

WISCONSIN STATE
LEGISLATURE
COMMITTEE HEARING
RECORDS

2003-04

(session year)

Assembly

(Assembly, Senate or Joint)

**Committee on
Colleges and
Universities
(AC-CU)**

(Form Updated: 11/20/2008)

COMMITTEE NOTICES ...

➤ Committee Reports ... CR
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**INFORMATION COLLECTED BY COMMITTEE
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➤ Appointments ... Appt
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Name:

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** **03hr_ab0422_AC-CU_pt01**

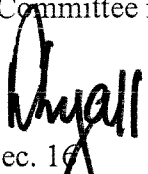
➤ Miscellaneous ... Misc
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Office of the President

1720 Van Hise Hall
1220 Linden Drive
Madison, Wisconsin 53706-1559
(608) 262-2321
(608) 262-3985 Fax
email: klyall@uwsa.edu
website: http://www.uwsa.edu

December 11, 2003

TO: Colleges and Universities Committee members
FROM: President Katharine Lyall 
RE: Executive Session Bills, Dec. 16

I am writing to provide an update on some recent Board of Regent action and share the University of Wisconsin System position related to four bills on your executive session calendar December 16th.

AB 366. Credit transfer. As you can see from attachment 1, AB 366, would be unnecessary if amended by Assembly Amendment 1, because it mirrors the resolutions already passed by both the UW System and Wisconsin Technical College System Boards in the last two months. The bill as amended would require that each technical college student enrolled in the UW System be given a list of the technical college credits that are accepted for transfer to the UW System, how they will apply to the student's degree program, and the remaining courses necessary to complete the degree program. For a student transferring from one of the three technical college liberal arts programs, 72 credits will transfer to the UW System and all general education requirements at any UW System institution will be fulfilled. And finally, the UW System would accept for transfer occupational or technical courses taken by a technical college student on a course-by-course basis. The implementation of these initiatives is on track for students entering the UW System the Fall of 2004. We would welcome the opportunity to update the College and Universities committee at any time regarding the progress of implementation of credit transfer initiatives. A non-statutory approach is preferred as it allows both systems flexibility to implement further improvements advantageous to students.

AB 407. Support. Regulates athletic agents. The UW System supports and appreciates Rep. Wiekert's efforts to put teeth into our laws to protect student athletes from unscrupulous agents.

AB 543. Oppose. Expanded notice of public meetings of university departments and subunits. University departments must by law already post notice of meetings that "reasonably apprise interested parties and the news media" of the meeting. University departments and subunits should be treated just as K-12 or Technical College departmental meetings. These meetings relate to curriculum, space and time assignments, student advising, etc. These departmental meetings do not involve decisions to raise tuition or appropriate taxpayer funds. These decisions are made by

Regents already covered by the open meetings laws, just like any local government. Anyone who does have an interest and would like to receive routine notice of departmental meetings can make this request in writing to a departmental chair and receive all notices under current law. The university is interested in providing appropriate notice to all interested parties, while not wasting time or resources, creating inefficiencies or inundating folks with notices of primarily internal and routine operations meetings. There are 540 UW System departments and over 2,500 sub-units that would be covered by additional reporting requirements.

AB 558. Oppose as overly broad. Roll call votes required by Regents on all issues. The Board of Regents passed a resolution (see attachment 2) in October requiring a roll call vote on all compensation matters. As is the case with the legislature, there are many routine and procedural votes where unanimous consent or a voice vote contributes to a more efficient process. As in the case of the legislature, any member can request a roll call vote at any time.

AB 540. Oppose. Additional reporting of faculty income sources. I would also like to take this opportunity to share with you the current university practices related to the reporting of outside income by faculty and academic staff. Attachment 3 is the administrative code, and the implementing form, that is required to be filed by all faculty and staff at least once a year. This is all public record. Faculty and staff must report any income received for professional activities, the name of the organization or business, the type of activity, and whether they received \$5,000 or more from a single source. This reporting avoids conflict of interest situations and assures a Dean, the public, or other administrating officer that the activity is not interfering with university responsibilities. Please don't take action that would jeopardize public private partnerships and put Wisconsin at a competitive disadvantage with other states or private universities, or threaten the legitimate competitive interests of businesses with whom we encourage partnerships for the benefit of state economic development.

Thank you for your consideration of these concerns and please contact me or Margaret Lewis (3-7962) with further questions.

Cc: Board of Regents
Legislative leadership

Endorsement of the UWS/WTCS Plan for Enhancing
Credit Transfer and Expanding the Number of
Baccalaureate Degree Holders in Wisconsin.

EDUCATION COMMITTEE

Resolution I.1.b.(2):

That, upon recommendation of the President of the University of Wisconsin System, the Board of Regents endorses the six proposals to enhance credit transfer opportunities between the University of Wisconsin System and the Wisconsin Technical College System, and explore other opportunities to expand the number of baccalaureate degree holders in Wisconsin. The UW System Board of Regents and System Administration will continue to work with the Wisconsin Technical College System on developing further transfer opportunities that ensure student success.

The UW System will work with appropriate governance structures at each of its institutions to ensure effective implementation. The goal for implementation of the following initiatives is fall, 2004.

Part I: Transfer of Occupational/Technical Courses

A new policy will be established that will enable UW institutions to transfer WTCS occupational/technical courses on a course-by-course basis. These courses will be reviewed by UW faculty at each UW System institution, and will transfer if they are found to be comparable or equivalent to UW courses at each institution. These courses will be officially posted on the Transfer Information System (TIS).

Part II: Transfer of WTCS General Education Core Courses

Subject to review and approval by the faculties at each UW System institution, a list of WTCS general education core courses will be established that will transfer and apply to UW institutions. WTCS students in applied associate degree programs will be able to transfer up to 30 credits from these courses, and apply them toward general education and/or other degree requirements at UW institutions. The manner in which they apply will depend upon the student's major and the general education and program requirements of the particular UW institution.

Part III: Degree Completion Program Agreements

The two Systems will continue to develop "2+2" degree completion programs where WTCS students will be able to transfer additional courses toward a UW four-year degree. WTCS students selecting these programs will receive a written program agreement that will specify the courses that will transfer, how they will apply, and what additional requirements will be needed for graduation.

Part IV: Credit Transfer Contract

WTCS students will be able to check and confirm how their courses will transfer towards a UW degree by referencing the Transfer Information System (TIS).

The TIS printed report will serve as a written credit transfer contract for students who successfully complete the courses.

Part V: Transfer of WTCS Liberal Arts Degree Graduates

Students who graduate from WTCS liberal arts (college parallel) programs at MATC-Madison, MATC-Milwaukee and Nicolet with an associate of arts or sciences degree specifically aligned with the UW associate degree will be able to transfer up to 72 credits and have their university-wide general education requirements satisfied at any UW institution, subject to review and approval by the faculties at each UW System institution.

Part VI: Expansion of Baccalaureate Degree Holders in Wisconsin

A broad-based committee will be created to explore additional options for expanding the number of baccalaureate degree holders in Wisconsin in collaborative and cost-effective ways.

11/07/03

+ 12/5/03 as amended

I.1.b.(2)

ATTACHMENT 2

Re: AB 558
roll call votes

Amendment of
Regent Policy 94-4

ALL REGENTS

Resolution:

That, upon recommendation of the President of the Board of Regents, Regent Policy 94-4, pertaining to salary guidelines for UW System senior executives be amended as attached to reflect current law regarding the Board of Regents authority to determine executive salary ranges and set executive salaries, and to specify that salary ranges for an ensuing fiscal year will be adopted by resolution by a majority of the full membership of the Board of Regents in open session by roll call vote ~~each June at the~~ regularly scheduled meeting.
α

10/10/03 as amended

II.3.d.

Unofficial Text (See Printed Volume). Current through date and Register shown on Title Page.

(15) "Unclassified staff" or "staff members" means faculty, academic staff and limited appointees of the university of Wisconsin system who are not subject to subch. III, ch. 19, Stats.

(16) "Vice President" means system administration officials with the title "Vice President" or other administrative officers with similar duties.

History: Cr. Register, June, 1975, No. 234, eff. 7-1-75; r. (1) (f), (i) and (j), renum. (1) (intro.), (1) (a) to (e), (g), and (h) to be (intro.), (4), (14), (13), (16), (5), (8) and (1) and am. (intro.), (5), (8) and (16), cr. (2), (3), (6), (7), (9) to (12) and (15), Register, January, 1986, No. 361, eff. 2-1-86.

UWS 8.025 Outside activities and interests; reports. (1) **OUTSIDE ACTIVITIES.** Members of the unclassified staff are free to engage in outside activities, whether or not such activities are remunerative or related to staff members' fields of academic interest or specialization. However, no member of the unclassified staff may engage in an outside activity if it conflicts with his or her public responsibilities to the university of Wisconsin system or the institution at which the unclassified staff member is employed.

(2) **REPORTABLE OUTSIDE ACTIVITIES.** (a) The following outside activities must be reported to a staff member's dean, director or other appropriate administrator:

1. Associations with organizations, as defined in s. UWS 8.02 (3) and (12), related to staff members' fields of academic interest or specialization;

2. Private remunerative relationships between staff members and non-governmental sponsors of university research for which the staff member is a principal investigator; and

3. Remunerative outside activities in a staff member's field of academic interest or specialization, including but not limited to consulting, and whether the staff member earns for such activities \$5,000 or more in a year from a single source.

(b) Each unclassified staff member engaging in outside activities reportable under this section shall annually, on or before April 30, file a report of outside activities with his or her dean, director or other appropriate administrator.

(c) If, during the year, significant changes in a staff member's reportable outside activities occur, the staff member shall immediately inform, in writing, his or her dean, director or other appropriate administrator. This information shall be placed on file with the staff member's annual statement of outside interests.

(3) **INSTITUTIONAL POLICIES.** The unclassified staff members of each institution, with the approval of the chancellor, shall develop policies and procedures which shall, at a minimum, provide:

(a) Standards concerning the use of university facilities and personnel in connection with outside activities;

(b) Standards concerning absence from regular duties for the purpose of engaging in outside activities;

(c) Guidelines identifying types or categories of outside activities which may result in a material conflict of interest; and

(d) For such reports of anticipated outside activities as are necessary to insure compliance with s. UWS 8.04.

(4) **REPORTS PUBLIC.** Information required to be reported under this section shall, unless otherwise privileged by law, be a matter of public record.

Note: This section addresses outside activities. Several explanatory points provide relevant background:

1. The section addresses matters heretofore handled under chs. UWS 7 and 14, which are accordingly repealed. This change in the scope of chs. UWS 8 was made in response to legislative suggestion.

2. The rule recognizes the right of unclassified staff members to engage in outside activities, whether or not the activities are remunerative or related to staff members' fields of academic interest. However, in order to assure that such activities do not conflict with staff members' responsibilities to the university of Wisconsin system, or the institution at which the staff member serves, the rule provides that certain types of activities must be reported to staff members' deans, directors or other appropriate administrators. These reportable outside activities include associations with organizations related to staff members' fields of academic interest or specialization, certain private remunerative relationships between staff members and non-governmental research sponsors, and remunerative outside activities in staff members' fields of academic interest or specialization and whether the staff member earns \$5,000 or more in a year from a single source. The language retains the requirements currently in chs.

UWS 7 and 14 that institutions develop policies to regulate the use of university facilities in connection with outside activities, and adds a similar requirement pertaining to use of personnel. It provides a more explicit requirement for institutional development of standards on absence from university duties, and for reports on outside activities which staff members anticipate they will perform during the academic year.

3. Guidelines and suggestions will be provided to institutions for implementation of the Regent rule. These guidelines would include examples of standards concerning use of university facilities and absence from university duties that might be adopted under s. UWS 8.025 (3) (a) and (b); categories or types of activities which might present a material conflict of interest under s. UWS 8.025 (3) (c); reporting procedures under s. UWS 8.025 (4); and other relevant information.

4. The rule incorporates and codifies the result of litigation between the Madison Capital Times and the UW-Madison. That case, decided in Dane County Circuit Court in the spring of 1983, held that UW-Madison reports of outside activities required under chs. UWS 7 and 14 were records open to public inspection. This section continues the existence of the reporting requirements (s. UWS 8.025 (2)) and declares the public nature of the reports (s. UWS 8.025 (4)), except in those instances where other legal principles establish a privilege for the information contained therein.

5. Section UWS 8.025 (1) indicates that the regents' purpose is not to dictate the financial or topical terms of outside activity but to ensure that it does not present conflicts of interest or time with university duties. (See also Note to s. UWS 8.01 (3)).

6. Forms required under this section for the reporting of outside activities may be obtained from the Office of the Secretary to the Board of Regents, Room 1860 Van Hise Hall, 1220 Linden Drive, Madison, Wisconsin 53706, at no charge.

History: Cr. Register, January, 1986, No. 361, eff. 2-1-86.

UWS 8.03 Standards of conduct. (1) **PERSONAL GAIN FROM UNIVERSITY POSITION.** (a) No member of the unclassified staff may, in a manner contrary to the interests of the university of Wisconsin system, use or attempt to use his or her public position or state property, including property leased by the state, to gain or attempt to gain anything of substantial value for the private benefit of the staff member, his or her immediate family or any organization with which the staff member is associated.

(b) No member of the unclassified staff may solicit or accept from any person or organization anything of value pursuant to an express or implied understanding that his or her conduct of university business would be influenced thereby.

(c) No member of the unclassified staff may intentionally use or disclose confidential university information in any way that could result in the receipt of anything of value for himself or herself, for his or her immediate family or for any other person or organization with which the staff member is associated.

(2) **CONTRACTING AND LEASING.** (a) No member of the unclassified staff, member of his or her immediate family, nor any organization with which an unclassified staff member is associated, may enter into any contract or lease involving payments of \$3,000 or more within a 12 month period, derived in whole or in part from university funds, if the staff member is in a position to approve or influence, in his or her official capacity, the university's decision to enter into the contract or lease.

(b) If the staff member is not in a position to approve or influence the university's decision, the staff member may enter into a contract or lease described in par. (a) if the staff member first makes written disclosure of the nature and extent of any relationship described in par. (a) to the dean, director, or other appropriate administrator and he or she approves. The dean, director or other appropriate administrator shall approve a staff member's interest in a lease or contract unless he or she determines that the staff member's personal interest in the agreement will conflict substantially and materially with the staff member's discharge of his or her university responsibilities.

(c) This subsection does not affect the application of s. 946.13, Stats.

(3) **NEPOTISM.** (a) No member of the unclassified staff may participate, formally or informally, in the decision to hire, retain, grant tenure to, promote or determine the salary of a member of his or her immediate family.

(b) No member of the unclassified staff may, in the supervision or management of another unclassified staff member who is a member of his or her immediate family, give preferential or favored treatment.

(4) **STUDENT RESEARCH PROTECTION.** A member of the unclassified staff shall inform students engaged in research under his or her supervision of any financial interest which the unclassified

AB 540
faculty reporting

University of Wisconsin System

Faculty and Academic Staff Report on Outside Activities and Interests
(as required under Section UWS8.025 Wisconsin Administrative Code)

Name _____		Department/Unit _____
Faculty _____	Academic Staff _____	Percent University Appointment _____
Signature _____		

Please read the Guidelines for Reporting Outside Activities on the attachment and fill in the required information below. Completed forms should be forward to your department chair or unit director.

I have read the Guidelines and do not have any remunerative outside activities in my field of interest to report. (If you check this box, forward the signed form to your chair/director.)

A. Remunerative Relationships

I have received net remuneration for professional outside activities in my field of professional interest (e.g., consulting, research, teaching, writing, etc.). List below the name of the organization or business, type of activity (e.g., consulting, teaching, etc.) and the aggregate amount of time spent (days) in the activity, and whether you received \$5000 or more from a single source.

Name of Business* or Organization	Type of Activity	Time Spent (days)	Check if \$5000 or More From a Single Source
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

*If you believe that you should not publicly identify the name of the organization, you must receive approval from your dean, as indicated by the dean's signature below (e.g., if revealing the name would be damaging to the organization's legitimate competitive interests).

I have received compensation from a nongovernmental sponsor of university research, teaching, or training for which I am a principal investigator.

Name of sponsor: _____

B. Offices and Directorships

Identify below any business or other organization related to your field of academic interest or professional specialization for which you or your immediate family served as an officer, director, or trustee. No identification need be made of professional societies, trusts, or charitable, religious, social, community service, or political organizations.

Name of Business/Organization	City and State	Position Held
_____	_____	_____
_____	_____	_____
_____	_____	_____

C. Ownership Interests

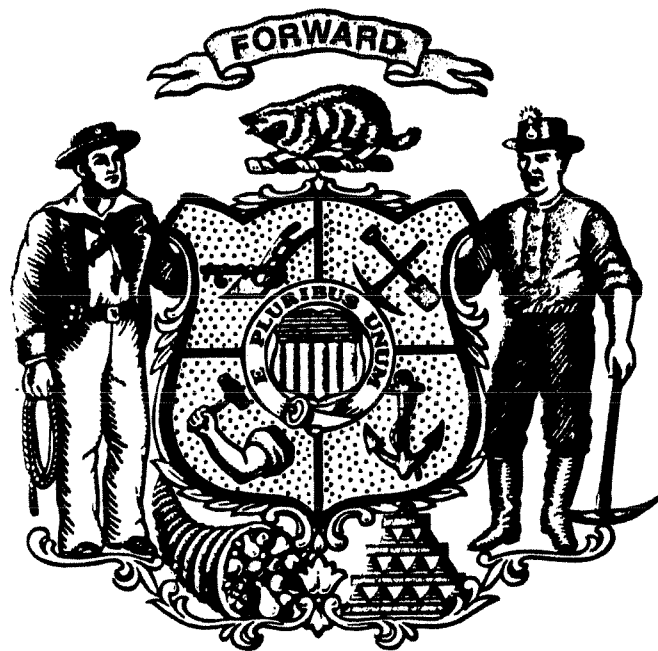
List below any business or other organization related to your field in which you or your immediate family individually, or in aggregate, owned or controlled at least 10% of the outstanding equity.

Name of Business/Organization	City and State
_____	_____
_____	_____
_____	_____

I have reviewed the information itemized above:

Signature of Chair/Director _____

Signature of Chair/Director _____



Statement to the Committee on Colleges and Universities
Tuesday, December 16, 2003
Room 225 Northwest, State Capitol, Madison, Wisconsin

Good morning ladies and gentlemen,

I would like to thank you for holding this hearing regarding AB 422, the act related to increasing the maximum amount of the American Indian Student Assistance Grant and making an appropriation. My name is Scott Beard. I am a member of the Ho-Chunk Nation and currently serve as the President of the Wisconsin Indian Education Association.

For those of you who are unaware of the Wisconsin Indian Education Association, the WIEA is a coalition of Indian and non-Indian persons committed to promoting and supporting education and educationally related opportunities available to American Indian people in the State of Wisconsin. The WIEA was formed by a group of concerned Indian educators after the Great Lakes Inter-Tribal Council Education Committee lost state funding support in 1985. As a 501 C (3) non-profit organization, the WIEA provides post-secondary scholarships for Wisconsin Indian students, advocates for the strengthening of Wisconsin laws and regulations that affect Indian education, promotes the use of authentic and historically accurate educational materials, and works in cooperation with other organizations to remove offensive mascots and logos from our schools. In recent years we have also worked with the Wisconsin Department of Public Instruction and the U.S. Department of Education Office of Civil Rights to mediate issues of discrimination and harassment in Wisconsin School Districts. Every February we hold a Legislative Breakfast at the Inn on the Park to share our concerns with legislators on issues affecting Indian people in Wisconsin. Our next informational Legislative Breakfast will be on February 18, 2004. I would like to invite you all to attend.

I am here today to support the implementation of AB 422. As you have heard previously, the Wisconsin Indian Student Assistance grant is a needs-based program administered by the Higher Education Aids Board to assist Indian students attending post-secondary schools in Wisconsin. This grant was created in 1971 with a legislated maximum award of \$1,500. This money was intended to assist with the student's tuition, fees, books, housing costs and any other school related expenses. At the time tuition and fees were \$536 per academic year. In 1991 the maximum award was raised to \$2,200 in response to the increasing costs of attending post-secondary school. The tuition and fees at that time were \$2,187.50, which left little for the other school-related costs. But the grant covered the tuition and fees. In 1996 the maximum award remained \$2,200 but the State decided that it would only pay for \$1,100 of the grant. Tribes had the option of sending funds to the State so that the student could receive the maximum award. This did not occur because most, if not all, of the tribes operate their own post-secondary grant process. To send the money to the State would duplicate work already being accomplished. Little has changed since 1996 with the exception that the funds for the Indian Student Assistance grant now comes from tribal gaming revenues, not GPR monies, and the tuition and fees have risen to more than double the maximum award amount or four times what the State is willing to provide.

I could give you a long list of facts and figures that would show the need but I'm not going to do that. Let me share what has occurred in one tribe just to give you an idea of the unmet need of our post-secondary Indian students. In the past four years, the number of Menominee Indian people attending post-secondary education has increased by 100%. During that same time period, these students had a 31% increase in the number and amount of loans they had to take and an 80% increase in the unmet need in their financial aid packages. This 80% increase in unmet need is after all other financial resources, including the increased loans received, have been factored in. This is just one tribe. The other ten tribes and bands in Wisconsin are seeing similar actions occurring to their students. This one example should be ample proof for the need to increase the Indian Student Assistance grant. But there are those who would question giving anything to Indians, especially when they have huge casinos raking in millions of dollars. To those people I have two things to say: poverty and population.

American Indian people have the second highest poverty rate in Wisconsin. There are 47,228 people identified as American Indian on the latest census. According to the same census data, there were 10,334 American Indian people living in poverty in Wisconsin. This means that more than one out of every five American Indians currently lives in poverty. It gets worse if you look at the data at the county level. Langlade County has a 59.69% poverty rate. A family of four has to make less than \$18,400 per year to be considered living at the poverty. There are 117 American Indian people in Langlade County who meet the poverty threshold standard.

Population was the second issue I wanted to mention. The American Indian population is the second fastest growing ethnic group in Wisconsin. Nearly thirty percent of the population is under the age of fourteen. The average age of the American Indian population has steadily decreased for the past thirty years. This trend is not expected to stop anytime soon. Now is the time to begin getting these youth ready for the work force.

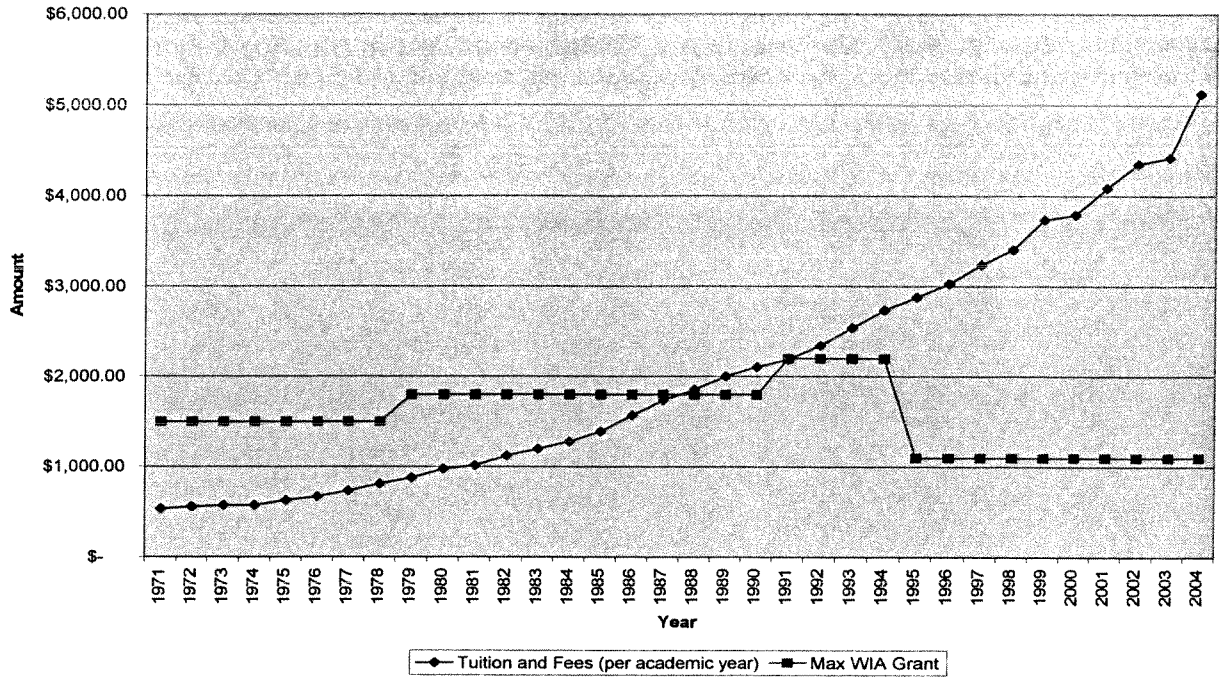
Let's go forward 15 years into the future. By 2018, the number of retirees will exceed the number of 18-year-olds entering the workforce in Wisconsin. If the population trends continue there will be about 63,000 American Indian people living in Wisconsin. If the poverty rate remains the same, then nearly 14,000 American Indians will be living in poverty. And the need for each able bodied person to work will never be greater. When we know that 80% of the current jobs require some kind of post-secondary education, it is imperative that the State does everything in its power to encourage its citizens to become educated. The State must remove as many barriers as possible to post-secondary education. Ladies and gentlemen, I'm sure that you know that inadequate financial resources is the number one factor that limits individuals from pursuing a post-secondary education.

Let's face it. You have a huge list of issues that come before you every day. You have to worry about the economy, taxes, the brain drain, and a myriad of other complicated concerns. What I and the Wisconsin Indian Education Association are asking is that you encourage the Indian people of Wisconsin to increase their dignity, self-worth and self-sufficiency through education. Education is not the panacea for all the ills of the world. But a more educated individual has a greater chance for success than an uneducated one. So, I would encourage you to think of AB 422 as an investment in the American Indian people of Wisconsin. And remember that you are investing with someone else's money, since the funding comes directly from the Tribes. I

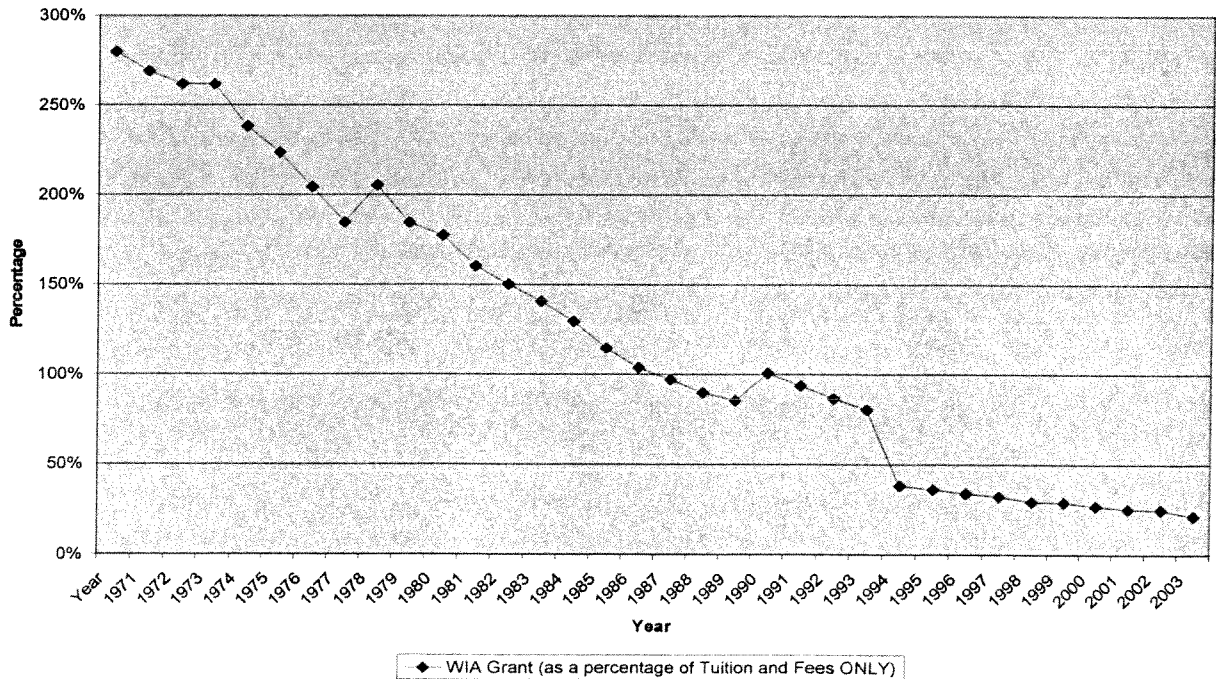
guarantee that if we have more educated American Indians, we will see the poverty rate decrease. With a more educated workforce, you will see the tax and revenue base of the State increase. Since Indian people have a deep connection to the land here, they will not be leaving once they gain their education. With more than 50% of the American Indian high school graduates stating they plan to attend a 4-year college or vocational/technical college, this is an opportunity we cannot afford to waste. AB 422 truly is a win-win situation for all concerned. I hope that you will take the opportunity to support this important bill. Thank you.

Supporting Information (data available upon request)

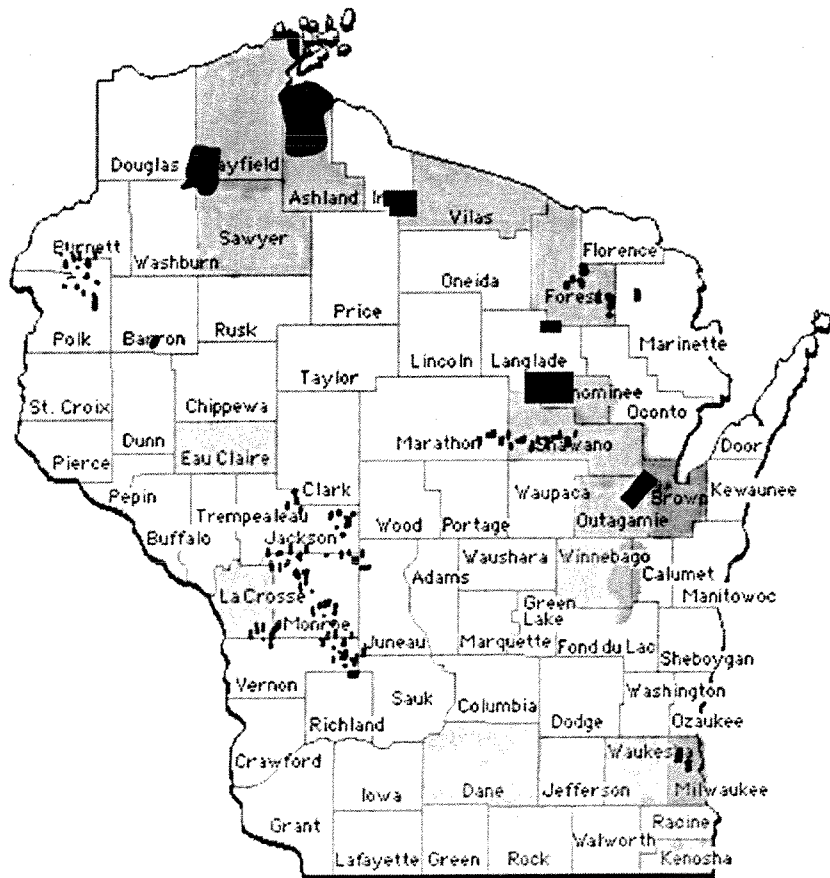
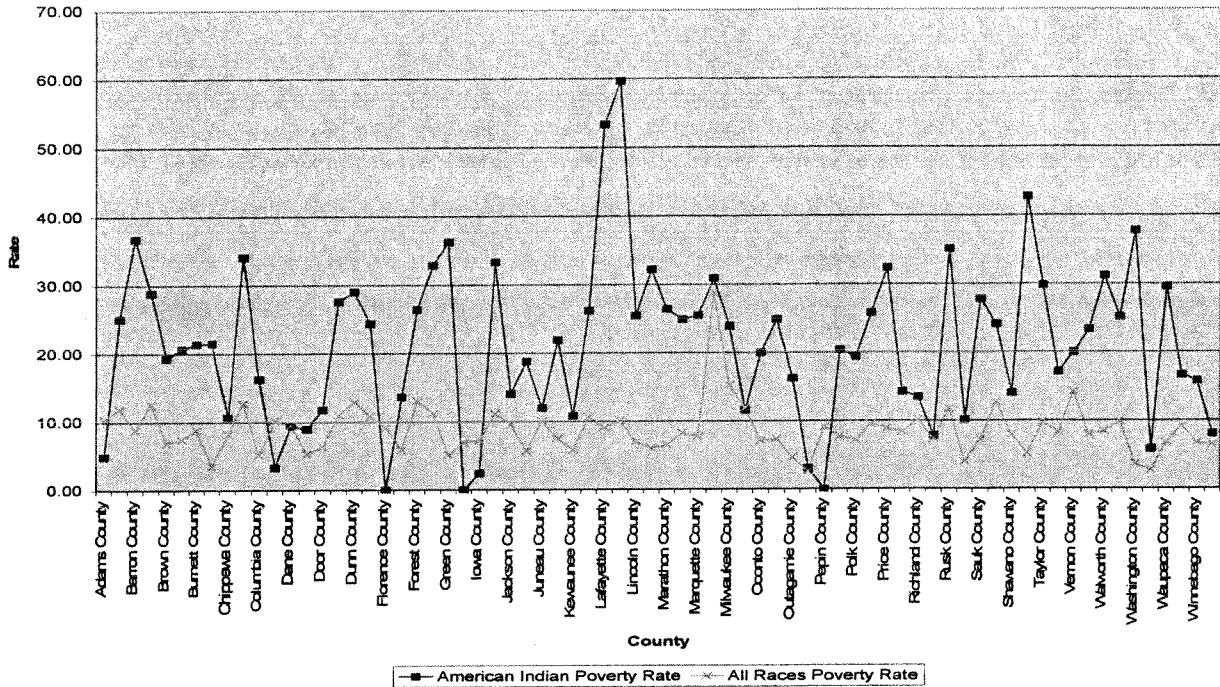
WIA Grant versus Tuition and Fees



WIA Grant As a Percentage of Tuition and Fees



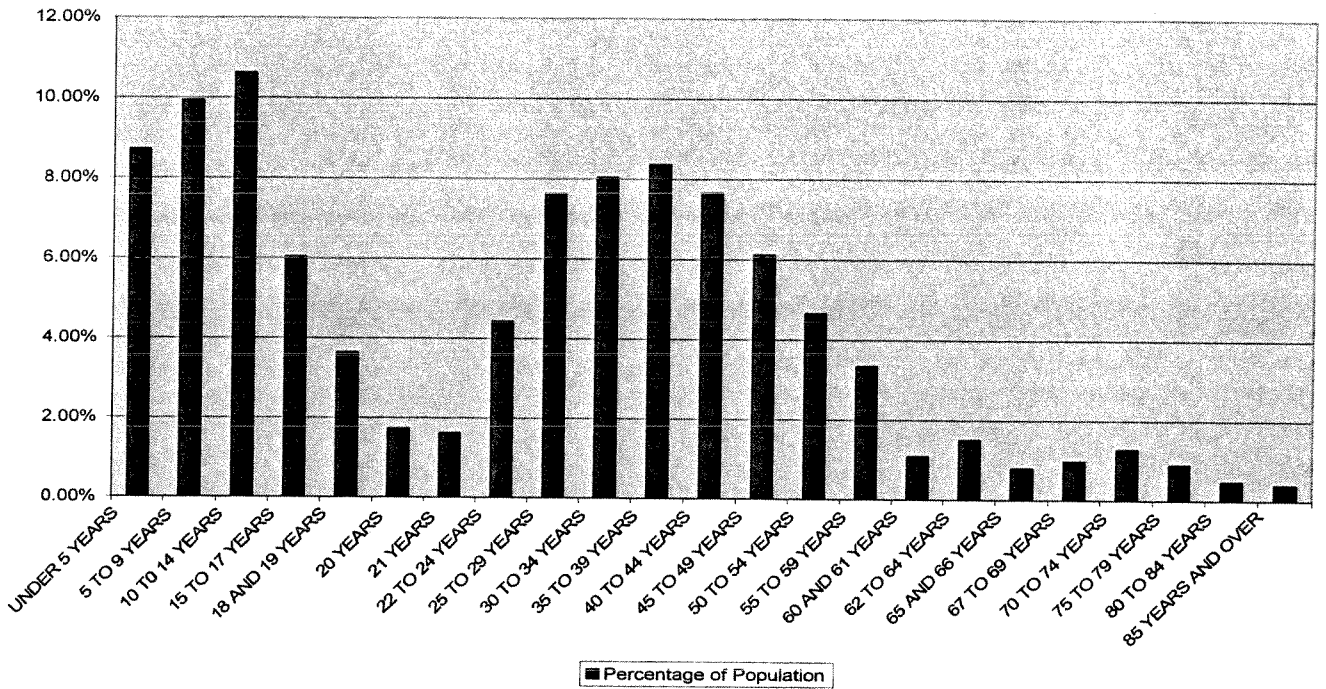
Comparison of Poverty Rate (%) of American Indians vs. All Races, by County



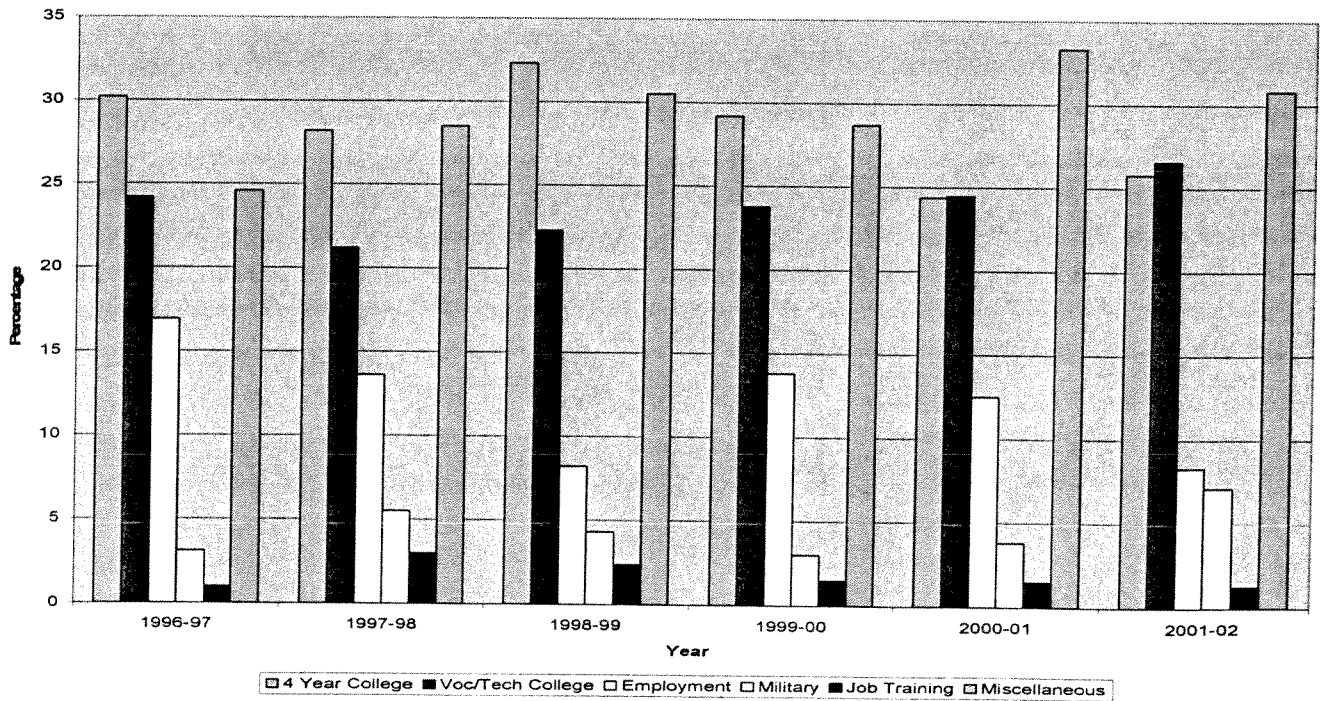
Comparison of the Top Ten Counties, by Poverty Rate

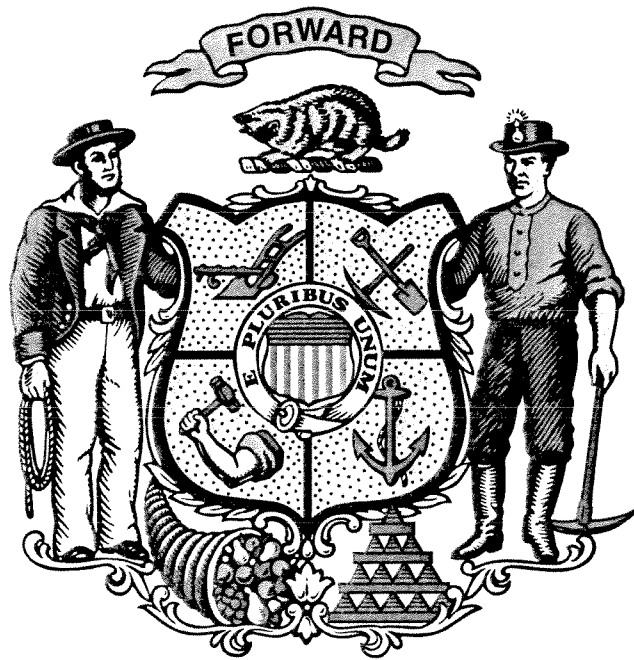
- Top Ten Counties with highest poverty rates, all races. (Includes Milwaukee and Brown)
- Top Ten Counties with high poverty rates, Indian
- Location of Wisconsin Tribes or settlements

Percentage of Population



After School Plans of Indian Students







Chair, Assembly Committee on Veterans & Military Affairs

*TESTIMONY BEFORE THE ASSEMBLY COMMITTEE ON
COLLEGES AND UNIVERSITIES IN SUPPORT OF ASSEMBLY BILL 422*

December 16, 2003

Good morning. I am testifying this morning in support of Assembly Bill 422, relating to Indian student assistance grants. I am the author of the bill. Attached to my testimony is a memorandum that Legislative Council staff prepared for the Special Committee on State-Tribal Relations, which provides background information on the grants.

American Indian students face special challenges in receiving higher education. In spite of the successes of some tribal gaming facilities, the economic benefits to the tribes have not been uniform. Most Indian communities in Wisconsin continue to have depressed economies, with high unemployment and low incomes. As the cost of higher education has continued to increase, it has become even harder for families in these communities to afford. In addition, the population of American Indian students includes a large proportion of nontraditional students, especially older students who have children to support at the same time they must pay for education.

The Indian Student Assistance Program uses Indian gaming revenues to provide higher education grants to American Indian students. The grants are modest and based on need. When the program was created in 1971, grants were capped at \$1,500 per year. The cap was increased to \$1,800 in 1979 and to \$2,200 in 1991, to reflect increases in the cost of higher education. 1995 Wisconsin Act 27 did not change the cap itself, but reduced the amount of a grant that may be paid from state revenues to \$1,100. At the same time, Act 27 created a separate appropriation line to receive gifts from the tribes, so that they could match the state grants. This was all under the apparent misconception that the tribes do not provide financial assistance to their students--they do, but not by this mechanism. Information provided by the Higher Education Aids Board suggests that support for Indian students provided by the tribes equals and often exceeds support provided by the

state. This and other sources of financial aid are discussed in the Legislative Council memo.

The effect of Act 27, then, was to cut the grants in half. The cap is now lower than it was when the program was created in 1975, and we all know that college costs have not gone down in that period.

What is more, appropriations are not sufficient to fund these grants even at the reduced cap. The table in the Legislative Council memo shows that average grants in the last 7 years have been in the low \$900 range. That doesn't go far today.

AB 422 increases the maximum amount of an Indian Student Assistance Grant from \$1,100 per year to \$3,200 per year. This amount is intended to fund the same proportion of average financial need that the grants funded prior to 1996. The bill also provides sufficient additional funds from gaming revenue to cover anticipated grants. In addition, it repeals the superfluous appropriation and language regarding matching grants.

The need for full funding of these grants has come up repeatedly in the Special Committee on State-Tribal Relations. That committee recommended this proposal to the Joint Legislative Council on a vote of 16 to 0, but the Council declined to introduce it, on a close vote--8 to 9. The problem is money. At the time I prepared this bill for introduction, there was still enough gaming revenue unappropriated to cover the cost. Now, all that money has been counted toward the General Fund balance. As the fiscal note shows, the appropriation in the bill is essentially a GPR appropriation.

I have prepared an amendment to delete the appropriation from the bill. This will allow the Legislature to make the policy change contained in the bill, but will leave funding of that policy for the next budget cycle, when it can be considered in competition with other budget priorities. The amendment, LRBA1884/1, is attached to my testimony.

I think that this is a reasonable proposal. I hope that you agree, and that you will recommend passage of AB 422, with this amendment.


Thank you. I will be happy to answer any questions you have.



**WISCONSIN LEGISLATIVE COUNCIL
STAFF MEMORANDUM**

Memo No. 02-2

TO: MEMBERS OF THE SPECIAL COMMITTEE ON STATE-TRIBAL RELATIONS

FROM: David L. Lovell, Senior Analyst 

RE: Indian Student Assistance Program

DATE: September 16, 2002

This memorandum provides background information regarding the Indian Student Assistance Program under s. 39.38, Stats.

Indian Student Assistance Grants

The Indian Student Assistance Program is a needs-based grant program administered by the Higher Educational Aids Board (HEAB) to assist Indian students to receive a higher education. Grants are available for undergraduate and graduate study at any accredited public or private institution of higher education in this state. Full- and part-time students in good academic standing are eligible for grants for a period of up to five years. To be eligible for a grant, a student must be a resident of this state and must have at least 1/4 Indian ancestry, as certified by a federally recognized Indian tribe, or be recognized as a member of a tribe for purposes of the program.

When this program was created in 1971, a cap on the maximum size of Indian Student Assistance Grants was set at \$1,500 per year. The cap was increased to \$1,800 in 1979 and to \$2,200 in 1991, to reflect increases in the cost of higher education. 1995 Wisconsin Act 27, the 1995-97 Biennial Budget Act, did not change the cap itself, but reduced the amount of a grant that may be paid from state revenues to \$1,100. That act created a separate appropriation from which the grant amounts may be matched with funds contributed by Indian tribes. No tribes use this mechanism to match the state grants. However, see the discussion below of tribal funding of higher education expenses.

1999 Wisconsin Act 9, the 1999-2001 Biennial Budget Act, changed the funding source for the grant from general purpose revenue (GPR) to program revenue (PR) derived from gaming revenues paid to the state by the tribes under the gaming compacts and related agreements.

The following table shows the history of the funding and grant awards under the program from 1994-95, the last year in which the state paid grants up to \$2,200, through the present. Throughout the

time represented in the table, the number of students receiving grants has quite consistently been in the low 800s and the average grant amounts have been in the low \$900s. In 1998-99, when more grants were awarded, the grants were correspondingly smaller. A similar pattern is seen in 1994-95, if one adjusts for the fact that the appropriation and maximum grant are twice as large as in the subsequent years. Two years show total awards greater than the amount appropriated; these represent funds carried over from the preceding years.

INDIAN STUDENT ASSISTANCE GRANTS 1994-95 TO PRESENT					
State Fiscal Year	Appropriation	Source	Total Grant Awards	Number of Grants	Average Grant Award
1994-95	\$1,559,700	GPR ¹	\$1,592,715	879	\$1,775
1995-96	\$779,800	GPR	\$778,671	832	\$936
1996-97	\$779,800	GPR	\$747,169	830	\$900
1997-98	\$779,800	GPR	\$744,336	802	\$928
1998-99	\$779,800	GPR	\$731,581	866	\$845
1999-2000	\$779,800	PR-S ²	\$755,205	825	\$915
2000-01	\$779,800	PR-S	\$784,857	837	\$938
2001-02	\$779,800	PR-S	\$748,575	819	\$914
2002-03	\$787,600	PR-S	NA	NA	NA

1. General Purpose Revenue.
2. Program Revenue-Service; funds derived from gaming revenues paid to the state by the tribes.

Source: Higher Education Aids Board.

Relation to Other Sources of Financial Aid

Applications for Indian Student Assistance Grants are prepared as a part of the financial aids program of the school in which the student is enrolled. For any student seeking financial aid, the school calculates the student's financial need based on the formula used for federal student aids. Financial need is the difference between the cost of attending the particular school and the amount the student and his or her family is expected to contribute toward those costs based on their income and assets. The school then helps the student prepare applications for individual sources of financial aid to meet the calculated financial need. This begins with the most generally available sources of grant funding, such as the federal Pell Grants and the Wisconsin Higher Education Grants, for which any student may apply. Next, more specialized sources of grant funding will be considered, such as minority student grants or grants for the student's particular field of study. Student loans are considered last. The result may be a package of aid from several sources.

Indian Student Assistance Grants are seen by some as a supplemental source of financial aid for Indian students which is needed because of the higher than average financial need of these students. Typically, financial aid programs will pursue these grants for students after first attempting to meet the student's financial need through the other sources of grant funding. (Financial aid advisors working with Indian students make a special effort to meet the student's financial need through grants, rather

than loans. Many Indian students pursue studies in fields, such as social work, in which salaries are relatively low or plan to return to reservation communities, where salaries are depressed. Such students would have difficulty repaying large school loans.)

Indian tribes receive federal funding through the Bureau of Indian Affairs (BIA) to support higher education. In recent years, many tribes have supplemented these funds with their own gaming revenues. Generally, students who receive Indian Student Assistance Grants who are members of tribes in Wisconsin also receive financial support from their tribe. These aids are not a match to the state grants, but are a separate source of funding. In most cases, it appears that tribal aid is greater than state aid. In 1998-99, for example, tribal funds supporting students who also received state grants was slightly more than twice the amount of the state grants.

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