

Fiscal Estimate Narratives

UWS 5/6/2005

LRB Number 05-0418/1	Introduction Number SB-187	Estimate Type Original
Subject Ineligibility for state financial aid for college students due to drug conviction		

Assumptions Used in Arriving at Fiscal Estimate

This proposed legislation makes any college student convicted of various drug offenses ineligible for state financial aid. This would mirror parts of federal law. Conviction status of this nature is determined by a self-reported response on the federal financial aid application (FAFSA). It is assumed that, for state financial aid purposes, the FAFSA will be used as well. Since financial aid officers already review the FAFSA in making financial determinations, one can assume that there will be no additional work involved to determine state eligibility in this regard.

On most UW System campuses, the present federal injunction affects very few students per year, who have self-reported a conviction status. It is estimated that approximately 50 students per year might be affected. It is assumed that these individuals would also become ineligible for state financial aid in this case. On average, the state grant per student is between \$1000 and \$2,000. It is assumed that the state dollars which would not be disbursed for the affected students could be used for other students on campus. Therefore, there would be no significant savings of state aid dollars.

Long-Range Fiscal Implications

There is some activity on the federal level to rescind the legislation which denies financial aid to those convicted of these drug offenses. If this is the case, then the FAFSA would no longer be a useful tool to determine eligibility for state financial aid. If the state law remained in effect, under such circumstances, there will be an increased fiscal effect in implementing this legislation on the state level.