



State of Wisconsin
2015 - 2016 LEGISLATURE

LRB-4326/1
ARG:amn

2015 SENATE BILL 592

January 22, 2016 – Introduced by Senators MARKLEIN, GUDEx, LASEE and MOULTON, cosponsored by Representatives MURPHY, HEATON, NOVAK, MACCO, KULP, MURSAU, KRUG, KREMER, PETRYK, ROHRKASTE, QUINN, BERNIER, BALLWEG, KLEEFISCH, RODRIGUEZ, A. OTT, BORN, TRANEL, EDMING, SANFELIPPO, VANDERMEER, NERISON and KITCHENS. Referred to Committee on Universities and Technical Colleges.

1 **AN ACT** *to amend* 38.28 (1m) (a) 1.; and *to create* 20.285 (1) (e), 20.292 (1) (e),
2 36.66 and 38.42 of the statutes; **relating to:** grants to students enrolled in
3 technical colleges and University of Wisconsin college campuses to meet
4 emergency financial need and making an appropriation.

Analysis by the Legislative Reference Bureau

This bill creates a program to award grants to students enrolled in technical colleges and the two-year University of Wisconsin college campuses (UW colleges) to meet emergency financial need. A student is eligible for a grant to pay the student's expense resulting from a financial emergency if the student's expected family contribution, as determined by the federal Free Application for Federal Student Aid, is less than \$5,000. "Financial emergency" is defined as an unplanned event causing an unanticipated expense that would cause a student to not complete that term if a grant were not available to cover the expense, and includes such expenses as those for medical treatment or vehicle repair but not for textbooks, student fees, or groceries. The amount of the grants awarded to a student may not exceed a total of \$500 per academic year, with a limit of two grants per student per academic year. A student's grant application must include written proof identifying the nature and amount of the expense and the third party to whom this amount is owed. Grant funding is distributed by the Wisconsin Technical College System (WTCS) Board to the technical colleges, and by the University of Wisconsin System Board of Regents (Board of Regents) to the UW colleges, based on the anticipated need and demand for grants at each technical college or UW college. Each technical

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1 20.292 (1) (e) *Grants to meet emergency financial need.* As a continuing
2 appropriation, the amounts in the schedule for distribution to technical college
3 districts for purposes of making grants under s. 38.42.

4 **SECTION 4.** 36.66 of the statutes is created to read:

5 **36.66 Grants to meet emergency financial need. (1)** In this section:

6 (a) “Eligible student” means a student enrolled in a college campus whose
7 expected family contribution, as defined in s. 39.437 (3) (a), is less than \$5,000.

8 (b) “Financial emergency” means an unplanned event causing an
9 unanticipated expense, such as charges for medical treatment or vehicle repair, that
10 would cause an eligible student to not complete that term if a grant were not
11 available to cover the expense, but does not include such expenses as those for
12 tuition, textbooks, student fees, alcohol or tobacco, groceries, entertainment, legal
13 services, or fines or forfeitures resulting from legal violations.

14 **(2)** From the appropriation under s. 20.285 (1) (e), no later than September 1,
15 2016, and by September 1 of each year thereafter, the board shall distribute funds
16 to the college campuses for payment of grants under this section. These funds may
17 not be used by the college campuses for any other purpose. The amount distributed
18 by the board to each college campus shall be determined by the board based on the
19 anticipated need and demand for grants at each college campus.

20 **(3)** (a) Subject to pars. (b) to (d), each college campus may award grants to
21 eligible students to pay the student’s expense resulting from a financial emergency.
22 In evaluating a grant application, the college campus shall, in its discretion and
23 based on its best judgment, determine whether the student has incurred a legitimate
24 financial emergency.

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1 (b) No grant may be awarded to a student unless the student has submitted
2 with the grant application written proof, such as a bill, identifying the nature and
3 amount of the expense and the 3rd party to whom this amount is owed.

4 (c) A college campus may not award more than 2 grants under this section to
5 the same student in any academic year. The total of all grants made to a student
6 under this section in the same academic year may not exceed \$500.

7 (d) A grant under this section may not be disbursed in cash. The grant funds
8 shall be disbursed in any of the following ways:

9 1. By check made payable to the student and delivered to the student.

10 2. By check made payable to the 3rd party identified under par. (b) and
11 delivered to the 3rd party or to the student.

12 3. By electronic fund transfer or other electronic deposit to an account
13 maintained by the student at a financial institution.

14 (4) Each college campus shall create or adopt a brief application process and
15 designate an employee with the authority to disburse the grant funds to eligible
16 students. A decision on a grant application, and disbursement of grant funds to a
17 student if a grant is awarded, shall be made within 5 business days of the student's
18 application.

19 (5) If a student applies for a 2nd grant under this section within the same
20 academic year, a college campus shall require the student to undergo a financial
21 counseling session with a financial aid professional before the grant may be awarded.

22 (6) (a) Each college campus shall collect, for each academic year, the following
23 information related to the grant program under this section:

24 1. The number of grants awarded.

25 2. The number of grant requests denied.

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- 1 3. The number of students receiving grants.
- 2 4. The total amount of grant money awarded.
- 3 5. The total amount of grant money available but not awarded.
- 4 6. The number of students who received a grant and completed their degree or
- 5 credential.
- 6 7. The number of students who received a grant and transferred to another
- 7 postsecondary institution.
- 8 8. The number of students who received a grant and did not complete the term
- 9 in which the grant was awarded.
- 10 9. The types of expenses for which students requested grants.

11 (b) By June 30, 2017, and by June 30 of each year thereafter, each college
12 campus shall report to the board the information collected under par. (a), for the
13 academic year ending in that calendar year, and the board shall submit a report of
14 this information to the chief clerk of each house of the legislature, for distribution to
15 the appropriate standing committees under s. 13.172 (3) having jurisdiction over
16 matters relating to colleges and universities.

17 **SECTION 5.** 38.28 (1m) (a) 1. of the statutes, as affected by 2015 Wisconsin Act
18 55, is amended to read:

19 38.28 (1m) (a) 1. "District aidable cost" means the annual cost of operating a
20 technical college district, including debt service charges for district bonds and
21 promissory notes for building programs or capital equipment, but excluding all
22 expenditures relating to auxiliary enterprises and community service programs, all
23 expenditures funded by or reimbursed with federal revenues, all receipts under ss.
24 38.12 (9), 38.14 (3) and (9), 118.15 (2) (a), and 118.55 (7r), all receipts from grants
25 awarded under ss. 38.04 (8), (28), and (31), 38.14 (11), 38.26, 38.27, 38.31, 38.33, and

SENATE BILL 592**SECTION 5**

1 38.38, and 38.42, all fees collected under s. 38.24, and driver education and chauffeur
2 training aids.

3 **SECTION 6.** 38.42 of the statutes is created to read:

4 **38.42 Grants to meet emergency financial need. (1)** In this section:

5 (a) "Eligible student" means a student enrolled in a technical college whose
6 expected family contribution, as defined in s. 39.437 (3) (a), is less than \$5,000.

7 (b) "Financial emergency" means an unplanned event causing an
8 unanticipated expense, such as charges for medical treatment or vehicle repair, that
9 would cause an eligible student to not complete that term if a grant were not
10 available to cover the expense, but does not include such expenses as those for
11 tuition, textbooks, student fees, alcohol or tobacco, groceries, entertainment, legal
12 services, or fines or forfeitures resulting from legal violations.

13 **(2)** From the appropriation under s. 20.292 (1) (e), no later than September 1,
14 2016, and by September 1 of each year thereafter, the board shall distribute funds
15 to the districts for payment of grants under this section. These funds may not be used
16 by the districts for any other purpose. The amount distributed by the board to each
17 district shall be determined by the board based on the anticipated need and demand
18 for grants at each technical college.

19 **(3)** (a) Subject to pars. (b) to (d), each technical college may award grants to
20 eligible students to pay the student's expense resulting from a financial emergency.
21 In evaluating a grant application, the technical college shall, in its discretion and
22 based on its best judgment, determine whether the student has incurred a legitimate
23 financial emergency.

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1 (b) No grant may be awarded to a student unless the student has submitted
2 with the grant application written proof, such as a bill, identifying the nature and
3 amount of the expense and the 3rd party to whom this amount is owed.

4 (c) A technical college may not award more than 2 grants under this section to
5 the same student in any academic year. The total of all grants made to a student
6 under this section in the same academic year may not exceed \$500.

7 (d) A grant under this section may not be disbursed in cash. The grant funds
8 shall be disbursed in any of the following ways:

- 9 1. By check made payable to the student and delivered to the student.
- 10 2. By check made payable to the 3rd party identified under par. (b) and
11 delivered to the 3rd party or to the student.
- 12 3. By electronic fund transfer or other electronic deposit to an account
13 maintained by the student at a financial institution.

14 (4) Each technical college shall create or adopt a brief application process and
15 designate an employee with the authority to disburse the grant funds to eligible
16 students. A decision on a grant application, and disbursement of grant funds to a
17 student if a grant is awarded, shall be made within 5 business days of the student's
18 application.

19 (5) If a student applies for a 2nd grant under this section within the same
20 academic year, a technical college shall require the student to undergo a financial
21 counseling session with a financial aid professional before the grant may be awarded.

22 (6) (a) Each technical college shall collect, for each academic year, the following
23 information related to the grant program under this section:

- 24 1. The number of grants awarded.
- 25 2. The number of grant requests denied.

