



## **Wisconsin Should Use New Revenue for Investments Broadly Promoting Shared Prosperity**

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The following is a response by Michele Mackey, Kids Forward's Chief Executive Officer, to the new revenue estimates released by the Legislative Fiscal Bureau:

Wisconsin should use new budget resources to invest in the fundamental building blocks of growth and prosperity – our children, families, schools, health, and equitable communities. These investments would promote racial equity and tear down barriers that hold back people of color and others furthest from opportunity.

The Legislative Fiscal Bureau has announced that over the next three years, Wisconsin is on track to bring in \$4.4 billion more in state tax dollars than previously thought. This unprecedented increase offers a remarkable opportunity for Wisconsin to build a new, more equitable economy in which everyone can contribute to their community. Every dime of that money should be put to use working for Wisconsin, by helping parents make a better life for their children, strengthening communities, and addressing racial gaps in well-being.

There are many ways Wisconsin could use these resources to make the state a better place for everyone, including making up for the short-sighted decision of the Joint Finance Committee to provide so little in the way of resources for our public schools and universities that Wisconsin may have to forgo federal funding.

Some conservative lawmakers have said that we should use these resources to change Wisconsin's tax system, and we agree! Lawmakers should use some of the resources to reform a tax code that saddles low-income taxpayers with a disproportionate responsibility for paying for public investments, while the wealthy and powerful pay a smaller share of their income. Legislators can do that by expanding Wisconsin's Earned Income Tax Credit, which puts money into the pockets of working parents with low incomes, and improving the Homestead Credit, which delivers targeted property tax relief to low-income households.



Today's revenue news opened the door for state policymakers to make decisions that benefit Wisconsin for years to come. Just a few short weeks ago, Wisconsin lawmakers rejected budget items that would expand racial equity on the grounds that they cost too much. Now, with four billion dollars more than anticipated, that objection rings even more hollow. Let's not throw this opportunity away on tax cuts for the rich and powerful.

We look forward to hearing more about how lawmakers handle these resources, and will be writing more about how their next steps promote or impede an equitable future for all Wisconsin children and families.