

18th Senate District (608) 266-5300 Sen.Feyen@legis.wi.gov

PO Box 7882, Madison, WI 53707-7882 http://legis.wisconsin.gov/senate/18/feyen

To: The Assembly Committee on Colleges and Universities From: Sen. Dan Feyen Re: Assembly Bill 748

Hello, Chairman Murphy and committee members. Thank you for taking time today to hear testimony on Assembly Bill 748.

There is no doubt Wisconsin is facing a workforce crisis across many sectors in our economy. This worker shortage is causing strain to Wisconsin businesses. While short term solutions can be helpful, we need to think long-term as well to ensure our workforce continues to grow and meet the demands of the Wisconsin economy.

AB 748 would require the Board of Regents to provide in-state tuition rates to the children of UW-System alumni, regardless of where they currently reside. The bill allows the Board of Regents to establish up to a 20 percent surcharge on the academic fees charged to the students who receive this nonresident tuition exemption.

This bill will help to bring workers into the state, get them the education they need, and show them what a wonderful place Wisconsin is to live, work, and start a family.

Wisconsin unemployment is currently around 3%. With more jobs available than people looking for jobs, we need an influx of young workers ready and willing to relocate into our great State to keep the economy moving forward.

This bill would build off of parents' college experiences and would help to bring in and retain talented workers.

Thank you again for your time and consideration. With that, I am happy to answer any questions the committee has.



ALEX A. DALLMAN-

State Representative \cdot 41st Assembly District

Testimony in favor of Assembly Bill 748

Assembly Committee on Colleges & Universities

January 26th, 2022

Thank you, Chairman Murphy and committee members, for allowing me to testify before you concerning Assembly Bill 748, relating to tuition rates for children of University of Wisconsin System alumni. I would also like to thank Senator Feyen for his leadership on this legislation.

Assembly Bill 748 would require the Board of Regents to provide in-state tuition rates to the children of University of Wisconsin System alumni, regardless of where they currently reside.

We all know that our UW-System schools have great traditions and their alumni most often have a great deal of pride when it comes to their alma mater. Recent trends have shown that UW-System graduates are staying in Wisconsin to work at higher rates after graduation.

The data shows that from 2003 to 2018, the rate of non-state residents still living in Wisconsin has risen by 6%. Overall, rates of graduates staying in Wisconsin has risen by 10% in that same time period.

If this bill were to be signed into law, it would encourage more workers to reside in our state, provide them with the education they need, and present to them all the enjoyable things Wisconsin has to offer.

This bill would also allow UW-System parents to encourage their children to attend a University in the UW-System and not have to be burdened by the high cost of this tuition.

Thank you again, Chairman Murphy, for the opportunity to testify before this committee today and I would be happy to answer any questions you may have.



Office of Government Relations Van Hise Hall 1220 Linden Drive Madison, WI 53706 www.wisconsin.edu

| DATE: | January 26, 2022 |
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| TO: | Members of the Assembly Committee on Colleges and Universities |
| FROM: | Deej Lundgren, UW System Interim Associate Vice President for Government Relations |
| RE: | Testimony on Assembly Bill 748 |

Thank you, Chair Murphy and committee members, for providing UW System (UWS) an opportunity to provide testimony on Assembly Bill 748 (AB 748).

First and foremost, the University of Wisconsin System is designed to be a benefit to the citizens of the state of Wisconsin. The UWS serves as a critical talent and workforce pipeline for Wisconsin businesses. Each year, we educate over 160,000 students and award nearly 37,000 degrees. Our retention of Wisconsin residents is strong, with almost 90 percent of Wisconsin resident graduates remaining in Wisconsin five years after graduation.

AB 748 would provide in-state tuition for children of UW System alumni. Alumni parents are some of our best recruiters, and we appreciate that they value their degree and their experience so much that they want the same for their children.

Our data shows that out-of-state enrollment is strong. In fact, out-of-state enrollment continues to grow each year, even with recent increases to nonresident tuition rates. Although this legislation aims to attract more out-of-state students, the loss of nonresident tuition would drastically impact campus funding. Alumni data varies by institution, but conservatively, we estimate a loss of \$50 million in tuition, with the bulk of this loss impacting UW-Madison. This loss in revenue would make UWS schools more reliant on other funding streams, including state taxpayer dollars.

We agree with the authors that creative solutions are needed to address our workforce needs and appreciate their efforts on this front. From our perspective, where we need to grow is attracting and motivating Wisconsin residents to take advantage of our UWS schools. Historically, 32% of Wisconsin high school graduates have chosen to attend a UW System school. As of 2020, that number has dropped to 27%. The drop in enrollment is not a result of high school students enrolling elsewhere; rather, they are choosing not to pursue a four-year degree. While we understand a college degree is not for everyone, for many, it is a vital career pathway and critical to meet Wisconsin's workforce needs. Pursuing a higher education degree has both tangible and intangible benefits for the individual and for our state.

(Cont.)

UWS has taken several steps to mitigate this decline. We built a new application from the ground up that made it easier to apply to UWS schools. The Board of Regents have also waived application fees at most of our institutions to encourage applicants. Finally, we have improved and increased transfer agreements, including establishing the Universal Credit Transfer Agreement (UCTA), to increase access for non-traditional students transferring to our institutions. We will continue to work and innovate to ensure that more Wisconsin residents understand the value and benefit of a UWS degree.

Thank you again for the opportunity to provide testimony on this legislation.

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Assembly Committee on Colleges & Universities

2021 Assembly Bill 748

Tuition rates for children of University of Wisconsin System alumni

January 26, 2022

Chairman Murphy and members of the Assembly Committee on Colleges & Universities:

The University of Wisconsin–Madison thanks the committee for the opportunity to provide written testimony for information only on Assembly Bill 748, which would provide in-state tuition rates for children of University of Wisconsin System alumni.

The University of Wisconsin–Madison has more than 460,000 alumni living around the world, including all 72 counties in Wisconsin. The achievements and generosity of our alumni cannot be overstated. UW-Madison alumni give back generously to their campus. Whether it's advocating for UW, volunteering at a campus event, or contributing financially to student scholarships, the Badger community is committed to the success of UW-Madison. Many alumni of the UW-Madison choose to send their children to UW schools, whether they reside in Wisconsin or elsewhere, because they know the value of a UW education.

Wisconsin resident tuition is a benefit provided to the taxpayers of Wisconsin. Under current state statute, an individual must be a Wisconsin resident for a minimum of 12 months, for non-educational purposes, to qualify for in-state tuition. Residency is determined by several factors outlined in state statute, including but not limited to tax records, voting history, physical mailing address, among other criteria.

We share the goal of the authors in providing an affordable UW-Madison education while attracting the best and brightest students, from Wisconsin and elsewhere, to Wisconsin institutions. However, we have some concerns with the current legislation as written.

The requirements under Assembly Bill 748 would significantly reduce campus tuition revenues and increase administrative costs, creating a significant and unpredictable impact on campus budgets. Based on historical enrollment data, we estimate the UW–Madison would see a minimum of \$40 million in lost tuition revenue each year for the children of UW–Madison alumni alone. This \$40 million estimate only reflects undergraduate tuition loss. Since the bill

Office of University Relations University of Wisconsin-Madison 165 Bascom Hall 500 Lincoln Drive Madison, Wisconsin 53706 608/890-4880 Fax: 608/265-8011 does not make a distinction between undergraduate and graduate, we can assume the impact would be greater when we apply the requirement to graduate tuition. If the bill applies to alumni of all UW system schools, that number would grow considerably. UW-Madison only collects self-reported information about parental alumni status relative to UW-Madison from undergraduate applicants. If Assembly Bill 748 would also apply to alumni from other UW institutions we have no way to assess how many students would also be eligible for in-state tuition.

In addition to the significant revenue loss realized by the campus, UW-Madison is concerned about the management and administrative costs to process new resident tuition applications, establish a process to verify these students as children of alumni, and assess the appropriate tuition rate. Implementing the changes in this bill would require considerable changes to the processing and verification of all applications, both undergraduate and graduate, as the university is responsible for determining residence for tuition status for all applicants and not just admitted or enrolled students. For undergraduates, the UW System eApp and UW–Madison Residence Application would both require updates to accommodate the new provision, because there is no existing way to automate the evaluation of documentation in support of a residence claim with these changes. For graduate students, there are an additional 13-15 applications that would need to be modified to comply with the new provisions. Under the bill, these eligible students should be considered non-resident fee remissions and not simply categorized as a "resident" as they would be eligible for other benefits for Wisconsin residents. We would also request that the legislation clarify whether additional fees paid by international students would be waived under this bill.

Finally, this bill essentially provides a benefit to "legacy" students, a practice similar one described in a class-action anti-trust complaint¹ currently before the United States District Court in Northern Illinois. Note that no other state, to our knowledge, employs this type of practice- including those states with institutions that have greater or smaller populations of living alumni.

Thank you for the opportunity to submit written testimony on the impact this legislation would have on UW–Madison. If you have any questions, please reach out to UW-Madison Director of State Relations Crystal Potts <u>crystal.potts@wisc.edu</u> or (608) 265-4105.

¹ Northern District of Illinois - CM/ECF LIVE, Ver 6.3.3 (Chicago) CIVIL DOCKET FOR CASE #: 1:22-cv-00125



UW SYSTEM TUITION CHART

Home » Counselors » Navigating Financial Aid » UW System Tuition Chart

2021-22 UW SYSTEM FULL TIME UNDERGRADUATE TUITION AND FEES

Tuition rates listed below are by academic year and include fees. Use these figures for planning purposes only and please pay attention to the footnotes. If you have questions on these tuition rates please contact UW HELP or a Financial Aid office.

| Campus | Tuition – Resident | Tuition – Non- Resident | Minnesota Reciprocity |
|----------------------------------|-----------------------|----------------------------|--------------------------|
| UW-Eau Claire | \$8,873.88 | \$17,149.10 | \$9,778.20 |
| UW-Eau Claire – Barron County | \$5,375.78 | \$12,946.58 | \$5,785.22 |

COUNSELOR'S MENU

» <u>Admission Process</u>
» <u>Enrollment Deposit</u>
<u>Chart</u>
» <u>Housing Information</u>
» <u>Letter of</u>
<u>Recommendation Form</u>
» <u>Fall Workshops</u>
» <u>Navigating Financial Aid</u>
» <u>UW System</u>
<u>Scholarship Links</u>
» <u>UW System Tuition</u>
<u>Chart</u>
» <u>Working During</u>
<u>College</u>

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| Campus | Tuition – Resident | Tuition – Non- Resident | Minnesota Reciprocity |
|--------------------------------------|-----------------------|----------------------------|--------------------------|
| UW-Green Bay | \$7,873.44 | \$16,091.28 | \$9,840.72 |
| UW-Green Bay, Manitowoc Campus | \$5,174.76 | \$12,745.56 | \$5,584.20 |
| UW-Green Bay, Marinette Campus | \$5,174.76 | \$12,745.56 | \$5,584.20 |
| UW-Green Bay, Sheboygan Campus | \$5,174.76 | \$12,745.56 | \$5,584.20 |
| UW-La Crosse | \$9,194.50 | \$18,014.02 | \$9,875.38 |
| UW-Madison | \$10,720.32 | \$38,608.08 | \$14,978.88 |
| UW-Milwaukee | \$9,609.72 | \$21,474.60 | \$13,938.60 |
| UW-Milwaukee at Washington County | \$5,163.40 | \$12,734.20 | \$5,572.84 |
| UW-Milwaukee at Waukesha | \$5,163.40 | \$12,734.20 | \$5,572.84 |
| UW-Oshkosh | \$7,733.46 | \$15,306.42 | \$9,576.90 |
| UW-Oshkosh, Fond du Lac Campus | \$5,260.52 | \$12,831.32 | \$5,669.96 |
| UW-Oshkosh, Fox Cities Campus | \$5,087.72 | \$12,658.52 | \$5,497.16 |
| UW-Parkside | \$7,443.84 | \$15,713.52 | \$9,411.12 |
| UW-Platteville | \$7,844.08 | \$16,483.26 | \$9,691.60 |

» <u>Preparing Students for</u> <u>College</u>

» Resources for Counselors

https://uwhelp.wisconsin.edu/counselors/navigating-financial-aid/uw-system-tuition-chart/

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UW System Tuition Chart - UW HELP

| Campus | Tuition – Resident | Tuition – Non- Resident | Minnesota Reciprocity |
|---------------------------------------|-----------------------|----------------------------|--------------------------|
| UW-Platteville Baraboo Sauk County | \$5,513.84 | \$13,392.80 | \$5,923.28 |
| UW-Platteville Richland | \$5,570.76 | \$13,449.72 | \$5,980.20 |
| UW-River Falls | \$8,088.18 | \$15,661.14 | \$9,925.38 |
| UW-Stevens Point | \$8,331.44 | \$17,035.04 | \$9,898.88 |
| UW-Stevens Point at Marshfield | \$5,154.48 | \$12,725.28 | \$5,563.92 |
| UW-Stevens Point at Wausau | \$5,197.44 | \$12,768.24 | \$5,606.88 |
| UW-Stout | \$9,552.90 1 | \$17,819.40 1 | \$11,121.30 1 |
| UW-Superior | \$8,155.14 | \$15,728.10 | \$9,885.30 |
| UW-Whitewater | \$7,729.66 | \$16,601.50 | \$9,476.38 |
| UW-Whitewater at Rock County | \$5,297.46 | \$12,868.26 | \$5,706.90 |

https://uwhelp.wisconsin.edu/counselors/navigating-financial-aid/uw-system-tuition-chart/

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ECONOMIC DEVELOPMENT

How many degree.. What % of degrees H are conferred in STEM re & Health? fn

How many businesses received assistance from UW?

Where in the United States do UW alumni live? What percent of UW alumni live in Wisconsin?

How has the % of alumni staying in Wisconsin changed? What are career out comes.

