

FISCAL ESTIMATE FORM

1999 Session

- ORIGINAL
- CORRECTED
- UPDATED
- SUPPLEMENTAL

LRB # -3051/1

INTRODUCTION # AB 384

Admin. Rule #

Subject

Admission of Veterans to the UW System

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

Increase Costs - May be possible to Absorb Within Agency's Budget Yes No

- Increase Existing Appropriation
- Decrease Existing Appropriation
- Create New Appropriation
- Increase Existing Revenues
- Decrease Existing Revenues
- Decrease Costs

Local: No local government costs

- 1. Increase Costs
 - Permissive
 - Mandatory
- 2. Decrease Costs
 - Permissive
 - Mandatory

- 3. Increase Revenues
 - Permissive
 - Mandatory
- 4. Decrease Revenues
 - Permissive
 - Mandatory

5. Types of Local Governmental Units Affected:
- Towns
 - Villages
 - Cities
 - Counties
 - Others _____
 - School Districts
 - WTCS Districts

Fund Sources Affected

- GPR
- FED
- PRO
- PRS
- SEG
- SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate:

Under current law, no applicant is guaranteed admission to the UW System. [UW System does participate in the Milwaukee Guarantee Program under which students who: (1) attend a public or private school in Milwaukee; (2) graduate with a 2.5 GPA; (3) have a 90% high school attendance rate; and (4) complete a required curriculum are guaranteed admission to one of 13 participating private colleges, local technical schools or the UW System. However, students are not guaranteed admittance to the UW System institution of their choice.]

AB 384 directs the Board of Regents of the UW System to ensure admission to any UW System institution or college to any veteran who otherwise would have been denied admission based on the minimum standards of admission of that institution or college. To qualify for admission under the bill, a person would have to meet the following criteria:

- 1) Be a resident of Wisconsin;
- 2) Apply within 2 years of discharge;
- 3) Be a Wisconsin high school graduate or graduate from high school in another state, but was a Wisconsin resident at the time when he or she entered the armed forces;
- 4) Have been either honorably discharged from the U.S. armed forces after 2 years of active duty, or the full period of the person's initial service obligation, whichever is less; discharged for reasons of hardship or a service-connected disability; or released prior to completion of his or her required period of service as a result of a reduction in the U.S. armed forces;
- 5) Have been or would have been denied admission based on minimum standards for admission.

The bill provides that students admitted under the bill may be admitted on a probationary basis for one semester or session. If a veteran is admitted on probationary basis under the bill and either voluntarily withdraws without completing, or involuntarily fails to complete the program in which he or she is enrolled, the individual is no longer eligible to be admitted under these provisions.

Long-Range Fiscal Implications:

Prepared By: / Phone # / Agency Name

UW System

Authorized Signature / Telephone No.

[Signature] 2-6715

Date

6/24/99

The bill also provides that if the Board of Regents restricts the number of students that may be enrolled at any institution or college campus, veterans admitted under the bill are excluded from the restriction. The number of students that would be required to be admitted at any institution or college would be limited to 0.3% of the total number of undergraduates enrolled in the institution or college.

It is assumed that the provision of the bill excluding eligible veterans from enrollment restrictions set by the Board of Regents is intended so that admission of these veterans does not restrict access to the UW System for students who meet the admissions criteria. Through the Fall of 2000, UW System is under Enrollment Management III (EM 3) which restricts increases in the number of students over a six-year period to 4,000 students. The 4,000 figure for additional students was derived by determining the maximum number of students that could be enrolled at each institution without additional state GPR funding, but still maintaining educational quality (assuming the state continues base funding at current levels with appropriate increases in cost-to-continue and pay plan). The UW System is currently at target levels. Therefore, admitting additional students, veterans or otherwise, above enrollment targets would diminish support per student, and thereby may reduce the educational quality we could offer each student.

Based on statistics from the Federal Department of Defense and the State Department of Veterans Affairs, anywhere from 2,400 to 3,700 discharged veterans return to Wisconsin each year. It is not possible to know how many would enroll under the provisions of the bill, but based on the 0.3% limitation and projected enrollment levels, the maximum number that could be admitted would be approximately 700 per year. If the maximum number of veterans were admitted each year and remained enrolled in subsequent years, by the fourth year, a total of 2,800 additional students could be enrolled.

For 1998-99, the UW System undergraduate cost per student is \$7,140 (\$4,641 GPR and \$2,499 Fees). Adding additional students without GPR reduces the amount of resources available for all students, thereby diminishing the ability of institutions to provide quality education. While the number of veterans that would be enrolled under the bill is unknown, for every additional 100 students admitted above targets, GPR resources available to those students eligible on a competitive basis would shrink by \$464,100. The reductions in resources would multiply as students remain enrolled in subsequent years.

There could also be additional costs in the admissions process. The current application for admission in the UW System does identify whether an applicant is a Wisconsin resident and Wisconsin high school graduate, and includes a box to indicate whether he or she is a veteran. However, the application does not require veterans to indicate the date of their discharge, the circumstances of that discharge (honorable or dishonorable), or whether a veteran who is not a Wisconsin high school graduate was a resident when he or she entered the armed forces. Additional administrative costs would be incurred in gathering and verifying this information if a veteran is initially denied admittance on a competitive basis. In addition, computer systems would have to be modified to recognize an application from a veteran who was denied initially and must be identified for admittance under the bill.