weeks leading up to the introduction of his biennial budget proposal, Gov. Walker repeatedly pointed to the need for “shared sacrifice.” Once the Governor’s budget was unveiled, however, it quickly became clear that the sacrifice his budget calls for is not shared equally. A disproportionate amount of the sacrifice is being required of the state’s most vulnerable populations, particularly low-income working families. The Wisconsin Council on Children and Families today released a brief analysis of the budget’s real-life impact on Wisconsin Families, focusing on a number of specific budget measures that would make it more difficult for those households to get by.

“It’s clear that this budget hits some of the state’s most vulnerable families the hardest,” said WCCF policy analyst Tamarine Cornelius, author of the brief. “Individually these changes will strain many low-income households financially; combined they represent a very serious blow.”

The WCCF analysis examines three proposed changes in the executive budget that would cause considerable economic harm to low-income families. Those changes are a proposed \$500 million cut from Medicaid, including the BadgerCare Plus program; \$45 million in cuts over the biennium to the Wisconsin Shares child care subsidy program; and a \$41.3 million cut over the biennium to the Earned Income Tax Credit, a refundable income tax credit designed to make work pay and offset the impact of the social security tax. WCCF has analyzed the impact of these changes on four different types of Wisconsin families, providing examples of how much these changes would cost families of varying sizes, income levels, and employment statuses.

It is important to note that the Governor’s proposed budget also includes other cuts whose impact on families is harder to quantify. For example, the Department of Health Services is considering changes to BadgerCare eligibility that would affect people whose employer offers insurance that they cannot afford. Likewise, cuts to transit aid would increase household transportation costs, and changes to Wisconsin Shares could result in employment problems due to a lack of child care.

“We hope legislators will come to understand that the people of Wisconsin need and deserve a very different approach to the state budget,” said WCCF Executive Director Ken Taylor. “There are better options available than those currently on the table. There’s still time to choose a more balanced blueprint that prioritizes kids and families--one that recognizes that we all share the responsibility for keeping Wisconsin a great place to live, work, raise a family, and do business.”

The brief, “The Budget’s Real-Life Impact on Wisconsin Families,” is available online at http://wccf.org/pdf/budget_impact_wi_families.pdf.

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