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[00:00:18] **Speaker 1** Well. Hi. Good morning, everybody, and thank you.

[00:00:24] **Speaker 2** For joining us today.

[00:00:25] **Speaker 1** I also want.

[00:00:26] **Speaker 2** To thank the members.

[00:00:28] **Speaker 1** Of the cabinet who are.

[00:00:29] **Speaker 2** Here with us this.

[00:00:30] **Speaker 1** Morning, as well as my Democratic colleagues from the other wing.

[00:00:34] **Speaker 2** Especially our champions on the Joint Committee on Finance, who have been putting in tireless hours to send.

[00:00:41] **Speaker 1** Me the best darn budget.

[00:00:43] **Speaker 2** Possible. So thank you for your work.

[00:00:45] **Speaker 1** And I also want to thank the folks from.

[00:00:48] **Speaker 2** The state Budget Office and from the building commission staff and of course, the people that work with me in the governor's office. So how about a round of applause for.

[00:01:05] **Speaker 1** During my first term as governor, I signed two biennial budgets.

[00:01:10] **Speaker 2** That made generational investments.

[00:01:13] **Speaker 1** In key areas.

[00:01:15] **Speaker 2** That that really made a difference. And while using.

[00:01:18] **Speaker 1** My broad.

[00:01:19] **Speaker 2** Constitutional veto.

[00:01:21] **Speaker 1** Authority to improve those budgets.

[00:01:23] **Speaker 2** Sent to me by the Republicans in the legislature.

[00:01:26] **Speaker 1** So we've accomplished a lot over.

[00:01:28] **Speaker 2** The last four years. We've invested in our shared priorities, including schools and education, delivering tax relief for working families, increasing access.

[00:01:38] **Speaker 1** To affordable health.

[00:01:39] **Speaker 2** Care.

[00:01:40] **Speaker 1** Fixing our roads and bridges, supporting our small businesses, veterans, farmers and agricultural industries, expanding heights.

[00:01:47] **Speaker 2** High speed Internet, addressing climate change and protecting our natural resources.

[00:01:53] **Speaker 1** As well as bolstering our.

[00:01:54] **Speaker 2** Workforce to maintain economic momentum.

[00:01:58] **Speaker 1** So where do we start? After 30 years of deficits.

[00:02:02] **Speaker 2** We have had three consecutive fiscal.

[00:02:04] **Speaker 1** Years with a positive balance in.

[00:02:06] **Speaker 2** Our general fund, and we ended the fiscal year.

[00:02:09] **Speaker 1** With a records.

[00:02:10] **Speaker 2** Record setting $4.6 billion balance.

[00:02:14] **Speaker 1** We paid down various debts.

[00:02:17] **Speaker 2** We have had.

[00:02:18] **Speaker 1** The lowest.

[00:02:18] **Speaker 2** Unemployment rate and in the state's history, and we've had the highest.

[00:02:23] **Speaker 1** Number of people employed ever.

[00:02:25] **Speaker 2** In our state history.

[00:02:35] **Speaker 1** An interfaith rainy day fund is at the highest level ever, a record $1.8 billion.

[00:02:41] **Speaker 2** Which is.

[00:02:42] **Speaker 1** More than five.

[00:02:43] **Speaker 2** Times what it was when I took this office.

[00:02:52] **Speaker 1** We began this budget process with a historic opportunity and with.

[00:02:56] **Speaker 2** That historic.

[00:02:57] **Speaker 1** Responsibility not to be careless, but to stay well within our means while investing in needs that have long.

[00:03:04] **Speaker 2** Been neglected.

[00:03:05] **Speaker 1** In many ways. In many ways.

[00:03:08] **Speaker 2** Republicans in the legislature.

[00:03:10] **Speaker 1** Have failed to meet.

[00:03:11] **Speaker 2** This historic moment.

[00:03:13] **Speaker 1** They sent the budget back to my desk without making critical.

[00:03:17] **Speaker 2** Investments in key areas that.

[00:03:19] **Speaker 1** They know and have acknowledged.

[00:03:21] **Speaker 2** Are essential to the success of our state.

[00:03:24] **Speaker 1** And they did so providing no real justifications.

[00:03:28] **Speaker 2** Any kind of substantive.

[00:03:29] **Speaker 1** Debate.

[00:03:30] **Speaker 2** Or any meaningful alternatives.

[00:03:32] **Speaker 1** That decision is, to put it.

[00:03:35] **Speaker 2** Simply, is an abdication of duty.

[00:03:38] **Speaker 1** Since day one, my budgets have always been about.

[00:03:41] **Speaker 2** Pragmatic solutions.

[00:03:44] **Speaker 1** Like state funding for.

[00:03:46] **Speaker 2** High speed.

[00:03:46] **Speaker 1** Broadband, like affordable and accessible childcare, like substantial categorical aid.

[00:03:53] **Speaker 2** Increases for our.

[00:03:54] **Speaker 1** Schools.

[00:03:55] **Speaker 2** Investing in our University of Wisconsin system and our technical.

[00:03:58] **Speaker 1** College providing targeted tax relief.

[00:04:01] **Speaker 2** For caregivers.

[00:04:02] **Speaker 1** Parents, seniors and veterans.

[00:04:04] **Speaker 2** And their spouses.

[00:04:05] **Speaker 1** Expanding badger care and paid family leave, legalizing and.

[00:04:09] **Speaker 2** Taxing marijuana.

[00:04:10] **Speaker 1** Just like alcohol. Folks, these are not.

[00:04:14] **Speaker 2** Controversial concepts at all.

[00:04:17] **Speaker 1** In light of these shortsighted decisions, there are those who would have me veto.

[00:04:21] **Speaker 2** The.

[00:04:22] **Speaker 1** Entire budget.

[00:04:23] **Speaker 2** And send the legislature back to the drawing.

[00:04:25] **Speaker 1** Board and ask them to start from scratch. Be doing this entire budget would mean abandoning priorities and ideas that I've spent four years advocating for. It would mean leaving schools and communities in the.

[00:04:39] **Speaker 2** Lurch after rightfully securing historic increases for the first time in years.

[00:04:45] **Speaker 1** It would mean forging the first Republican effort to address pay.

[00:04:49] **Speaker 2** Fors after years of action at this budget. And this budget includes $125 million to address.

[00:05:05] **Speaker 1** It would mean forfeiting one of the largest.

[00:05:07] **Speaker 2** Investments in state.

[00:05:08] **Speaker 1** History and workforce housing a $525.

[00:05:11] **Speaker 2** Million investment in.

[00:05:13] **Speaker 1** Expanding. Getting me access to affordable housing statewide, which is a critical starting point. If we want to even begin to.

[00:05:28] **Speaker 2** Address our state's workforce challenges in the long term.

[00:05:33] **Speaker 1** And it would mean turning our back on.

[00:05:35] **Speaker 2** Our justice system workforce, our.

[00:05:38] **Speaker 1** State workforce, our tourism.

[00:05:40] **Speaker 2** Industry, our.

[00:05:41] **Speaker 1** Farmers and producers, and our veterans.

[00:05:44] **Speaker 2** Among others.

[00:05:46] **Speaker 1** So we are here today because while Republicans in the.

[00:05:48] **Speaker 2** Legislature might.

[00:05:49] **Speaker 1** Be perfectly.

[00:05:51] **Speaker 2** Comfortable abdicating the duty we.

[00:05:53] **Speaker 1** Share, I'm not. My focus has always been and always will be.

[00:05:58] **Speaker 2** The people of this state.

[00:05:59] **Speaker 1** To whom I have pledged to.

[00:06:01] **Speaker 2** Always try to.

[00:06:02] **Speaker 1** Do the right thing. This is a pledge.

[00:06:06] **Speaker 2** This is a pledge. Why? I am.

[00:06:08] **Speaker 1** Enacting the budget.

[00:06:10] **Speaker 2** With substantial improvements today.

[00:06:13] **Speaker 1** This budget provides a.

[00:06:15] **Speaker 2** Historic increase to.

[00:06:16] **Speaker 1** Support our local.

[00:06:17] **Speaker 2** Communities.

[00:06:18] **Speaker 1** Statewide, representing a.

[00:06:20] **Speaker 2** Generational increase.

[00:06:22] **Speaker 1** While.

[00:06:22] **Speaker 2** Allowing for future growth and ensuring the city of McKee.

[00:06:26] **Speaker 1** And the county of.

[00:06:27] **Speaker 2** Markey don't face an imminent fiscal.

[00:06:29] **Speaker 1** Cliff. Under the hour by our.

[00:06:32] **Speaker 2** Bipartisan compromise, most municipalities across our state will.

[00:06:36] **Speaker 1** See more than a.

[00:06:37] **Speaker 2** 20% increase in spending.

[00:06:48] **Speaker 1** This budget also builds on our work to do what's best.

[00:06:51] **Speaker 2** For our kids.

[00:06:51] **Speaker 1** And with a historic budget.

[00:06:53] **Speaker 2** Investments in K through 12 statewide.

[00:06:56] **Speaker 1** Now, I know that.

[00:06:57] **Speaker 2** This isn't everything that I.

[00:06:58] **Speaker 1** Proposed in my budget. Far from it. But this budget does maintain.

[00:07:03] **Speaker 2** Two thirds funding.

[00:07:05] **Speaker 1** And with the revenue limit.

[00:07:06] **Speaker 2** Increasing for the upcoming school.

[00:07:08] **Speaker 1** Year, we are providing.

[00:07:10] **Speaker 2** More than $1 billion in.

[00:07:12] **Speaker 1** Spendable revenue for.

[00:07:13] **Speaker 2** K through 12.

[00:07:14] **Speaker 1** Schools. That's money that can be.

[00:07:16] **Speaker 2** Used in a classroom for teachers and kids.

[00:07:27] **Speaker 1** This includes a $325 per pupil revenue limit adjustment in each year of the biennium. And while I've been able to, you know, and while I've been able to unilaterally over the last four years.

[00:07:40] **Speaker 2** Increase aid per student by over.

[00:07:42] **Speaker 1** $300, we know.

[00:07:44] **Speaker 2** That we will still have a lot of work to do and ensure that state investments.

[00:07:49] **Speaker 1** Can keep up with inflation. So I have also used my broad veto authority to.

[00:07:55] **Speaker 2** Provide school districts with predictable.

[00:07:58] **Speaker 1** Long.

[00:07:58] **Speaker 2** Term increases for the foreseeable future.

[00:08:10] **Speaker 1** His budget also provides $50 million to improve reading and.

[00:08:13] **Speaker 2** Literacy outcomes for K through 12 students and.

[00:08:16] **Speaker 1** $30 million over the.

[00:08:18] **Speaker 2** Biennium to continue to support school based mental health services statewide. So your mental health folks.

[00:08:33] **Speaker 1** We'll also reach 33.3% reimbursement for special education.

[00:08:38] **Speaker 2** And increased the lower revenue ceiling.

[00:08:41] **Speaker 1** From, what, $10000.

[00:08:42] **Speaker 2** To $11000 per student?

[00:08:50] **Speaker 1** This budget, with the help of my vetoes, will provide $15 million.

[00:08:56] **Speaker 2** In additional support for our state's child care providers.

[00:09:06] **Speaker 1** And by the way, part of having a strong workforce.

[00:09:08] **Speaker 2** Is investing in higher education.

[00:09:11] **Speaker 1** So I'm glad that the Republicans took my veto threat.

[00:09:14] **Speaker 2** Seriously when they promised and got our University of Wisconsin system by more than $32 million.

[00:09:21] **Speaker 1** At one point even threatening to.

[00:09:23] **Speaker 2** Cut hundreds of millions of dollars.

[00:09:25] **Speaker 1** And decided at the end to provide an opportunity for.

[00:09:29] **Speaker 2** The UW system to retain $32 million in this final budget.

[00:09:35] **Speaker 1** But I also.

[00:09:35] **Speaker 2** Want to be clear. Republicans decision to.

[00:09:38] **Speaker 1** Prolong their decade long war on higher education by failing to provide meaningful.

[00:09:45] **Speaker 2** Investments in our University of Wisconsin system.

[00:09:48] **Speaker 1** And our technical.

[00:09:49] **Speaker 2** Colleges.

[00:09:51] **Speaker 1** Is shortsighted.

[00:09:52] **Speaker 2** Misguided.

[00:09:52] **Speaker 1** And wrong for the workforce, wrong for our.

[00:09:55] **Speaker 2** Economy and our state.

[00:09:57] **Speaker 1** So we're going to give the UW system the ability to.

[00:10:00] **Speaker 2** Keep 188 positions.

[00:10:03] **Speaker 1** Working on.

[00:10:03] **Speaker 2** Diversity, equity and.

[00:10:05] **Speaker 1** Inclusion. Our state to continue to be competitive in recruiting and.