



## 2015 ASSEMBLY BILL 744

January 19, 2016 - Introduced by Representatives MURPHY, KRUG, VANDERMEER, MACCO, KULP, GANNON, KNUDSON, NEYLON, CZAJA, MURSAU, HINTZ, KREMER, PETRYK, DUCHOW, ROHRKASTE, KNODL, T. LARSON, QUINN, BERNIER, BALLWEG, KLEEFISCH, RODRIGUEZ, R. BROOKS, A. OTT, NOVAK, BORN, TRANEL, EDMING, LOUDENBECK, SANFELIPPO, NERISON and KITCHENS, cosponsored by Senators MARKLEIN, GUDEx, LASEE, MOULTON and KAPENGA. Referred to Committee on Colleges and Universities.

1     **AN ACT to create** 39.53 of the statutes; **relating to:** requiring institutions of  
2           higher education to provide information to students relating to educational  
3           costs and financial literacy.

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### *Analysis by the Legislative Reference Bureau*

This bill requires any institution of higher education in this state that offers an associate degree or higher (institution) to annually provide a letter to each student that contains certain information, including all of the following: 1) information about each of the student's student loans, including the total amount of debt accrued under the loan, the loan's interest rate, the estimated future monthly payment under the loan, and the total projected cost of the loan; 2) the estimated total cost of attendance at the institution for the academic year, including actual or estimated costs of tuition, fees, and room and board; and 3) the cumulative amount of state, federal, and institutional grants that the student receives. This letter must be provided to the student at the beginning of the academic year. The bill also requires the institution to provide to students information on financial literacy within the student's first semester of enrollment.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

**ASSEMBLY BILL 744****SECTION 1**

1           **SECTION 1.** 39.53 of the statutes is created to read:

2           **39.53 Information for students relating to higher education costs. (1)**

3           DEFINITION. In this section, “institution of higher education” means an institution or  
4           college campus within the University of Wisconsin System, a technical college under  
5           ch. 38, or any private postsecondary institution located in this state that provides an  
6           educational program for which it awards an associate degree or higher.

7           **(2) STUDENT LETTER.** (a) An institution of higher education shall annually  
8           provide a letter to all students to inform them of the cost of their education. The letter  
9           shall include all of the following:

10           1. For each student loan obtained by the student for which the student loan  
11           funds are distributed by the institution as part of the student’s financial aid package,  
12           all of the following information with respect to that loan:

13           a. The total amount of debt accrued under the loan to date.

14           b. The interest rate applicable to the loan.

15           c. Standard repayment terms for the type of loan.

16           d. The estimated monthly payment due under the loan when the repayment  
17           period commences.

18           e. The total projected amount of interest to be paid over the term of the loan.

19           f. The total projected amount, including both principal and interest, to be paid  
20           over the term of the loan.

21           2. The estimated total cost of attendance at the institution of higher education  
22           for the academic year, including actual or estimated costs of tuition, fees, and room  
23           and board.

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1           3. The cumulative amount of each of the following, stated separately, that the  
2 student receives through the institution as part of the student's financial aid  
3 package:

4           a. State grants.

5           b. Federal grants.

6           c. Institutional grants.

7           4. Identification of resources for students to learn more about student loans and  
8 identification of other financial literacy sources.

9           (b) The letter under par. (a) shall be provided to each student at the beginning  
10 of the academic year. Whenever possible, the letter shall be transmitted to the  
11 student electronically, but the institution of higher education shall provide a printed  
12 copy of the letter delivered by hand, mail, facsimile transmission, commercial  
13 delivery, or other suitable means if the student does not have the ability to receive  
14 the letter electronically.

15           **(3) FINANCIAL LITERACY.** Each institution of higher education shall provide to  
16 newly entering students information on financial literacy within the student's first  
17 semester of enrollment.

18           **SECTION 2. Initial applicability.**

19           (1) This act first applies to the academic year beginning after the effective date  
20 of this subsection.

21           **SECTION 3. Effective date.**

22           (1) This act takes effect on the first day of the 7th month beginning after  
23 publication.

24           **(END)**