

## Fiscal Estimate - 2007 Session

Original     
  Updated     
  Corrected     
  Supplemental

|  |   |             |
|--|---|-------------|
| <b>LRB Number</b> <b>07-1857/1</b>   | <b>Introduction Number</b> <b>AB-0151</b> |             |
| <b>Description</b><br>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 based on conduct that occurred during a period of enrollment for which the postsecondary student was receiving any state financial assistance ineligible for state financial assistance and granting rule-making authority   |   |             |
| <b>Fiscal Effect</b>   |   |             |
| <b>State:</b>  |   |             |
| <input checked="" type="checkbox"/> No State Fiscal Effect<br><input type="checkbox"/> Indeterminate<br><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<br><input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input type="checkbox"/> No<br><input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs   |   |             |
| <b>Local:</b>  |   |             |
| <input type="checkbox"/> No Local Government Costs<br><input type="checkbox"/> Indeterminate<br>1. <input type="checkbox"/> Increase Costs      3. <input type="checkbox"/> Increase Revenue<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory<br>2. <input type="checkbox"/> Decrease Costs      4. <input type="checkbox"/> Decrease Revenue<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory<br>5. Types of Local Government Units Affected<br><input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities<br><input type="checkbox"/> Counties <input type="checkbox"/> Others<br><input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts |   |             |
| <b>Fund Sources Affected</b>   |   |             |
| <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS   |   |             |
| <b>Affected Ch. 20 Appropriations</b>  |   |             |
| <b>Agency/Prepared By</b>  | <b>Authorized Signature</b>               | <b>Date</b> |
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## Fiscal Estimate Narratives

UWS 3/19/2007

|  |                  |                     |                |               |                 |
|--|------------------|---------------------|----------------|---------------|-----------------|
| LRB Number   | <b>07-1857/1</b> | Introduction Number | <b>AB-0151</b> | Estimate Type | <b>Original</b> |
| <b>Description</b><br>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 based on conduct that occurred during a period of enrollment for which the postsecondary student was receiving any state financial assistance ineligible for state financial assistance and granting rule-making authority |                  |                     |                |               |                 |

### Assumptions Used in Arriving at Fiscal Estimate

This proposed legislation makes any college student convicted of various drug offenses ineligible for state financial aid under certain circumstances. This would mirror parts of federal law. Conviction status of this nature is determined by a self-reported response on the federal financial aid application (FAFSA). It is assumed that, for state financial aid purposes, the FAFSA will be used as well. Since financial aid officers already review the FAFSA in making financial determinations, one can assume that there will be no additional work involved to determine state eligibility in this regard.

On most UW System campuses, the present federal injunction affects very few students per year, who have self-reported a conviction status. It is estimated that approximately 50 students per year might be affected. It is assumed that these individuals would also become ineligible for state financial aid in this case. On average, the state grant per student is between \$1000 and \$2,000. It is assumed that the state dollars which would not be disbursed for the affected students could be used for other students on campus. Therefore, there would be no significant savings of state aid dollars.

### Long-Range Fiscal Implications

There is some activity on the federal level to rescind the legislation which denies financial aid to those convicted of these drug offenses. If this is the case, then the FAFSA would no longer be a useful tool to determine eligibility for state financial aid. If the state law remained in effect, under such circumstances, there will be an increased fiscal effect in implementing this legislation on the state level.