



A Summary of the Governor's Proposed Budget for Higher Education

Governor Walker's budget proposes freezing tuition at the state's technical college system and cutting tuition for the University of Wisconsin System. He recommends slightly increasing state support to partly pay for the tuition freeze and cut. He also proposes a modest increase in state support for the UW System, distributing the funding based on how individual campuses perform on a specified set of outcome measures. However, his budget does not go very far in rolling back significant budget cuts to the technical college system and the UW System that lawmakers have made in recent years.

The proposed budget now moves to the budget committee of the legislature, where lawmakers will make changes.

PARTIALLY FUNDING A NEW TUITION FREEZE, BUT NO RELIEF FROM PAST CUTS

Governor Walker recommends freezing technical college tuition and providing \$10 million over two years in state funding to technical colleges to make up for the loss of tuition revenue. Unlike the UW System, technical college tuition levels have not previously been subject to a freeze.

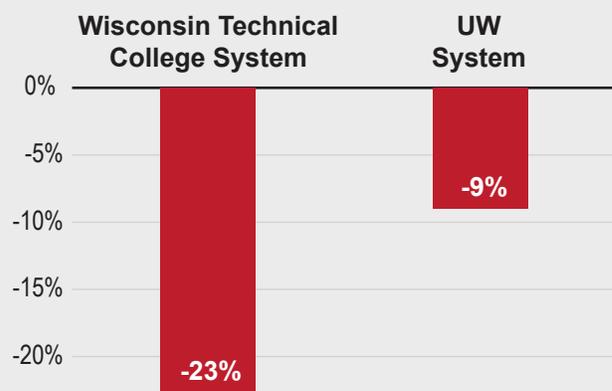
For the UW System, Governor Walker has proposed a tuition freeze in the first year of the budget and a tuition cut in the second year. If his proposal is enacted, 2017-18 would mark the fifth straight year of a UW tuition freeze. Governor Walker would not provide any additional state support to the UW System in 2017-18 to make up for the loss of tuition revenue. Lawmakers also withheld additional state support for the previous four years of the freeze.

His budget proposal would decrease UW tuition by five percent in 2018-19, and provide the UW System with an additional \$35 million to make up for that part of the loss of tuition revenue.

This budget proposal would not do much to roll back the severe budget cuts that lawmakers made to the state's higher education systems in recent years. The amount of General Purpose Revenue (GPR, or general tax dollars) that Governor Walker recommends spending on the technical college system in the 2017-19 budget period represents a drop of 23% from the 2009-11 budget period, after taking inflation into account. His recommendation for spending on the UW System represents a nine percent drop from the 2009-11 budget period in GPR dollars, and the tuition freezes exacerbate the loss in funding.

Even with Small Proposed Increase, State Spending on Higher Education Would Be Below Historical Levels

Change in General Purpose Revenue spending from the 2009-11 budget period to the proposed 2017-19 budget, adjusted for inflation.



2013 Act 145 replaced \$406 million of technical college property tax revenues with state GPR. To make valid comparisons across years, this analysis excludes that amount.

Source: Analysis of figures from the Department of Administration
WISCONSIN BUDGET PROJECT

SETTING NEW CRITERIA FOR DISTRIBUTING FUNDING TO UW CAMPUSES

Governor Walker proposes adding \$43 million over two years in new funding to the UW System, to be distributed among the campuses using a set of criteria he specified. The criteria focus on affordability and attainability of degrees, student work readiness, student success in the workforce, operational efficiency, outreach, and additional criteria. Currently, the Board of Regents distributes state support to UW campuses based on the previous year's budget, making adjustments as necessary or desired.

The proposed budget also continues a requirement that the state's technical college system allocate 30% of general state support to districts based on a performance funding formula. Governor Walker has proposed modifying the performance criteria for the technical college system so that they more closely resemble the measures he wants the UW System to use. Most general state support to the technical college system is distributed using a different formula that accounts for differences in property values among districts, giving more state aid to districts with less capacity to increase local property tax support.

Performance measures like the ones Governor Walker has proposed, which allocate funding in part based on the length of time it takes students to obtain a degree, risk providing institutions with disincentives to admit low-income students, who may take longer to graduate.

OTHER CHANGES TO HIGHER EDUCATION

The Governor's budget includes other provisions that would affect higher education, including:

- Making it optional, rather than required, that UW students pay fees that students are responsible for allocating, subject to university approval. The fees provide substantial support for campus student activities such as transportation, sexual assault prevention, and veterans' services;
- Requiring that UW students have work experience or an internship in order to obtain a bachelor's degree;
- Eliminating the board that regulates for-profit colleges, and transferring the funding and positions to another part of state government. Some advocates for students believe this move could reduce oversight of for-profit colleges;
- Increasing by 50% the number of programs offered under the UW's Flexible Option Program, which is aimed at providing educational opportunities to adults who have some college credit and significant work experience. Governor Walker did not propose allocating new resources to the UW System to fund this expansion;
- Doubling the minimum number of core general education course credits that are transferable between the UW and the technical college system;
- Providing \$3 million over two years for the state's workforce development agency to expand early college credit offerings for high school students; and
- Providing \$5 million in one-time grant money to technical colleges for workforce training programs.

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