

Fiscal Estimate - 2011 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 11-3133/1	Introduction Number SB-236
Description Grants to technical college districts to reduce unemployment; creating a new individual income tax upper bracket; providing an exemption from emergency rule procedures; granting rule-making authority; and making appropriations	
Fiscal Effect	
State:	
<input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate	
<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input checked="" type="checkbox"/> Create New Appropriations	<input checked="" type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs
Local:	
<input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate	
1. <input checked="" type="checkbox"/> Increase Costs <input checked="" type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input checked="" type="checkbox"/> Increase Revenue <input checked="" type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory
5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input checked="" type="checkbox"/> WTCS Districts	
Fund Sources Affected	
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.292(1)(d)	
Affected Ch. 20 Appropriations	
Agency/Prepared By	Authorized Signature
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Date	
10/21/2011	

Fiscal Estimate Narratives

WTCS 10/21/2011

LRB Number	11-3133/1	Introduction Number	SB-236	Estimate Type	Original
Description Grants to technical college districts to reduce unemployment; creating a new individual income tax upper bracket; providing an exemption from emergency rule procedures; granting rule-making authority; and making appropriations					

Assumptions Used in Arriving at Fiscal Estimate

If enacted, SB-236 would create a new categorical grant program within the Wisconsin Technical College System (WTCS) to meet the needs of dislocated workers and individuals pursuing high school equivalency credentials, and to expand districts' capacity in programs for which current demand exceeds capacity. The WTCS Board would be responsible for systemwide grant program administration and reporting.

Under the bill, the Legislature would create a new annual GPR appropriation of \$35.8 million in fiscal year (FY) 2012-13 for local grants to WTCS districts. WTCS districts would be required to meet certain eligibility criteria to receive grant funds, with preference given based on local unemployment rates. In addition, SB 236 provides \$34.2 million in additional funding in 2012-13 for general state aid to technical college districts. These funds offset general aid reductions that occurred in the 2011-13 biennial budget, 2011 Wisconsin Act 32, and would allow the districts to expand capacity to better meet demand.

Between 2000-01 and 2010-11, WTCS districts' full-time equivalent (FTE) enrollments increased 38 percent. Despite this, districts' have controlled costs, with inflation-adjusted costs-per-FTE remaining relatively constant since 2000-01. In addition, for the past 11 years, about 90 percent of WTCS graduates have been employed within six months of graduation, and between 2003 and 2008, the growth in WTCS graduates' earnings averaged 8.2 percent annually, nearly twice the rate of inflation.

Long-Range Fiscal Implications

If enacted, SB-236 will result in indeterminate state and local costs related to grant program administration and reporting.