



HOWARD MARKLEIN

STATE SENATOR • 17TH SENATE DISTRICT

Capitol Update

By Senator Howard Marklein

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Budget Bulletin V

\$400 Million Middle Class Tax Cut for Working Families; Dairy Innovation Hub; Stewardship Program Extended; University Building Projects funded

The Joint Finance Committee (JFC) met in Executive Session on June 11 and 13, 2019 and completed our work on the state budget. The legislature's version of the budget now moves to the Assembly and Senate for consideration. We took action on agriculture, natural resources, the capital budget and tax policy. As a part of these actions, we passed a \$400 million tax cut for hard working, middle class individuals and families.

Our \$400 million tax cut is designed to reach the middle class of Wisconsin. This tax cut will have the most impact on those who make up to \$150,000 per year; this makes up 89% of all filers who will receive 86% of the tax cut!

This tax cut is for the hard-working men and women who got up this morning, packed a lunch and headed off to make our economy strong. It is for the moms and dads who will come home from work tonight and volunteer to coach their kids' team, mow the lawn or make dinner.

The Middle Class Tax Cut for working families is simple. It will reduce the two lowest tax brackets. The majority of the impact is targeted to reach middle income earners. The tax cut is funded through existing resources, tax law reforms for online retailers and ongoing positive results of responsible budgeting and reforms.

Our budget cuts overall taxes for \$516.2 million. This includes income tax cuts and \$58.6 million in property tax relief. We were able to fund our priorities while still providing tax relief to the hardworking families who are the backbone of our economy.

In addition to tax reform, the JFC funded the Dairy Innovation Hub – the Dairy Task Force 2.0's top priority. I am proud to be the author of the legislation with my colleague Representative Travis Tranel (R-Cuba City). Our persistence got it done. We are being responsive to dairy farmers as we allocate \$8.8 million for development of the Dairy Innovation Hub at UW Madison, UW Platteville and UW River Falls.

We also invested \$678,900 for positions at the Department of Agriculture, Trade and Consumer Protection (DATCP) for supporting the future of Industrial Hemp farming and we created four positions to support the Concentrated Animal Feeding Operations (CAFO) program. Farmers told us that they needed more support for these areas to relieve backlogs, protect the environment and encourage growth in a new industry.

I have heard from dozens of constituents who asked me to reauthorize the Knowles-Nelson Stewardship program because Governor Tony Evers did not do that in his budget. We voted to continue this popular land acquisition and improvement program for the next two years.

The Elroy-Sparta and 400 State Trails near the City of Elroy and the Villages of LaValle and Union Center were also highlighted in our decision to provide \$100,000 for State Trail Repairs. The trail repairs are necessary to address the damage from the floods last Labor Day. Rep. Tony Kurtz (R-Wonewoc) championed this part of our budget work. Thanks Rep. Kurtz!

Finally, the JFC's capital budget takes care of existing buildings and properties throughout the state. In the 17th Senate District, we are investing \$1 million in Yellowstone State Park in Lafayette County. We also invested \$1 billion for projects at University of Wisconsin facilities statewide.

The JFC's version of the State Budget will now move to the full Assembly and Senate for consideration. Overall, I believe this is a very good budget. We have invested in people – not in programs.

In the 17th Senate District – like most of rural Wisconsin – nine hospitals, 34 school districts, two prisons, three university campuses and four technical college districts are happy with our budget. Nursing homes, Personal Care workers, Farmers, Employers, Taxpayers and roads are taken care of.

We funded our priorities and we did it within our means.

I am proud of this budget and I am hopeful that Governor Tony Evers will sign our budget so that the schools, health care providers, local governments and taxpayers have certainty as we move into a new fiscal year.

For more information and to connect with me, visit my website <http://legis.wisconsin.gov/senate/17/marklein> and subscribe to my weekly E-Update by sending an email to Sen.Marklein@legis.wisconsin.gov. Do not hesitate to call 800-978-8008 if you have any questions or need assistance with any state-related matters.