

Fiscal Estimate - 2007 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 07-0742/1	Introduction Number AB-0780
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Description
 The method by which the amounts to be appropriated for higher education grants, tuition grants, and Lawton minority undergraduate grants are calculated and making appropriations

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	
<input checked="" type="checkbox"/> Increase Existing Appropriations		
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		<input type="checkbox"/> Decrease Costs

Local:

<input type="checkbox"/> No Local Government 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 type="checkbox"/> WTCS Districts
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
1. <input type="checkbox"/> Increase Costs	<input type="checkbox"/> Permissive <input 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	

Fund Sources Affected	Affected Ch. 20 Appropriations
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

Agency/Prepared By	Authorized Signature	Date
UWS/ Paige Hoffland (608) 263-3307	Freda Harris (608) 263-5679	2/19/2008

Fiscal Estimate Narratives

UWS 2/19/2008

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Assumptions Used in Arriving at Fiscal Estimate

This bill changes the formula used to calculate the amounts appropriated for higher education grants, tuition grants, and Lawton minority undergraduate grants for UW-System students. The change in formula would require an increase in appropriations and would result in an increase to the budget.

Lawton grants were awarded to 3,273 students in 2006-07. Assuming the UW Madison tuition increase of \$330, funding for the Lawton grant would have needed to increase \$1,080,100 if this bill was in effect for the current fiscal year. The current statute requires an increase of 5.5% to the appropriation to reflect the percent increase in tuition from 2006-07 to 2007-08 which would cost \$304,200. This bill would increase the Lawton grant portion of the appropriation by \$775,900 and increase the UW-System's budget accordingly.

Wisconsin Higher Education Grants (WHEG-UW) were awarded to 25,922 students in 2006-07. Since the WHEG-UW grants are funded by the Higher Education Aids Board (HEAB) this bill impacts the appropriations for HEAB, not the UW-System. Using the same calculation as above to determine the needed increase in appropriation by this bill, the WHEG-UW portion of this appropriation in 2007-08 is \$8,554,300. The current statute requires an appropriation increase of \$2,160,400. This bill would increase the WHEG-UW portion of the appropriation by \$6,393,900 and increase the HEAB's budget accordingly.

Long-Range Fiscal Implications

There will be long term fiscal implications from this bill that cannot be estimated. As the number of students awarded these grants increases, and as tuition rates increase, the amount appropriated will increase.

Fiscal Estimate Worksheet - 2007 Session

Detailed Estimate of Annual Fiscal Effect

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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
	State Operations - Salaries and Fringes	\$	\$
	(FTE Position Changes)		
	State Operations - Other Costs		
	Local Assistance		
	Aids to Individuals or Organizations	775,900	
	TOTAL State Costs by Category	\$775,900	\$
B. State Costs by Source of Funds			
	GPR	775,900	
	FED		
	PRO/PRS		
	SEG/SEG-S		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
	GPR Taxes	\$	\$
	GPR Earned		
	FED		
	PRO/PRS		
	SEG/SEG-S		
	TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT			
		State	Local
	NET CHANGE IN COSTS	\$775,900	\$
	NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By		Authorized Signature	Date
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