



Legislative Fiscal Bureau

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May 20, 2026

TO: Members
Wisconsin Legislature

FROM: Bob Lang, Director

SUBJECT: Estimated 2027-29 Out-Year Commitment under May 2026 Special Session Assembly Bill 1

In response to inquiries from a number of legislators, this memorandum provides information relating to the estimated out-year commitment for the 2027-29 biennium under the provisions of May 2026 Special Session Assembly Bill 1 (SS AB 1), as amended by Assembly Amendment 1.

On May 20, this office published a memorandum showing the 2025-27 and 2027-29 general fund condition under the actions to date of the 2025-26 Legislature (2025 Acts 1 to 247). As shown in that memorandum, the general fund would have an estimated balance of \$2,367 million at the end of the 2025-27 biennium, and \$525 million at the end of the 2027-29 biennium. In preparing the estimate for the 2027-29 biennium, no assumptions were made relating to growth in revenues or expenditures; the estimate gives an indication of the commitments made for the next biennium under the actions of the 2025-26 Legislature.

The following table shows the estimated fiscal effect of the SS AB 1 over the 2025-27 and 2027-29 biennia, and how the estimated out-year commitment would have been affected had the bill, as amended, been passed and signed into law.

**Estimated Reduction in General Fund Balance
Under May 2026 Special Session Assembly Bill 1
as Amended by Assembly Amendment 1
(in Millions)**

	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>2028-29</u>	Four-Year <u>Total</u>
General School Aid	\$0.0	\$302.5	\$302.5	\$302.5	\$907.5
Special Education Aid	85.0	230.0	230.0	230.0	775.0
Choice/Charter Payments	4.3	12.0	12.0	12.0	40.3
WTCS Property Tax Aid	0.0	50.0	50.0	50.0	150.0
One-Time Surplus Rebate	0.0	870.0	0.0	0.0	870.0
Disaster Assistance Grants	20.0	0.0	0.0	0.0	20.0
Veterans Property Tax Credit	0.0	1.2	1.2	1.2	3.6
Overtime Exclusion	0.0	179.9	148.1	148.1	476.1
Tips Exclusion	0.0	52.9	48.9	48.9	150.7
Interest Earnings Reduction	<u>0.2</u>	<u>27.2</u>	<u>27.2</u>	<u>27.2</u>	<u>81.8</u>
Totals	\$109.5	\$1,725.7	\$819.9	\$819.9	\$3,475.0
Out-Year Commitment Under Acts 1 to 247		\$525			
Additional Commitments Under SS AB 1		<u>-3,475</u>			
Out-Year Commitment if SS AB 1 Enacted		-\$2,950			

As shown in the table, the general fund balance would have been reduced by an estimated \$3,475 million over those four years. As a result, had the bill been enacted, the out-year commitment would have been an estimated -\$2.950 billion at the end of the 2027-29 biennium (\$525 million minus \$3,475 million).

BL/DL/ml