



2025-2027 Compensation Plan Update

September 16, 2025

The state compensation plan which provides across the board wage increases, wage increases for targeted classifications, fringe benefit changes, and changes in travel allowances, has taken an unusual route this year.

On July 3, 2025 the bipartisan 2025-2027 state budget was signed by Governor Tony Evers. It included \$385 million to provide a 3% pay increase starting September 4, 2025 and a 2% increase in 2026 to all eligible workers in pay status as of June 29, 2025. The second year of raises is supposed to occur on June 28, 2026.

In the past, a pay adjustment for state employees authorized in the budget would then require another approval by the Legislature's Joint Committee on Employment Relations in order to be disbursed. This time, the Division of Personnel Management cited a State Supreme Court ruling handed down last year stating that the Governor does not need approval to spend funding already allocated through the state budget process.

Accordingly, the Department of Administration's Division of Personnel Management issued a Bulletin on August 7 that implemented general wage increases for state employees of 3% on August 10, 2025 and 2% on June 29, 2026. In an email message to State employees dated August 11, Governor Evers announced the 3% wage increases for state employees and employees of the University of Wisconsin with a lump sum back pay from June 29.

Evers also explained:

It was important to me that state workers received this wage adjustment as soon as possible. The work that we do together every day on behalf of the people of Wisconsin is so important—perhaps never more so than it is today—

with Washington creating continued uncertainty through devastating cuts to investments and programs that so many across our state rely on.

The Joint Committee on Employment Relations met on September 3 to approve the general wage adjustments on an 8 – 0 vote. This action had debatable impact since Governor Evers had already implemented the changes which were included in the state budget.

Following the Committee meeting, Assembly Speaker Robin Vos made the following statement:

It is unfortunate that something that has literally worked for generations, not just decades, but generations, is being upended by an administration that is drunk with power. It really seems like rather than trying to be collaborative, and go through the normal process where Republicans, Democrats, legislators and executives branch all sit down to work out a deal, they are just trying to impose their will on the state which will mean unfortunately that during the next budget discussion, it will be dramatically different.

More detailed changes in compensation for state employees such as pay progressions, new pay ranges, and most market pay provisions will have to wait for action on a DPM proposal by the Joint Committee on Employment Relations. To get this process started, Jen Fogel, DPM Administrator, on August 27 issued a letter to the Joint Committee on Employment Relations with four attachments that included:

- A: Summary of Changes (https://dpm.wi.gov/Documents/BCER/Compensation/25-27_Attachment_A.pdf)
- B: 2025-2027 Compensation Plan (https://dpm.wi.gov/Documents/BCER/Compensation/25-27_Attachment_B.pdf)
- C: 2025-27 Compensation Plan Cost Estimate (https://dpm.wi.gov/Documents/BCER/Compensation/25-27_Attachment_C.pdf)
- D: Companion Bill (https://dpm.wi.gov/Documents/BCER/Compensation/25-27_Attachment_D.pdf)

These documents do not specify an effective date since that will depend on the Committee's action.

For now, it is unclear when, if ever, the Joint Committee on Employment Relations will meet to discuss and act on the full Compensation Plan.

2025-2027 State of Wisconsin Proposed Compensation Plan Overview

The Compensation Plan covers general employees, certain unclassified employees, and elected officials. It includes pay and benefit administration for all non-represented classified positions which excludes unionized bargaining units and unclassified

positions whose compensation is specified by law including elective offices, appointive executive salary group (ESG) positions, and certain non-ESG positions in the executive branch. It includes various market and other pay increases for non-represented employees. It also includes travel reimbursement provisions increasing the maximum lodging rate from \$98 to \$101 per night, and from \$103 to \$106 in urban counties and an increase to the reimbursable meal amounts.

Pay ranges were proposed for Information Technology positions, advanced practice nurses, entry level security, public safety and technical positions. In addition, certain medical treatment pay ranges would be adjusted to continue to be competitive in a restrictive market.

The Association of Career Employees (ACE) has been a voice for Wisconsin's civil service employees for more than 40 years. Our purpose is to identify common concerns of state civil service employees, represent state employee and retiree interests, and protect what has been, and can again be, a nationally respected civil service system.

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Website: <https://acewisconsin.org> Email: ace@acewisconsin.org

Mailing Address:
Association of Career Employees
P.O. Box 5244, Madison, WI 53705

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