

Fiscal Estimate - 2005 Session

Original Updated Corrected Supplemental

LRB Number 05-3732/1	Introduction Number AB-805											
Description Fee remissions at technical colleges for victims of Hurricane Katrina												
Fiscal Effect												
State:												
<input checked="" type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs												
Local:												
<input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate												
<table style="width:100%; border: none;"> <tr> <td style="width:33%;">1. <input checked="" type="checkbox"/> Increase Costs</td> <td style="width:33%;">3. <input type="checkbox"/> Increase Revenue</td> <td rowspan="5" style="width:34%; vertical-align: top; padding-left: 20px;"> 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 </td> </tr> <tr> <td> <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory</td> <td> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</td> </tr> <tr> <td>2. <input type="checkbox"/> Decrease Costs</td> <td>4. <input type="checkbox"/> Decrease Revenue</td> </tr> <tr> <td> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</td> <td> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory</td> </tr> <tr> <td></td> <td></td> </tr> </table>		1. <input checked="" type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	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	<input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		
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<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS												
Affected Ch. 20 Appropriations												
Agency/Prepared By	Authorized Signature	Date										
WTCS/ Janet Washbon (608) 266-2017	Morna Foy (608) 266-2449	11/14/2005										

Fiscal Estimate Narratives

WTCS 11/15/2005

LRB Number	05-3732/1	Introduction Number	AB-805	Estimate Type	Updated
Description Fee remissions at technical colleges for victims of Hurricane Katrina					

Assumptions Used in Arriving at Fiscal Estimate

This proposal would authorize the President of the technical college system to exceed the statutory limit on the number of students who could obtain remission of nonresident fees for needy and worthy students in the 2005-06, 2006-07, and 2007-08 academic years in order to grant fee remissions to victims of Hurricane Katrina.

Currently the President of the technical college system may authorize district boards to remit nonresident fees to a number of needy and worthy students as long as the total number of students receiving such fee remissions in all districts does not exceed 0.5 percent of the full-time equivalent statewide enrollment.

By statute, the State Board is required to set uniform in-state program (tuition) and material fees for students who are residents of the State of Wisconsin. In addition, the State Board is required to determine a nonresident fee based on 100% of the statewide cost per full-time equivalent student for operating the programs (postsecondary or collegiate transfer) in which they are enrolled. This nonresident fee is added to in-state program and material fees for students who are not residents of the State of Wisconsin.

A Full-Time equivalent (FTE) is defined as 30 credits per FTE.

For 2005-06, the State Board has established resident program fees of \$80.50 per credit for postsecondary programs and \$109.10 for collegiate transfer programs. The supplemental nonresident fee is \$429.80 per credit for postsecondary programs and \$203.25 for collegiate transfer programs.

Given these fees, a nonresident postsecondary program student attending full-time (30 credits) is charged \$510.30 per credit or an annual tuition of \$15,309 as compared to an annual tuition of \$2,415 for a resident, full-time student in a postsecondary program. Similarly, a nonresident collegiate transfer program student attending full-time is charged \$312.35 per credit or an annual tuition of \$9,371 as compared to an annual tuition of \$3,273 for a resident, full-time student in a collegiate transfer program.

In 2004-05, the most recent academic year for which enrollment data is available, a total of 406,254 students generating 68,406 FTEs enrolled in the Wisconsin Technical College System (WTCS). Of these, 600 students generating 122 FTEs paid nonresident tuition. An additional 162 students generating 146 FTEs were deemed needy and worthy by the technical college districts and nonresident fees were remitted. These 162 students were, however, still required to pay resident program and material fees.

Based on the 2004-05 data, the WTCS could remit the nonresident tuition of up to an additional 194 FTEs annually under the needy and worthy statute. However, in the fall semester of the 2005-06 academic year, districts have already submitted to the System Office a 25% increase in the level of remissions of nonresident fees for needy and worthy students over the level of remissions requested in all of 2004-05. Thus, the ability of the WTCS to waive nonresident fees for additional needy and worthy students for 2005-06 and subsequent years will probably be substantially less than the estimate based on the System's experience in 2004-05.

Long-Range Fiscal Implications

At this time, the WTCS has had very limited experience in serving victims of Hurricane Katrina who have relocated to Wisconsin. Therefore, it is not possible to determine long-range fiscal implications. It is possible, however, that as their situations become clearer, an unknown number of Katrina victims will choose to enroll in a Wisconsin technical college. This legislation will permit the WTCS to guarantee the availability of its needy and worthy exemption to this group of students who may otherwise be deterred from enrolling in technical college due to the significantly higher nonresident charge that they would otherwise be subjected

to. These students would, however, still be required to pay resident program and material fees for any instruction they seek.