

### Fiscal Estimate - 2017 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> 17-4361/1	<b>Introduction Number</b> AB-0645
-----------------------------	------------------------------------

**Description**  
 University of Wisconsin and technical college nonresident tuition exemptions

**Fiscal Effect**

**State:**

No State Fiscal Effect  
 Indeterminate

<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs
--	--	---

**Local:**

No Local Government Costs  
 Indeterminate

1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input 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 type="checkbox"/> WTCS Districts
--	--	--

<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<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	

<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
UWS/ Gillean Kitchen (608) 263-7879	Renee Stephenson (608) 263-4422	12/7/2017

## Fiscal Estimate Narratives

UWS 12/7/2017

LRB Number	<b>17-4361/1</b>	Introduction Number	<b>AB-0645</b>	Estimate Type	<b>Original</b>
<b>Description</b> University of Wisconsin and technical college nonresident tuition exemptions					

### Assumptions Used in Arriving at Fiscal Estimate

Wisconsin Statute §36.27(2) provides a list of criteria for determining a student's residency status. Students that are determined to be residents are exempt from paying nonresident tuition and instead pay resident tuition and fees.

This bill creates a nonresident tuition exemption for an alien who is not a legal permanent resident of the United States and who: 1) graduated from a Wisconsin high school or received a declaration of equivalency of high school from Wisconsin; 2) was continuously present in Wisconsin for at least three years following the first day of attending a Wisconsin high school or immediately preceding receipt of a declaration of equivalency of high school graduation; 3) enrolls in a UW System institution and provides the institution with an affidavit stating that he or she has filed or will file an application for permanent residency with U.S. Citizenship and Immigration Services as soon as the person is eligible to do so.

According to the National Conferences of State Legislatures, twenty states offer in-state tuition to unauthorized immigrant students, sixteen through legislative action and four at the state university systems level. Additionally, the following five states—California, New Mexico, Minnesota, Texas and Washington—offer state financial assistance to unauthorized students.

A fiscal estimate could not be meaningfully created for this bill for several reasons. The data on underrepresented student participation, retention, and graduation for University of Wisconsin institutions is publicly available. However, this data is not specific to the population of students who would be impacted by this legislation, nor is that population traditionally systematically tracked within the System. Similarly, the data on high school students for whom English is a Second Language is also readily available, but not specific enough to determine which of those students are not U.S. citizens.

Therefore, to complete this estimate, information was gathered from UW System's area of International Engagement as well as various recent studies and articles.

Under current law, students that meet these classifications are charged international tuition rates. Several years ago, UW System estimated that a very small proportion of these students were resident aliens paying international tuition rates. Under the proposed legislation, there would be a loss of revenue in converting tuition rates for this population from international to resident rates. However, market factors contribute to portions of this population not attending college. For example, if faced with having to pay international tuition rates without financial aid (as this portion of students are not eligible for financial aid), potential students from this population may choose not to attend college at all. With this proposed legislation, any estimated loss in revenue from converting tuition rates for the small population of students currently classified as international students may be offset by an influx of additional students that may have been previously priced out of a college education.

Administrative costs for this proposal would be minimal if nonexistent. Similar legislation existed in Wisconsin around 2008. At that time, UW System developed an affidavit that students had to take to the Registrar's office as well as the administrative structure to implement this change. The process required no additional staff or staff time.

### Long-Range Fiscal Implications