

State Budget Update: Impasse in Negotiations and Key Education Priorities

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With numerous headlines and statements circulating about the 2025–27 Wisconsin State Budget, I would like to provide a timely update on the current status and offer some context around the complex dynamics at play in the Capitol.

Last week, the Joint Finance Committee (JFC) abruptly canceled its scheduled vote on several major agency budgets, signaling a breakdown in the budget process. No rescheduled date has been announced, and clear signs of an impasse have emerged between legislative leaders.

In the days following the cancellation, lawmakers released statements suggesting that Assembly Republicans have been working with Governor Evers' office in pursuit of a compromise. However, progress has been undermined by divisions within the Senate Republican caucus. With a narrow majority, Senate Republicans can afford no more than one defection, and at least two GOP Senators, Chris Kapenga (R-Delafield) and Steve Nass (R-Whitewater), have publicly voiced strong opposition to any agreement that includes significant new investments.

Key points of contention include:

- Funding levels for K-12 public education.
- UW System funding and proposed reforms.
- Income tax reduction proposals.
- Childcare investments.
- Shared revenue support for local governments.

Governor Evers has called the Senate's proposed cuts to the UW System a "non-starter." As the July 1 deadline for enacting a new budget quickly approaches, the likelihood of reaching an agreement before the start of the next fiscal year is uncertain. If a deal is not reached, the state will continue operating under the current 2023–25 budget framework.

Amid this uncertainty, it is important to use this time to keep the pressure up and contact your local legislators and the Governor's office to advocate for critical education priorities:

- Increasing **primary special education categorical aid to 60% sum sufficient**, as recommended by the 2018 Blue Ribbon Commission and Governor Evers' budget; and
- Providing **an increase in General School Aids** to reduce pressure on the local property tax and ensure stable resources for our public schools.

We will continue to monitor developments and share updates as more information becomes available. Please don't hesitate to reach out if you have any questions.

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