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(FORM UPDATED: 08/11/2010)

# WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

## 1997-98

(session year)

## Senate

(Assembly, Senate or Joint)

## Committee on Education...

### COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

### INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

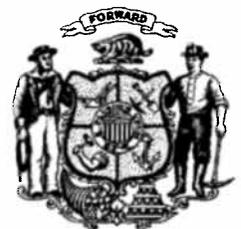
- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)  
(**ab** = Assembly Bill)                      (**ar** = Assembly Resolution)                      (**ajr** = Assembly Joint Resolution)  
(**sb** = Senate Bill)                              (**sr** = Senate Resolution)                              (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

\* Contents organized for archiving by: Stefanie Rose (LRB) (December 2012)





# WISCONSIN STATE LEGISLATURE





# United Council

of University of Wisconsin Students, Inc.

122 State Street, Suite 500, Madison, WI 53703 Phone: (608) 263-3422 Fax: (608) 265-4070

Testimony of

**John Grabel**

Legislative Affairs Director

## **Reinstatement of The Sunset on Tuition Flexibility SB 479**

Before the Senate Education Committee

March 11, 1998

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Senator Potter, members of the committee, good morning and thank you for the opportunity to address you today.

My name is John Grabel, and I am the Legislative Affairs Director for United Council of UW Students. United Council is the nation's oldest and strongest state student association consisting of 24 UW System campuses, and representing more than 140,000 students in Wisconsin.

The 1997-99 state budget created the power of tuition flexibility for the UW System Board of Regents. This power gives the Board additional tuition expenditure authority of 4% in the first year of the biennium and 7% in the second year of the biennium. United Council strongly opposed this provision in the state budget, emphasizing that the responsibility of funding public institutions should be reserved to the legislature. Tuition flexibility takes this away from the state legislature and gives it to an appointed, unaccountable body.

While students were disappointed to see tuition flexibility as a part of the biennial budget, they were able to take solace in the fact that the legislature included a sunset clause on the policy that would keep it in place only for the 1997-99 biennium. Unfortunately for students this clause was vetoed in the final version of the budget.

The effects of tuition flexibility have already been damaging to students. This biennium has already seen a 7.9% tuition increase, with 3.8% of it a direct result of tuition flexibility. This is in spite of the fact that UW System officials and members of the Board testified that tuition flexibility would not be exercised to raise tuition to levels greater than 7% above the previous academic year.

What is even more troubling is that tuition flexibility is not even being used for the things that those

who advocated for it intended.

Those in favor of tuition flexibility argued that the policy would allow the Board to be more responsive to the needs of campuses and students in the system by using the power to fund new initiatives. While students fully support increases in the pay of UW faculty and staff to maintain a high quality of education in the system, they do not feel that they should be forced to fully support those pay increases through the additional 3.8% tuition increase brought on by tuition flexibility.

In the climate that tuition flexibility was created in it will never be used for additional library funding, new advising services, increased classroom technology, or any other campus-based initiative for which it was intended. It will instead exist to balance the state budget through tuition increases and forever be linked to faculty pay.

Students urge you to put your sunset clause back on tuition flexibility, and restore the student/state balance of funding for our UW System. Please support SB 479 and reprioritize higher education in the state of Wisconsin.



**TESTIMONY ON SENATE BILL 479**

**SENATE COMMITTEE ON EDUCATION  
WEDNESDAY, MARCH 11, 1998**

**MARGARET LEWIS, ACTING VICE PRESIDENT  
FOR UNIVERSITY RELATIONS  
UNIVERSITY OF WISCONSIN SYSTEM**

Senator Potter and members of the Committee, I am Margaret Lewis, representing the University of Wisconsin System. I appreciate this opportunity to comment on SB 479, a bill that seeks to repeal the limited tuition flexibility that was granted to the Board of Regents by the Legislature in 1997.

As part of the biennial budget, the Regents were permitted to increase tuition beyond the amount established by the Legislature: by up to 4% in the first year of the budget and by up to an additional 3% in the second year. The Board had sought such flexibility twice before, in 1991-93 and 1993-95, in order to help ensure stability of funding and quality of academic programs in times of uncertain state support.

Except for Wisconsin, all of the "Big Ten" Midwestern states grant such tuition-setting authority to their public university governing boards. The granting of limited flexibility to the UW System contributed to an overall tuition increase of about \$169 to \$209 per student this year. Even so, tuition at UW-Madison continues to rank ninth among its Big Ten peers. UW-Milwaukee ranks 11<sup>th</sup> among 15 peer urban institutions, and the comprehensive campuses rank 32<sup>nd</sup> among 35 regional peer institutions.

What our students received in return included greater integration of technology into their curriculum and the assurance that, when the faculty and staff that serve them today retire, the UW System will be able to replace them with the best available people. These new investments in students are achieved without changing the Board of Regents' historic commitment to moderate tuition.

As passed by the Legislature last year, the Board's authority to raise and spend this additional tuition would have sunset on June 30, 1999. In vetoing that provision, the Governor noted that "this authority provides the Board of Regents with the continuing flexibility it will require to meet rapidly changing student needs, including distance education, libraries, advising, faculty recruitment and retention and other emerging priorities."

We regard this as an experiment in management, but one with limited risk. The Board was not given a blank check to raise tuition. The other public Big Ten institutions have

no limit on their tuition-setting flexibility, whereas in Wisconsin the extra amount is capped by statute. Future tuition increases are still subject to review by the Legislature, the Governor, and the Board, and are further constrained by market forces.

The alternative to granting flexibility is for Wisconsin to lag even farther behind its neighboring states in terms of funding for public higher education. Over the past four years, for example, state funding of Midwestern universities increased dramatically, by as much as 27% in Ohio and 25% in Illinois. At the same time, state funding of Wisconsin higher education increased by just 7%. That's an increase of less than 2% per year, compounded annually.

Such a lag in state funding is not new in Wisconsin. When the UW System was created, its share of state GPR funding was 14.4%. Twenty-five years later, the percentage has fallen to just 9%. The attached graphs show how state spending priorities are shifting, how the growth in state funding for the UW System has lagged inflation since the early 1980s, and how state spending in Wisconsin per \$1,000 of personal income on higher education has declined over time.

This state and its university have a historic partnership that began 150 years ago. Many are not aware, however, of the change in that partnership that has occurred recently. This year, for example, revenues generated through tuition flexibility will provide the unfunded portion of the unclassified pay plan. In such an environment, the granting of limited tuition flexibility was a necessity.

Students are the ultimate beneficiaries of tuition flexibility. With modest, limited additions to their current tuition bill, they are helping to ensure the quality of their education and the value of their degree, both now and in the future. We would prefer such increases were not necessary. We would prefer that new investment in higher education would match that in Ohio, Illinois and elsewhere. Since that has not happened, the only responsible course of action has been to maintain quality by using tuition flexibility to increase revenues.

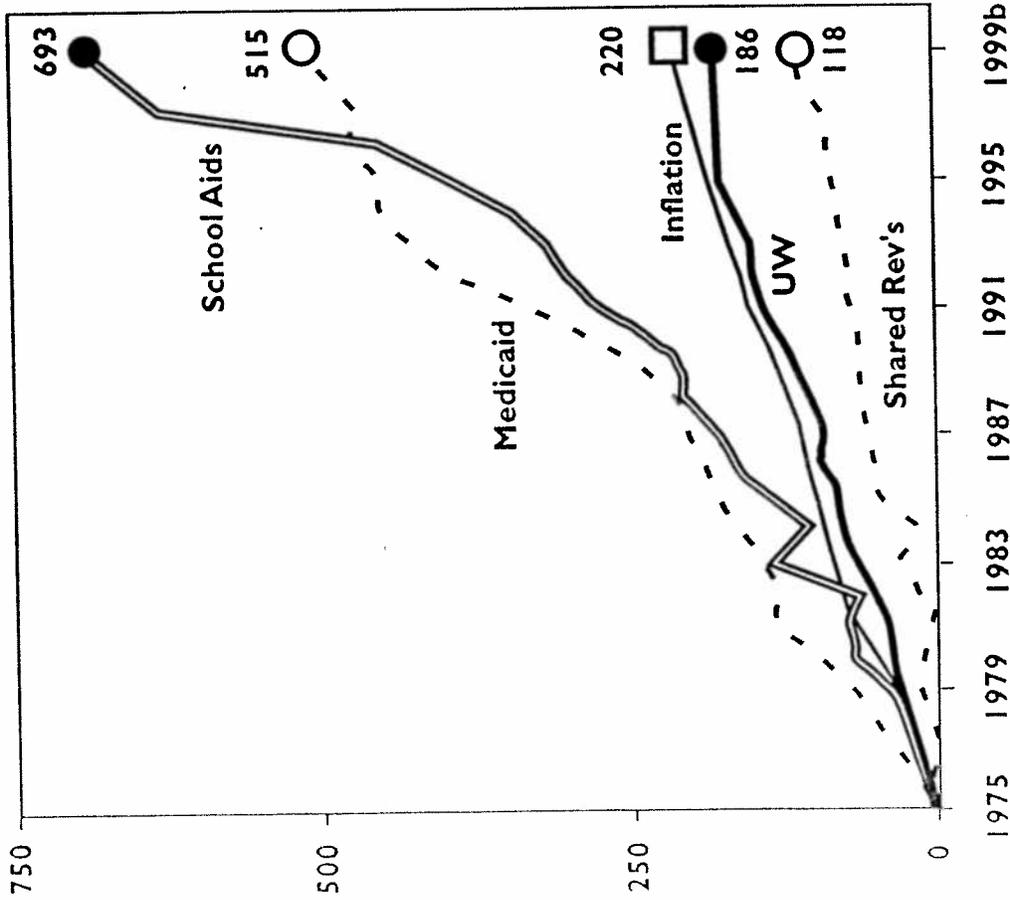
Removing that flexibility in 1999 might save current students a small amount of money each year. It would most certainly cost them a much greater sum, in terms of a lower-quality education, every succeeding year for the rest of their lives.

For all of these reasons, the UW System is opposed to SB 479. I would be happy to respond to any questions or comments you may have.

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# School Aids, Medicaid Lead Spending

Percentage Growth  
in State Programs  
(1975 = 0%)



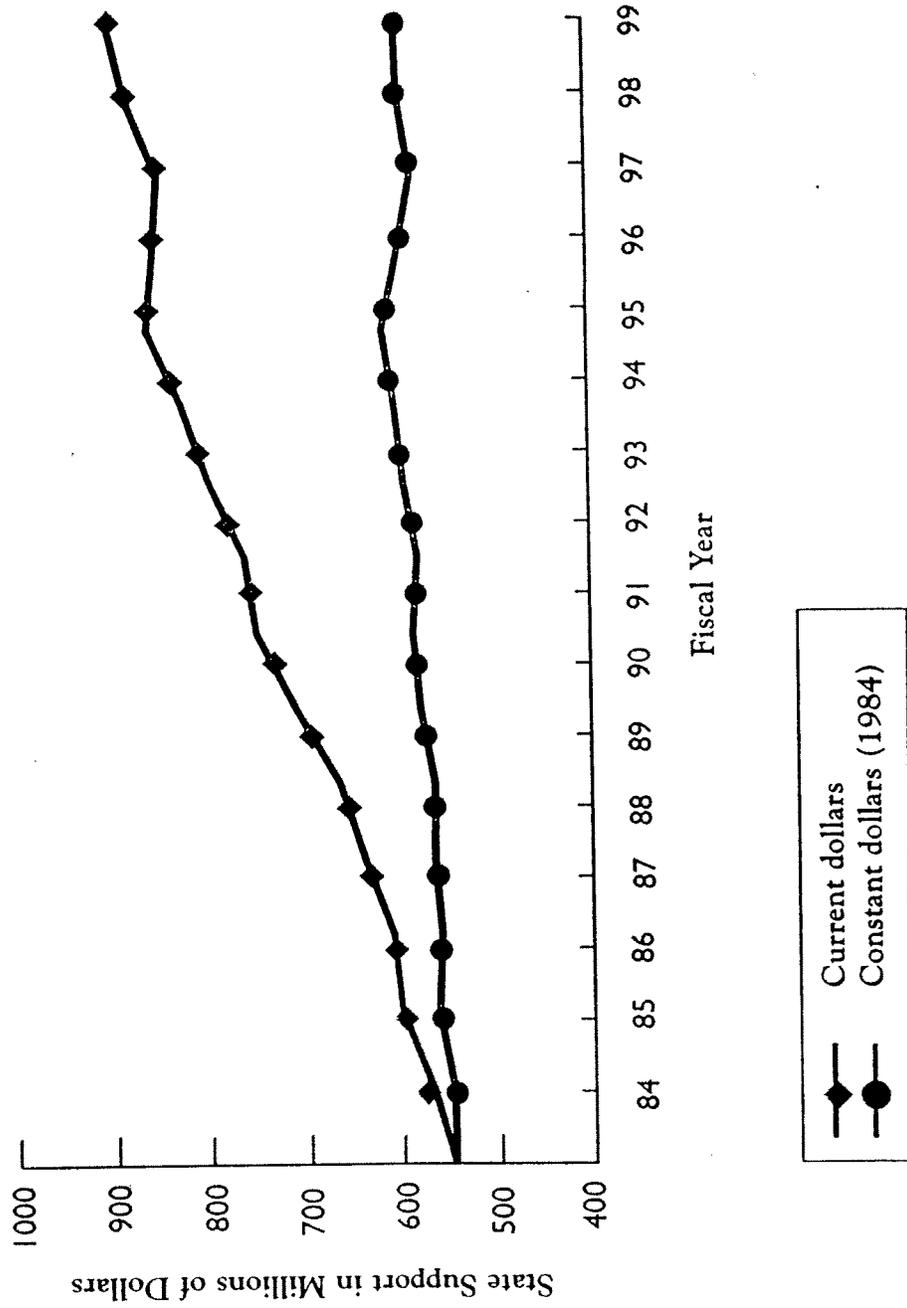
Source: Wisconsin Taxpayers Alliance

"CORRECTIONS: Prisons are a story so new that they were not a factor prior to recent biennia (and are not shown in the above table). However, during 1995-99, corrections expenditures are slated to grow 70.4%, faster than any other program shown."

Source: Wisconsin Government in Focus (WTA), "Show me the money," October 31, 1997

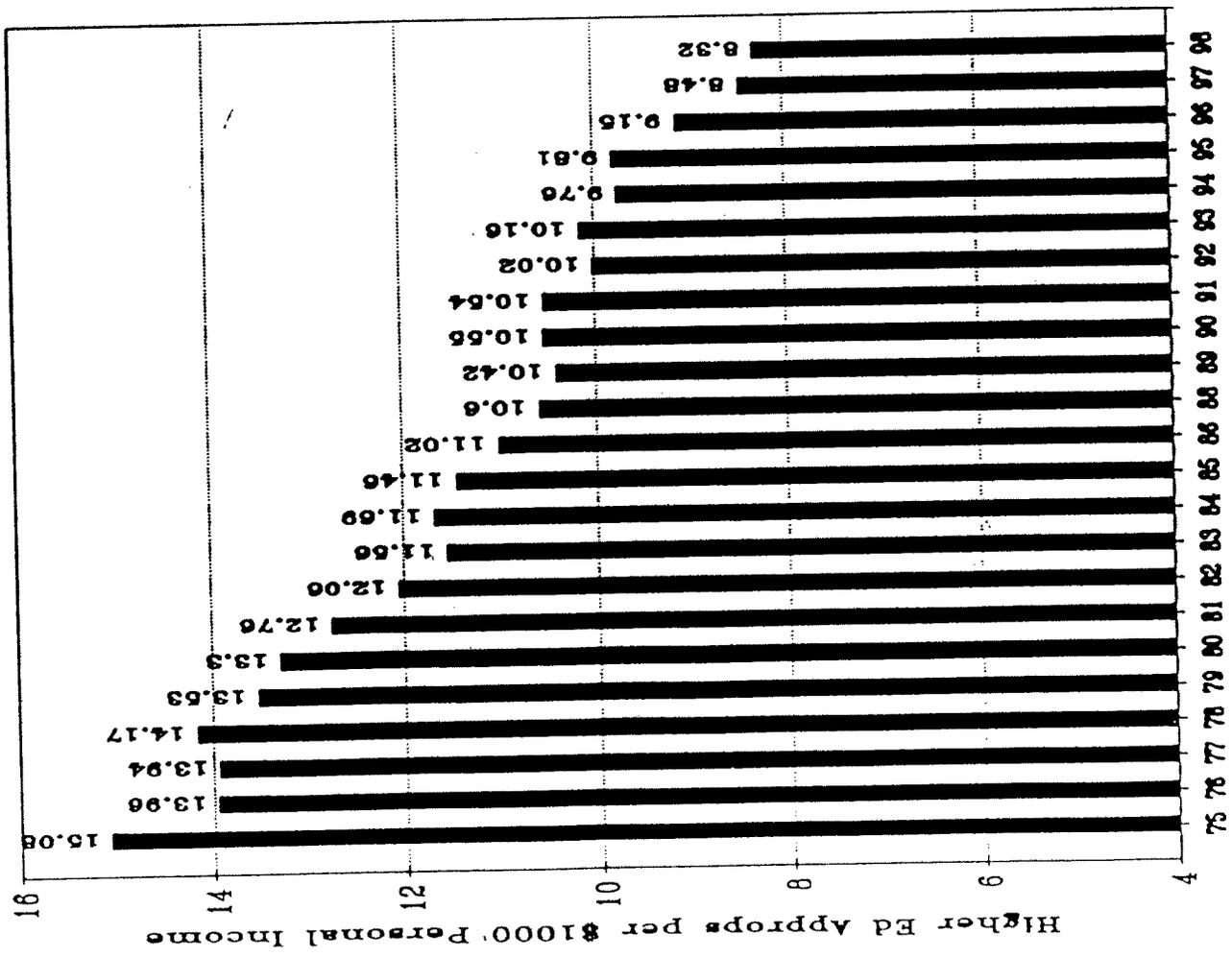
# State Tax Support of UW System (1984-1999)

*Inflation limits impact of dollar gains*

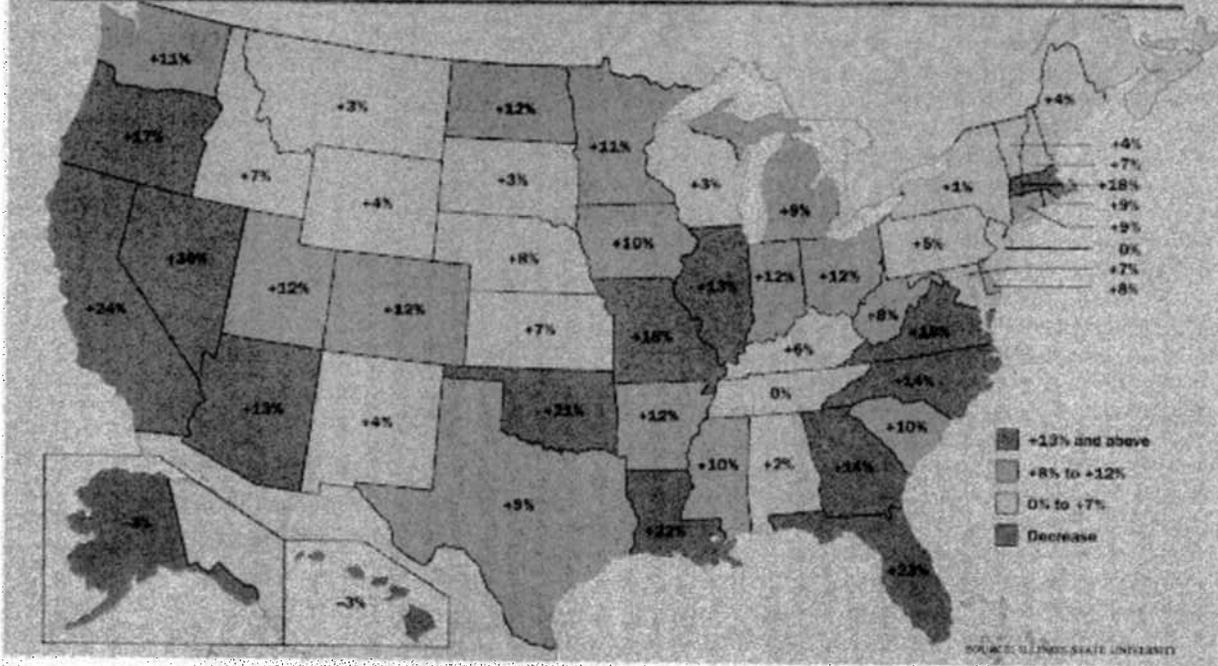


# Wisconsin Appropriations of State Tax Funds for Higher Education per \$1,000 of Personal Income: FY1975 - FY1998

Source:  
Postsecondary Education Opportunity  
November 1997



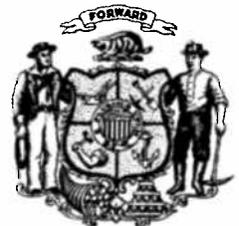
## 2-Year Changes in State Support for Higher Education



The Chronicle of Higher Education 11/14/97



# WISCONSIN STATE LEGISLATURE





TO: Members of the Senate Education Committee

FROM: Esther Olson, President *EMO*  
Academic Staff Public Representation Organization (ASPRO)

RE: SB 479

DATE: March 11, 1998

ASPRO is a non-profit professional organization that represents the legislative interests of the UW System academic staff. ASPRO strongly opposes SB 479, a bill which would place a sunset provision on the tuition flexibility provisions that were passed as part of the last budget. ASPRO believes that by limiting this flexibility, the legislature will severely restrict the ability of the Regents to meet changing student needs and attract and retain the highest quality faculty and academic staff.

The budget provisions which authorize the Board of Regents to expend up to four percent more than the amount appropriated in FY98 and seven percent more than the amount appropriated in the FY99 is vital in order to attract and retain the highest quality academic staff and faculty. By including these provisions in the budget, the legislature made tremendous progress toward bringing the salaries of academic staff and faculty in line with those of their counterparts at comparable universities, enabling the University to continue to attract highly qualified academic staff and faculty, and meeting the changing needs of Wisconsin students.

SB 479 will reverse the progress that was begun in the past budget and threaten the world class stature of Wisconsin's university system. While ASPRO understands the concerns regarding possible increases in tuition, access by any student, regardless of ability to pay, is not threatened by the increased flexibility. ASPRO has been a leading proponent of greater financial support for students. Any increase in tuition should be matched with a comparable increase in financial assistance to students.

ASPRO encourages your opposition to SB 479.