### Fiscal Estimate - 2007 Session

$\boxtimes$	Original		Updated		Corrected	,	Supple	emental
LRB	Number	07-3975/1		Intro	duction Nu	ımber 🤄	SB-450	
	ethod by whice		to be appropriate				on grants,	and
Fiscal	Effect			<del>,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,</del>	s pagamanan an agaman sang mangsanan			
⊠ı	No State Fisc ndeterminate Increase E Appropriat Decrease Appropriat Create Ne	Existing tions Existing	☐ Increase Revenue ☐ Decrease Revenue	s Existing	g to	crease Cost absorb with Yes ecrease Cos	nin agency	
	Indeterminate  1. Increase Permiss  2. Decrease	e Costs sive Mandato se Costs	3. Increase ory Permissiv 4. Decrease ory Permissiv	ve∏Ma e Revenu	Go ndatory ue	pes of Local vernment U Towns Counties School Districts		Cities
Fund S	Sources Affe	ected			Affected	l Ch. 20 Ap	propriation	ons
⊠ GF	PR 🔲 FED	PRO [	PRS SEG	S S	EGS			
Agenc	y/Prepared l	Ву	Aut	horized	Signature	1.00	-	Date
UWS/ Paige Hoffland (608) 263-3307 Freda				da Harris	a Harris (608) 263-5679 2/19			2/19/2008

# Fiscal Estimate Narratives UWS 2/19/2008

LRB Number 07-3975/1	Introduction Number	SB-450	Estimate Type	Original			
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							

#### **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

Original Update	d Corrected	Supplemental			
LRB Number <b>07-3975/1</b>	Introduction Numb	er <b>SB-450</b>			
<b>Description</b> The method by which the amounts to be a Lawton minority undergraduate grants are	appropriated for higher education gr e calculated and making appropriati	rants, tuition grants, and ons			
I. One-time Costs or Revenue Impacts annualized fiscal effect):	for State and/or Local Governme	nt (do not include in			
II. Annualized Costs:	Annualized Fisca	Annualized Fiscal Impact on funds from:			
	Increased Costs	Decreased Costs			
A. State Costs by Category					
State Operations - Salaries and Fringe	s \$	\$			
(FTE Position Changes)					
State Operations - Other Costs					
Local Assistance		1.0			
Aids to Individuals or Organizations	775,900	Market 1995			
TOTAL State Costs by Category	\$775,900	. \$			
B. State Costs by Source of Funds					
GPR	775,900				
FED		estimated in control of the control			
PRO/PRS					
SEG/SEG-S					
III. State Revenues - Complete this onl revenues (e.g., tax increase, decrease	y when proposal will increase or in license fee, ets.)	decrease state			
	Increased Rev	Decreased Rev			
GPR Taxes	\$	\$			
GPR Earned					
FED		ii.			
PRO/PRS	1				
SEG/SEG-S	) i				
TOTAL State Revenues	\$	\$			
NET AN	NUALIZED FISCAL IMPACT				
	<u>State</u>	Local			
NET CHANGE IN COSTS	\$775,900	\$			
NET CHANGE IN REVENUE	\$	\$			
Agency/Prepared By	Authorized Signature	Date			
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