

DATE: January 29, 2026

TO: Members of the Assembly Committee on Consumer Protection

FROM: Julie Gordon, Vice President for Finance and Administration

RE: Testimony in Opposition to Assembly Bill 406

Thank you, Chair Callahan, Vice-Chair Pronschinske, and committee members for providing the Universities of Wisconsin (UWs) an opportunity to submit testimony in opposition to Assembly Bill 406 (AB 406).

As a student-focused organization, the core mission of the Universities of Wisconsin is centered around the success of our over 164,400 students. A critical part of this success is ensuring our world-class universities remain accessible and affordable for all prospective and currently enrolled students. As Wisconsin's largest talent generator, the UWs continuously strive to make these goals a reality for our students such as awarding nearly \$1.6B in total financial aid just in the 2024-25 academic year alone and offering programs like Dual Enrollment, the Wisconsin Tuition Promise, and Direct Admit Wisconsin.

AB 406 proposes to cap resident undergraduate tuition increases at the rate of the previous year's Consumer Price Index (CPI) and redefines tuition to include differential tuition and mandatory fees. While the bill provides a limited mechanism for revenue growth, it significantly restricts the Board of Regents' ability to respond to evolving educational needs and economic realities.

By including differential tuition and mandatory fees under the same cap, AB 406 would hinder the Board's capacity to set program-specific tuition rates that support high-demand, high-cost fields such as business, engineering, and nursing. These programs often require specialized faculty, equipment, and facilities, resources that differential tuition helps fund. Additionally, the bill risks undermining the financial foundation for essential operational functions, including facility maintenance, debt service obligations, and competitive faculty compensation.

Maintaining flexibility in tuition-setting is critical to ensuring the Universities of Wisconsin can continue to deliver high-quality education, remain responsive to workforce needs, and preserve affordability and access for students across the state.

Tuition changes are typically not uniform across our 13 universities and often require a flexible approach to assess their individual needs. The BOR maintaining this flexibility to approve and implement tuition changes, as granted by the legislature and Governor in the 2021-23 state budget, is critical to supporting our universities. Having this flexibility also ensures our universities

(Cont.)

remain competitive. The Universities of Wisconsin are an incredible value, offering lower tuition rates on average than not only our Midwest peers, but also at the national level.

Thank you again for providing the Universities of Wisconsin the opportunity to submit testimony on this legislation.