

2023-25 State Budget: Early Care & Education

Evers' Proposed Budget Provides Resources to Support Wisconsin Families During Children's Early Years

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Regardless of race, place, or income, every child in Wisconsin deserves a strong start in life. This early foundation plays a critical role in life-long health and wellness. But systemic racism and poverty destabilizes families and communities and creates unhealthy conditions and barriers that harm children in their early development. This process of destabilization not only prevents children from having a strong start but can persist over the course of their lives.

Governor Evers' proposed 2023-25 budget provides funding for a variety of programs and services that address certain obstacles for families to increase their quality of life. The support and relief from these programs—including state-level paid family leave, expanded child care and home visits, and increased tax credits for families with low incomes—would help families lay a strong foundation of economic security and promote positive long-lasting effects for their children.

State-level Paid Family and Medical Leave

The Governor's proposed budget would allocate \$243 million in one-time funds to launch a paid family and medical leave program in Wisconsin. Upon implementation, this program would be funded entirely by workers' and employers' contributions, providing up to 12 weeks of paid time off to care for a family member. Paid leave is critically necessary in Wisconsin because [the vast majority of workers in the state do not have access to paid time off for family caregiving responsibilities](#), such as the birth or adoption of a child. Workers paid low wages—disproportionately women and people of color—are even less likely to have these employer-provided benefits. [Paid leave programs can benefit child and family health and wellbeing](#) when they provide sufficient time off with adequate payment rates.

Boosting funding to support Wisconsin's early care and education system

The COVID-19 pandemic has been difficult for Wisconsin's early care and education system. Many programs struggled to cover expenses and keep their doors open, while many families across the

state are unable to find safe and affordable care. The proposed budget provides funding to continue stabilization programs for early care and education programs, as well as support for other initiatives. This includes:

- **\$340 million over the biennium to [Child Care Counts](#)**, a program created using federal pandemic relief dollars to provide direct, stabilizing support to early care and education programs. [One in 3 programs in Wisconsin stated that they would have closed](#) without these relief payments. Ongoing state dollars for this program will support children, working families, local businesses, and the economy. But, without state support, Child Care Counts will cease to exist in January 2024.
- **\$22 million over the biennium for [Partner Up!](#)**. This program is a public-private partnership that splits the cost of tuition at a child care center – employers cover one-quarter of the cost for their workers while the state pays for the remainder. The Department of Children and Families estimates that 40% of employees who benefitted had incomes of less than \$50,000. Moving forward, state leaders should ensure that state resources for this program are targeted to workers paid lower wages.
- **\$10 million over the biennium to support individuals in opening child care programs**, including a set aside for providers in tribal communities. These grants would cover pre-licensing support and other start-up costs and could help boost the supply of child care across the state.
- **\$1.2 million over the biennium to support caregivers with the high cost of child care**. Paid caregivers are overwhelmingly women and disproportionately women of color and often paid very low wages. The proposed budget would disregard \$10,000 of caregivers' income when determining income eligibility for the Wisconsin Shares subsidized child care program.

A strong early care and education system is a win for all children and families across Wisconsin. But the shortage of child care is keeping many parents at home to care for their children, which contributes to the worker shortage in our state. Lack of affordable child care means children, families, and businesses suffer.

Additional Supports for Children and Families

Governor Evers' proposed budget includes a variety of other proposals to support children and families, including:

- **Providing an additional \$5 million to expand home visiting services** to 24 additional counties and Tribes. Due to racism and structural inequality, [families of color face stark disparities in infant and maternal health, particularly black families](#). By supporting pregnant and new parents, [culturally-responsive, evidence-based home visiting programs can begin to address these inequities](#) and [improve outcomes for children and families](#).
- **Creating and expanding tax credits for Wisconsin families**. The [Governor's proposed budget includes a number of tax provisions that would support families with children](#). This includes increasing the state's refundable Earned Income Tax Credit, a powerful anti-poverty tool, and the child and dependent care tax credit, which helps families cover

the high cost of child care. [Tax credits are an important resource for families with low incomes](#) in building economic security, and they also support local communities and economies too.

Governor Evers proposed budget provides resources to ensure many more children and families get a strong start in life. State leaders should ensure these provisions are in the final budget agreement.

Contact

Kristin Schumacher, kschumacher@kidsforward.org

About Kids Forward

Kids Forward inspires action and promotes access to opportunity for every kid, every family, and every community in Wisconsin, notably children and families of color and those furthest from opportunity. Using a research- and community-informed approach, we advocate for effective, long-lasting solutions that break down barriers to success for children and families. Visit kidsforward.org.

An initiative of Kids Forward, the **Wisconsin Budget Project** is working to enact transformative change with the goal of constructing a new, more equitable economy. Visit wisconsinbudgetproject.org.

