



Wisconsin's Love Affair with Its Technical Colleges*

Seventh and Forty-Third, Wisconsin

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Executive Summary

- **Wisconsin funds its two public higher-education sectors very differently.** In fiscal 2025 the state and local governments provided \$14,099 per full-time-equivalent student to the public two-year sector, the Wisconsin Technical College System, seventh in the nation. The public four-year sector, the Universities of Wisconsin, received \$6,974 per student, forty-third. For every taxpayer dollar supporting a technical college student, forty-nine cents supported a university student. Nationally, the two sectors receive roughly equal public support per student.
- **Mission does not explain the gap.** Wisconsin's technical colleges are unusually occupational: 96 percent of their sub-baccalaureate awards are in career and technical fields, second highest in the nation, while liberal arts and general studies account for less than 3 percent. That mix can raise costs. Even after allowing for it, the allocation remains extreme. Across several comparison groups of eleven to thirteen states with similar two-year missions, Wisconsin remains first or second in two-year support and seventh to tenth in four-year support. Wisconsin allocates just under fifty cents to its four-year sector for each two-year dollar; the median ratio in the matched comparisons ranges from eighty-five cents to \$1.28.
- **The better-funded sector also has more taxing and capital authority.** Wisconsin's sixteen technical college districts may levy property taxes, issue debt, own their buildings, and ask voters to approve major capital projects. The Universities of Wisconsin have no levy, cannot issue their own debt, and do not own their buildings. Western Technical College received an answer on a \$79.8 million referendum on election night. UW–La Crosse waited seven years and four state budgets for a science building.
- **The arrangement is politically durable in part because the two systems reach the state budget differently.** Technical colleges have local districts, boards, employer networks, and visible capital projects in nearly every legislative district. Since 2015, hundreds of millions of dollars that once arrived through local technical-college levies have instead arrived as state property-tax relief aid. University support appears as spending. The budget rarely puts the two systems on the same page.
- **Wisconsin's economy changed more than its higher-education settlement did.** The state used the University of Wisconsin to help build the agricultural economy and created vocational education early for the industrial economy. Since then, the labor-market return to four-year education rose while Wisconsin's public support for its four-year sector fell sharply relative to its two-year sector. Research, advanced human capital, professional education, and commercialization are central to the modern state economy.
- **Wisconsin's problem is not stingy taxpayers.** Combined support for public higher education has exceeded the median state for two decades. The problem is where the money goes: the public two-year sector is funded near the top nationally, the public four-year sector near the bottom, and the better-funded side also has more taxing and capital authority. Future budgets should rebalance toward the four-year sector rather than presume that a larger total higher-education budget is required. Tuition-setting should remain a Regents decision, separate from state appropriations. The Universities of Wisconsin should be able to issue their own revenue bonds for self-supporting projects, and appointed technical-college boards that tax and issue debt should face clearer democratic accountability.

1 Two Buildings

In La Crosse, the contrast is hard to miss. Western Technical College put a \$79.8 million facilities plan to district voters in 2012, and voters approved it that night. Across town, UW–La Crosse was trying to replace Cowley Hall, a 1960s science building where water leaked in when it rained (La Crosse Tribune, 2025). The second phase waited seven years, through four state budgets, a Joint Finance Committee rejection, and two deadlocks of the State Building Commission. Funding finally arrived in 2025 at \$194 million, roughly twice the original estimate (WIZM, 2025). The added cost came from delay, scope changes, and construction inflation.

The same pattern appears elsewhere. Technical colleges have added laboratories and manufacturing facilities. Since 2023 the Universities of Wisconsin have closed or emptied eight of their thirteen two-year branches (Martin, 2026). In Fond du Lac, voters approved an expansion of Moraine Park Technical College in 2022 (WLUK, 2022); UW–Oshkosh closed its Fond du Lac campus two years later (WBAY, 2024).

Minnesota shows that regional universities need not work this way. Its regional campuses sit in a system that can issue revenue bonds for dormitories, student unions, and parking. Wisconsin can support state borrowing with university program revenues, but UW–La Crosse cannot issue that debt itself; the project must move through the state capital process. The difference is state law.

Wisconsin built a strong vocational system for the industrial economy. That history does not explain why technical colleges now receive both more public support and more ways to finance themselves while the university system has less of both. That is the puzzle behind seventh and forty-third.

2 Seventh and Forty-Third

An earlier CROWE paper found that Wisconsin's combined support for public higher education ranked twenty-second nationally in 2022 and had exceeded the median state since 2000 (Guo, Ruhl and Seshadri, 2024). The Wisconsin taxpayer is not stingy toward public higher education in aggregate. The issue is the allocation: Wisconsin sits near the top in support for its two-year sector and near the bottom for its four-year sector, while the two systems operate under sharply different financing rules.

The measure used here starts from education appropriations as reported by the State Higher Education Executive Officers Association (SHEEO) in its annual State Higher Education Finance (SHEF) report: state and local support for public higher-education operations, excluding tuition, research, agriculture, and medical funds, with adjustments for regional costs and enrollment mix. This paper also removes federal stimulus. Across states, these are sector categories rather than governance categories. SHEEO classifies institutions using Carnegie categories, so the public two-year sector can include technical colleges,

community colleges, and other associate-degree institutions. From fiscal 2020 forward, Wisconsin's public two-year sector maps exactly to WTCS, while its public four-year sector maps to the Universities of Wisconsin.¹ In fiscal 2025 Wisconsin provided \$14,099 per full-time-equivalent (FTE) student to its two-year sector, seventh nationally. The Universities of Wisconsin received \$6,974 per student, forty-third. The national averages were almost identical across the two sectors, about \$11,100 per student (Figure 1).²

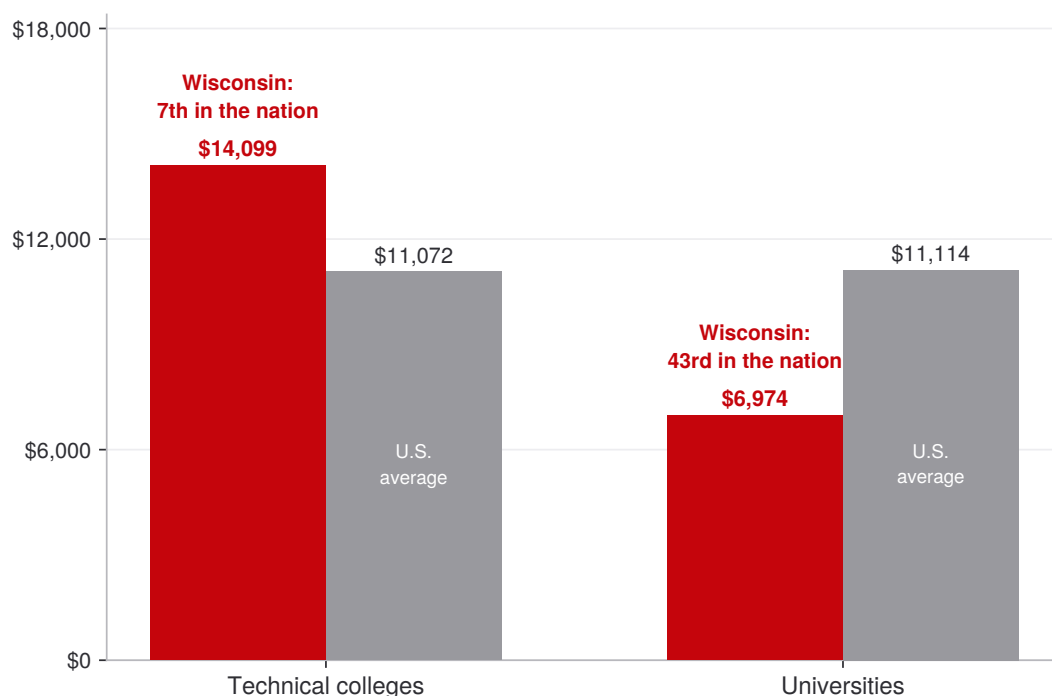


Figure 1. Wisconsin's public two-year sector, WTCS, ranks seventh; its public four-year sector, the Universities of Wisconsin, ranks forty-third. State and local support per full-time-equivalent student, by sector, fiscal 2025, against the national average. Source: SHEEO SHEF fiscal 2025 sector data, released April 2026; tuition and federal stimulus excluded, adjusted for regional costs.

Wisconsin provides about \$3,000 more than the national average for each technical college FTE and about \$4,100 less for each university FTE. In SHEEO's 2019–25 series, Wisconsin's public two-year sector ranks between third and seventh. Its public four-year sector ranks between forty-first and forty-third.

¹ Fiscal 2019 is a transition year in Wisconsin's sector reporting because the former UW Colleges branches were being absorbed into four-year institutions. Reassigning the affected enrollment would raise Wisconsin's two-year support per FTE and lower its four-year position; the combination of top-ten two-year and bottom-ten four-year support described below is unaffected.

² SHEEO's published sector figures include federal stimulus; this paper excludes it, because one-time federal pandemic aid is not state or local taxpayer support. On the inclusive basis the Universities of Wisconsin's August 2026 budget materials report \$7,158 per FTE for the public four-year sector against a national average of \$11,151, and rank the public two-year sector eighth. Wisconsin's two-year figure is \$14,099 on either basis: its two-year sector received no stimulus in fiscal 2025, and the rank differs only because Connecticut's stimulus lifts that state above Wisconsin. The four-year rank is forty-third on either basis, as is the result in Figure 2.

Figure 2 shows how unusual the combination is. Wisconsin is the only state in the top ten for two-year support and the bottom ten for four-year support in fiscal 2025, and it has remained in that corner throughout the seven years of published SHEEO sector data. Other states fund their public two-year sectors generously without placing their public four-year sectors near the bottom. Michigan, which passed through the corner in 2020 and left, ranks fifth and thirtieth; New Mexico ranks first and fourth. Arizona and Delaware also passed through in the early years of the data; all had left by 2023. Wisconsin stayed.

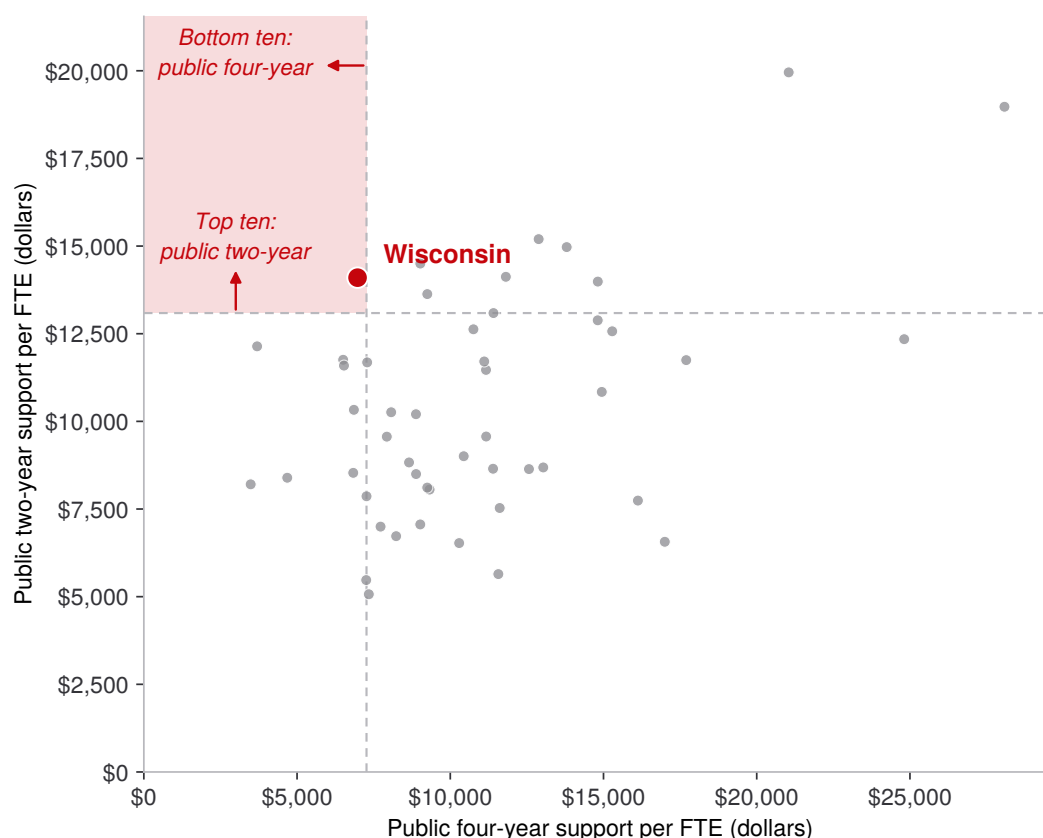


Figure 2. No other state combines top-ten support for its public two-year sector with bottom-ten support for its public four-year sector: Wisconsin is the corner’s only occupant in fiscal 2025, and has sat inside it throughout the seven years of published SHEEO sector data. Each dot is a state, by state and local support per FTE, fiscal 2025. Source: SHEEO SHEF fiscal 2025 sector data, released April 2026; tuition and federal stimulus excluded, adjusted for regional costs.

The published sector series covers only recent years, but the split is older. Figure 3 uses institution-level data from the Integrated Postsecondary Education Data System (IPEDS) to look further back. The reconstruction places Wisconsin’s two-year sector near the top for most of the period, while the four-year sector moves from nearer the middle toward the bottom. IPEDS and SHEEO are not directly comparable: they differ in what they count, in level, and in recent movement. The figure therefore treats them as separate series. Where

both are available, they agree on position, with two-year near the top and four-year in the bottom ten, but not on year-to-year movement.³

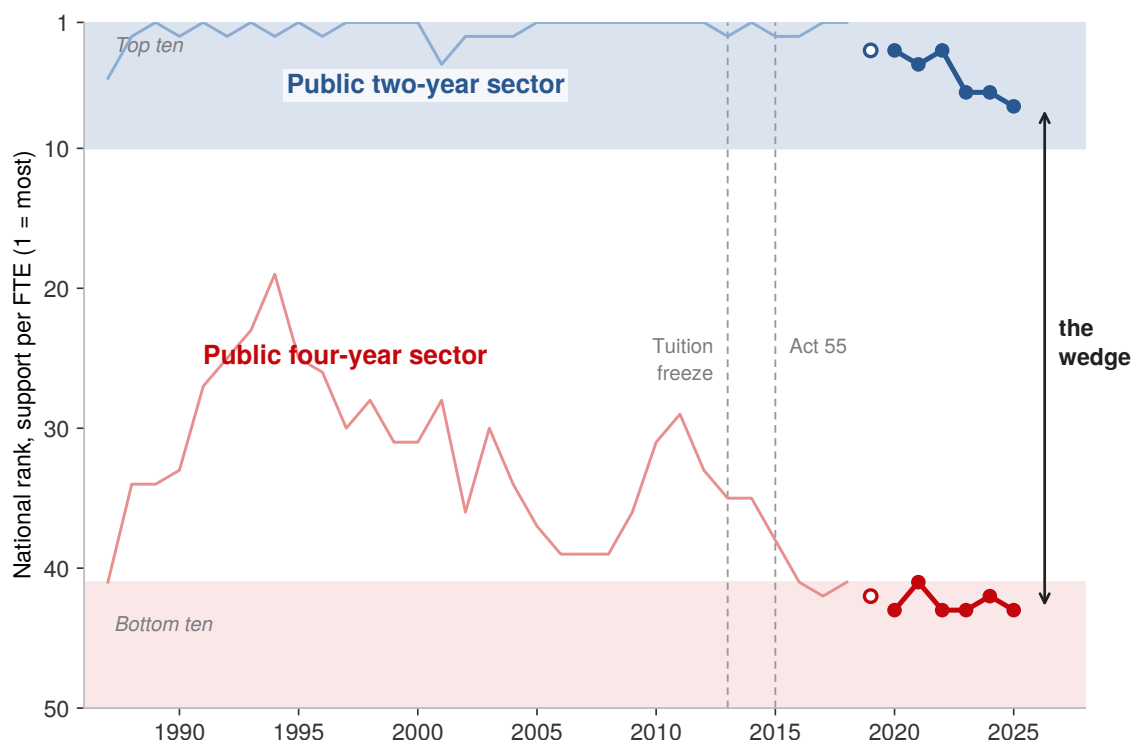


Figure 3. One sector near the top, the other near the bottom: Wisconsin's national rank in taxpayer support per FTE, by sector, over four decades (rank 1 = most support). Wisconsin's public two-year sector remained near the top; its public four-year sector, nearer the middle in the 1990s, moved toward the bottom ten. Faint lines are the IPEDS reconstruction through 2018; bold markers are SHEEO sector data beginning in 2019. The sources differ by construction and are shown separately: IPEDS is used for the longer-run direction, SHEEO for current ranks. The 2019 SHEEO point (open marker) is a Wisconsin transition year following the UW Colleges mergers.

Crossing parity is not catching up. Through fiscal 2022 Wisconsin's public two-year sector received \$17,419 per student in total revenue, which SHEEO defines as education appropriations plus net tuition and fee revenue, compared with \$16,036 in the public four-year sector. Wisconsin was the only state below parity on this broader measure. University tuition increases pushed the ratio to 1.08 by fiscal 2025, against a national ratio of 1.57. Wisconsin moved from an inverted ratio to about two-thirds of the national norm. With tuition, the four-year sector ranked forty-first, compared with forty-third without tuition.

Wisconsin's public two-year sector is unusually technical: 96 percent of its sub-baccalaureate awards are in career and technical fields, second highest in the nation. Liberal arts and general studies account for 2.7 percent, compared with 33.8 percent nationally. That mix

³IPEDS and SHEEO differ in both numerator and enrollment definitions. In particular, IPEDS includes research, agriculture and medical support that SHEEO excludes from the four-year measure, and it treats parts of technical-college finance and enrollment differently. The reconstruction is used only for the longer-run direction; current ranks come from SHEEO.

can make technical education more expensive. Even granting the difference, Wisconsin's allocation remains an outlier. Across several comparison groups of states with similar two-year missions, Wisconsin remains first or second in two-year support and seventh to tenth (out of 11 to 13) in four-year support. Its four-year-to-two-year support ratio is 0.495. The median ratio across the matched groups ranges from 0.85 to 1.28; Wisconsin remains the second-lowest in every comparison (see Appendix A).

2013 Wis. Act 145 protected technical-college resources while shifting a large share of the cost from local levies to the state budget. Beginning in 2015 the state replaced \$406 million of local operating levy revenue with property tax relief aid, later raised to \$449 million (Wis. Stat. § 38.16(4); 2021 Wis. Act 58). Local appropriations fell sharply and state aid rose (Figure 4). The state financed the property-tax relief rather than requiring the colleges to absorb it. During the same period, the Universities of Wisconsin absorbed the \$250 million biennial cut in 2015 Wis. Act 55 and a long tuition freeze without a comparable replacement.

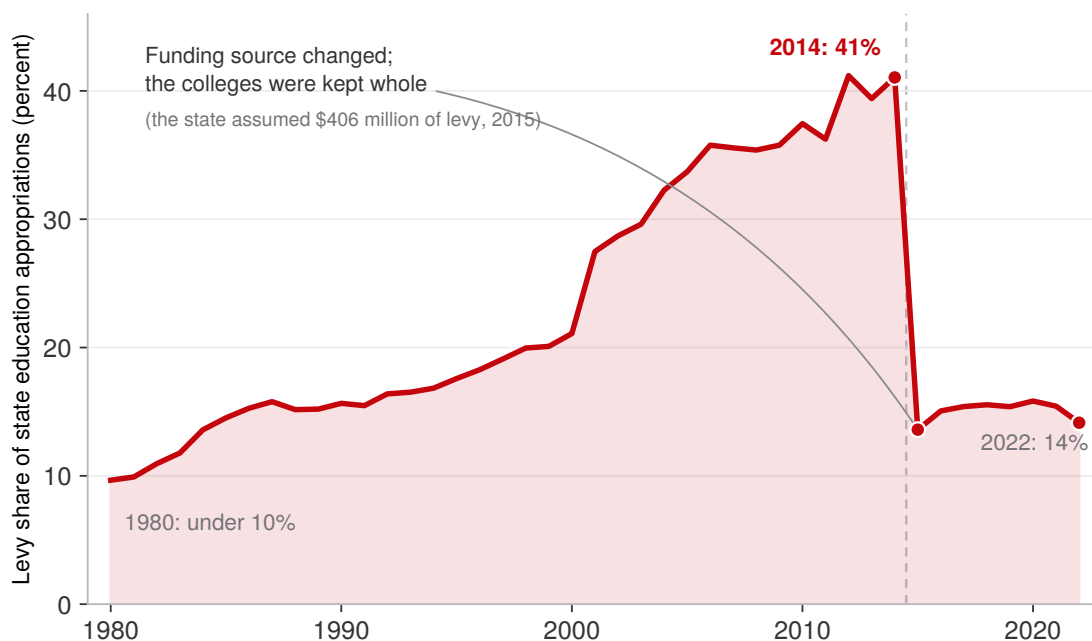


Figure 4. The technical-college levy grew for decades; in 2015 the state took over most of it. The apparent 2015 decline reflects Act 145, which replaced much of the local levy with state aid while keeping the colleges whole. Local technical-college levy as a share of Wisconsin higher-education appropriations, 1980–2022; debt-service levies excluded. Source: SHEEO SHEF fiscal 1980–2022.

3 The Autonomy Gap

Funding is only part of the difference. Technical-college districts can tax and issue debt; universities can do neither.

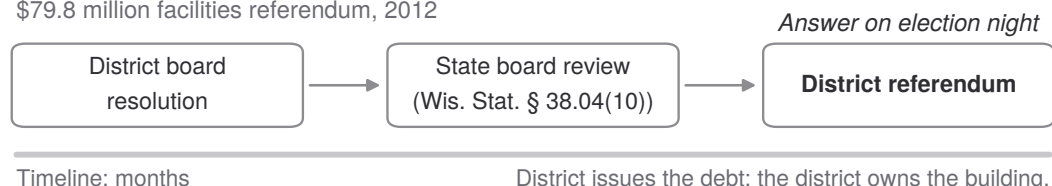
Wisconsin's sixteen technical college districts may levy property taxes and issue debt. A referendum is required to construct or acquire a building costing more than \$1.5 million, but boards may approve smaller projects and many remodeling, equipment, and note-financed projects themselves. Debt-service levies sit outside the operating revenue limit (Wis. Stat. §§ 38.08, 38.10, 38.15, 38.16, 67.12(12)). No university campus has comparable authority.

Universities follow a much longer path. Neither a campus nor the Board of Regents may issue its own debt. The state can borrow against university program revenues, but those projects still enter the state capital process. The proposed 2027–29 capital request itself contains \$673.3 million of Program Revenue Supported Borrowing and must still move through the Regents, Department of Administration, State Building Commission, and Legislature (Universities of Wisconsin Board of Regents, 2026*b*). Projects financed entirely with gifts or grants may be managed directly by the Universities of Wisconsin.

That is the difference Figure 5 draws. Western Technical College asked its voters and received an answer within months. UW–La Crosse passed through five state decision points over seven years.

Western Technical College asks its voters

\$79.8 million facilities referendum, 2012



UW–La Crosse asks the state

Prairie Springs Science Center Phase II, \$194 million

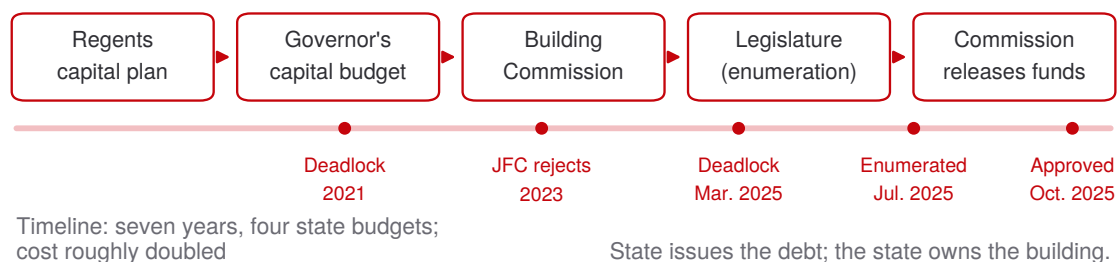


Figure 5. Two public colleges ask for a building: the approval path in each sector, drawn to the same scale. Western Technical College's 2012 referendum was answered the night of the election; UW–La Crosse's science building passed through five state decision points over seven years, at roughly double the original estimate. Sources: Wis. Stat. §§ 38.04(10), 38.15; State Building Commission and Joint Finance Committee actions, 2021–2025.

Table 1 summarizes the legal difference. Tuition is set statewide in both systems, and major technical college projects receive state board review. But on the powers that determine whether an institution can respond to a building need, the divide is sharp: technical college districts have a tax base, debt authority, ownership, and access to voters. UW campuses have none of them.

Table 1. Technical-college districts can tax and issue debt. UW campuses cannot.

Selected powers under current Wisconsin law.

Decision	Technical college district	UW campus
Levy a local property tax	Yes	No
Issue debt for a building	Yes , subject to limits	No ; state-issued borrowing only
Put a building question to local voters	Yes	No
Own campus buildings	Yes	No ; the state owns them
Set base tuition	No ; statewide WTCS board	No ; Board of Regents

Note: District powers: Wis. Stat. §§ 38.15, 38.16, 38.24, 67.12(12); borrowing above \$1.5 million requires a referendum, and the levy repaying district debt sits outside the statutory revenue limit (§ 38.16(3)(a)3). University side: Wis. Stat. § 36.27; the Legislature has overridden or constrained Regents' tuition authority through session law, including the resident undergraduate freeze from 2013 through 2021. UW projects may use state-issued Program Revenue Supported Borrowing, but the Board of Regents and individual campuses do not issue that debt themselves.

Compared with the peer systems examined here, Wisconsin is unusually restrictive on the university side. Those systems, Minnesota State, the Iowa Board of Regents, California State University, and Southern Illinois University, may issue revenue debt for self-supporting projects (Minn. Stat. §§ 136F.90–136F.98; Iowa Code chs. 262, 262A; Cal. Ed. Code § 90010 et seq.; 110 ILCS 525). Minnesota and Iowa retain a legislative approval step for the financing; their boards then issue the debt. Minnesota is the closest comparison. Its technical colleges, community colleges, and regional universities share one board that can finance dormitories, unions, and parking across the system. Wisconsin's technical-college districts can issue such debt themselves. Its university system cannot.

Wisconsin therefore combines low public support for its four-year sector with unusually limited capital authority. The Regents have statutory authority to set tuition (Wis. Stat. § 36.27), but that authority operates under heavy political pressure: lawmakers imposed a resident-undergraduate freeze from 2013 through 2021, and tuition remains a recurring issue in state budget negotiations. Capital is more constrained still. UW can support state borrowing with program revenues, but campuses and the Regents cannot issue debt against those revenues themselves.

4 Why the Split Lasts

Technical-college spending is easier for legislators to see and defend. Sixteen districts give nearly every legislator a nearby campus, district board, employer network, and visible project. University benefits are more diffuse: research in Madison may raise productivity

elsewhere, a graduate educated in Eau Claire may work in Green Bay, and a nursing program may ease a shortage over many years.

State accounting reinforces the difference in visibility. Since Act 145, much of the technical colleges' state aid has been presented as property-tax relief, while university support appears as an appropriation. The same public dollar is easier to describe as tax relief on one side of the ledger than on the other.

The Universities of Wisconsin have adapted their pitch. In 2024 the Regents sought an \$855 million increase for 2025–27, explicitly framing the request as a way to move the system “Up to the Middle.” The enacted budget increased university operating funds by about \$256 million, which the Universities describe as their largest increase in support in more than two decades. The proposed core GPR request now before the Regents for 2027–29 is roughly \$730 million, but the case is framed around affordability, workers, new businesses, health care, research, and artificial intelligence rather than a national funding rank.

The Legislature never voted in one clean motion to rank one sector seventh and the other forty-third. It built a system of local institutions and budget labels that produces that result year after year.

5 The Economy Moved

Wisconsin has rebuilt public education around a changing economy before, most famously when the University of Wisconsin invested in dairy science before Wisconsin became America's Dairyland. Stephen Babcock's butterfat test made honest milk pricing possible, and agricultural extension carried research across the state. Public investment did not merely serve the dairy economy; it helped create it.

In 1911 the continuation school law built a vocational system before the industrial workforce it would train had fully formed. Today's technical college districts and levy descend from that farsighted response to the economy then emerging.

The state did not make the same adjustment when the economy moved toward services, information, and knowledge work. From roughly 1980 to 2020, the earnings advantage of a bachelor's degree over shorter credentials widened. Figure 6 places that shift beside Wisconsin's funding choice. Over the same four decades, the labor market and Wisconsin's funding mix moved in opposite directions. The earnings premium on four-year education rose while public support for the four-year sector fell sharply relative to the two-year sector (Goldin and Katz, 2008; Autor, 2014; Autor, Levy and Murnane, 2003; Deming, 2017).⁴ The comparison is directional, not a funding formula.

⁴The historical result is robust to the known differences between IPEDS and SHEEO. Correcting for research, agriculture and medical support, the technical-college debt-service levy, or both changes the level of the ratio but leaves the decline from the late 1980s to the early 2020s between 62 and 65 percent. On the fully corrected version, the four-year sector begins slightly above parity.

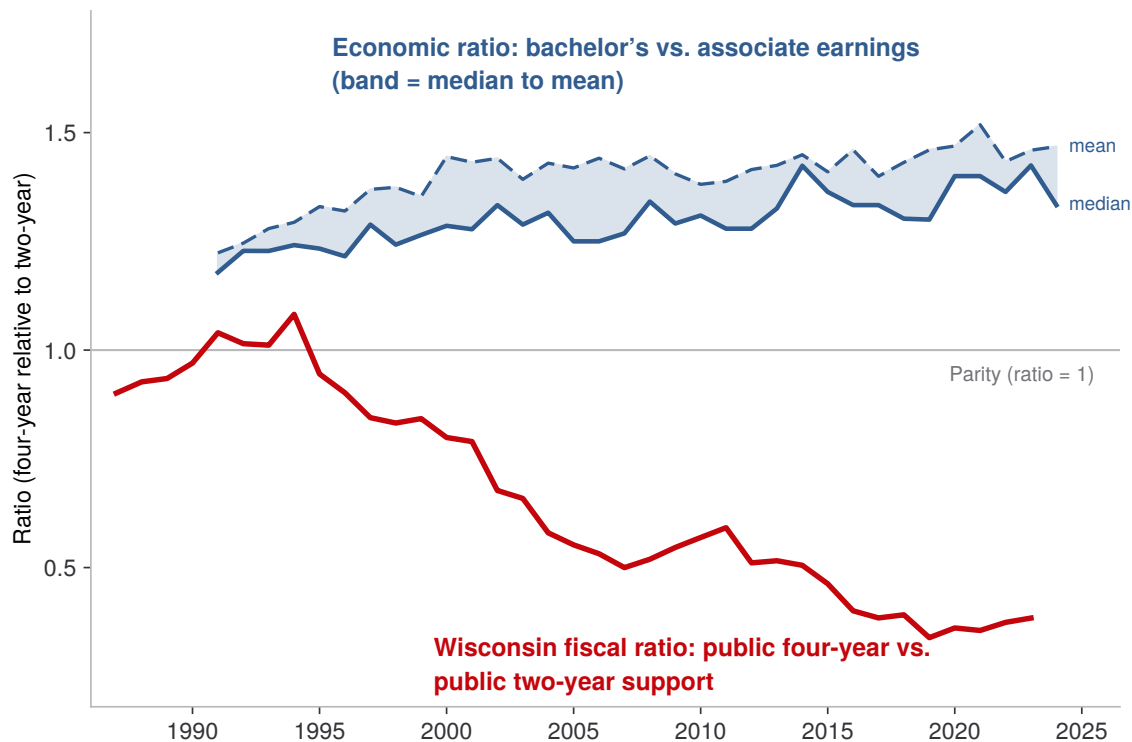


Figure 6. The labor-market return to a bachelor's over an associate degree rose while Wisconsin's taxpayer support for the four-year sector fell relative to the two-year sector. Economic ratio: bachelor's-vs.-associate earnings, median and mean, full-time year-round workers aged 25–54 (Flood et al., 2024), 1991–2024. Fiscal ratio: public-four-year-vs.-public-two-year taxpayer support per FTE, from institution-level IPEDS finance data.

Artificial intelligence makes the old split harder to defend because no one knows which tasks will change. Wisconsin will need technicians who can run new systems, engineers who can design them, and managers and founders who can build businesses around them. The continued importance of technical skills does not justify preserving a financing settlement built for an earlier economy.

Universities also contribute to the research, advanced human capital, and commercialization from which new firms emerge. Incorporated business owners are more educated and do more nonroutine cognitive work than the unincorporated self-employed (Levine and Rubinstein, 2017). Hausman (2022) finds faster employment, wage, innovation, and entry growth in industries tied to nearby university research strengths, with larger effects where federal research support was stronger, while Andrews (2023) finds more local invention after a college is established.

Not every university dollar creates a startup. Tartari and Stern (2021) find more high-quality entrepreneurship after increases in federal university research funding, but not after increases in nonresearch funding. The relevant inputs are research, advanced human capital, and commercialization, not spending in the abstract.

From 2015 through 2017 Wisconsin ranked last among the twenty-five largest states in Kauffman’s startup-activity index while ranking near the top for established Main Street small business (Ewing Marion Kauffman Foundation, 2015, 2016a,b, 2017). Recent Census data still put Wisconsin near the bottom (U.S. Census Bureau, 2026). These measures do not establish that the funding split caused the weakness, but they document a longstanding problem in new-firm formation. The Wisconsin Alumni Research Foundation provides a Wisconsin example of the commercialization channel, moving UW–Madison inventions toward the market and returning income to research.

The Universities of Wisconsin have put entrepreneurship and commercialization near the center of their 2027–29 case, including a goal to “assist Wisconsinites in creating 2,500 new businesses over a decade.” If the state chooses to invest, firm creation, survival, employment, private capital, and commercialization provide natural measures of the result.

The university system serves different markets across the state: Platteville trains engineers, Stout has a polytechnic mission, Oshkosh trains nurses, Eau Claire prepares teachers, La Crosse supplies health professionals, and Whitewater trains managers and accountants. UW–Madison is the system’s largest research institution, with \$1.93 billion in research spending in fiscal 2024 (National Science Foundation, HERD Survey, FY2024). The financing rules examined here apply across the system.

Regional universities also enroll many of the system’s lower-income and first-generation students, and broad-access institutions can be strong engines of mobility (Zimmerman, 2014; Chetty et al., 2020). National evidence finds that spending cuts reduce completion most sharply at less-selective institutions (Bound, Lovenheim and Turner, 2010; Deming and Walters, 2017), making these campuses relevant to the allocation question as well as to access. Table 2 reports access and earnings across the thirteen campuses.

The funding rank does not establish that low funding caused recent deficits and campus closures; demography, the tuition freeze, and campus decisions mattered too. But the university system faced those pressures with less public support and fewer financing tools than many peers. Ten of the thirteen universities projected structural deficits in the 2023–24 budget (University of Wisconsin System, 2023); the system now reports that all thirteen have eliminated them (Universities of Wisconsin Board of Regents, 2026a). The closures occurred in the sector without a levy, direct debt-issuance authority, or ownership of its buildings; the sector with those tools, serving many of the same counties, did not close campuses.

Wisconsin’s manufacturing base creates substantial demand for technical training, but it does not explain this funding split. Manufacturing accounted for 15.8 percent of employment in both Indiana and Wisconsin at the end of 2024, yet Indiana ranked forty-eighth in two-year support. Michigan ranked fifth in two-year support and thirtieth in four-year support (National Association of Manufacturers; SHEEO SHEF fiscal 2025).

Table 2. Regional universities enroll large shares of Pell and first-generation students.

Access and outcomes across the thirteen Universities of Wisconsin, most recent cohorts.

Campus	Under-grads	Pell %	First-gen %	6-yr grad %	Median earn. 10 yr
Madison	36,902	16	17	90	\$73,792
Platteville	5,837	21	29	56	\$61,760
La Crosse	9,277	14	21	71	\$60,378
Eau Claire	8,895	20	22	64	\$58,561
Stout	5,842	24	28	55	\$58,084
Oshkosh	6,877	16	31	46	\$55,548
Whitewater	9,405	25	30	59	\$55,356
Milwaukee	16,758	33	33	49	\$54,990
River Falls	4,205	21	26	57	\$54,458
Green Bay	6,341	22	36	48	\$52,528
Stevens Point	7,306	29	31	51	\$52,021
Parkside	2,844	35	41	40	\$51,129
Superior	1,807	31	30	42	\$49,606

Note: Pell-grant and first-generation shares measure access; six-year completion (150% of normal time) and median earnings ten years after entry measure outcomes. Source: U.S. Department of Education, College Scorecard (most recent cohorts).

Nor does the technical-college levy simply reflect local voter preference. Voters approve major building referenda; they do not elect the district boards or vote each year on the operating levy. After Act 145, the state itself supplies much of the funding under the heading of property tax relief.

Occupational programs cost more, but the current allocation remains an outlier after mission matching and the cost adjustment in Appendix A. Manufacturing does not explain it either. The better-funded sector also has more taxing and capital authority. The structure was built for a different economy, and the evidence gives Wisconsin little reason to preserve the advantage.

The evidence does not identify the optimal size of Wisconsin's higher-education budget or the exact funding ratio between the two sectors. The mix moved against the labor-market return for four decades and remains extreme in the mission-matched comparisons. Together, that is enough to call the current mix inefficient: public support is tilted too far toward the two-year sector and too little toward the four-year sector.

6 What Wisconsin Should Change

No national ranking determines the right size of Wisconsin's higher-education budget. But Wisconsin's two-year sector remains near the top after mission matching, its four-year sector near the bottom, and the funding ratio moved against the four-year labor-market premium for decades. Future budgets should start from a presumption of rebalancing toward the four-year sector. That can mean slower growth or lower support for technical colleges, not a larger higher-education budget.

Let the Regents issue program-revenue bonds

Even if the Universities of Wisconsin's operating request were approved in full, the capital constraint would remain. The proposed 2027–29 capital plan already uses \$673.3 million of Program Revenue Supported Borrowing for residence halls, parking, dining, and other self-supporting facilities (Universities of Wisconsin Board of Regents, 2026b). The state issues the debt, however, and the projects remain in the state capital process.

Give the Regents authority to issue non-state-obligation revenue bonds for self-supporting projects, backed by sufficient pledged revenues and accompanied by public reporting and an explicit statement that the bonds are not obligations of the state. Direct issuance would put those projects before investors more directly and let users rather than taxpayers bear the cost.

Minnesota and Iowa retain legislative roles, but their university boards issue debt payable from project revenues. Wisconsin should give its universities comparable authority. For self-supporting projects, that is more market-disciplined than the property-tax-backed debt authority Wisconsin gives technical-college districts.

Keep tuition out of the budget bargain

Wisconsin law gives the Board of Regents authority to set tuition. Yet the proposal before the Regents for 2027–29 would freeze resident undergraduate tuition for two years upon passage of the budget request and limit increases to inflation for the following two years. The associated \$190 million “4-Year Tuition Pledge” also addresses pay-plan, fringe-benefit, and inflationary costs and includes \$45 million annually for artificial-intelligence capabilities (Universities of Wisconsin Board of Regents, 2026a).

Tuition and state support should not be bargained as a package. Tuition is a price; the Regents should set it in response to demand, costs, and institutional strategy, while state appropriations are debated separately. Linking the two gives lawmakers an indirect way to influence a price they do not formally set.

Put both systems on one page

Every biennial budget should show both sectors on the same page: public support per FTE, total education revenue per FTE, the four-year-to-two-year funding ratio, and the major

differences in taxing, debt issuance, tuition, and property authority. Today those choices are debated separately, obscuring the opportunity cost.

Among the eleven states represented in the Big Ten before its 2024 expansion, Wisconsin ranks tenth in public four-year support, ahead only of Pennsylvania. At current spending levels elsewhere, moving Wisconsin out of the national bottom ten would require about \$44 million a year; reaching the median across those eleven states would require roughly \$285 million.

The proposed core 2027–29 GPR request is roughly \$730 million over the biennium and combines items that do not all enter the funding measure used here. A common budget table should show which components affect public support and tuition revenue, what comparable dollars are doing in the technical-college sector, and the results of programs with explicit output goals.

Make appointed taxing boards more accountable

Wisconsin's technical-college boards are appointed but may levy property taxes and incur debt. The Legislature should consider directly elected district boards, county oversight, or voter approval when levy growth or debt service exceeds a stated threshold. Iowa elects community college directors and requires voter approval for specified facilities levies and bonded debt (Iowa Code §§ 260C.11, 260C.21–22).

Local finance need not disappear. But boards that tax and borrow year after year should answer more directly to the people paying the bills. Wisconsin can give universities more freedom to finance self-supporting projects while demanding more accountability from boards that exercise taxing power.

Technical education will remain important. That is not a reason to privilege it in the budget and capital rules. Wisconsin can give universities more room to set tuition and finance self-supporting investments without increasing the total higher-education budget or putting taxpayers behind the debt.

The economy moved. The plumbing did not.

A Matched-Group Comparisons

The strongest objection to the comparison is that Wisconsin's public two-year sector is unusually occupational, and occupational instruction is more expensive to deliver. If that explains the funding split, comparisons with states whose two-year sectors have similar missions should narrow the gap. They do not.

Two things are held fixed throughout. The funding measure is the one used in the body: SHEEO SHEF fiscal 2025 education appropriations, excluding federal stimulus, per net FTE, adjusted for inflation and regional costs. The matching variable is each state's share of sub-baccalaureate awards in career and technical fields, on the official Career/Technical Education Statistics taxonomy of the National Center for Education Statistics (NCES), using IPEDS Completions for fiscal 2021 through 2023 and counting first majors only. Wisconsin's share is 96 percent, second highest among 49 states. Every two-year comparison in this paper covers 49 states rather than 50, because Alaska reports no public two-year sector and so has nothing to rank; four-year comparisons cover all 50.

Six of the eight groups come from three definitions of the public two-year universe crossed with two rules for selecting peers. The universes are Carnegie Associate's colleges together with Baccalaureate/Associate's colleges, which is how SHEEO itself sectors institutions and which places Madison College in the two-year sector; Carnegie Associate's colleges alone; and institutions in IPEDS sector 4. The two rules are the ten states closest to Wisconsin in career and technical share, and every state in the top quartile of that share. The remaining two groups replace the single share with a twelve-field program profile and select the ten states closest to Wisconsin in total variation distance, once on the full profile and once on the occupational mix alone, setting aside how occupational each state is and comparing only the composition of what it teaches.

Table A1. Wisconsin's position holds under every mission-matching rule.

Rank within the matched group; support per FTE, fiscal 2025.

Matched group	States in group	WI two-year	WI four-year	WI ratio	Group median
SHEEO universe, nearest ten	11	2	7	0.495	0.85
SHEEO universe, top quartile	13	2	9	0.495	1.16
Carnegie two-year only, nearest ten	11	2	9	0.495	1.16
Carnegie two-year only, top quartile	12	2	10	0.495	1.22
IPEDS sector 4, nearest ten	11	2	9	0.495	1.28
IPEDS sector 4, top quartile	12	2	10	0.495	1.22
Program profile, nearest ten	11	1	7	0.495	0.87
Occupational mix, nearest ten	11	2	8	0.495	0.87

Note: Ranks are within the matched group, not national. The ratio is four-year support per FTE divided by two-year support per FTE, and does not depend on the group. Source: SHEEO SHEF fiscal 2025 sector data; NCES Career/Technical Education Statistics taxonomy; IPEDS Completions, fiscal 2021 through 2023.

Table A1 reports the result. In every group Wisconsin ranks first or second in support for its two-year sector and seventh to tenth in support for its four-year sector, out of eleven to thirteen states. Its four-year-to-two-year ratio is 0.495. The median ratio in the matched groups runs from 0.85 to 1.28, so in six of the eight the typical member state gives its four-year sector more per student than its two-year sector, and in the other two it comes close to parity.

Wisconsin has the second-lowest ratio in every group. The state below it is the same one each time. New Hampshire appears in all eight groups with a ratio of 0.42, and it reaches that ratio by funding its four-year sector fiftieth of fifty. The only state whose allocation is more tilted than Wisconsin's arrives there from a worse four-year position, not a better one.

These are eight specifications, not eight independent tests. Three universe definitions crossed with two selection rules, plus two profile variants, draw on overlapping sets of states: Georgia, Kentucky, Maine, Nebraska, New Hampshire, Pennsylvania, South Dakota, and Wyoming appear in most of the groups. What the exercise establishes is that the result survives the definitional choices a skeptical reader would want to vary, not that it has been confirmed eight separate times. On that more modest reading it is still decisive: across the reasonable specifications examined here, none puts Wisconsin's allocation inside the normal range.

Matching peers is one way to take the mission objection seriously. Pricing the mission is another. The Illinois Community College Board publishes instructional unit costs by program category, and repricing each state's award mix at those common rates provides an index of relative instructional cost. Wisconsin's mix is the second most expensive of the 49 states, about nine percent above the national mix and behind only South Dakota. Dividing that premium out of Wisconsin's two-year support moves its rank from seventh to tenth.

That exercise is illustrative rather than decisive, and narrower than it first appears. The Illinois schedule prices classroom instruction, not the equipment and facilities where occupational programs are most expensive, and it prices awards rather than enrollment. It also rescales only the two-year measure, so it says nothing about the four-year side of the comparison or about the ratio between them. What it shows is that program mix accounts for part of the level of Wisconsin's two-year spending, and that the sector remains in the national top ten after the adjustment.

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