

#### MEMORANDUM

- **TO:** Honorable Members of the Senate Committee on Economic Development and Technical Colleges
- **FROM:** Candace Pesch, Richland County Administrator and Jon Hochkammer, Richland County Consultant
- **DATE:** December 7, 2023
- SUBJECT: Support of Senate Bill 518

Thank you for the opportunity to share our thoughts with you today. Richland County wholeheartedly supports SB 518 which requires WEDC to award grants up to \$2,000,000 to political subdivisions of the state for costs associated with the redevelopment of buildings or other sites owned by the political subdivision on a UW System branch campus that are or will no longer be used for academic purposes.

Richland County has been in conversations with the UW System for over a year regarding changes to educational programs on campus due to declining enrollment and funding issues. Earlier this year, the UW System notified Richland County that in person classes would end in June. Educators and staff have been reassigned to other locations and students are no longer utilizing the Campus facilities.

As you are aware, counties own the facilities and the real estate that all the two-year UW Campuses are located on. The initial investment as well as the ongoing maintenance and upgrades come at a steep cost for counties. In return, the UW System and the respective counties have a Memorandum of Agreement (MOA) which allows the System to provide but not limited to, operating facilities to feed, house, and educate students, holding cultural, educational or other events consistent with the mission of the System, and serving as a resource for the community in which the Campus is located.

The Richland County Campus facilities were funded and constructed in 1967 by Richland County. The initial term of the MOA was executed on January 1, 1967 and terminates on June 30, 2042. As you can imagine, the impact of closing the Campus in Richland County in 2023 (19 years prior to the end of the MOA) is devastating not only to the county, but also for the current and future students, the staff, and for entire community and businesses. In a recent financial analysis, it was reported more than once that the financial impact of the Campus to the community is nearly \$7,000,000 annually.

While SB 518 will not provide students access to a UW System two-year campus in Richland County, it will provide the county a much-needed financial boost to repurpose or redevelop the county owned property. Richland County is currently in the early stages of selecting a firm to conduct a full facilities assessment of the Campus property to assist the county in determining next steps.



The announcement closing the UW Campus in Richland Center has been devasting to our rural community and has created much division and concern for our residents. The passage of SB 518 would significantly assist the county in moving forward with the next steps to enhance any economic development efforts which will benefit the county and the State as a whole. We look forward to seeing what the future brings for all of us.

Richland County greatly appreciates the efforts of Senator Marklein and Senator Testin for introducing SB 518 as well as the other legislators who signed on as co-authors.

Richland County respectfully requests that the Committee support SB 518.

We are available to answer any questions you may have for us.



## **Office of the County Executive**

Joshua Schoemann, County Executive

Herbert J. Tennies Government Center 432 E. Washington Street, Room 3029 P.O. Box 1986 West Bend, WI 53095-7986 (262) 306-2200

I am Washington County Executive Josh Schoemann here to testify in favor of SB 518 which addresses the Universities of Wisconsin decision to end in-person instruction at the UWM Washington County campus. This decision was announced in October by Universities of Wisconsin President Jay Rothman and calls for instruction to end in a mere six months - June, 2023. The bill requires the awarding of grants of up to \$2,000,000 for redevelopment of buildings for those campuses experiencing the loss, including Washington County.

- I recognize the realities that got us here are complex and are certainly a bi-product of declining enrollment across the education system.
  - $\circ$   $\;$  Not unique to Washington County, or even Wisconsin.
- We saw these problems on the horizon and searched for a solution to preserve higher education options in Washington County.
- Washington County was proactive in responding to rapidly declining enrollment at UWM-WC.
  - We formed a task force to study the issue and formulate solutions.
  - We did not want to wait for "something" to be done to us as it had been dictated in Richland County.
  - Task Force recommended the creation of a pilot community college system with Moraine Park Technical College.
- Sen. Duey Stroebel led Joint Finance Committee efforts in a budget motion to compensate Washington County (\$3.4 million), which was later vetoed by Gov. Tony Evers because it did not assist other counties.
  - This bill does, and also would support future counties in same situation (\$12 mil).
- Following the announcement, we have had conversations with UWM Chancellor Mark Mone and MPTC President Bonnie Baerwald and they are in agreement that moving forward they will collaborate to develop a model of higher education in Washington County.
- My Concerns:
  - What happens to the 300 students at UWM-WC?
  - There has been no official written guidance from Universities of Wisconsin about the status of withdrawing.
  - The communication has been lacking.
    - I only have seen press reports and it's mostly conjecture.
- This bill would provide the support our campus and the others (and those in the future likely to close) will need as we navigate a path most beneficial to the students and the community.
- I want to explore all options for students and advocate looking into an endowment model that would help to curb the cost of tuition for our students.

# **DISCOVER. CONNECT. PROSPER.**



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- We are facing declining enrollment across the education system as evidenced in other closures in Wisconsin. (Cardinal Stritch, UW Oshkosh cuts, Richland, Fond du lac and others certain to be named)
- I look forward to working with all parties: Tech school, UW system, employers to find a solution that will provide higher ed opportunities in Washington County.
  - Solutions that address today's unique challenges.
  - Solutions that keep higher ed in Washington County accessible.

## DISCOVER. CONNECT. PROSPER.



WISCONSIN LEGISLATURE

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

#### Sen. Howard Marklein and Rep. Tony Kurtz Testimony before the Senate Committee on Economic Development and Technical Colleges on Senate Bill 518

Thank you Chairman Feyen and committee members for having this hearing today on Senate Bill (SB) 518, which provides \$2 million economic redevelopment grants to counties with a closed University of Wisconsin (UW) System branch campus.

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.

SB 518 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.

Senate Amendment 1 to SB 518 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.

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