

Fiscal Estimate Narratives
UWS 3/1/2006

LRB Number	05-4498/3	Introduction Number	SB-613	Estimate Type	Original
Description The transfer of funds to the veterans trust fund, exempting certain veterans from tuition and fees at the University of Wisconsin System and at technical colleges, eligibility for tuition fee remissions of unremarried surviving spouses and children of certain deceased veterans, information technology server and network infrastructure staff in the Department of Veterans Affairs, and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

Current law requires the University of Wisconsin System to grant to certain veterans a remission equal to 50 percent of academic and segregated fees for 128 credits or eight semesters, whichever is longer. This bill grants full remission of academic fees.

Current law grants certain dependents of eligible veterans full remission of academic and segregated fees. This bill removes the eligibility requirement that the veteran was a resident at the time that he or she incurred at least a 30 percent service-connected disability rating. The bill expands the tuition remission eligibility to include unremarried surviving spouses and children of veterans who were residents of this state at the time of entry into service and who, while a resident of this state, died as the result of a service-connected disability.

The University of Wisconsin System presently estimates that it annually awards approximately \$2.5 million in remissions of 50% of academic and segregated fees to eligible veterans, based on current enrollments and fee levels. If these remissions were to increase to 100%, this would result in a doubling of the amount remitted by the University of Wisconsin System, or an additional \$2.5 million annually in lost revenue to the university.

If academic and segregated fees increase by an average of 5 to 10% per year, this could increase that annual dollar amount to \$2.7 million by July 2006.

The University of Wisconsin Systems cannot estimate the fiscal effect of the changes to the eligibility of the (at least 30%) disabled veterans' spouses and children but feels that these numbers would be small.

Long-Range Fiscal Implications

The number of veterans registered may grow in future years, thereby increasing the dollars required to fund these remissions.

If academic and segregated fees continue to increase by an average of 5 to 10% per year, this change alone could result in a doubling of amounts remitted within ten years.

Increasing number of veterans may use these remissions for graduate and professional education which may increase the amounts remitted.

If additional funding is not provided, it is possible that academic fees might have to be increased to balance out the shortfall.

Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$	\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			-2,700,000
SEG/SEG-S			
TOTAL State Revenues		\$	\$-2,700,000
NET ANNUALIZED FISCAL IMPACT			
		State	Local
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$-2,700,000	\$
Agency/Prepared By		Authorized Signature	Date
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