KEY PROVISIONS OF 2015-17 BIENNIAL BUDGET PROPOSAL

The following are key provisions of the 2015-17 biennial budget bill as proposed by Governor Walker that impact UW-Madison.

1. ESTABLISHES A UNIVERSITY OF WISCONSIN SYSTEM PUBLIC AUTHORITY
   a. Converts the UW System from a state agency to a public authority, providing more autonomy to manage operations in areas such as procurement, building projects, employee pay plans and tuition. The Authority would also be allowed to issue its own bonds.
   b. Provides a dedicated funding stream funded by the state’s sales tax with increases based on the Consumer Price Index.
   c. University employees would no longer be considered state employees and would no longer be eligible for compensation increases as part of the state compensation plan. However, employees would remain participants in the WI Retirement System and would continue to receive health insurance benefits through the State of Wisconsin.
   d. The Authority would continue to be governed by a Board of Regents with the same structure, appointment process and schedule as currently exists.
   e. The Authority would become responsible for making payments for municipal services provided to facilities that are exempt from property tax; currently the state makes those payments.
   f. Language related to shared governance and tenure would be removed from state statutes; the Board of Regents has passed a resolution indicating their intent to adopt that language into Regent policy.
   g. Would create an exemption in the open records law for research information and data produced or collected by UW Authority employees until the information or data is publicly disseminated or patented.

2. REDUCES THE BASE BUDGET OF THE UW SYSTEM BY $150M IN FY 15-16
   a. The UW System’s base budget would be reduced by $150M in the first year of the budget, which equals a $300M reduction over the biennium.
   b. Approximately $21M in one-time funding for fringe benefit costs would be added back in FY 16-17.

3. FREEZES RESIDENT UNDERGRADUATE TUITON AT CURRENT LEVELS FOR TWO YEARS
   a. In-state, undergraduate students would be charged the same tuition rate in the 2015-16 and 2016-17 academic years as they were in the 2014-15 academic year.
4. TRANSFERS STATE LAB OF HYGIENE AND WI VETERINARY DIAGNOSTIC LAB TO DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION (DATCP).
   a. The budget would transfer authority over these labs from the UW to DATCP effective July 1, 2016.
   b. All positions and employees of the labs would become employees of DATCP, and all assets of the labs would become assets of DATCP.

5. OTHER FISCAL CHANGES
   a. Deletes the funding for the WI Bioenergy Initiative ($3.5M impact to UW-Madison)
   b. Deletes the Rural Physician Residency Assistance Program ($350,000 impact)
   c. Deletes the Physician and Dentist and Health Care Provider Loan Assistance Program ($43,000 impact)
   d. Deletes the Discovery Farm Grant Program that provides, in part, grants to CALS for integrated agricultural research ($130,000 impact)
   e. Deletes need-based grants for certain students enrolled in the Nelson Institute for Environmental Studies ($100,000 impact)
   f. Deletes the requirement that the Dept. of Safety and Professional Services pay $10 of each real estate broker license renewal fee to support the Center for Urban Land Economics and Research in the School of Business ($100,000 impact)
   g. Fails to provide $1.5M in GPR funding for the WARM and TRIUMPH programs in SMPH to replace the $1.5M that was required to be funded from UW’s fund balances in the current biennium.