

May 31, 2023

Governor Tony Evers
115 East State Capitol
Madison, WI 53703

Subject: Urging Veto of Bills Limiting Access to Public Assistance

Public assistance programs, such as Medicaid, FoodShare and unemployment insurance, are important work supports and help many Wisconsin families, including children and adults with disabilities, struggling to make ends meet. We, the undersigned, call on the Governor to veto bills coming to your desk that incorrectly and unfairly target Wisconsin families because they will create more barriers to work, worsen racial disparities, and were rushed through with no meaningful opportunity for public input.

Enactment of these bills would exacerbate the severe racial disparities in our state, which are among the worst in the nation. Most of the people who participate in public assistance programs are white, but because of long and persistent discrimination and structural racism that harm people of color and adversely affect their employment, they would be disproportionately affected by restrictions on public assistance.

Limits to UI and Medicaid Are a Misguided Approach to Supporting Workforce Development

Unemployment insurance (UI) is not responsible for worker shortages in our state. In 2022 the number of people receiving UI in Wisconsin was significantly lower than at any time in the last 15 years—far below the number at similar stages in the economic cycle. And in 2023 the number of recipients of UI benefits is on track to be even lower. Considering these facts, as well as the extensive work search efforts already required to be eligible for those benefits, it is inappropriate to blame safety net programs like UI for a worker shortage.

If state policymakers truly want to increase workforce participation they need to address the real factors that make it difficult for people to get or keep jobs. These obstacles include acute shortages of affordable child care and housing; accessible, affordable transportation; the long-frozen minimum wage; adequate support to allow people with disabilities to sustain competitive integrated employment, and lack of access to family and medical leave.

Bills are Likely to Jeopardize Family Supports and Increase Administrative Burden, therefore Exacerbating Racial Disparities

We have many substantive concerns about the bills. For example, AB 148 would significantly reduce participation in BadgerCare (among those who are eligible) by creating costly and unnecessary red tape and hoops that people will have to jump through to renew their coverage. It would require people covered by BadgerCare to submit twice as much paperwork in order to renew their coverage and punish them for not reporting changed circumstances almost immediately. The Department of Health Services estimates that it would increase administrative costs by \$56.6 million per year.

AB 148 would also prohibit the state from using automatic renewals, one of the best tools it has to make sure people have uninterrupted health insurance coverage – and one mandated by federal regulations. All of these complexities will lead to higher administrative burden, which the Office of Management and Budget in a July 2021 report¹ noted exacerbates existing health inequities.

AB 153 would sharply reduce the maximum number of weeks of unemployment benefits that laid-off workers can receive, despite the fact that the number of recipients of these insurance benefits is already far lower than in any of the last 15 years. If the very restrictive criteria in AB 153 had been in place for the past 39 years, the usual ceiling of 26 weeks would have only been in place 2.3 percent of that time. A report by the National Employment Law Project² explains that slashing the length of UI benefits disproportionately hurts people of color.

We are also very concerned about AB 146, which would preclude local governments from using public funds to finance a guaranteed basic income program. An experiment with guaranteed basic income in Stockton, California found that this cash assistance helped families address impediments to work and significantly increased their employment. Wisconsin policymakers should not block local governments who want to replicate that experiment.

Lack of Meaningful Public Input and other Process Concerns

We also have serious concerns about the extremely flawed process for passing these bills. The proponents of the bills made little or no effort to reach out to workers and potential workers to get their input on how to enable more people in our state to maintain steady employment. Instead the process used to pass this package of controversial bills made it difficult for Wisconsin workers and the unemployed to participate.

The Assembly Hearings on the bills were held just a few days after they were introduced, and before any of the fiscal estimates were available. The bills were referred to four different Assembly committees, and three of the four committees held hearings on them at the same time. The extremely expedited schedule and the competing public hearings were just two of the ways that the public was precluded from testifying on the bills.

Ask: Veto Bills Coming to your Desk that unfairly target Wisconsin Families

The pandemic and the severe recession it caused demonstrated the tremendous importance of safety net programs, such as BadgerCare, Food Share and unemployment insurance. These programs played a critical role in protecting families and our economy during the pandemic and recession. Rather than using a very rushed process to pass these bills, state policymakers should carefully examine the existing red tape and how it can be reduced to make access to

¹ Shalanda Young, *Study to Identify Methods to Assess Equity: Report to the President*, Office of Management and Budget, July 20, 2021, https://www.whitehouse.gov/wp-content/uploads/2021/08/OMB-Report-on-E013985-Implementation_508-Compliant-Secure-v1.1.1.pdf.

² Nzingha Hooker and Alexa Tapia, *Slashing Unemployment Benefit Weeks Based on Jobless Rates Hurts Workers of Color*, National Employment Law Project, May 2021, <https://s27147.pcdn.co/wp-content/uploads/UI-Indexing-Policy-Brief-05-14-2021.pdf>.

these programs equitable, efficient, and responsive to people's needs that arise during economic downturns or in the wake of large layoffs in our communities.

We urge you to veto these bills. Lawmakers should work together to get input from Wisconsin families on a bipartisan agenda that removes barriers to work while also protecting and strengthening safety net programs that act as work supports and critical sources of assistance for economically vulnerable families and communities.

Sincerely,

9to5 Wisconsin

ABC for Health, Inc.

American Lung Association

Beloit NAACP Branch #3251

Citizen Action of Wisconsin

Community Action Coalition for South
Central Wisconsin

Community Action Inc. of Rock and
Walworth Counties

Community Advocates Public Policy
Institute

Disability Rights Wisconsin

End Domestic Abuse Wisconsin

Freedom, Inc.

Kids Forward

Leaders Igniting Transformation (LIT)

Madison Area Community Land Trust

Main Street Alliance

Milwaukee Mental Health Task Force

National Association of Social Workers -
Wisconsin Chapter

Planned Parenthood Advocates of
Wisconsin

The Wisconsin Initiative

Wisconsin Coalition Against Sexual Assault

Wisconsin Community Action Program
Association (WISCAP)

Wisconsin Council of Churches

Wisconsin Faith Voices for Justice

Wisconsin Physicians for a National Health
Program

Wisconsin Primary Health Care Association

Worker Justice Wisconsin