



POLICY BRIEF

2021-23 Wisconsin Budget Brief

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Introduction

Recently, Governor Tony Evers released his budget for the 2021-23 biennium. Like his first budget in 2019, the document represents a laundry list of new spending and pet projects that will make the state of Wisconsin less competitive for business, and limit individual freedom on issues as diverse as healthcare and education. In short, it is not a path forward for the state as we look to emerge from the devastating impact of the pandemic across the economy.

The policy team at the Wisconsin Institute for Law & Liberty has gone through the budget line-by-line to highlight some of the worst proposals of the Governor. While our summaries are relatively short, we provide citations to an extensive body of research that shows how this budget will lead us on a downward trajectory.

Some Key Takeways We See in the Budget:

Huge Spending Increases. At a time when Wisconsin families are having to tighten their belts, Governor Evers proposes a budget that grows spending by over 13% over the previous budget.

Creates Ongoing Obligations. Evers' budget creates 169 new programs with an appropriation, adds 364 new full-time equivalent employees and grows bonding by 90.5%.

Attacks on School Choice. From charter schools to the state's voucher programs, the budget will limit educational options for families at a time when they need them most.

Harms Healthcare for Wisconsinites. The governor once again proposes Medicaid expansion, which will raise the cost of insurance for private payers and thrust many low-income families into government-run healthcare which produces worse outcomes.

Attacks on Labor Freedom. The governor proposes a partial repeal of Act 10 and "Right to Work," forcing people back into unions and raising the cost of government for taxpayers.

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Overall Spending

Increased Spending & Tax Increases

Despite the ongoing effects of the COVID-19 pandemic on the economy, Wisconsin's fiscal outlook is actually relatively strong. In January, the non-partisan Legislative Fiscal Bureau forecasted that the state's general fund balance is estimated to be \$1.77 billion¹ at the beginning of the next fiscal year. On top of that, the state also has a projected \$685 million Medicaid surplus and a rainy-day fund of \$994 million, the largest in the state's history. And for the first time in decades, Wisconsin ended the last fiscal year with a positive GAAP¹ balance in the general fund.²

However, that would all quickly change under Governor Evers' 2021-23 proposed budget. When accounting for proposed new spending and bonding, his budget would grow state spending to nearly \$94.6 billion, a substantial increase of 13.3% over the previous budget. For comparison, under Governor Walker and the Republican legislature spending grew by an average of 3.9% for each biennial budget between 2011 and 2019.

At a time when the Wisconsin Department of Revenue forecasts real personal income to decline by 3.8%³ in 2021 and individual income tax revenues to decline by 1.2%⁴ in the first part of 2021, this rate of spending increases far outpaces what average Wisconsinites are experiencing with their own budgets.

¹ For context, the state currently balances their budget on a cash basis which allows the use of accounting tricks that can hide the true cost of programs and ongoing liabilities. In contrast, generally accepted accounting principles or GAAP, are accounting standards that give a more accurate representation of the financial position of an organization and are used by all publicly traded companies and local governments in Wisconsin.

Figure 1. Total Spending per Budget Cycle, 2007-23, Wisconsin

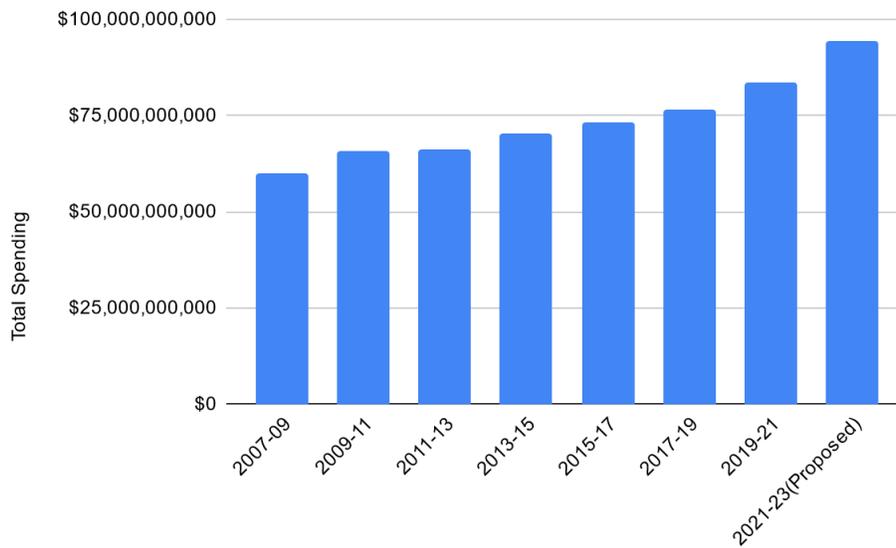
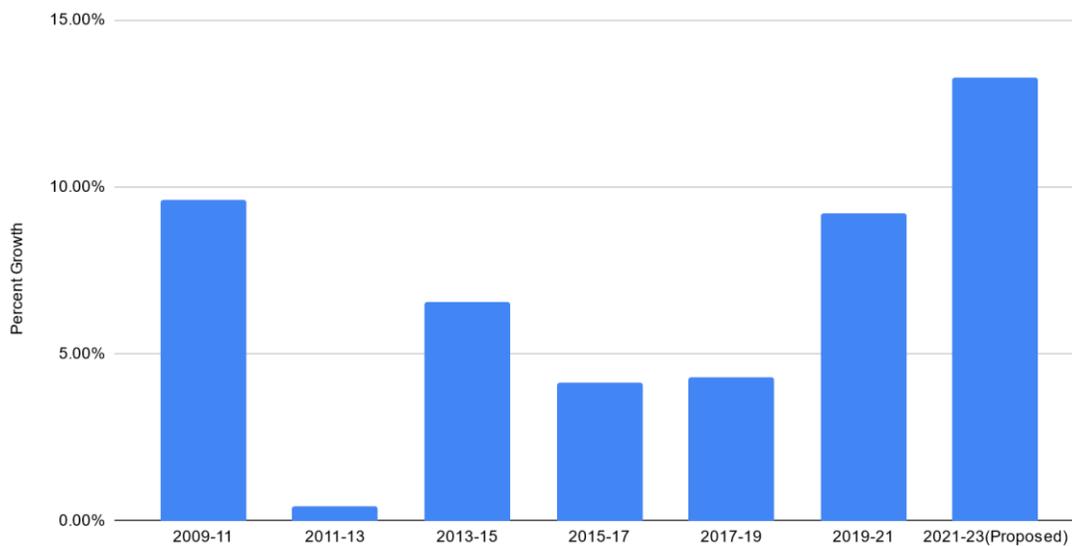


Figure 2. Percentage Growth in Spending, 2009-23 Wisconsin



It shouldn't be ignored that the new spending in the governor's budget is heavily dependent on getting funds for Medicaid Expansion. According to the "Budget in Brief":

“Medicaid Expansion will provide healthcare coverage to 90,900 additional Wisconsinites while saving \$634 million GPR and drawing down an additional \$1.3 billion FED over the biennium, funds which have been reinvested to improve the health and well-being of all Wisconsinites.”

It is highly unlikely that the state legislature will go along with an expansion of Medicaid due to a cascading effect of negative implications (some of which are discussed later in this document in the healthcare section). So, this would drive a \$634 million hole into the budget, collapsing it like a house of cards.

Despite the state’s strong fiscal position, Governor Evers also relies on net tax increases of \$1.15 billion to balance his budget. Table 1 below shows the net impact of these increases.

The budget also includes a number of additional “tools” for local municipalities to raise taxes. A change that would allow counties and cities over 30,000 to each respectively create a local sales tax of 0.5% has garnered the most attention. However, there are a number of other consequential changes tucked away that would increase local tax burden on Wisconsinites. For example, under current law when a municipality charges a fee for services, such as trash pick-up, they cannot also levy a tax for those services. Governor Evers’ budget eliminates this provision, effectively allowing local governments to double charge for services.

Table 1. Tax Changes Under 2021-23 Proposed Budget

Tax Change	\$ Tax Change
Manufacturing and Agriculture Credit Limitation	\$487.4 million
Capital Gains Exclusion Limit	\$350.5 million
Internal Revenue Code Update	\$540.1 million
Marijuana Excise Tax	\$165.8 million
Broker Dealer Apportionment	\$74 million
Private School Deduction Limitation	\$12.9 million
E-Cigarette Excise Tax	\$29.3 million
Excise Tax on Little Cigars	\$5.3 million
Repeal Net Operating Loss Carryback	\$6.1 million
Sales Tax Exemption Eliminations	\$560,000
Dividends Received Deduction Limit	\$6.0 million
Tax Reductions	(\$531.3 million)
Net Tax Hike	\$1.15 billion

New Programs and Employees

This spending plan also includes a wish list of new policies and programs that would permanently grow state government by adding new employees and ongoing obligations. By our estimation, this budget creates 159 new programs that have an attached appropriation, totaling

\$1.78 billion in new spending over the biennium. The budget also adds 364 new full-time equivalent employees to the state, which would bring the total state employee count to nearly 36,000.

Table 2. New Program Spending by Fiscal Year and Source

FY 22 GPR	FY 22	FY 23 GPR	FY 23 Non-GPR	Total New Program Obligation
\$231.9 million	\$799.9 million	(\$70.8 million)	\$817,502,400	\$1,778,55,700

State Bonding

The combination of newly proposed bonding in Governor Evers' biennial budget and capital budget requests would explode bonding levels to record highs of nearly \$3.65 billion, a 90% increase over the previous budget. Considering that bonding also grew by 148% in the previous budget, this figure becomes even more staggering. This proposed level of bonding would also be the largest amount as a percentage of the overall budget since 2009, when Democrats last controlled both houses of the legislature and the governorship.

Table 3. Bonding Growth

Budget	Bonding Amount	% Growth Over Previous Budget	Bonding as % of Overall Budget
2021-23 (Proposed)	\$3,649,268,500	90.5%	3.9%
2019-21	\$1,915,879,795	148.4%	2.3%
2017-19	\$771,303,200	18.3%	1.0%
2015-17	\$652,157,500	-68.2%	0.9%
2013-15	\$2,048,604,900	18.3%	2.9%
2011-13	\$1,731,700,900	-51.6%	2.6%
2009-11	\$3,581,172,100	29.6%	5.4%

**Governor Evers' proposed biennial and capital budget requests.*

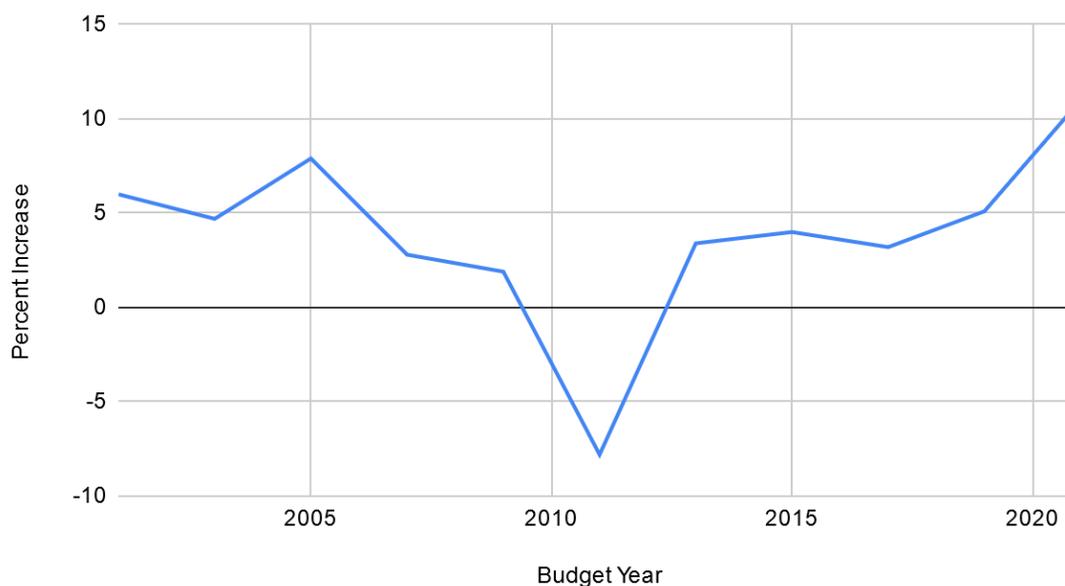
Education Policies

Increased Education Spending

With the sole exception of the first budget following the end of the Great Recession stimulus funds (2011), education spending in Wisconsin has been on a continual upward trajectory. But while increases also occurred under Governor Scott Walker, Governor Evers has put his foot on the accelerator in his two budgets.

The figure below shows the rate of increase in educational spending over the previous budget for each year going back to the 2001-03 budget. The portion beyond 2020 is, of course, the proposed budget. As can be clearly seen, this represents a dramatic increase in the rate of spending growth not seen in the past two decades. It is very close to what Governor Evers proposed in his first budget that was later pared down significantly by the legislature.

Figure 3. Percent Increase by Budget Year



Such proposals tend to enjoy widespread popularity in polls. After all, who can oppose more money for kids? But the reality is that there is little evidence that more funding substantially increases student performance. Indeed, a 2019 study by WILL⁵ that examined all of the districts in the state found that, by most metrics, higher spending districts in Wisconsin actually perform significantly worse. The reason for this is that Wisconsin has already reached the point of diminishing marginal returns when it comes to K12 spending—additional dollars no longer result

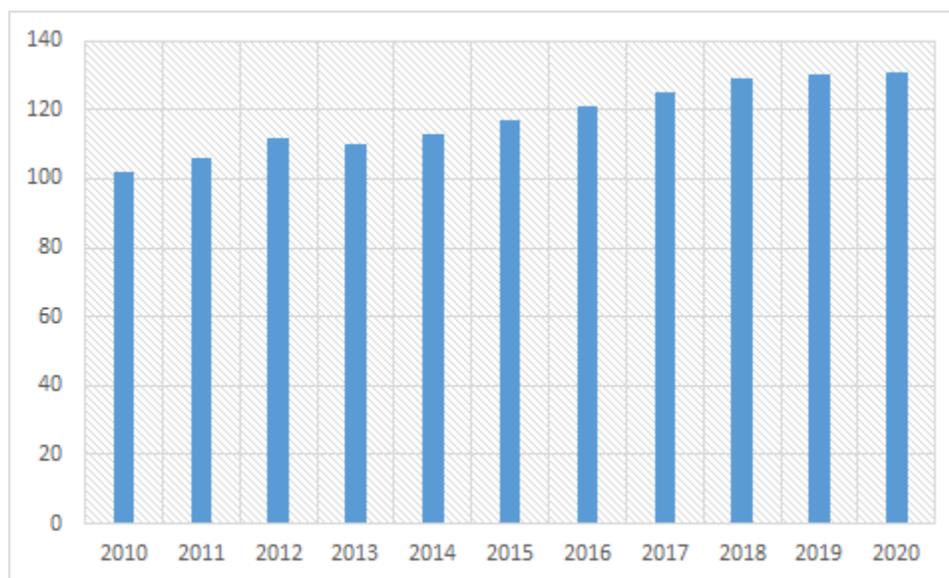
in higher performance. Wisconsin's voucher and charter schools demonstrate that schools can receive substantially less funding than their public school counterparts while outperforming them academically. Governor Evers' recommendation is a continuation of the status quo and expands the inequity of funding between traditional public, charter and voucher schools.

Attacks on the voucher program

Governor Evers continues his attack on the voucher programs and the 2021-23 budget includes enrollment limitations on the state's voucher programs. Under his proposal, future enrollment into the Milwaukee, Racine, and statewide voucher programs would be limited to the number of students in attendance during the 2022-2023 school year. The effect of this attack has different implications for each program based on current enrollment and projected growth.

For Milwaukee, among the chief effects would be limiting the addition of new schools to the marketplace. The figure below shows the number of schools participating in the Milwaukee Parental Choice Program (MPCP) since the 2010-11 school year using data from the Legislative Fiscal Bureau.⁶ While the growth in the number of schools has slowed in recent years, one can see that new schools are regularly entering the marketplace.

Figure 4. Number of Schools Participating in the MPCP by Year



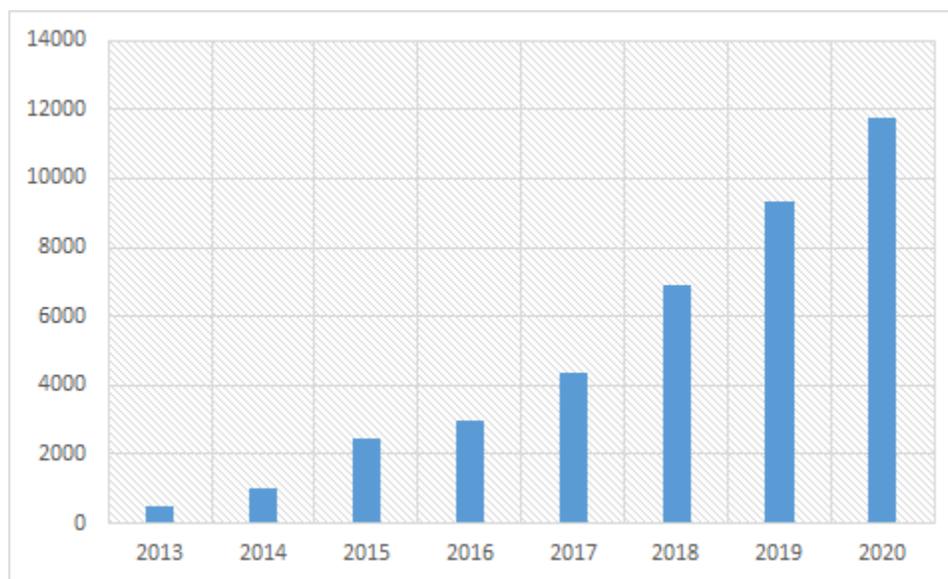
The reason this is possible is that the MPCP still has room to grow as families look for alternative options at high-quality schools. While nearly 28,000 students utilize a voucher to attend an MPCP school, more than 74,000 remain in Milwaukee Public Schools. If access to these students were to be cut off, it would be difficult for a potential new school to justify entering the market without the closure of other schools.

“This year, perhaps like none other, has exemplified the importance of allowing parents to choose the school that best fits their children's needs. Capping the enrollment in voucher

programs is most harmful to underserved families and puts them at further risk for being left behind.” Shaun Luerhing, President and CEO of LUMIN schools

Outside of southeastern Wisconsin, school choice programs are only beginning to realize their potential. The current Wisconsin Parental Choice Program (WPCP) faces an enrollment cap of 6% of each district's enrollment that increases by 1% each year until the caps come off once 10% is reached. Even with these caps, the WPCP has seen extensive growth over time. Figure 5 shows enrollment in the program since its inception during the 2013-14 school year.

Figure 5. WPCP Enrollment by Year



Beginning with just 499 students in 2013, the program has grown to serve 11,749 by 2020—an increase of more than 2200%. Kim Desotell, President of GRACE schools in Green Bay, highlighted what the enrollment caps on the statewide program would mean for schools like hers:

"Families are utilizing Wisconsin Parental Choice to send their children to our GRACE schools in a quest for academic rigor, school orderliness and a sense of community. Over the last few years, our student population in the Choice program has grown significantly as parents seek solid educational options for their children. The Governor's proposal to cap enrollment into the parental Choice program would prevent families from accessing high quality education in Green Bay and across the state."

Even beyond limiting access at existing schools, this change would likely have the effect of making it impossible for new schools focused on serving choice students to be opened. Schools where 80% or more of enrolled students utilize the voucher are extremely prevalent in Milwaukee. If enrollment in the WPCP is forever limited to 7% of enrollment in the school district as would be the case under this proposal, such schools will never be viable. Wisconsin

should be focused on expanding access to high quality education, not limiting it as Governor Evers' proposal does.

Attacks on independent charter schools

Governor Evers proposes eliminating the Office of Educational Opportunity, one of the governmental entities in the state that authorizes charter schools. The Office of Educational Opportunity (OEO) is one of the only active entities that authorizes independent charter schools, which are charter schools that are independent from oversight by the local school district.

In the 2019-2020 school year, three charter schools were operating in Madison with OEO's authorization serving nearly 400 students. Madison school board members have been hostile⁷ to the expansion charter schools and without OEO, Madison students would be limited to attending unsafe and failing schools.⁸

The OEO is not limited to authorizing charter schools in a specific region, so there is additional opportunity to provide education options to students across the state. With high-quality school deserts located throughout Wisconsin⁹, the OEO is a vital authorizer for school leaders interested in expanding and creating charter schools statewide.

Wisconsin charter schools provide an important option for parents who are looking for public school options that are different from their resident school district. Research¹⁰ shows that independent charter schools in Milwaukee outperform the Milwaukee Public Schools in math proficiency. Yet Wisconsin is consistently ranked¹¹ as one of the worst states for the development of charter schools by the National Alliance for Public Charter Schools. Wisconsin should be investing and expanding our charter authorizers, not eliminating them, so more students can access high quality schools. The Governor's proposal would prevent charter schools from accessing an important avenue for authorization and further weaken Wisconsin's environment for charter schools.

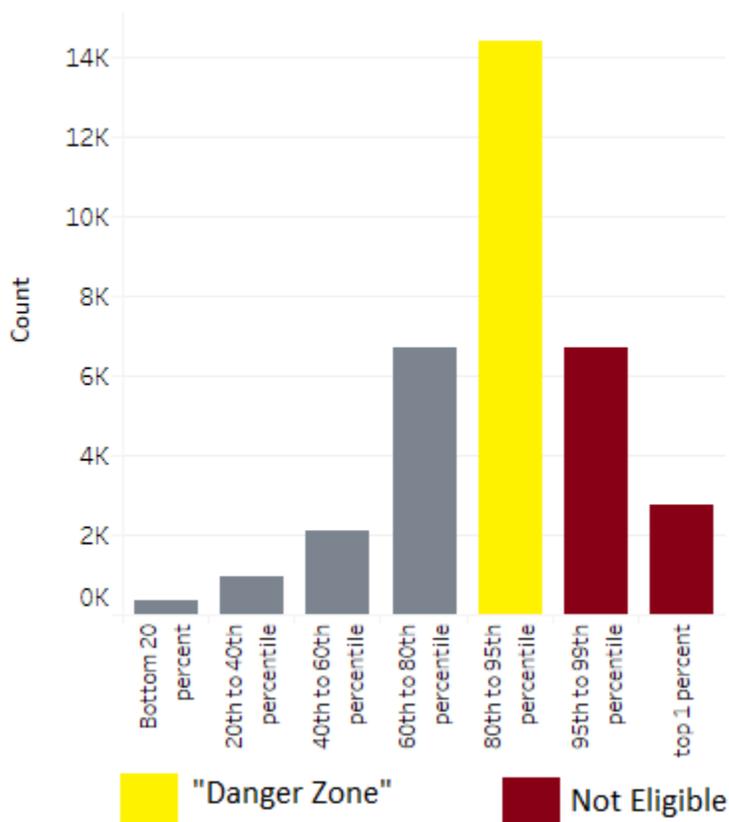
Attacks on Tuition tax credit

A more hidden attack on school choice is the governor's proposal to place an income cap on families who utilize the state's Private School Tuition Credit (PSTC). The PSTC allows families to deduct tuition paid to private schools on their state income tax. A maximum of a \$4,000 deduction is allowed for grades Kindergarten through 8th, and up to \$10,000 is allowed for students in high school. While all taxpayers are able to take advantage of this credit under current law, only individuals making less than \$100,000 or couples making less than \$150,000 would be eligible under the governor's budget.

It is difficult to determine exactly how many taxpayers would be affected by this change, as publicly available tax information from the Department of Revenue¹² does not split the data in a manner for easy parsing. However, data shows that 27.1% of those who took advantage of the credit definitely will no longer be eligible. A further 42% fall into the "danger zone" where eligibility will rely on more specific data on their income and marital status. The figure below, reproduced from the Department of Revenue, shows the distribution of tax payers who utilized

the credit in 2019. Red columns indicate taxpayers who would no longer be eligible, while yellow represents those where a deeper dive into the data is needed.

Figure 6. Private School Tuition Credit Count, 2019



The PSTC represents an important mechanism for school choice in the state. Even for those who don't qualify for the income thresholds for the state's voucher programs, private school can remain an onerous expense. This credit offers one pathway for those families to find alternative educational options for their kids. And an important detail to keep in mind is that one need not attend a participating school to take advantage of this credit. Wisconsin's school choice programs are among the most heavily regulated in the country,¹³ and schools that participate don't enjoy the freedom that they do in some other states. The tuition credit can offer a way for families to access schools that decide, for whatever reason, the choice programs aren't for them.

Governor Evers attempted to end the PSTC in his first budget,¹⁴ and we anticipate that the reduced income cap is merely the first step of a longer-term plan to stymie the program into irrelevancy. Policymakers should recognize this proposal as a part of the governor's agenda to limit education options for Wisconsin kids across the income spectrum.

Healthcare Policies

Medicaid Expansion

Like his previous budget, Governor Evers has proposed expanding Medicaid to include individuals at up to 138% of the federal poverty limit. This expansion would allow Wisconsin to access additional federal dollars that were included in the original Affordable Care Act (ACA) in order to entice states into participating. The governor presents this as if it is free money for the state that will increase access to healthcare, but in reality, it would be very costly.

The first important point to make is that there is no so-called “coverage gap” in Wisconsin. In other states that didn’t take Medicaid Expansion, there is a group of people at certain income levels who are neither eligible for Medicaid nor for subsidized private insurance under the ACA. However, thanks to legislation passed under Governor Walker, everyone in Wisconsin already falls into one of these two groups. The table below is adopted from the Kaiser Family Foundation’s most recent report¹⁵ on the coverage gap. It shows the number of people in each non-Medicaid Expansion state that currently fall in the gap.

Table 4. Number of People in Coverage Gap by State

State	Coverage Gap
Alabama	127,000
Florida	415,000
Georgia	269,000
Kansas	45,000
Mississippi	102,000
North Carolina	212,000
South Carolina	105,000
South Dakota	16,000
Tennessee	118,000
Texas	771,000
Wisconsin	0
Wyoming	7,000

Because no one falls into the coverage gap, the principal effect of expansion for low-income Wisconsinites would be forcing them from heavily subsidized private insurance onto the Medicaid rolls. Health outcomes for Medicaid recipients are decidedly worse. A 2011 study¹⁶ found that Medicaid patients were less likely to receive evidence-based treatments than those with private insurance, and were likely to stay in the hospital longer. Other research has found that Medicaid patients had higher mortality rates after lung transplants, and had worse outcomes when it comes to head and neck cancer.¹⁷

There are also implications for those who retain private insurance. Because of cost controls in Medicaid, healthcare providers are likely to shift costs onto the only group that they can—private payers. A 2019 study by WILL found \$600 million in additional costs to Wisconsin families with private health insurance, or approximately \$700 for a family of four. Another study of Wisconsin using a different methodology found up to \$184 million in additional costs.¹⁸ The bottom line is that policymakers should be careful in trading additional money from the federal government for worsened health outcomes for Wisconsinites.

Creating a Public Option for Healthcare

In one of the more radical proposals in the budget, Governor Evers calls for the creation of a public health insurance option in the state. While details are relatively scarce on what this public option would look like, as the budget calls for an actuarial study by DHS and the Office of the Insurance Commissioner, we can draw from national research to estimate the likely consequences.

Economists have shown that a public option is likely to “crowd out” private insurance. A 2007 study¹⁹ by researchers at the Massachusetts Institute of Technology and Cornell University took advantage of areas where Medicaid coverage income limits and private insurance overlap to estimate the extent to which people leave the private market when a public option becomes available. They find a reduction in private insurance coverage of approximately 60% among those in this group. In Hawaii, 85% of those who signed up for a public option for child coverage already had private insurance, quickly leading to an end of the program after just seven months.²⁰

A 2020 poll by Third Way²¹ shows that the vast majority of Wisconsinites are satisfied with their healthcare coverage. According to the poll, 62% rate their current coverage as “excellent” or “good.” Only 10% rated their coverage as “poor.” In the long run, the research shows that a public option may cost Wisconsin families access to these options, as private insurers are squeezed out of the marketplace.

Repeal of Legislative Oversight of Medicaid Waivers & State Plan Amendments

In 2018, the state legislature made a move to ensure that both the legislative and executive branch could play a role in important decisions regarding BadgerCare. Under Wisconsin Act 370, any amendment to the state’s Medical Assistance plans that is estimated to have a fiscal impact of more than \$7,500,000 must first be submitted to, and approved by, the Joint Finance Committee (JFC). The governor’s budget proposes repealing this oversight.

A number of important reforms of the Walker-era were crafted through the waiver process. For example, the drug testing of recipients as well as the requirement that recipients seek gainful employment were both achieved through waiver requests to the federal government.²² A repeal of JFC oversight would doubtlessly ease the path of repealing such measures for Governor Evers. To remove the role of the legislature in this process would be a dangerous power grab by the executive branch.

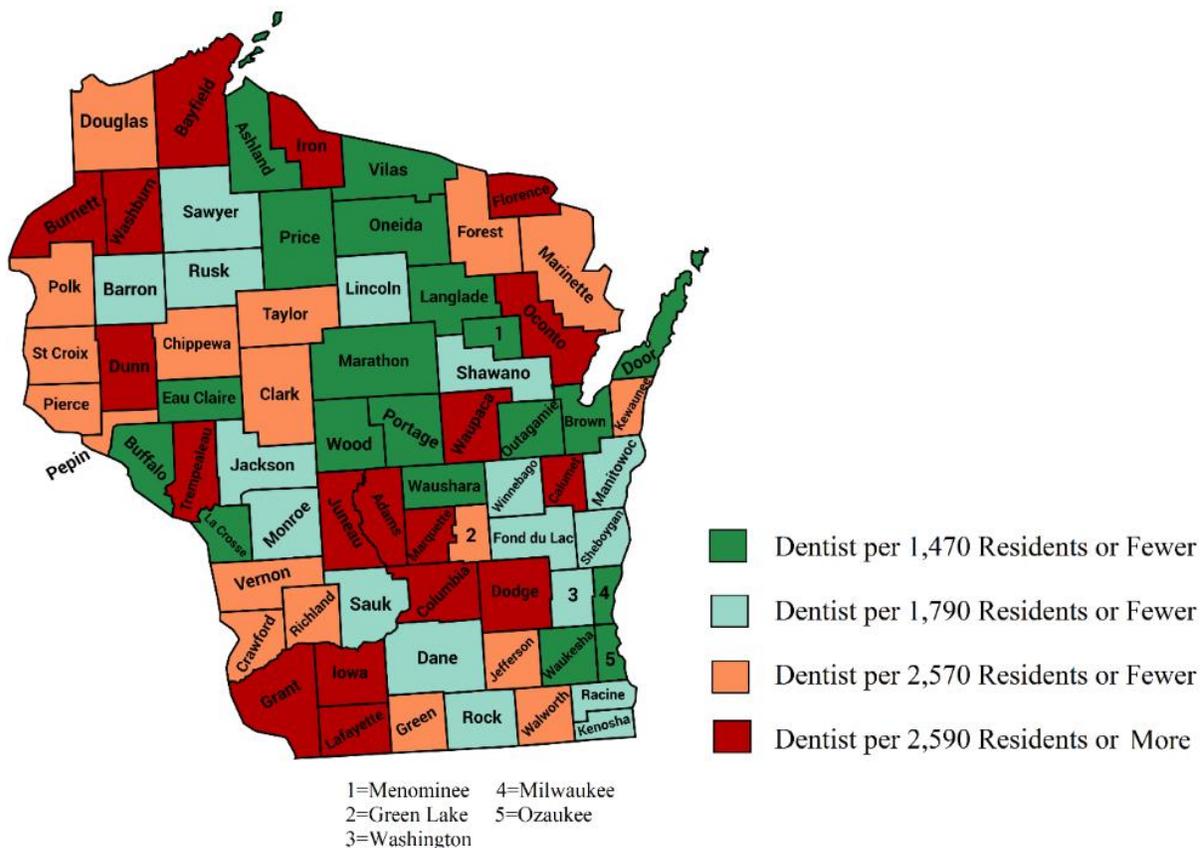
Dental Therapists

Dental therapists are mid-level practitioners who work under a dentist, but in the states where they are able to practice, can do so after only receiving a bachelors or master's degree in the field. This is much different than dentists who must receive a doctorate degree in dentistry to practice. Just in the last year, between 2019 and 2020, the states with dental therapy licenses went from three to eight with Maine, Vermont, and Minnesota being the first states to allow the practice, and now Arizona, Michigan, New Mexico, Nevada, and Connecticut allow dental therapy²³. Washington, Idaho, Montana and Oregon allow dental therapists on tribal lands.

It is likely that 2021 will be a big year for dental therapy, as another nine states, including Wisconsin, are expected to deliberate allowing dental therapy licenses. In August 2020²⁴, a dental therapy program at a college in Alaska became the first to receive accreditation from the oversight board that accredits dentistry and hygienist programs, the Commission on Dental Accreditation. Other colleges are working toward the same goal, which will help normalize dental therapy on a national scale.

For many Wisconsinites, dental care remains out of reach both financially and geographically. Many companies do not offer dental coverage through their health plans, and the costs of routine procedures can be too much for low and middle-income families to afford. The lack of dentists in Western Wisconsin is most acute, but the problem exists throughout the state. For instance, Figure 7 depicts dentists in each Wisconsin county on a per capita basis. Rural areas are hit by both the physical lack of dentists and the financial burden. Low-income individuals in urban Wisconsin often lack access due to the cost of care.

Figure 7. Availability of Dentists by County



The Badger Institute²⁵ and the MacIver Institute²⁶ have both done important work on this topic in Wisconsin. In addition to the potential for lowered costs, a dental therapy license may help increase access to dental care for rural residents. Dental therapists are generally allowed to work outside of the physical presence of the dentist who is the supervisor, which can enable them to travel to isolated communities that lack access to care. They are authorized to conduct routine procedures such as filling cavities and conducting non-surgical extractions of teeth.

The dental therapy license is an idea that has received bi-partisan support in Wisconsin already—having been included by Governor Evers in both of his budget addresses. In 2018, a bill²⁷ was proposed in Wisconsin by Senators Craig and Kapenga. This bill would have created the license for Wisconsin.

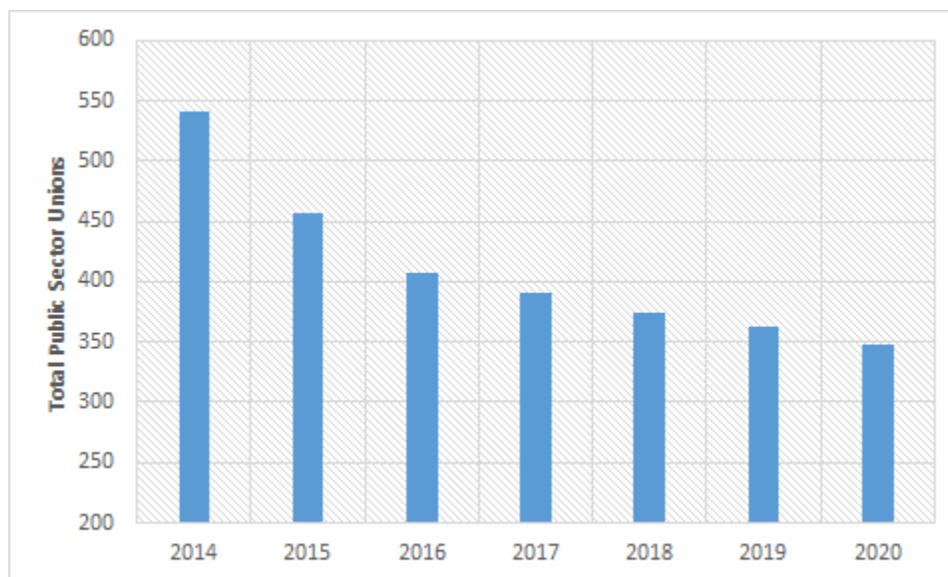
Labor

Act 10 Repeal

In perhaps the most jarring move of all in this budget, Governor Evers proposed a rollback of some of the major provisions of Act 10. Act 10 had a number of key provisions that have helped Wisconsin municipalities and school districts to save significant amounts of taxpayer money over the past decade. The governor's proposal is to remove the annual recertification requirement for public sector unions, and restore the ability of unions to negotiate healthcare and pension contributions.

The annual recertification election is an important mechanism for state employees to express whether they want to continue to be represented by the union. Since Act 10, a large number of union members have voted against recertification, leading to a decline in the number of unions in the state. The Figure below shows the total number of public-sector labor unions in Wisconsin over time beginning in 2014 when most of the lawsuits over Act 10 had concluded and regular elections were held.

Figure 8. Number of Public Sector Unions by Year



As seen in chart, fewer and fewer unions recertify every single year. While the rate of decline has stabilized to some extent, workers across the state are expressing that they do not want unions to represent them in some circumstances. Under the governor's budget, the ability to make this choice would be taken away from state employees.

Moreover, Act 10 has led to real benefits to the state beyond work empowerment. The MacIver Institute has regularly quantified the savings to municipalities through increased contributions of government employees to their healthcare and pensions. They find that Act 10 has resulted in nearly \$14 billion in savings to municipalities, school districts, and universities since its passage.²⁸

Act 10 has had other benefits as well. Students in districts without a teachers union were more likely to return to in-person class than students in districts that had a union present, according to recent WILL research.²⁹ Districts that have been creative with teacher compensation since the passage of the law have seen increases in student achievement,³⁰ and WILL research³¹ has found that the doom-and-gloom predictions of Act 10 opponents about the destruction of the marketplace for teachers has largely not come to fruition. Under Governor Evers' proposal, all of these benefits would be rolled back.

Repeal of Food Share Work Requirements

The governor's budget includes three key changes to Wisconsin's Food Share program. First, the budget would roll back work requirements for the program. Under Governor Walker, Wisconsin was not alone in enacting work requirements for its food stamp recipients in the past decade. Throughout the Midwest, states like Missouri, Iowa, and Indiana enacted similar measures. A recent study by WILL³² estimated welfare reform by comparing unemployment rates in the states that enacted such reforms with other states that did not throughout the region. The study estimated that these reforms decreased unemployment in Wisconsin by more than 28,000 over the past five years. Similar benefits were realized in other midwestern states.

The second change to the Food Share program is in removing drug testing for beneficiaries. According to Governor Walker, the goal of this provision was not to punish food stamp recipients as some opponents suggest, but rather to make it easier for them to find gainful employment. As Walker said at the time:³³

"We know employers in Wisconsin have jobs available, but they don't have enough qualified employees to fill those positions....With this budget, we are addressing some of the barriers keeping people from achieving true freedom and prosperity and the independence that comes with having a good job and doing it well."

Indeed, the link between illegal drug use and employment difficulty is well established in the academic literature. A 2013 report by the St. Louis Federal Reserve found that reports of illegal drug use were about 10 percentage points higher among the unemployed than those with full-time jobs.³⁴ Another report found that those with a substance abuse problem miss two weeks more work annually than their peers without such issues.³⁵ Obviously, regularly missing work can cause issues in maintaining employment.

The third change is to remove "Pay for Performance" rules for vendors that provide training to Food Share participants. Pay for Performance was passed during the 2018 legislative session. The plan provides financial performance incentives to such organizations that get Food Share

recipients into jobs that are higher paying, full-time, and non-subsidized. Prior to this change, vendors were paid simply by the number of welfare recipients who were participating in their programs.

Taken together, these three provisions in the governor's budget appear to have the goal of returning the Food Share program to its status quo prior to Governor Walker, where it served less as a vehicle to get people back into the workforce and more as an avenue for creating dependency.

Repeal of Right to Work

The fight for a Right to Work (RTW) law was extremely challenging in Wisconsin. As a state of the industrial Midwest, forced union membership was well established. Yet the state was able to pass such a law in 2015 under Governor Walker. But just five years later, Governor Evers seeks to reverse this progress.

A repeal of RTW could have severe, negative consequences for employment in the state. A 2006 study³⁶ found that RTW laws were associated with a 2.12% increase in the share of jobs in manufacturing across the country. The reversal of such laws would be expected to have a similarly detrimental effect on employment. Given that Wisconsin remains one of the most manufacturing dependent states when it comes to our labor force,³⁷ we might expect the effects to be even worse.

But perhaps even more fundamental than the employment implications is the simple notion that a person should have a right to conduct their work life as they see fit; free of the need to spend a portion of their salary to fund an organization that may or may not represent their best interests. Blue-collar and working-class Americans are identifying with the Republican Party in higher percentages than in years past.³⁸ The disconnect between a group of voters who are increasingly politically diverse and labor unions that still heavily favor the Democratic Party in their political endorsements and donations is only growing.³⁹ Governor Evers ought not be able to force workers to support organizations that may work against what they fundamentally believe.

¹ Legislative Fiscal Bureau. 2021.

https://docs.legis.wisconsin.gov/misc/lfb/revenue_estimates/175_january_26_2021.pdf

² Schmidt, Mitchell. 2020. "For the First Time in Decades, Wisconsin Ends Fiscal Year with Positive GAAP Fund Balance." Wisconsin State Journal. https://madison.com/wsj/news/local/govt-and-politics/for-first-time-in-decades-wisconsin-ends-fiscal-year-with-positive-gaap-fund-balance/article_d3f9a544-342d-516c-9061-38496e8335ac.html

³ Wisconsin Department of Revenue. 2020. "Wisconsin Economic Forecast Update: November 2020."

<https://www.revenue.wi.gov/dorreports/2020-11-wi-forecast.pdf>

⁴ Wisconsin Budget in Brief. 2021. http://www.thewheelerreport.com/wheeler_docs/files/0212621budgetinbrief.pdf

⁵ Flanders, Will. 2019. "Truth in Spending: An Analysis of K12 Public School Spending in Wisconsin." Wisconsin Institute for Law & Liberty Policy Paper. https://www.will-law.org/wp-content/uploads/2020/12/will-truth_in_spending_web.pdf

⁶ Pugh, Christina. 2021. "Private School Choice and Special Needs Scholarship Programs." Wisconsin Legislative Fiscal Bureau.

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