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Assembly Committee on Colleges & Universities

Testimony for Assembly Bill 540

Relating to UW System branch campus redevelopment grants, including Richland, Fond du Lac, and Washington Counties, and making an appropriation.

Good morning and thank you to the Committee Chair and committee members for allowing us this opportunity to address the background for this bill. Please note that I am speaking for authors Rep. Kurtz and Rep. Gundrum as well as I address you today.

In recent years, many colleges and universities across the country have been confronted with the challenge of increased costs while experiencing declining admissions. The UW-System has faced this issue, as have many others, but nowhere more acutely than with some of our two-year campuses. This has resulted in the announcements to close campuses in Richland Center, Fond du Lac, and Washington County (West Bend). We want to recognize how hard these decisions are for the Administrations of these campuses.

There is a negative impact on the communities with these closings. This includes students, campus staff, teachers, and the general community. These campus facilities, owned by the local county, are confronted with a very difficult challenge on how and what they will do with these properties. It is wholly unlikely that another college is going to take over this space. Therefore, the counties named herein need to come up with plans to transition these properties into entities that can continue to provide valuable benefits to the community.

This bill, with the proposed amendment, requires the Wisconsin Economic Development Corporation to award grants of up to \$6,000,000 to political subdivisions of this state for costs associated with the redevelopment of buildings or other sites owned by the political subdivision on a UW System branch campus that is or will no longer be used for academic purposes.

Under this bill, WEDC will first award a \$2 million grant to Richland County, followed by a \$2 million grant to Fond du Lac County, and then a \$2 million grant to Washington County.

I can share that our Fond du Lac community is experiencing this impact. Both Senator Feyen and I have been working with UW Oshkosh, the County, City, and local businesses to explore new opportunities for our Fond du Lac campus. This will take some time to generate a successful plan. This transition funding is greatly needed and much appreciated.

We invite you to lend our support for this bill. Thank you and we welcome any questions.



WISCONSIN LEGISLATURE

P. O. Box 7882 Madison, WI 53707-7882

Sen. Howard Marklein and Rep. Tony Kurtz

**Testimony before the Assembly Committee on Colleges and Universities on
Assembly Bill 540**

Thank you Chairman Murphy and committee members for having this hearing today on Assembly Bill (AB) 540, which provides \$2 million economic redevelopment grants to counties with a closed University of Wisconsin (UW) System branch campus. Thank you Rep. O'Connor and Rep. Michalski for co-sponsoring this legislation.

Almost exactly one year ago, the UW-System notified the Richland Center community they were going to close the UW-Platteville Richland campus to in-person instruction due to declining enrollment. Last month, they announced they're leaving the community entirely, and putting two additional communities, Fond du Lac and Washington counties, in the same situation.

Additionally, the announcement included the directive that all of the campuses be evaluated, leading many to believe these won't be the last 2 year campuses to be closed. We are committed to working with our colleagues who represent these areas to make sure that we can help fill the gap left by these institutions leaving our communities.

AB 540 would provide \$6 million for Campus Community Transition Grants to be awarded to a county that has a two-year branch campus closed to in-person instruction, with a maximum amount of \$2 million per county. At UW-Platteville Richland all of the buildings are owned by the county. This is the case at most, if not all, of the two-year campuses across the state. Richland County has been working tirelessly to determine what the county will do with the buildings and this additional funding would be a key component of making sure the buildings are able to be repurposed in a way that benefits Richland County.

The bill directs the Wisconsin Economic Development Corporation (WEDC) to award Campus Community Transition Grants. These grants will help a county plan and redevelop underutilized campus buildings in the event of a campus closure. The money may be used for economic development, housing, and other redevelopment opportunities.

This bill is going to be critically important to several counties who have invested millions in these 2 year campuses as the UW-System decides what to do with the remaining campuses. Unfortunately, the counties have no input on the campus closings and are put in these situations at no fault of their own, which is why we feel like helping them redevelop the campuses is the best way to ensure continued success in our communities.

Prior to this year, the last 2-year campus to close was in Medford in 1980. At that time, the state budget provided financial assistance to help the county pay for the debt it had incurred on the campus buildings.

Assembly Amendment 1 to AB 540 increases the funding from \$6 million to \$12 million in one-time GPR funding and specifies that Fond du Lac and Washington Counties would get the second and third grants from this new program.

Senate Bill (SB) 518 and Senate Amendment 1 to SB 518, the Senate companion legislation to AB 540, were recommended for passage by the Senate Committee on Economic Development and Technical Colleges 5-1 on January 3, 2024.

Thank you for your time today. We're happy to answer any questions at this time.



Fond du Lac County

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January 9, 2024

Representative David Murphy, Chair
Assembly Committee on Colleges and Universities

2023 Assembly Bill 540 and Assembly Amendment to Assembly Bill 540
Hearing date: January 10, 2024
Letter in Support

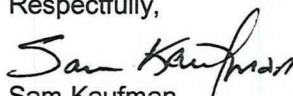
Dear Mr. Chairman:

My name is Sam Kaufman and I serve as the elected County Executive for Fond du Lac County. On behalf of the citizens of Fond du Lac County I submit this letter in support of 2023 Assembly Bill 540 and its Assembly Amendment for the inclusion of both Fond du Lac and Washington Counties.

On April 27, 1967, Fond du Lac County and The Board of Regents of State Colleges entered into a Memorandum of Agreement to create a Fond du Lac branch campus of The Wisconsin State University System. The creation of this new campus provided an economic benefit to our County with an average enrollment in 1973 of 1000 students. Since 1973 Fond du Lac County has remained a strong partner in support of the UW-Fond du Lac campus as it continued to serve the educational needs of the people within Fond du Lac County and surrounding areas. Each year our County has allocated County tax dollars in support of maintaining the facilities located within the campus. Unfortunately, since 2005 the UW – Fond du Lac Campus has seen a steady decline in enrollment dropping from 1000 students in 1973 to an average 250 students in 2023. In November 2017, the UW System, due to declining enrollment, commenced the process of merging the two-year campuses into the primary four-year campus, resulting in UWO - Fond du Lac Campus. In October 2023, President Rothman announced the closing of our campus.

Although the closing of branch campuses due to declining enrollment makes sense from a fiscal management perspective, the closure, however, will create a negative economic impact to our County. The closing of the UWO - Fond du Lac Campus will require our County to allocate a large portion of tax payer dollars to renovate and repurpose our campus facilities, resulting in a budgetary strain in providing strong public safety and a continuation of services to our citizens. The pending assembly bill permitting the WEDC to provide \$2,000,000.00 in grant monies to counties with closed branch campuses would represent a good faith effort by the State to assist the County as our County did in 1967 when it provided the assets necessary to create the State branch campus. I encourage passage of the pending bill and proposed amendment to include Fond du Lac and Washington Counties.

Respectfully,


Sam Kaufman
County Executive