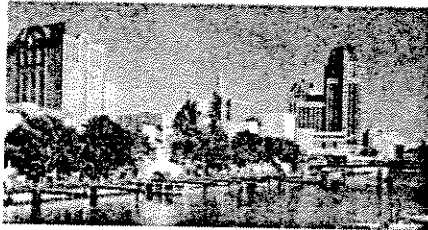


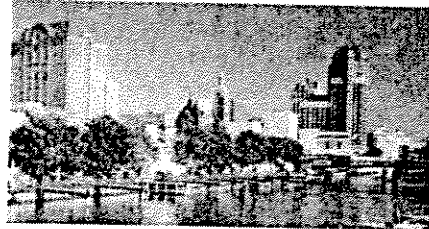
Overview of Governor Doyle's 2005-07 Biennial Budget

Provided by: Budget and Policy and
Intergovernmental Relations Divisions



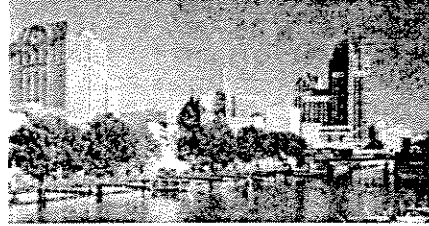
February 14, 2005

Local Aids and Taxes



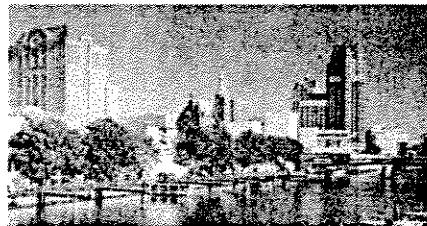
- Shared Revenue payments remain at level of previous biennium
- Property Tax Freeze limits tax levy increases to inflation plus 60% of net new construction growth for the region (excludes debt and TID's)
- Expenditure Restraint Program is modified to restrain levy instead of expenditures. Must be at or below 85% of freeze level to qualify
- \$10 million bonus payment program for municipalities even lower than 85% threshold
- \$150 million increase in school levy credit program starting in 2007

Education Funding



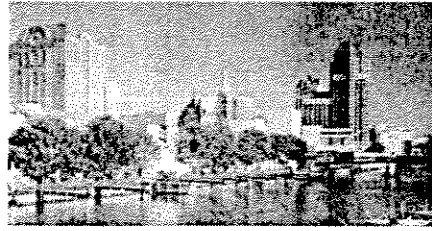
- 2/3 School Equalization Aid commitment is restored
- Proposal to repeal Qualified Economic Offer
- Library System Aids are increased to 8% index
- Revenue Limit Calculation is changed to 5-Yr rolling average
- SAGE Program reimbursement rate is increased to \$2,500 by 2007
- Pupil transportation Aid is increased by \$13.2 million
- Special Education Aid is increased by \$15 million

Economic Development



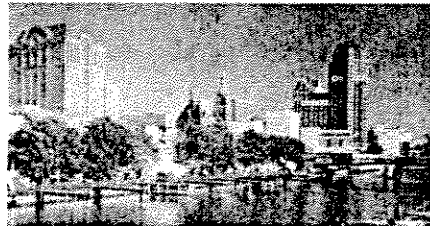
- WHEDA program is expanded to further benefit economically distressed individuals and communities
- Brownfields Initiative is funded at same level as previous biennium
- New Super Employment Development Zone Program directed at extremely distressed areas of the state
- State Tax Credits for Enterprise Development Zones are reduced by \$32 million over biennium but cap on number of zones is eliminated
- New Training Assistance Grants for businesses creating new jobs

Transportation Funding



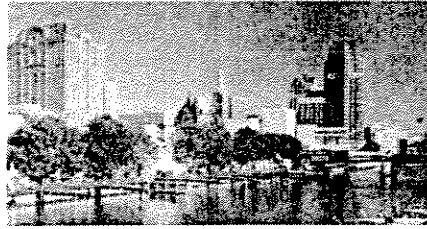
- \$345 million provided to complete Marquette Interchange reconstruction
- Vehicle Registration Fees increased for cars and trucks
- General Transportation Aids increased by 1% in 2006 and 2% in 2007
- Lift Bridge Aids fully funded
- KRM Connector and Milwaukee-Chicago Amtrak projects are funded
- \$98 million for southeastern WI freeway system rehab and preliminary engineering for I-94 south corridor

Health and Human Services



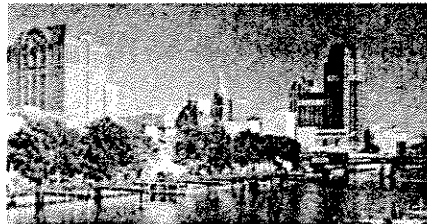
- No changes to Medicaid eligibility or benefits
- Extension of Medical Assistance benefits through the 21st birthday for foster children in the system at age 18
- \$10 million for Medical Technology Information Systems

Environment and Natural Resources



- Environmental Improvement Program borrowing increased by \$15.7 million
- Harbor Assistance Grants increased to \$13.3 million.
- \$4.7 million for urban non-point pollution and flood control grants
- Increased funding for beach water testing
- License fees are increased by \$3 to help fund state fishery preservation

Justice and Public Safety



- New illegal drug enforcement funding for the Milwaukee Police Department
- Increased funding for DNA analysts
- Increased funding for released offender programs intended to improve transition into the community
- In Circuit Courts, increased funding for court interpreters for those with limited English proficiency