



Office of the President

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June 3, 2020

Honorable Tony Evers
Governor of Wisconsin
115 East, State Capitol
Madison WI 53702

Honorable Scott Fitzgerald
Senate Majority Leader
211 South, State Capitol
Madison, WI 53702

Honorable Robin Vos
Assembly Speaker
217 West, State Capitol
Madison, WI 53702

Dear Governor Evers, Senate Majority Leader Fitzgerald, and Assembly Speaker Vos:

As a result of the COVID-19 pandemic, the University of Wisconsin System is facing unprecedented financial and planning challenges for the 2020–21 academic year. As a result, we are seeking immediate flexibility and regulatory relief that would allow us to best serve our students, faculty, staff, and communities. I urge a special session to address the pressing concerns affecting our 170,000 students and 40,000 faculty and staff.

Our universities have already taken steps to implement furlough policies, lay off employees, and reduce costs by renegotiating vendor contracts, canceling travel, and reducing purchasing. These are difficult and painful decisions, but we believe they are in the best interest of the long-term health of fulfilling our mission to the citizens of Wisconsin.

As we plan for fall semester, our universities are determined to find creative solutions to safely deliver quality education to students on-campus and through alternative delivery models. However, we face significant financial and operational challenges that are made much worse by the ever-changing nature of the pandemic. As seen throughout higher education, our costs are increasing, and revenues are decreasing dramatically.

Specifically, we seek the following changes to statute:

Line of Credit

- The UW System is requesting the ability to responsibly access credit markets to open a line of credit should there be any further fiscal challenges created due to COVID-19.
- This will allow our institutions to use a tool, available to the private sector and other public and private institutions of higher education, to assist with our cash flow.
- Peer institutions are opening lines of credit to ensure they have resources available this fall semester to help cover unexpected costs and lost revenue associated with the COVID-19 pandemic. Indiana University, for example, recently approved a \$1-billion line of credit to help fill the gap of the university's lost revenue due to COVID-19.
- Any debt created through this line of credit would be held by the UW System. The State of Wisconsin would not be liable.

Flexible Start Date for 2020–21 School Year

- The UW System is asking the legislature to create a one-time exemption from the school year start date requirement in Wis. Stat. 36.11(16) that would not extend beyond the 2020–21 school year.
- Many experts expect a spike in coronavirus cases to occur in late fall, so many institutions want to start classes early and use an expedited schedule to get through the entire semester by Thanksgiving.

Regulatory Relief

- The UW System is one of the most regulated higher education systems in the country, and these reporting requirements are more burdensome during these difficult times.
- We are devoting as many of our resources as possible to helping get students and institutions ready for fall semester. Reducing the number of required reports will provide cost savings and free up staff resources at a time when our campuses need them the most.
- We are asking the legislature to adopt many of the regulatory relief measures in 2019 SB 486.

The changes we are requesting will enhance the ability of our universities to be open in the broadest way possible this fall, and will also provide greater stability for the students, families, and taxpayers we serve.

Sincerely,



Ray Cross
President, UW System