

Updated June 9, 2009

Comparative Analysis of Assembly Bill 75: The 2009-2011 Biennial Budget Bill

Introduction

The deepening recession has made balancing the 2009-11 budget an exceptionally challenging task. By the time the budget bill was introduced in February 2009, the estimated General Fund deficit in fiscal year 2008-09 and over the next two years had grown to \$5.95 billion. Although the budget repair bill enacted later in February chipped away at that total, the deficit grew even larger in May, after new revenue estimates projected that General Fund taxes would decline by an additional \$1.6 billion.

The task of crafting a new budget was complicated by the fact that previous budgets were balanced with a number of one-time funding sources and other short-term strategies. As a result, the state needed to increase General Fund spending by \$1.7 billion in 2009-11 simply to maintain previous spending levels and a few phased-in commitments, such as a promised increase in property tax credits.

The painful task of balancing the budget is accomplished with a combination of strategies:

- About \$3.25 billion in spending cuts, including reductions in agency budget requests;
- More than \$2 billion in federal funds from the economic stimulus package;
- \$1.2 billion from new General Fund tax revenue or enhanced collection; and
- Some additional short-term measures, such as delaying a \$55 million Community Aids payment, and restructuring state debt.

The following document is our updated summary of selected items in the budget bill (AB 75), comparing the Governor's original proposal and the version approved by the Joint Finance Committee (JFC) on May 29. It focuses primarily on items relevant to children and families, but also covers many of the other major decisions involving strategies to close the budget deficit. Except where otherwise noted, the page numbers in the left column refer to where each item can be found in the 706-page summary issued by the Legislative Fiscal Bureau in March.

In light of the magnitude of the budget deficit, we are very pleased that the Joint Finance Committee and Governor have managed to protect a number of extremely important programs for vulnerable families and their children. Some of the positive items among the budget decisions made to date include the following.

- Protecting the BadgerCare Plus program for children and parents and keeping the state on track to extend basic coverage to childless adults.
- Avoiding the creation of waiting lists and an increase in copayments for low income families in the child care subsidy program.
- Making several modest, but important changes in the W-2 program, and capturing some of the new 80 percent federal funding for recent increases in caseload growth.
- Initiating indexing of the income ceiling for Homestead Tax Credit eligibility, and increasing funding for the state's Earned Income Tax Credit.

- Increasing the statutory minimum reserve to \$130 million (from \$65 million).

On the other hand, the deep cuts will have many harmful effects on state and local programs and services. Some examples include:

- Numerous cuts in aid for counties, which will severely strain their ability to provide mandated human services.
- A sharp cut in the state share of K-12 education costs. Despite an infusion of federal stimulus funds, most schools will receive less funding.
- Many unspecified cuts in agency budgets, the consequences of which are as yet unknown.
- A directive to the Department of Health Services to find about \$600 million in cuts and “efficiencies” in the budget for Medicaid and BadgerCare Plus.

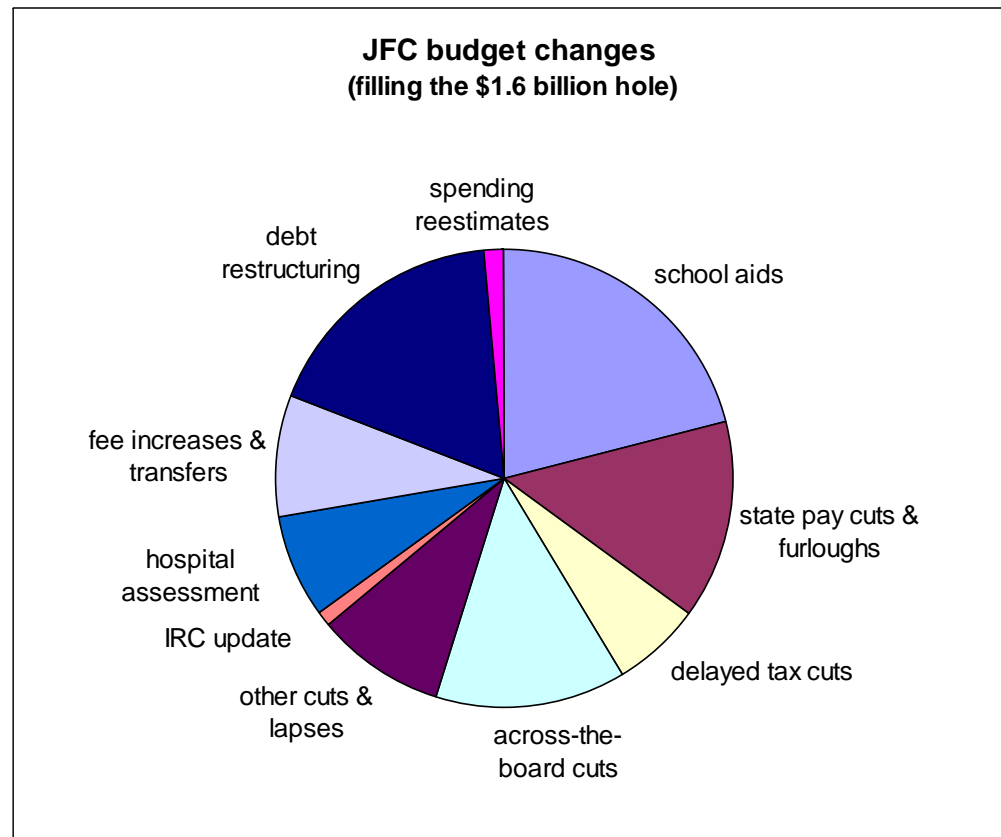
WCCF was also disappointed by a couple of lost opportunities in the budget – particularly the decisions not to use new federal child care funding for the proposed quality rating system, and not returning 17-year-olds to the juvenile justice system.

The pie chart illustrates how the Joint Finance Committee (JFC) filled the additional \$1.6 billion budget hole that opened up in May, after revenue projections were substantially reduced. (The chart is based on a preliminary synopsis of the JFC budget prepared by the Fiscal Bureau on June 5.)

The committee filled the increased hole primarily by making additional spending cuts, including about \$341 million from school aids, \$222 million from state employee pay cuts and furloughs, \$215 million in across-the-board cuts, and roughly \$125 million from other cuts and lapses. However, other budget

balancing strategies were also employed by the JFC, including: delaying new tax breaks (\$103.5 million), restructuring state debt (yielding short-term savings of \$285 million), roughly \$150 million in new or lapsed fee revenue (primarily from resurrecting the 911 fee and using it to help fund Shared Revenue), and about \$115 million in net savings from reestimating the hospital assessment and extending it to ambulatory surgical centers.

We will update this comparative summary as the budget bill moves through the legislative process. Those updates will be posted on the Wisconsin Budget Project’s portion of the WCCF website, at: http://www.wccf.org/proj_budget.php



(Source: WCCF analysis of Legislative Fiscal Bureau’s June 5th overview)

Budget Item	Governor's budget		Joint Finance Committee
	Change to '09 Base	Description	
BALANCING THE BUDGET (Note that all amounts in parentheses are cuts.)			
Across-the-Board Cuts, Reductions to Agency Requests, & Other GPR Spending Cuts or Lapses (Budget in Brief, pp.3 & 9)	Cuts \$1.76 billion over the biennium from agency budget requests, plus another \$931 million GPR from base budget levels.	A significant portion of these cuts – \$1.76 billion according to DOA – reflects the rejection of agency requests, including several hundred million for increasing school aids, and numerous other agency requests needed to keep up with increasing need and costs. In addition, there's a 1% across-the-board cut in almost every GPR appropriation (relative to the 2009 base). There are also deeper cuts from many agencies base budgets, such as \$100 million from the UW System, \$100 million from Medicaid, and an additional \$23 million in DHS "efficiency measures."	Approves nearly all of the Governor's cuts and adds to them in many areas. Examples of increased cuts include another \$215 million from the agency across-the-board cuts and \$50 million GPR more in unspecified cuts to Medicaid. The across-the-board cuts will total 3.5% for most agencies (though some were excluded from the added 2.5%). Those cuts are on top of the savings noted below from rolling back pay raises and requiring furloughs.
Eliminate 2% State Employee Pay Raise (motion 700, p. 13)	No provision	No provision	Rolls back the 2% pay raises slated to take effect in June 2009, with savings of about \$101 million lapsed to the General Fund.
State employee furlough (motion 700, p. 13)	No provision	No provision	Requires state employees to take 8 days of unpaid leave in each year of 2009-11, with savings of \$121.2 million lapsed to the General Fund.
Debt Restructuring	FY' 10: \$57 million FY' 11: \$57 million	Lapses \$57 million/yr. GPR from the sum sufficient debt service appropriations by restructuring the commercial paper that would otherwise be due in 2009-11.	Adds more new bonding to defer debt payments, saving an added \$285 million in this biennium, but increasing the structural deficit in future years.
Oil Company Assessment (p.599)	FY' 10: \$100.3 million SEG revenue FY' 11: \$171.5 million SEG revenue	Levies an oil company profits tax on wholesale gross receipts from motor fuel sales in WI. The first \$15 million in receipts is exempt. Between \$15 and \$75 million taxed at 0.5%, between \$75 and \$120 million at 1.5%, and receipts above \$120 million will be taxed at 3%. The revenue is allocated to the Transportation Fund.	Approved. Increases the projected revenues by about \$3.4 million in FY' 10 and decreases revenues by \$15.1 million in FY' 11 to reflect a reestimate. Clarifies that the oil profits tax would first apply to gross receipts received on or after September 1, 2009.

Budget Item	Governor's budget		Joint Finance Committee
	Change to '09 Base	Description	
Cigarette and Tobacco Tax Increase (pp.283 & 285)	FY'10: \$169 million FY'11: \$174.5 M. Rev. (Offset by about \$10 million/yr for refunds to tribes)	Increases the tax on cigarettes by \$0.75 per pack & an equivalent amount on other tobacco products. Helps pay for tobacco-related costs of Medicaid, and is expected to reduce MA spending.	Approved, but the revenue estimate was reduced by \$8.4 million GPR during the biennium.
Capital Gains Exclusion (p.254)	FY'10: \$85.1 million FY'11: \$95.5 million	Reduces from 60% to 40% the amount of capital gains income that may be tax exempt.. WI would continue to have one of the most generous tax breaks for capital gains.	Approved as proposed, but projected revenue increase was lowered by \$11.4 million over the biennium.
Use of Federal Funds from the Stimulus Package (pp. 348, 351, 519, & 568)	See discussion	In addition to amounts used in FY'09, the federal stimulus dollars are being used in 2009-11 to save \$863.5 million GPR for MA & SeniorCare, \$476 million for general school aids, and \$50 million for Shared Revenue.	Increases the federal funding in a number of areas. Most notably the state now anticipates receiving \$100 million more than previously expected from the temporary increase in MA match rate.
Assessment on hospitals & ambulatory surgical centers (motion 700, attachment 3)	Changes in budget repair bill generate net GPR gain of almost \$309 million from FY '09 through FY '10	The budget repair bill established a new assessment on hospitals which leverages federal Medicaid funds and is used to increase hospitals MA reimbursement rates, extend coverage to childless adults, and yield GPR savings that help balance the budgets.	Adds an assessment for ambulatory surgical centers. That change (which nets \$21 million GPR) and reestimates of the funding from the hospital assessment yield an additional \$114.7 million savings (by replacing GPR funds for Medicaid).
Very High Earner Tax Bracket (for top 1% of taxpayers) (p.253)	FY'10: \$176 million FY'11: \$136 million	Creates a fifth individual income tax bracket w. a tax rate of 7.75% (1 percentage point above the top bracket now). This bracket applies to taxable income exceeding \$300,000 for married joint filers, \$225,000 for single individuals and heads of households.	Approved, but projected revenue increase was lowered by \$12.2 million per year.
Qualified Production Activities Deduction (p.259)	FY'10: \$38 million FY'11: \$34 million	Decouples from the fed. Internal Revenue Code provision that provides an income and franchise tax deduction for qualified production activities (regardless of whether they are in WI).	Approved. Reestimates the additional revenue to be about \$27 million/yr. (\$16.8 million less than in the Governor's bill).
Pass-Through Entity Withholding (p.257)	FY'10: \$38.5 million FY'11: 0	Requires pass-through entities to make quarterly, rather than annual, estimated payments of withholding tax for nonresident member, beginning in tax year 2009.	Approved

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Throwback Sales <i>(p.261)</i>	FY'10: \$58 million FY'11: \$37.5 million	Requires income from "throwback" sales to be treated equal to the income from normal sales for corporate income tax purposes. (Throwback sales are sales shipped out of WI to the fed. government or to states w/o income tax jurisdiction over the company.)	Approved. The revenue estimate was reduced by \$13.2 million in FY'10 and \$1.5 million in FY'11.
Affiliated Entities Sales Tax Treatment <i>(p.276)</i>	FY'10: \$20 million FY'11: \$21 million	Eliminates the ability of parent companies to avoid sales taxes for purchases made by subsidiaries.	Approved with 3 minor modifications requested by DOR.
Elimination of Film Production Credit <i>(pp.181 & 263)</i>	\$4.5 million per year net increase in revenue	Eliminates the credit, which saves \$5 million/yr, and replaces it with a \$500,000 per year grant program.	Retained, but modified in several respects and capped at \$1.5 million/yr. Cap removed at the end of 2010-11.
Delayed phase-in of health care premium deduction <i>(motion 700, p.29)</i>	No provision	The 2007-09 budget bill phases in an individual income tax deduction for health insurance and medical insurance premiums.	Delays by 2 years the schedule for phasing in the deduction, which yields about \$87 million in 2009-11.
Delayed phase-in of child care deduction <i>(motion 700, p.29)</i>	No provision	The 2007-09 budget bill phases in an individual income tax deduction for certain child and dependent care expenses.	Delays the phase-in schedule for the deduction by 2 years, which yields about \$16 million in 2009-11.
Community Aids (and Children and Family Aids) – Payment Delay <i>(p p. 134 & 394)</i>	FY'10: (\$59.9 million GPR)	Delaying payments to counties for Community Aids and the Substance Abuse Block Grant yields a one-time savings of \$41 million GPR in FY'10, and delaying payment of Children and Family Aids saves \$18.M.	Approved
Transfers from the Transportation Fund <i>(p. 602)</i>	Up to \$139.7 million over two years	Shifts \$62 million from the Transportation Fund over the next 2 years for transportation - related costs, including about \$55 million for school transportation, and allows lapses of up to \$77 M more to the General Fund.	Deletes the Governor's proposals but replaces them with a plan to transfer \$139.7 million to the General Fund, and to use General Fund supported bonding to replace the transferred funds.
UW Transfers to the General Fund and MA Trust Fund <i>(p. 11 & 351)</i>	FY'09: (\$49.0 million) FY'10: (\$12.5 million) FY'11: (\$12.5 million)	Requires the UW Hospital & Clinics Authority to transfer \$49 million to the General Fund by 6/30/09, and increases by \$12.5 million/yr the funding the UW System is required to transfer to the MA Trust Fund, though FY 2013	Approved, but the amount transferred in 2009-11 was reduced by \$6.2 million, and a correction was made with respect to the source of the FY'09 transfer.

Budget Item	Governor's budget		Joint Finance Committee
	Change to '09 Base	Description	
Use of Wireless 911 Funds for Shared Revenue (p. 568)	A one-time \$25 million funding shift in FY' 10	Uses the remaining \$25 million balance in the wireless 911 fund to partially fund Shared Revenue in FY' 10, and cutting \$25M GPR.	Approves that Governor's proposal and restores a \$0.75 fee on cell phones, which generates \$102 million in 2009-11, to be used for shared revenue.
Sales tax retailers discount (motion 743, item 26)	No provision	No provision	Sets a \$1,000 limit on the amount of sales tax revenue that can essentially be kept by retailers for their admin. costs, generating \$8.1 million in 2009-11.
HEALTH CARE (Note that all amounts in parentheses are cuts.)			
DHS Operations and Aids Funding (p. 335)	FY' 10: (\$10.5 million GPR) FY' 11: (\$11.5 million GPR)	Net reduction of 10 staff positions (20.8 GPR positions), and cuts funds by consolidating administration and operations, shifting payment schedules and decreasing aid payments -- Includes cuts to many public health programs and long-term care services.	Reduces the GPR cuts by \$507,600, to a total of about \$21.5 million.
Across-the-Board Cuts (p. 332 & 334)	Cuts \$19.3 million/yr GPR and \$31.3 million/yr from all funding sources	Cuts 1% from nearly all DHS appropriations, with the exception of a few where the cut isn't precisely 1%. (See p. 334 of the March LFB summary.)	The 1% cut was approved, but DHS was spared the added 2.5% cut by the JFC from most other agencies.
Medical Assistance (MA) and BadgerCare Plus Base Funding (p. 345)	FY' 10: \$77 million GPR FY' 09: \$99 million GPR (prior to accounting for other changes)	This increase reflects the cost to continue the program, based on increased enrollment, changes in utilization of services, coverage of childless adults, and changes in federal cost sharing. The GPR funding is much less than DHS requested, which can be attributed in large part to the new hospital assessment	Adds \$28 million GPR above amounts proposed by Governor, primarily because growing caseloads will cost \$105.8 million GPR more than the prior estimate, but most of that is offset by an increase in the federal funding (see below).
MA Efficiencies and Reductions (p. 351)	FY' 10: (\$34.1 million GPR) FY' 09: (\$66.6 million GPR)	The increases noted above will be offset by almost \$100 million GPR to reflect Medicaid "savings achieved through operational efficiencies and other reductions" (plus about \$39 M during the biennium from the 1% cut).	Approved, but increases to \$150 million GPR (plus the \$39 million from the 1% cut) the unspecified cuts that DHS is directed to make.
BadgerCare Plus – Coverage of Childless Adults (p. 347)	Net biennial increase of \$37.3 million GPR, folded into the MA/BadgerCare Plus base reestimate.	Statewide implementation of the childless adult coverage is slated to begin July 1, 2009, using funding from the hospital assessment approved as part of the budget repair bill (2009 Act 2).	Approved. DHS will begin taking applications on June 15, 2009, with coverage starting after July 15.

Budget Item	Governor's budget		Joint Finance Committee
	Change to '09 Base	Description	
Federal Stimulus Funding for Medicaid and SeniorCare <i>(p.348)</i>	FY'09: (\$306 million GPR) FY'10: (\$568 million GPR) FY'11: (\$296 million GPR)	The budget assumes WI will receive more than \$1.1 billion in federal MA funds from the economic stimulus bill, and those funds will be used to save a comparable amount of state funds. The fed. amounts could increase because of spending related to the new hospital assessment (approved in Act 2).	Increases the estimated funding from the higher federal match rate by \$100 million.
SeniorCare Base Reestimate and Changes <i>(pp. 349 & 352)</i>	Cuts about \$68 million GPR over the 2 years (with \$10 million replaced w. federal stimulus /FMAP funds)	The cuts primarily reflect reduced costs - from reduced enrollment, higher fed. cost sharing & more revenue from drug rebates. But there's also \$7 M GPR from unspecified cuts and from the 1% reduction, plus \$4.1 M GPR from eliminating the 5% premium for pharmacists.	Cuts an additional \$7.2 million (beyond the initial bill), because of a larger drop in anticipated enrollment and somewhat slower growth in drug prices costs.
Family Care Reestimate and Expansion <i>(pp. 362-364)</i>	FY'10: (\$2.5 million All Funds) FY'11: \$26.6 million All Funds	Continues plans to expand Family Care statewide, but at a considerably slower pace. Cuts state GPR and federal funding but increases program revenue substantially, resulting in a net increase during the biennium of about \$24 million (minus the 1% cut).	Approves most of the Governor's proposals, but shifts \$1.67 million from GPR \$s to segregated funds, and adds \$139,000 GPR for advocacy services and \$3 million to prevent waiting lists in Milwaukee County.
Children's Long-Term Support Program <i>(p. 365)</i>	Adds \$100,000 GPR, \$800,000 PR, and \$2.3 million FED (over two years)	Increases funding for long-term support services to children w. physical, sensory and developmental disabilities, or severe emotional disturbances.	Increases estimated federal funding available for the program by \$5.7 M in 2009-11, and fee revenue by about \$355,000; and provides \$225,000 GPR to restore funding for the respite care grant program.
MA Transportation Manager <i>(p. 352)</i>	FY'10: (\$2.3 million GPR) FY'11: (\$4.7 million GPR)	Reflects projected savings from contracting with a transportation manager to coordinate specialized medical vehicle and common carrier transportation for MA & BC+ recipients.	Approved, but reduced GPR funding by an additional \$2.3 million. Also requires DHS to make a report to JFC before the change is implemented, and another analyzing the effects after it has been implemented.
Community Recovery Services <i>(p. 353)</i>	FY'10: \$7 million Fed. FY'11: \$7.6 million Fed.	Establishes a new Medicaid benefit that would increase federal funding to counties to provide additional community-based mental health and substance abuse services to low-income individuals.	Approved, but deletes county maintenance of effort requirement.

Budget Item	Governor's budget		Joint Finance Committee
	Change to '09 Base	Description	
County Payment for Youths and Seniors at Mental Health Institutes (p. 353)	FY' 10: (\$3.7 million GPR) FY' 11: (\$6 million GPR)	Requires counties to pay the nonfederal share of costs for residents under age 22 and over 65 at the mental health institutes, to encourage community treatment.	Approved
Family Planning Waiver for Men (p. 355)	FY' 10: \$177,500 GPR FY' 11: (\$457,800 GPR)	Men would be made eligible for the Family Planning Waiver (contingent upon federal approval), which yields savings by reducing the number of MA-funded births.	Approved, but it deletes \$482,000 GPR that would have been provided for DHS information system changes and income maintenance costs.
Independent Living Centers (pp. 333 & 336)	Cut of about \$552,000 GPR each year	Cuts the \$983,000 GPR base funding for the centers to about \$431,000 (primarily from the operations/aids cuts on p. 6, above).	Approved
Birth to 3 Program (p. 354)	Decreases GPR by \$1.5 million over 2 yrs but increases total funds by about \$2.1 million	Directs DHS to seek a federal waiver seeking approval of federal MA funding for home and community based services, including special education for children in the birth-to-3 program	Approved
Southern Wisconsin Center Restructuring (p. 379)	GPR increase of \$366,000, but there's a total cut over 2 years of \$8.9 million	There would be about 311 program revenue positions cut at the center in FY 11, reflecting the transitioning of 154 residents into community placements.	Restores \$6.3 million (mostly program revenue) and 191 positions, reflecting the relocation of 70 individuals rather than 154.
Tobacco Use Control Grants (p. 334)	Cuts the grants by \$900,000 per year	Reduces the annual appropriation for tobacco use control grants from by about 6% to \$14.35 million/yr.	Increases the annual cuts to \$5.9 million per year and lapses an additional \$1.8 million of program revenue. .
Nursing Home Bed Assessment and Rate Increases (p. 360)	Saves about \$26.4 million GPR over 2 years while increasing total funding by nearly \$120 million.	Increases the nursing home bed assessment (from \$75 to \$170 per bed) and uses much of that revenue (& federal matching funds) for 2% increases each year in MA reimbursement rates for nursing homes, while also reducing state spending.	Approved, with a slight reduction (\$157,000) in the estimated revenue.
FoodShare Benefits for Qualified Immigrants (p. 371)	Cuts \$500,000 GPR per year.	Eliminates eligibility for FoodShare benefits for qualified immigrants.	Retains current law. Rejects the proposal and the funding cut.
Milwaukee County Income Maintenance (p. 368)	FY' 10: \$7 million GPR (& \$7 M Fed.) FY' 11: 0	The \$14 million in additional funding reflects estimates of one-time costs (in FY' 10) of the state takeover of the Milwaukee County Income Maintenance Program.	Approved. Adds request of Dept. of Justice to investigate whether county administrative fraud was committed.

Budget Item	Governor's budget		Joint Finance Committee
	Change to '09 Base	Description	
County Intake System for Public Benefits (p. 369)	There is a total cut of \$15.8 million, including about \$4.6 million less for the counties.	Most of the cut simply reflects completion of the computer system redesign. County admin. allocations would be cut 1%, beginning in CY'10, and the 5 initial Family Care counties will lose their \$4.1 million supplemental payment. However, counties will be allocated revenue from increased enrollee cost sharing.	Restores the \$4.6 million using federal ARRA funds. In light of the state takeover of income maintenance in Milwaukee, the increased federal funds are designated for the other counties and tribes.
CHILD WELFARE & OTHER HUMAN SERVICES (Note that all amounts in parentheses are cuts.)			
Milwaukee Child Welfare Reestimate (p. 131)	FY 10: \$16.5M GPR FY 11: \$25 M GPR	Adjustment of funds to fully fund out-of-home care and make up for decreased federal reimbursement. Also uses PR funds from graduated licensing for \$2M in 1 st year	Reduce funding from Governor's \$41.5M GPR increase to a \$38.5MGPR increase.
Bureau of Milwaukee Child Welfare Improvements (p. 133)	FY 10: \$2.4 M and 18 positions FY 11: \$2.9 M and 18 positions	Expands Mobile Urgent Treatment Team, implements a career ladder and increases salaries for contracted case workers, provides money for additional nurses for children under three and additional case managers for the initial assessment unit.	Adopts career ladder and additional CPS staff from Gov's budget. Half funding for mobile urgent treatment team. Increases funding to DHS to reflect federal Medicaid match.
Program Enhancement Plan (p. 148)	Increases GPR by about \$690,000/yr. but overall cut of about \$230,000/yr.	Federal funding and program revenue funds expected to decrease because of reduced IV-E funds and targeted case management \$\$, but GPR funds will partially offset the cuts.	Reduce funding by \$578,000 all funds over the biennium (from the base, - \$120,100 from the Governor's budget).
Community Aids (pp. 134 & 394)	FY 10: (\$9.5 M PR-F) FY 11: (\$11.1M PR-F) & \$304,000/yr. GPR	Reductions of 14% in CY10 and 16% in CY'11, primarily from reductions in federal IV-E child welfare revenue. Increase of \$304,000 in FY11 to cover foster care rate increase from last biennium	Adds \$1 million/yr. GPR to eliminate the 1% cut and partially offset the reduced federal funds. Also adds \$3.26 million over 2 years from the federal ARRA funds.
Home Visiting (p. 145)	Cut by 1% or \$10,000 each year	Makes a number of changes, including expanding home visiting to all high-need counties over several years and requiring a 25% local match for the program.	Deletes the 25% match requirement for grantees and restored the current law regarding which counties/tribes can participate.
Federal Economic Stimulus Funds for Foster Care & Adoption Assistance (p. 134)	FY 10: \$5.5 million FED FY 11: \$2.7 million FED	Reflects the increased federal match rate in the stimulus act for foster care and adoption assistance. These funds will be allocated to counties to partially offset reduced Children and Family Aids.	Add \$3.26M to Governor's budget for a total increase of \$11.5 FED to reflect an updated estimate of federal funds.

Budget Item	Governor's budget		Joint Finance Committee
	Change to '09 Base	Description	
Foster Care Rate Increases (p. 144)	FY 10: \$474,600 GPR, \$167,900 PR-F FY 11: \$1.4 M GPR, \$479,000 PR-F (Increase over -1%)	Foster care rates would increase 5% in Jan. 2010, and an additional 5% a year later. Also increases the one-time clothing allowance paid to foster families from \$200 to \$300.	2.5% increase in basic foster care rates for relatives and 5% for nonrelatives, both beginning in January 2011. Increase clothing allowance each year from 2005 – 2009.
Home Visiting (p. 145)	Cut by 1% or \$10,000 each year	Makes a number of changes, including expanding home visiting to all high-need counties over several years and requiring a 25% local match for the program.	Deletes the 25% match requirement for grantees and restored the current law regarding which counties/tribes can participate.
State Foster Care and Adoption Assistance (p. 143)	FY 10: (\$1.6 M GPR), \$89,500 PR-F FY 11: \$1.96 M PR-F, (\$458,200 GPR)	This funding adjustment is described as a reestimate to reflect caseload changes and increased federal cost sharing for the direct care of children outside Milwaukee County.	Total funding of \$96.5M in 2009-2010, and \$100.5M in 2010 – 2011.
Levels of Care and Graduated Licensing (p. 135)	Net spending increase over the 2 years of \$1.75 million (all funds), but cuts GPR by \$11.6 million	Creates a new graduated licensing program with multiple levels of certification, each of which requires specific training. Removes treatment foster care as a category. Transfers the funding of the program from GPR to PR generated by licensing Kinship Care providers in BMCW in year two.	Modifies Gov's recommendation by reducing estimated GPR savings, requiring DCF to provide funding to service providers to reduce their losses, and requiring DCF to report to JFC on an evaluation of graduated licensing by Feb., 2011.
Foster Parent Training (p. 147)	GPR increases: FY 10: \$276,000 FY 11: \$483,000	Funding for statewide foster parent training system (necessary to implement the graduated licensing system above), which would become mandatory for foster parents in Jan. 2010.	Approves Governor's recommendation.
CHILD CARE & EARLY EDUCATION (Note that all amounts in parentheses are cuts.)			
Wisconsin Shares (Direct Child Care Services) (p. 159)	The \$355.4 million base funding level is raised by \$20.4 million for both years of the biennium to \$375.7 million in both FY' 10 and FY '11.	Cost-containment measures include: <ul style="list-style-type: none"> Continuing to freeze payment rates at 2006 levels Increasing copays by 10% Implementing an attendance-based reimbursement policy based on a 4-week average of actual hours of attendance plus 10 percent Including child support income in the determination of eligibility and co-pays Authority to establish waiting lists. 	Adds \$27 million over the biennium, increasing budget levels to \$382.0 million in SFY 2009-10 and \$396.5 million in 2010-11. JFC rejected all of the cost-saving measures except freezing rates. Approves cost-saving measure that would adjust child care authorizations with a pattern of underuse. Accepts LFB estimate that lower participation will reduce costs by \$8.0 M in FY' 10 and \$12.0 M in FY' 11

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	Change to '09 Base	Description	
Child Care Quality Rating System (p. 165)	New program: \$1 million in FY'10 and \$1.7 million in FY'11	The increases appear to add \$2.7 million over the biennium for a child care quality rating and improvement system. Licensed child care providers receiving WI Shares subsidy payments are required to be rated under the new system. Other providers can volunteer to be rated. Ratings will be made available on the department's website.	Funding for a child care rating system was rejected. Directed DCF to return to the committee with a specific plan for a quality rating system and specified what should be in the plan.
Child Care for Quality Kids (Quality and Availability) (p.165)	\$184,700 per year	Eliminate the requirement that DCF spend no more than the minimum amount under federal law to improve the quality and availability of child care. Funding would stay the same annually at \$3,437,000 for child care scholarships and bonuses, and at \$1,255,000 for child care resource and referral services. Funding for licensing increases by \$184,700 annually.	Funding for quality and availability would increase by \$1.25 million annually to \$11,365,800, based partly on re-estimating the amount needed to meet the federal requirement of a minimum of 4% of Child Care & Devel. Block Grant funds to be spent on quality. Child care resource and referral funding increased by \$73,600 annually to \$1,298,600. Rejected proposal to eliminate the requirement to spend no more than the federal minimum.
State Child Care Administration (p. 166)	\$778,600 annually	Increases funding for state administration of the WI Shares program. Coupled with the changes below, this would help establish a more robust system to identify and prevent fraud and overpayments.	Moves \$3 million in 2009-10 and \$6 million in 2010-11 from W-2 contracts to the direct child care services allocation. Authorizes DCF to contract with Milwaukee County to determine eligibility, copays, authorizations, and redetermine eligibility. Authorizes DCF to establish its own child care provider services unit in Milwaukee County to certify providers, provide integrity services, do market rate surveys, and help eligible families find child care. Specifies that supervisory personnel be state employees, and specified procedures to be followed within the unit and how the transition would occur.

Budget Item	Governor's budget		Joint Finance Committee
	Change to '09 Base	Description	
Child Care Program Integrity <i>(p.163)</i>	\$837,200 in FY' 10 \$949,600 in FY' 11	Funding would go for two purposes: \$500,000 annually to implement a children care attendance monitor system, using "swipe card" technology, and \$786,800 to fund 5.0 positions in a program integrity unit to investigate fraud and overpayments.	Provides DCF with more authority to refuse to pay a child care provider in certain circumstance, including past criminal records or rule violations, or to impose other sanctions when providers fail to comply with the terms of the program. Requires DCF to suspend payments when employees of a licensed program are caring for their own children and less than 60% of children are not the employee's children or residing with the employee.
Child Care Licensing Fees <i>(p. 166)</i>	A change in child care licensing fees would increase program revenue by \$490,000 per year.	Per child licensing fees would increase from \$10.33 to \$16.94 to help licensing keep up with caseloads and improve oversight of child care programs.	Approves Governor's recommendation.
Start-up Grants for 4-year-old Kindergarten (4-K) <i>(p. 523)</i>	Provides these increases over the \$3 million base: FY' 10: \$1 million FY' 11: \$1 million	Provide start-up grants of up to \$3,000 per student in the 1st year and \$1,500 in the 2nd yr. that a district offers a 4-K program. Preference in grants will be to districts engaged in collaborative models. If demand for grants exceeds funding, grant amounts are pro-rated.	Reduces funding by \$1 million in 2009-10 to \$3 million, and eliminate funding in 2010-11.
Head Start <i>(p. 518)</i>	1% GPR cuts: FY '10: (\$72,000) FY '11: (\$72,000)	The state supplemental funding is reduced by 1%. The state budget doesn't reflect increased federal funds for Head Start in the stimulus bill (because those funds don't flow through DPI).	Reduces funding by an additional 2.5%, resulting in a 3.5% cut to the base—a reduction of \$252,400.
TANF & W-2 <i>(Note that all amounts in parentheses are cuts.)</i>			
Kinship Care <i>(p. 147)</i>	FY' 10: \$550,100 FY' 11: \$561,200	These increases reflect estimates of what is needed to fully fund kinship care benefits (of \$215 per month) and assessments.	Increased funding of \$542,600 in FY' 10 and \$531,500 in FY' 11.
Caretaker Supplement <i>(p. 167)</i>	FY' 10: (\$194,900) FY' 11: (\$161,500)	Reduced funding for the program over the coming biennium reflects caseload estimates.	Approved

Budget Item	Governor's budget		Joint Finance Committee
	Change to '09 Base	Description	
W-2 Contracts <i>(pp. 157-158)</i>	Benefits: FY' 10: \$890,800 FY' 11: \$2.56 million No change to base level of funding for Administration, nor for Services	This includes funding for the following: creation of a cash benefit for women without children in an at-risk pregnancy, extension from 12 to 26 weeks of the benefit for caretakers of newborn infants (but only for those who were in W-2 for three months prior to birth of the child), and the continued operation of the Real Work, Real Pay transitional jobs pilot project.	W-2 benefits funding is increased by \$5,278,000 FED (TANF) in FY' 10 and by \$6,898,900 FED in FY' 11. This increase is required because current caseload numbers and trends led the JFC to accept higher caseload projections than those in the Governor's budget – and that are based on. W-2 services funding is increased by \$3 million/yr. FED. W-2 administration funding is decreased by \$2,454,100 FED annually. JFC also directs the DCF to capture federal stimulus funds to pay for 80% of the increased costs.
W-2 Emergency Assistance <i>(pp. 167-168)</i>	FY' 10: \$1.0 million FY' 11: \$0	An increase of \$1 million in the first year of the biennium over the current base year funding of \$6 million. Returns to base year level in FY' 11.	An increase of \$500,000 is approved for FY' 10, and a return to base level funding of \$6 million annually in FY' 11.
W-2 Benefits for Parents of Infants <i>(p.158)</i>	Costs are included in the W-2 appropriation above.	Allows a mother receiving the caretaker of a newborn benefit to stay home until the infant is 6 months old, instead of the current 12 weeks (only in cases where the mother was participating in W-2 for the three months immediately preceding the child's birth) .	Not included.
W-2 Real Work, Real Pay Transitional Jobs Pilot Program	Costs are included in the W-2 appropriation above.	Continues the transitional jobs pilot program taking place in three areas of the state, including one of the Milwaukee W-2 regions. This provides real work experience for participants, opportunity for continued employment with employer, and eligibility for the federal and state EITC.	Included in benefits line described above.
W-2 Benefits for Pregnant Women <i>(p. 157)</i>	Costs are included in the W-2 appropriation above.	Provides a monthly cash benefit to unmarried pregnant women, with no other children, who are in the third trimester of pregnancy and are not able to work because of a medically verified, at risk pregnancy.	Included, and paid for via the benefit line described above.

Budget Item	Governor's budget		Joint Finance Committee
	Change to '09 Base	Description	
Child Support Enforcement (p. 171)	Net increase of \$9.5 million per year (-\$5.5 million GPR and +\$15M FED)	The federal stimulus bill restores federal match on child support incentive grants, and those increased federal funds would be used to make counties whole (after the cuts a few years ago) and to back out a GPR increase.	Increases spending authority by \$5.4 M in FY'10 and \$3.8 M in FY'11 for child support enforcement – reflecting about \$7.3 million in carryover funds and reestimates of federal matching funds and incentive payments.
Child Support Pass-Through (p. 174)	No funding change proposed	Would increase the child support pass through for individuals receiving W-2 or Caretaker Supplement (CTS) benefits from 41% to 75% of support collected.	Approved, with change delaying the effective date to Oct. 1, 2010.
K-12 EDUCATION (Note that all amounts in parentheses are cuts.) Page references are to the Feb. 2009 DPI summary.			
Across-the-Board Cuts (p.524)	The 1% cuts would save only about \$2.1 million GPR over 2 yrs	The one percent cut was applied to nearly all the appropriations, but in a few cases, such as equalization and special education, the 1% cut was offset by a funding increase.	The JFC makes much deeper cuts to school aids, cutting \$340.7 million more in school aids, compared to the Governor's bill.
General School Aids (pp. 518 & 519)	FY'10: no change FY'11: \$21.9 million increase (all funds)	The Governor recommends just enough in the first year (+\$48 million) to offset the 1% cut, and enough in the second year for a net \$21.9 million increase. (See also the next item regarding a shift from state GPR funds to federal funds.)	Eliminates the \$21.9 million increase and cuts \$294 million from the base funding level, which is a 3.1% cut.
Federal Stimulus Funding for Equalization Aid (LFB p. 519, & DPI p.4)	The use of federal stimulus funds yields the following GPR savings: FY'09: (\$291 M) FY'10: (\$277 M) FY'11: (\$199 M)	The state expects to get more than \$783 million for equalization aid from the State Fiscal Stabilization funds authorized by the federal stimulus bill, and those dollars will be spread over 3 state fiscal years. The same amount of state GPR funding is being cut in FY'09 and FY'10, but there's a net \$21.9 million increase in FY'11.	Use of the federal funding is the same as the Governor proposed, but – as noted above – total funding for equalization aid is reduced by \$294 million compared to the base level, or 3.1%.
Qualified Economic Offer (QEO), Collective Bargaining for School District Employees (pp. 240, 241 & 525)	No funding change	Repeals the QEO law, which allows schools to avoid binding arbitration if they meet certain requirements. Would also eliminate revenue limits & local economic conditions as factors to be considered in arbitration procedures for teachers. Permits contracts of up to 4 years for school district employees.	Approves repeal, but delays the change until 7/1/2010. Also prohibits until July 1, 2010, interest arbitration on unresolved economic issues unless both parties consent.

Budget Item	Governor's budget		Joint Finance Committee
	Change to '09 Base	Description	
Pupil Transportation Aid (<i>pp. 524 & 525</i>)	There's a net decrease of about \$280,000/yr in 3 transportation appropriations.	In addition to the 1% cut, about \$55 million GPR is saved by funding that amount of school transportation costs with revenue from the Transportation Fund.	Rejects the proposed transfer from the Transportation Fund, and shifts the funding source back to GPR. Cuts an additional \$682,300/yr. from the across-the-board cuts.
Special Education (<i>p. 518 & 537</i>)	No net change in state GPR funding, but an increase of about \$209 million in IDEA Part B funds.	The Governor recommends an "increase" in GPR funding to fully offset the cost of the 1% cuts for special education and high cost special education. However, there's a very large increase in IDEA funding from the federal stimulus bill.	Same as the Governor's bill. Spares special education from across-the-board cuts.
SAGE (<i>p.523</i>)	FY' 10: \$3.7 million GPR FY' 11: \$5.4 M GPR	Approves the amounts requested by DPI to fully fund the program, minus \$1.1 million per year from the 1% cut.	Deletes the proposed increase, and cuts an additional \$2.8 million more (2.5%) from the base level.
High Poverty Aid (<i>p.520</i>)	Increased \$3 million GPR per year	Increases aid for districts with at least 50% of students eligible for free or reduced-price lunch.	Increases funding for high poverty aid by \$3.7 million annually in addition to the Governor's proposed increase.
Start-up Grants for 4-year-old Kindergarten (4-K) (<i>p. 523</i>)	Provides these increases over the \$3 million base: FY' 10: \$1 million FY' 11: \$1 million	Provide start-up grants of up to \$3,000 per student in the 1st year and \$1,500 in the 2nd yr. that a district offers a 4-K program. Grant preference will be to districts engaged in collaborative models. If demand for grants exceeds funding, grant amounts are pro-rated.	Reduces funding by \$1 million in 2009-10 to \$3 million, and eliminates all the funding for grants in 2010-11 (including base level funding).
High-Poverty Aid	FY' 10: \$3 million GPR FY' 11: \$3 million GPR	Increases funding for high poverty districts by \$3 million GPR per year, to a total of \$15 million per year.	Increases the aid by \$3.7 million/yr above the proposed \$15 million, to allow all 47 eligible districts to get aid (versus 24 now).
Public Library System Aid (<i>p.537</i>)	FY' 10: \$243,600 All Funds FY' 10: \$759,500 All Funds	Increases aid by 1.5% the first year and 3% the 2 nd year. Appears to maintain the current 8.2% level of state support. Removes all GPR funding and replaces it with \$s from the Universal Service Fund.	Cuts aid by 5% (\$861,800/yr.)
Milwaukee Parent Choice Program (<i>p.527</i>)	FY' 10: \$6.6 million FY' 11: \$13.2 million	Increases funding for this sum sufficient appropriation because of increased # of pupils participating. The increase is partially offset by an \$8.9 million reduction in MPS aid.	Reduces funding by almost \$6 million GPR in 2010-11 by tying the program's increase to the overall change in state and federal funding for schools.

Budget Item	Governor's budget		Joint Finance Committee
	Change to '09 Base	Description	
Milwaukee/Racine Charter School Program (p. 534)	FY' 10: (\$577,500 GPR) FY' 11: \$7.2 million GPR	Adjusts the funding for this sum sufficient appropriation, based on estimate of 6,000 pupils in FY' 10 and 7,000 pupils in FY' 11. (The increase would be offset by reducing general school aids for all districts.)	Approved, but without an increase in the per pupil rate.
Adjustments to School Revenue Caps (pp. 521 & 522)	No state funding change	Retains current rev. caps for most districts (about \$275/pupil), but raises the low revenue ceiling by \$400/yr. Phases in exemptions from the rev. caps for: a) certain costs of improving school safety and security, b) payroll costs for school nurses, & c) above-average pupil transportation costs.	Cuts the revenue limits to \$200/pupil in 2009-10 & 2010-11, before increasing them to \$275 the next year. Deletes change in low rev. ceiling. Allows increase for energy efficiency spending. Delays implementation of the other exemptions until 2011-12.
Pupil Assessment (p. 537)	FY' 10: \$2.3 million FY' 11: \$2.3 million	Increases funding by \$1.3 million/yr for the WI Knowledge and Concepts Exam (WKCE) and by \$1 million/yr to partially fund the new version of the WI Alternate Assessment for Students with Disabilities.	Approves the funding, but puts it in the committee's appropriation, where it can be allocated later with JFC approval.
DPI Operations Budget (p. 537)	Cut by \$1.2 million GPR each year	Cuts 10% from the department's operations budget. After factoring in standard budget adjustments, the net cut is 8.6%.	Restores half the cut, but then subject this appropriation and others to an additional 5.135% cut.
<i>CORRECTIONS ISSUES and JUVENILE JUSTICE</i>			
DOC Funding Overall (p. 202)	FY' 10: \$45 million GPR FY' 11: \$55 million GPR	Would increase GPR spending for corrections to about \$1.15 billion GPR each year. There is a proposed increase of about 100 FTE in FY' 10, and then another 88 FTE in FY' 11.	Reduces overall GPR funding by 2.1%, (\$48.2M) from the Governor's proposal, representing a \$51.7M GPR reduction over the base. 3% increase in entire DOC budget over the base when including FED, SEG and PR funds. Reduces overtime funding by \$5.13M over the biennium, provide \$5.7M GPR for 65 new correctional officers.
1% Cut, and efficiency measures (pp. 202 & 204)	Cuts spending by \$25.3 GPR million each year	GPR spending is reduced by \$10.3 million each year from the 1% cut, and by \$15 M/yr from unspecified efficiency measures.	Restored the 1% for Youth Aids using FED dollars, specified GPR reductions for YA are for this biennium only and GPR base funding will be restored for the next biennium.

Budget Item	Governor's budget		Joint Finance Committee
	Change to '09 Base	Description	
Standard Budget Adjustments, and Debt Service (pp. 202 & 204)	FY' 10: \$30.8 million GPR FY' 11: \$31.4 million GPR; plus \$36 million GPR over 2 years for debt service	All Funds spending would increase \$69 million during the biennium because of various "standard adjustments" (particularly overtime) and an additional \$36.4 million for the increase in debt service costs.	Debt services same a Governor's.
Youth Aids (p. 2002 & 204)	(\$5.9 million GPR cut each year)	The 1% across-the-board cut amounts to \$983,000 GPR/yr., but the Governor would cut an additional \$4.9 million GPR/yr, for a total cut of 6%.	Restores Youth Aids to base level by using \$5.9M Fed stimulus money. Specifies base level is \$100.8 million.
Juvenile Corrections Daily Rates (p. 224)	FY'09 rate: \$268 FY' 10 rate: \$270 FY' 11 rate: \$275	The rate increases are far lower in this budget, but the department has the authority to assess counties if juvenile corrections populations fall short of the estimates on which the rates were based.	Same as Governor's proposal.
Mendota Juvenile Treatment Center Reestimate (p. 228)	FY' 10: \$165,000 PR FY' 11: \$188,800 PR	This is a reestimate of the cost of service for juvenile males at Mendota Mental Health, prior to accounting for the 1% cut.	Same as Governor's proposal.
Serious Juvenile Offender Reestimate (pp.203 & 225)	FY' 10: \$1.2 million GPR FY' 11: \$1.1 M GPR	The increase reflects reestimates of juvenile offender population (which is declining) and costs, and factors in reductions of \$168,000/yr from the 1% across-the-board cuts.	Modified Governor's recommendation by \$588,600 GPR on 09-10 and \$648,800 in 10-11 to reflect latest population reestimate.
Alternate Care Reestimate (p. 227)	FY' 10: (\$256,500 PR) FY' 11: \$7,000 PR	These funding changes reflect projected changes in juvenile correctional populations and community placements.	Increases daily rates for RCCs by \$4 per day and treatment foster homes by \$2 per day.
Mental Health Service Improvements for Women Inmates (p. 219 – items 8 &9)	FY' 10: \$1.4 million GPR FY' 11: \$2.8 million GPR	Increased funding and positions (25.75 in FY' 10 and 55.90 in FY' 11) to support enhanced mental health services for the female inmates at the Taycheedah Correctional Institution and security at the new female unit at the WI Resource Center.	Increases funding and positions at Taycheedah: 25.5 positions for enhanced mental health services and 10.5 positions for distribution of medication in '10, and 40.5 mental health and another 10.5 medication positions in '11.
Health Care and Treatment Services (pp. 218 & 219, items #5-9)	Over the 2 years, adds about \$6 million GPR	Adds funding and 75 positions over the biennium for a number of initiatives to improve health services and substance abuse treatment in correctional facilities.	

Budget Item	Governor's budget		Joint Finance Committee
	Change to '09 Base	Description	
Sex Offender Management (p. 220)	FY' 10: \$2.2 million GPR FY' 11: \$6.2 million GPR	Increased funding and positions (44.5 in FY' 10 and 92 in FY' 11) to handle increased sex offender caseload stemming from recently enacted sex offender monitoring program. To hold down the cost increase, would allow DOC to move offenders from active to passive tracking after 12 months.	Decreased funding in the bill as follows: -\$1.4 M GPR in 09-10 and -\$3.6M GPR and 56.75 positions over the biennium due to lowered population estimates. Net increase of 35.25 positions and \$3.4M GPR over the base.
Indigent Civil Legal Services (p. 53)	FY' 11: \$250,000 All Funds	Provides an increase in FY' 11 for indigent civil legal services. An increase in the surcharge for certain court actions, from \$12 to \$18, would be used for the base funding & the increase.	Increase of \$2.6M all funds over the biennium, mostly PR from additional \$2 increase to the justice information system surcharge.
TAX CUTS (Note that the amounts below in parentheses are revenue reductions.)			
Jobs Tax Credit (p. 269)	No change in 2009-11. (Estimated to cost \$4.5 million in FY' 13 and \$10M/yr. thereafter).	Effective Jan. 1, 2012, provides up to \$10 million/yr in tax credits for smaller businesses for training costs and a portion of wages for new high-paying jobs.	Approved (still to begin in the next biennium).
Biotech Sales Tax Exemption (p. 282)	No change in this biennium. (\$5 million tax reduction in FY12 & \$10M in FY 13)	Effective Jan. 1, 2012, provides biotechnology companies a sales tax exemption for machinery and other personal tangible property used in manufacturing or research.	Approved with a modification of the definition. The estimated revenue loss is increased to \$13 million per year, beginning Jan. 1, 2012.
Investment Tax Credits (p. 264)	There is no cost in 2009-11	Increases the angel investor and early stage seed tax credits by \$12.5 million each, effective 1/1/2011, and makes changes to make the credits more attractive for people considering venture capital investments. .	Approved
Earned Income Tax Credit (p. 255)	FY' 10: \$22.6 million GPR FY' 11: \$24.3 million GPR	The cost to continue the EITC is expected to increase by \$46.9 million GPR in 2009-11: \$11 M because of an increase in eligible families, and \$35.9 M because of changes in the federal credit (which the state EITC is based on) that increase the credit for married couples (with kids) and families with 3 or more dependents.	Approved, but the projected cost was increased by \$8.6 million GPR over the biennium (above the amount in the Governor's bill).

Budget Item	Governor's budget		Joint Finance Committee
	Change to '09 Base	Description	
Internal Revenue Code Update (p. 260)	Reduces GPR taxes by \$40.6 million in FY'10 & \$5.5 million in FY'11	Updating references to the federal Internal Rev. Code are expected to reduce WI taxes by \$46 million over 2 years, primarily from following the fed. precedent to waive in 2009 required minimum distributions from tax-deferred retirement savings accounts.	Reduces the cost by \$21.9 million during the biennium, by removing all the provisions except to the waiver of the minimum distribution requirements.
PROPERTY TAX RELIEF			
Shared Revenue (p. 568 & 569)	FY' 10: 0 FY' 11: (\$8.5 million) All Funds	Reduction in county and municipal aid in the second year of the biennium of one percent. In FY' 11 GPR funding would be cut by \$58.5 million, with \$50 million backfilled – half from the Wireless 911 fund and half from federal stimulus funds.	Reduces funding by \$21.4 million GPR (2.5%) for 2010 payments, to be added to Governor's budget reduction listed at left, for a \$29.9 million total cut. Shifts \$102.6 million over 2 years from GPR to the former 911 fee.
Levy Limit Adjustments (p. 580)	Undetermined.	Extends municipal and county levy limits by 2 years and increases them – allowing localities to increase property tax levies by the greater of 3% or the increase in values due to new construction. Also allows local governments to carry forward unused levy capacity.	Approves the 3% cap, but exempts emergency spending. Also, allows 2009 base to be adjusted upward to recapture unused levy authority from 2007 and 2008.
School Levy Tax Credit and First Dollar Credit (p. 571)	\$150 million GPR per year -- for the increase that was enacted in the 2007-09 budget but starts this year.	Maintains these credits at the level reflected in the 2009 property tax bills, but doing so costs an additional \$150 million/yr. because the increase enacted last session doesn't get paid until early in 2009-10 (which explains \$300 million of the structural deficit for 2009-11).	Adds \$55 million GPR to the funding in the bill by increasing the First Dollar Credit \$55 million/yr. for the 2009(10) & 2010(11) property tax years. (Only the first of those two years is payable by the state in the 2009-11 biennium.)
Homestead Tax Credit – Current Law Reestimate (p. 572)	FY' 10: \$14 million GPR FY' 11: \$15.1 million GPR	No change (but see below). This increase simply reflects the cost to continue the program, which is expected to rise because of increased property taxes and reduced household income.	Adopts the modification that would increase funding for the credit by \$1,277,000 GPR in 2009-10 and decrease funding by \$968,900 GPR in 2010-11 to reflect estimated changes in income, property taxes, and program participation under the current law credit provisions.

Budget Item	Governor's budget		Joint Finance Committee
	Change to '09 Base	Description	
Homestead Tax Credit Indexing and Formula Change (p. 572)	No effect in 2009-11 (Expected to reduce tax revenue \$1.1 million in FY' 12)	Effective in CY 2011, would begin making adjustments for inflation in the upper income limit (set at \$24,500 since 2001), but wouldn't index the maximum credit. This reduces the erosion of the credit a little for most recipients, particularly those close to the income limit, but provides no relief to those with incomes less than \$8,000.	Approves Governor's proposal to index the income limit and not the maximum credit. Adds measure costing \$1 million in 2010-11 by increasing the small deduction used in calculating income (for Homestead purposes) for claimants with dependents.
MISCELLANEOUS			
Statutory Minimum Balance (Budget in Brief, p. 9)	\$65 million GPR [plus \$139 million to raise the estimated balance above the minimum]	Increases the required balance from \$65 million to \$130 million, which ups the cost of balancing the budget by \$65 million. However, the Governor's budget balance is estimated at \$269 million, which takes another \$139 million.	Approved
Transportation Aid for Elderly and People w. Disabilities	FY' 10: \$285,900 SEG FY' 11: \$713,300 SEG	Increase funding for the provision of transportation services to the elderly and people with disabilities by 2.2% in FY' 10 and 3.2% in FY' 11.	Approved
Higher Education Aids Board – Tech. College Student Financial Aid (p.399)	FY' 10: \$175,500 GPR FY' 11: \$533,500 GPR	Increases funding for Wisconsin Higher Education Grants for Technical College students (WHEG-Tech) by 1% the first year and 2% the second yr.	Increased the financial aid funding increase to 3.5 percent annually (for a total of \$1.16 million in new aid over the biennium).
Birth Certificate Fee Increase (p. 376)	Increases program revenue funds and spending by \$306,000 per year.	Increases fees for first copy or additional copy of a birth certificate by \$2, and repeals provision from previous budget that would have sunsetted the last increase in these fees on July 1, 2010.	Deletes the provision