



## Fiscal Estimate Narratives

UWS 4/19/2005

LRB Number	05-2498/2	Introduction Number	AB-317	Estimate Type	Original
<b>Subject</b>					
Exempting veterans and dependents from tuition at UW and tech colleges					

### Assumptions Used in Arriving at Fiscal Estimate

This bill required the University of Wisconsin and each technical college district board to grant to the spouse, unremarried surviving spouse, or child of an eligible veteran full remission of tuition and fees at any UW institution or technical college for 128 credits or 8 semesters, whichever is longer.

For the purposes of this fiscal estimate, the following assumptions are held:

**Deceased Veterans:** The number of deceased veterans over the last ten years will be used as the number at any given time. The majority of these veterans were veterans of Iraq/Afghanistan. This number might increase, if the country becomes involved in a long military engagement or if there is a major training accident.

The actual rate of marriage and the number of dependents within this population will be assumed as average.

**Disabled Veterans:** The actual number of disabled veterans with a 30% or greater disability residing in Wisconsin, and under the age of 55 was provided by the US Department of Veterans Affairs. It is assumed that those disabled veterans older than 55 would be less likely to have eligible dependents. It is assumed that all of these disabled veterans are eligible Wisconsin veterans.

The number of dependents of these individuals was calculated as per the estimates of the Wisconsin Department of Veterans Affairs. 40% were assumed to have a spouse and each veteran was estimated to have one child, regardless of marital status.

It is assumed that 30% of the spouses and children of the deceased or disabled veterans will attend UWS institutions and students will attend full-time for four years. Retention rates for all UWS undergraduates will be used for this group of individuals. This total attendance will be spread over twenty years for the dependents of veterans under age 34 and ten years for dependents of veterans between 34 and 54 to account for age and situation.

Weighted average tuition and fees will be used to accommodate the fact that individuals will attend institutions throughout the system.

Based on these assumptions, the annualized revenue loss for the UW System is estimated to be \$5,426,692.

It is assumed that the state would provide the additional GPR which is lost due to this legislation.

### Long-Range Fiscal Implications

The tuition and fee amounts noted in this estimate have been made using today's dollars. Tuition and fees could increase by 5-10% per year. Thus, at the end, of ten years the estimated amounts could nearly double.

## Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

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<b>Subject</b>			
Exempting veterans and dependents from tuition at UW and tech colleges			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes		\$	
(FTE Position Changes)			
State Operations - Other Costs		5,426,692	
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>		<b>\$5,426,692</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR		5,426,692	
FED			
PRO/PRS			
SEG/SEG-S			
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			-5,426,692
SEG/SEG-S			
<b>TOTAL State Revenues</b>		<b>\$</b>	<b>\$-5,426,692</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		State	Local
NET CHANGE IN COSTS		\$5,426,692	\$
NET CHANGE IN REVENUE		\$-5,426,692	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
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