Tonight the Governor announced his biennial budget proposal, attempting to eliminate a $1.6 billion deficit. The governor’s budget cuts state overhead, reduces state payroll, freezes state property taxes and consolidates services. The budget cuts state spending by more than $270 million, which means less than 4% growth. In addition, the state workforce will be reduced by 1,800 positions.

**Overall for the UW-System**
- Putting $100 million in new money to the UW and financial aid
- 5.1% increase in GPR (state funding) (2.5% -2005-2006, 2.6% -2006-2007)
- Cut 200 real administrative positions, which will equal 65 million dollars
- Providing $23 million additional over the biennium for financial aid programs
- Tuition increases to five to seven percent.
- Increasing the state tax deduction for university tuition, indexed in the future.
- Authorizing the system to charge resident tuition for undocumented persons who meet certain residency requirements.
- $1 million to fund domestic partner benefits for university employees
- $5 million to help retain quality faculty

**Tuition**
- Currently creates a 5.9% increase in FY’06 and a 5.4% increase in FY’07 with the possibility of going up to 7% each year.
- Students at Madison would be facing a cumulative increase of $1,117 over the biennium. $1,093 for UW-Milwaukee, $851 for Comprehensives, and $788 for Colleges.

**Financial Aid**
- Will be going up 34% over the biennium
- 21 million dollars will be specifically targeted at UW students

**Other Items of Interest**
- Cut $2.1 million request to fund services for students with a disability
- Providing funding to enable the UW-Platteville award bachelors degrees in engineering at the UW-Rock County campus.
- $3 million for Alzheimer's research.