**Fiscal Facts: Why state spending on capital projects is on the rise**

Wisconsin’s latest surge in spending on building projects — more than $1.9 billion over the two-year budget — follows four years in which funding was curtailed for the state’s vast portfolio of facilities.

This amount is the total for the state’s 2019-21 capital budget, which funds maintenance and upgrades to more than 6,000 buildings owned by the state.

Democratic Gov. Tony Evers and Republican lawmakers have drawn attention for nearly doubling spending in the latest capital budget and for more than doubling borrowing in this area. However, the spending increase was driven in part by the $3.5 billion in project requests made by state agencies last year under former Gov. Scott Walker — the highest amount in at least the past decade.

In the latest budget, Evers and legislators approved just over half the total dollar amount of capital projects requested. This was a larger share than recent years but still below the average since 2007.

After adjusting for inflation, the current capital budget represents the largest since 2001, when more than $2.2 billion in 2019 dollars was approved. It is roughly twice as large as those approved in 2015 and 2017. The largest sum in the latest budget went to the University of Wisconsin System, which has the most state facilities and which received a less than average share of its requests in the two previous state budgets.

While delaying a capital project can yield short-term savings, it also can result in a long-term cost. Estimated costs for several project requests that were deferred in previous budgets and made again in the latest one rose more quickly than the rate of inflation.

*This information is a service of the Wisconsin Policy Forum, the state’s leading resource for nonpartisan state and local government research and civic education. Learn more at wispolicyforum.org.*