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(FORM UPDATED: 08/11/2010)

WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

2005-06

(session year)

Assembly

(Assembly, Senate or Joint)

Committee on Colleges and Universities...

COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)
 - (**ab** = Assembly Bill) (**ar** = Assembly Resolution) (**ajr** = Assembly Joint Resolution)
 - (**sb** = Senate Bill) (**sr** = Senate Resolution) (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

* Contents organized for archiving by: Stefanie Rose (LRB) (November 2012)

Assembly

Record of Committee Proceedings

Committee on Colleges and Universities

Assembly Bill 1035

Relating to: making a postsecondary student who has been convicted of possessing, with intent to manufacture, distribute, or deliver, or of manufacturing, distributing, or delivering, a controlled substance or controlled substance analog ineligible for state financial aid and granting rule-making authority.

By Representatives Hahn, Albers, Townsend, Bies, Owens, Ainsworth, Ott and J. Fitzgerald; cosponsored by Senators Leibham, Lazich, Roessler and A. Lasee.

February 20, 2006 Referred to Committee on Colleges and Universities.

March 7, 2006 **PUBLIC HEARING HELD**

Present: (12) Representatives Kreibich, Ballweg, Underheim,
Nass, Jeskewitz, Towns, Lamb, Shilling,
Schneider, Black, Boyle and Molepske.

Absent: (0) None.

Appearances For

- Eugene Hahn — Rep., State Assembly

Appearances Against

- Connie Hutchison — Higher Education Aids Board
- Steven Schultz, Ripon — WASFAA

Appearances for Information Only

- None.

Registrations For

- Joe Leibham, Madison — Sen., State Senate

Registrations Against

- David Glisch-Sanchez, NMadison — United Council of UW Students

March 7, 2006 **EXECUTIVE SESSION HELD**

Present: (12) Representatives Kreibich, Ballweg, Underheim,
Nass, Jeskewitz, Towns, Lamb, Shilling,
Schneider, Black, Boyle and Molepske.

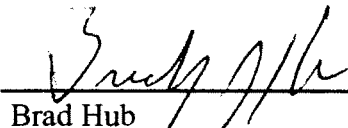
Absent: (0) None.

Moved by Representative Jeskewitz, seconded by Representative Lamb that **Assembly Bill 1035** be recommended for passage.

Ayes: (7) Representatives Kreibich, Ballweg, Underheim, Nass, Jeskewitz, Towns and Lamb.

Noes: (5) Representatives Shilling, Schneider, Black, Boyle and Molepske.

PASSAGE RECOMMENDED, Ayes 7, Noes 5



Brad Hub
Committee Clerk

Vote Record Committee on Colleges and Universities

Date: 3/6/06

Moved by: Lamb
CS/Kent

Seconded by: Lamb

AB 1002 SB _____

Clearinghouse Rule _____

AJR 1035 SJR _____

Appointment _____

AR _____ SR _____

Other _____

A/S Amdt _____

A/S Amdt _____ to A/S Amdt _____

A/S Sub Amdt _____

A/S Amdt _____ to A/S Sub Amdt _____

A/S Amdt _____ to A/S Amdt _____ to A/S Sub Amdt _____

Be recommended for:

- | | | | | |
|---------------------------------------|------------------------------------|---------------------------------------|-----------------------------------------|--------------------------------------------------|
| <input type="checkbox"/> Passage | <input type="checkbox"/> Adoption | <input type="checkbox"/> Confirmation | <input type="checkbox"/> Concurrence | <input type="checkbox"/> Indefinite Postponement |
| <input type="checkbox"/> Introduction | <input type="checkbox"/> Rejection | <input type="checkbox"/> Tabling | <input type="checkbox"/> Nonconcurrency | |

Committee Member

	<u>Aye</u>	<u>No</u>	<u>Absent</u>	<u>Not Voting</u>
Representative Rob Kreibich, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Joan Ballweg	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Gregg Underheim	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Stephen Nass	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Suzanne Jeskewitz	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Debra Towns	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Andy Lamb	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Jennifer Shilling	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Marlin Schneider	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Spencer Black	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Frank Boyle	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Louis Molepske	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Totals:

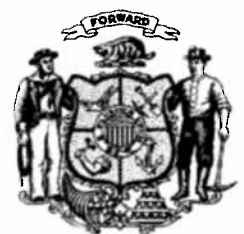
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Motion Carried

Motion Failed

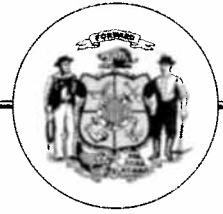


WISCONSIN STATE LEGISLATURE



EUGENE HAHN

State Representative • 47th Assembly District



Chair:
Assembly Committee
on Rural Affairs

To: Members of the Assembly Committee on College & Universities
From: Representative Eugene Hahn
Subject: Committee Consideration of Assembly Bill 1035
College Tuition for Drug Dealers
Date: March 3, 2006

Assembly Bill 1035 will come before your committee on Tuesday March 7, 2006 for a public hearing. I am encouraging your committee to act on this bill in Executive session on Tuesday also.

As taxpayers we should not be subsidizing drug dealers with generous financial packages. I would prefer keeping the available tax dollars for students who are focused on using this assistance to get an education.

A college student convicted of possessing drugs with the intent to sell them would be ineligible for state grant, loan or work assistance. The ban on state financial aid would be lifted after a two year suspension or if the student is able to satisfactorily complete a drug rehabilitation program

AB 1035 would mirror a federal law that was approved by Congress and signed by President Bill Clinton in the late 90's. However, the federal ban does not apply to state financial aid which was an estimated \$103.8 million from 2005-2006, according to the nonpartisan Legislative Fiscal Bureau.

The federal government wisely set the standard to stop funding individuals who have decided to participate in these illegal activities. It is about time Wisconsin follows suit and starts holding drug dealers accountable for using our state tax dollars.

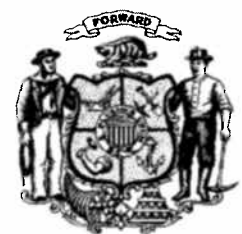
While pursuing one's education is a right, financial assistance is an award. I encourage you to bring Wisconsin in line with the Federal standards to stop rewarding those who break the law.

I appreciate your support in passing this bill out of committee for the full Assembly to consideration.

If you have any questions please feel free to contact my office.



WISCONSIN STATE LEGISLATURE





State of Wisconsin Higher Educational Aids Board

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James E. Doyle
Governor

Connie L. Hutchison
Executive Secretary

AB1035

Testimony of Connie Hutchison, Executive Secretary, HEAB
March 7, 2006

The Higher Educational Aids Board opposes this bill for the following reasons:

HEAB has no mechanism to screen students for such convictions

- Application for need-based grants and loans is the Free Application for Federal Student Aid (FAFSA). No specific state questions are allowed.

There is no state-wide database available against which we could match check the records of our students.

- While Wisconsin criminal history records are available online, it would require someone in our agency to individually key each name to search against the database. The cost would be \$5 per name, such cost determined by the legislature for governmental agencies.

The FAFSA does include a question about drug convictions; however the federal law was revised during the reauthorization of the Higher Education Act to the following:

- Providing for Title IV ineligibility for sale or possession of illegal drugs so that the provision applies only for convictions taking place while a student is enrolled in school and was receiving Title IV assistance.
- This is so different than the proposed legislation of AB1035 that it would be impractical to use the FAFSA question even as a screener.

HEAB has no staff with the expertise to evaluate drug rehabilitation programs.

There would be no way to administer 2 unannounced drug tests during a rehabilitation program.

- There is no expertise, time, or resource available in the agency to administer such tests.
- There would be no way to know where the person was living or working, and no way to find or test them if they were not living in Madison.

HEAB is also opposed to this legislation because:

- One purpose of financial aid is to help students access a higher education in order for them to make a better life,
- It singles out low-income students rather than targeting drug users/distributors of all incomes,
- It does not speak to those students committing other egregious crimes.

We urge you to vote against this bill.



From: Steve Schuetz, President of Wisconsin Association of Student Financial Aid Administrators

Re: Issues and Concerns Related to AB1035

The Wisconsin Association of Student Financial Aid Administrators (WASFAA) has serious concerns about Assembly Bill 1035 which would suspend or eliminate a student's eligibility for state financial aid funds based on prior drug-related convictions. We understand that this state legislation was intended to mirror the current federal legislation related to drug convictions.

Our primary concerns are two-fold:

- 1) The corresponding federal legislation has been changed. In the federal budget reconciliation bill, drug convictions/financial aid law was amended to apply only if the conviction occurred while the student was in school. As currently written, this Wisconsin bill would put us out of sync with the federal law. Managing two similar but different requirements would be unreasonably confusing and problematic for student applicants, as well as the Higher Educational Aids Board (HEAB) and the schools.
- 2) The proposed state legislation seems to expand the scope of the programs that will be impacted beyond the need-based financial aid programs. Students may, in some cases, receive state scholarship funds without completing an application for need-based financial aid, the Free Application for Federal Student Aid (FAFSA). HEAB would have no way to monitor drug convictions outside of the FAFSA.

Many higher education organizations have on-going concerns about the federal legislation. These organizations include: Wisconsin Association of Student Financial Aid Administrators (WASFAA), the National Association of Student Financial Aid Administrators (NASFAA), the American Association of Collegiate Registrars and Admissions Officers (AACRAO), and the American Council on Education (ACE).

The following are some of the concerns about the current federal legislation that relate to the proposed state legislation:

- These provisions discriminate against low- and middle-income students, who are unable to access higher educational opportunities without financial assistance. Students whose families can afford the cost of higher education are not subject to any comparable screening requirement.
- The root cause of many underlying social problems that predispose students to drug abuse may well be the lack of education. By denying these students financial aid, we may be contributing to the problem of drug abuse, not helping solve it.
- The legislation denies students a second chance to improve their lives after having made a mistake with illegal drugs. These students have already been punished by the law and should not be punished a second time.
- The legislation singles out drug convictions while ignoring other equally egregious crimes.
- Although the legislation offers an alternative through rehabilitation programs, for all practical purposes, there are few rehabilitation programs accessible to students convicted of a first or second offense. Most of these programs give priority to individuals with more serious habitual drug dependencies.
- Rehabilitation programs put a strong emphasis on creating a positive environment. Unannounced drug tests, which are required in the legislation, are not usually part of these programs.

For all these reasons, WASFAA urges you not to implement this proposed new state legislation.



2005-06 WHEG - February 28, 2006
(Data from 1st School on FAFSA)

	UW		WTC	
	2004-05	2005-06	2004-05	2005-06
APPROPRIATION:	\$34,959,600	\$40,483,200	\$14,874,000	\$15,766,400
Carryback/carryforward	(\$1,171,731)	(Governor's	\$77,020	
Net Appropriation	\$33,787,869	recommended	\$14,951,020	
Unspent	(\$76,580)	0506 appopr.)	(\$373,082)	
Net Appropriation	\$33,711,289		\$14,577,938	
0405 Formula:	(\$4554-EFC) x 43% = Award Min=\$250, Max=\$1958		(\$7500 - EFC) x 12% = Award Min=\$250, Max=\$900	
0506 Formula:	(\$5254-EFC) x 50% = Award Min=\$500, Max=\$2500		(\$8000 - EFC) x 12% = Award	
DEPENDENT	2/22/05	2/28/06	2/22/05	2/28/06
Applicants	63,519	67,372	18,894	19,412
% of Applicants	77.52%	77.79%	34.59%	34.14%
Calculated Awards	18,108	17,009	8,584	8,553
% of Awards	58.49%	58.45%	25.78%	25.16%
% Eligible	28.51%	25.25%	45.43%	44.06%
Average Award	\$ 1,296	\$ 1,747	\$ 672	\$ 707
\$'s Committed	\$ 23,470,963	\$ 29,721,533	\$ 5,764,802	\$ 6,050,705
	53.65%	54.25%	23.07%	22.49%
INDEPENDENT				
Applicants	18,423	19,235	35,723	37,443
% of Applicants	22.48%	22.21%	65.41%	65.86%
Calculated Awards	12,851	12,093	24,707	25,444
% of Awards	41.51%	41.55%	74.22%	74.84%
% Eligible	69.76%	62.87%	69.16%	67.95%
Average Award	\$ 1,578	\$ 2,073	\$ 778	\$ 820
\$'s Committed	\$ 20,278,589	\$ 25,064,269	\$ 19,220,704	\$ 20,857,081
	46.35%	45.75%	76.93%	77.51%
TOTALS				
Applicants	81,942	86,607	54,617	56,855
Calculated Awards	30,959	29,102	33,291	33,997
% Eligible	37.78%	33.60%	60.95%	59.80%
Average Award	\$ 1,413	\$ 1,883	\$ 751	\$ 791
\$'s Committed	\$ 43,749,552	\$ 54,785,802	\$ 24,985,506	\$ 26,907,786
	100.00%	100.00%	100.00%	100.00%
COMMITTED	129.78%	135.33%	171.39%	170.67%
W & Z Codes		11/15/2005	11/5/2004	12/6/2005
Supplemental Awards	3/1/2005			



4. What is the comparison of UW non-resident tuition to peers?

Comparison of Non-resident Undergraduate Tuition and Fees to Peer Median (2005-06)

	UW Institutions	Peer Median	\$ Above Peers
UW-Madison	\$20,280	\$19,892	\$388
UW-Milwaukee	\$18,972	\$15,834	\$3,138
Comprehensive Univ.	\$15,155	\$12,563	\$2,592



**UW System Nonresident Undergraduate FTE Enrollments
(Not Including Reciprocity)**

	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>	FTE Enroll Change <u>2001-02 to 2004-05</u>
MADISON	5,672.8	5,637.5	5,627.1	5,554.5	-118.3
MILWAUKEE	478.8	424.0	337.0	307.0	-171.8
EAU CLAIRE	213.4	170.9	170.3	206.8	-6.6
GREEN BAY	231.1	206.3	164.8	141.2	-89.9
LA CROSSE	303.4	253.8	238.5	258.8	-44.6
OSHKOSH	220.5	191.0	168.3	160.8	-59.7
PARKSIDE	428.5	365.5	346.3	303.2	-125.3
PLATTEVILLE	402.7	379.2	352.5	365.7	-37.0
RIVER FALLS	198.7	157.9	155.3	135.7	-63.0
STEVENS POINT	345.1	344.7	294.6	258.3	-86.8
STOUT	151.3	164.1	117.1	133.1	-18.2
SUPERIOR	175.9	222.1	221.4	204.7	28.8
WHITEWATER	533.3	506.0	496.6	442.7	-90.6
COLLEGES	<u>151.7</u>	<u>142.5</u>	<u>130.0</u>	<u>125.9</u>	<u>-25.8</u>
Sum	9,507.2	9,165.5	8,819.8	8,598.4	-908.8

Establishing Competitive Nonresident Tuition
To Subsidize Resident Students

BUSINESS, FINANCE, AND AUDIT COMMITTEE

Resolution:

Whereas, nonresident undergraduate tuition has increased dramatically over the last five years, largely as a result of the 5% annual tuition surcharges that were mandated by the legislature and the Governor during the 2001-03 biennium; and

Whereas, in 2005-06 nonresident undergraduate tuition at UW-Milwaukee is \$3,138 above its peer midpoint, and the UW Comprehensive universities' nonresident undergraduate tuition is \$2,592 above their peer midpoint; and

Whereas, the UW System has seen a reduction of more than 900 nonresident undergraduate students since 2001-02, with price likely playing a significant role; and

Whereas, the Board of Regents' Tuition Policy Principles state that "nonresident rates should be competitive with those charged at peer institutions and sensitive to institutional nonresident enrollment changes and objectives;" and

Whereas, nonresident tuition covers not only the full cost of educating a nonresident student, but also provides a subsidy that will increase access and/or services for resident students;

Therefore, be it resolved that, upon the recommendation of the President of the University of Wisconsin System, the Board of Regents approves a nonresident undergraduate tuition plan for 2006-07 that would set nonresident undergraduate tuition at all UW System institutions, except UW-Madison, at a level that will cover the full cost of educating a student while also providing the equivalent of the average state support for a resident undergraduate student.

ESTABLISHING COMPETITIVE NONRESIDENT TUITION TO SUBSIDIZE RESIDENT STUDENTS

EXECUTIVE SUMMARY

BACKGROUND

Enrollment of nonresident undergraduates in the University of Wisconsin System has declined by more than 900 students over the last five years, most likely as a result of dramatic increases in nonresident undergraduate tuition over the same period. This results in the loss of approximately \$13 million in tuition revenue annually, which not only covered the full costs of educating these nonresident students but also provided an additional tuition subsidy to resident students. The proposed "Establishing Competitive Nonresident Tuition to Subsidize Resident Students" plan seeks to address the non-competitive nature of UW System nonresident undergraduate tuition rates, while providing opportunities for enrollment growth and/or additional services for resident students. This option was previously discussed with the Board of Regents as part of its December, 2005 full Board discussion on tuition and financial aid.

REQUESTED ACTION

Approval of Resolution I.2.c., which would set 2006-07 nonresident undergraduate tuition at all UW System institutions (except UW-Madison) at a level that will cover the full cost of educating a student while also providing the equivalent of the average state support for a resident undergraduate student.

DISCUSSION

Nonresident undergraduate tuition has increased dramatically over the last five years, largely as a result of the mandatory five percent tuition surcharges imposed by the Governor and the Legislature during the 2001-03 biennium. With price likely playing a significant role, UW System nonresident undergraduate enrollments have fallen by more than 900 students between 2001-02 and 2004-05, resulting in approximately \$13 million in decreased nonresident tuition revenue annually. Despite the fact that the Board of Regents has increased nonresident tuition by the same dollar amount as resident undergraduate tuition for the last three years, nonresident tuition rates at UW-Milwaukee, the UW Comprehensive institutions, and the UW Colleges are not competitive with their peer universities. More competitive rates at these institutions would help reverse this trend.

The proposed tuition rate would bring nonresident undergraduate tuition at UW-Milwaukee, the UW Comprehensives, and the UW Colleges more inline with their peer institutions, while providing additional tuition subsidies for resident students. This proposal was discussed with the Board of Regents during its December, 2005 discussion of tuition and financial aid. Establishing 2006-07 nonresident undergraduate tuition at a level that will cover the full cost of education

while providing the equivalent of the average state support for a resident undergraduate student would help the Board of Regents attain its goal of competitive nonresident tuition rates. This is consistent with the Board of Regents' tuition policy principle that "Nonresident rates should be competitive with those charged at peer institutions and sensitive to institutional nonresident enrollment changes and objectives." Under this resolution, nonresident undergraduate tuition would:

1. be closer to the peer midpoint,
2. cover the full costs of educating a nonresident student, and
3. provide an amount equal to the current state resident tuition subsidy, which could be used to increase access or improve the quality of services for resident students.

The first goal of this tuition initiative would be to return nonresident enrollments to 2001-02 levels. UW-Milwaukee and the UW Comprehensive institutions would be required to increase nonresident enrollments minimally (by approximately 240 students) to recover the revenue lost due to the decrease in the nonresident undergraduate tuition rate. Any increases in nonresident enrollments above this level would generate additional revenue for the institutions that would support resident enrollment growth and/or increased services for current students. Since the additional nonresident enrollments are self supporting they would not replace current resident students. Rather, an increase in nonresident students could support an increase in resident students.

RELATED REGENT POLICY

Regent Policy #88-11: Academic Fee Structure

Regent Policy #92-8: Tuition Policy Principles (October 1992, revised May 1996 and May 2004)

Board of Regents' *Study of UW System in the 21st Century*