



## Fiscal Estimate Narratives

UWS 3/4/2009

LRB Number	<b>09-0730/1</b>	Introduction Number	<b>SB-084</b>	Estimate Type	<b>Original</b>
<b>Description</b> Ineligibility for state financial assistance of 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 and granting rule-making authority					

### Assumptions Used in Arriving at Fiscal Estimate

This proposed legislation makes any college student convicted of manufacturing, distributing or delivering a controlled substance 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 free application for federal student aid (FAFSA). It is assumed that, for state financial aid purposes, the FAFSA will be used as well. Federal law, however, also provides a one year penalty for a first offense of possession of a controlled substance, while the proposed legislation includes no such provision. Therefore, in addition to reviewing the FAFSA to determine state financial aid eligibility, financial aid officers will be required to verify the type of conviction with the student in order to determine eligibility for state aid, which will result in additional workload and cost.

On most UW System campuses, the present federal prohibition affects very few students per year. It is estimated that less than 30 students per year self-report a conviction status. A larger number of students begin, but do not complete, a FAFSA once they realize that they will be ineligible for financial aid. It is assumed that most of these individuals would also be ineligible for state financial aid under the proposed legislation. On average, the state grant per student is between \$1,000 and \$2,000. It is assumed, however, that the state dollars which would not be disbursed to the affected students would be used for other students with financial need. Therefore, there would be no significant savings of state aid dollars.

### Long-Range Fiscal Implications

There has been discussion at the federal level regarding changes to the legislation prohibiting financial aid to those convicted of certain drug offenses. If changes were enacted at the federal level, then institutions may no longer be able to use the FAFSA to determine eligibility for state financial aid. If the state law remained in effect under such circumstances, there would be an additional increased fiscal cost to implement and administer this legislation on the state level.