

### Fiscal Estimate - 2013 Session

Original     
  Updated     
  Corrected     
  Supplemental

**LRB Number**    **13-3902/2**                     
 **Introduction Number**    **SB-676**

**Description**  
 Education and training under Wisconsin Works; reducing Wisconsin Works benefits; a minimum copayment, maximum child care hours, and reducing income based on marriage for eligibility under Wisconsin Shares; changes to the food stamp program relating to financial eligibility for benefits, allowing an election to reduce benefits, recouping unused benefits, and prohibiting supplier discounts; prohibiting advertising concerning means-tested public assistance on radio or television; requiring consideration of the income and assets of all individuals in a household for purposes of eligibility for any means-tested public assistance; eligibility requirements for persons or families of low and moderate income to receive certain housing, housing assistance, grants, loans, or benefits from the Wisconsin Housing and Economic Development Authority, the Department of Administration, and local housing authorities; reducing the authority of local housing authorities; eligibility requirement for purposes of receiving low-income energy assistance; prohibiting new claims under the earned income tax credit; limiting eligibility for the homestead tax credit; elimination of certain grant programs administered by the Higher Educational Aids Board and transfer of the unencumbered balances in the appropriations for those programs to the University of Wisconsin System for the purpose of tuition reduction; consideration of the income and assets of both parents of a student under 22 years of age for purposes of awarding a grant or scholarship to such a student and the permissible uses of grant or scholarship moneys awarded; income eligibility requirements for enrollment in a private school participating in a parental choice program; the school lunch program; and granting rule-making authority

**Fiscal Effect**

**State:**

No State Fiscal Effect  
 Indeterminate  
      Increase Existing Appropriations     
  Increase Existing Revenues     
  Increase Costs - May be possible to absorb within agency's budget  
      Decrease Existing Appropriations     
  Decrease Existing Revenues                     
  Yes                       No  
      Create New Appropriations                     
  Decrease Costs

**Local:**

No Local Government Costs  
 Indeterminate

1.  Increase Costs                      3.  Increase Revenue  
      Permissive  Mandatory     
  Permissive  Mandatory  
 2.  Decrease Costs                      4.  Decrease Revenue  
      Permissive  Mandatory     
  Permissive  Mandatory

5. Types of Local Government Units Affected

Towns       Village       Cities  
 Counties       Others  
 School Districts       WTCS Districts

**Fund Sources Affected**                      **Affected Ch. 20 Appropriations**

GPR     FED     PRO     PRS     SEG     SEGS   
 20.235 (1) ((b), 20.235 (1) (fd), 20.235 (1) (ff), 20.235 (1) (fg), 20.235 (1) (fj), 20.235 (1) (k),

<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
HEAB/ Sherrie Nelson (608) 267-2944	Sherrie Nelson (608) 267-2944	3/20/2014

## Fiscal Estimate Narratives

HEAB 3/20/2014

LRB Number	<b>13-3902/2</b>	Introduction Number	<b>SB-676</b>	Estimate Type	<b>Original</b>
<b>Description</b> Education and training under Wisconsin Works; reducing Wisconsin Works benefits; a minimum copayment, maximum child care hours, and reducing income based on marriage for eligibility under Wisconsin Shares; changes to the food stamp program relating to financial eligibility for benefits, allowing an election to reduce benefits, recouping unused benefits, and prohibiting supplier discounts; prohibiting advertising concerning means-tested public assistance on radio or television; requiring consideration of the income and assets of all individuals in a household for purposes of eligibility for any means-tested public assistance; eligibility requirements for persons or families of low and moderate income to receive certain housing, housing assistance, grants, loans, or benefits from the Wisconsin Housing and Economic Development Authority, the Department of Administration, and local housing authorities; reducing the authority of local housing authorities; eligibility requirement for purposes of receiving low-income energy assistance; prohibiting new claims under the earned income tax credit; limiting eligibility for the homestead tax credit; elimination of certain grant programs administered by the Higher Educational Aids Board and transfer of the unencumbered balances in the appropriations for those programs to the University of Wisconsin System for the purpose of tuition reduction; consideration of the income and assets of both parents of a student under 22 years of age for purposes of awarding a grant or scholarship to such a student and the permissible uses of grant or scholarship moneys awarded; income eligibility requirements for enrollment in a private school participating in a parental choice program; the school lunch program; and granting rule-making authority					

### Assumptions Used in Arriving at Fiscal Estimate

SB 676 would eliminate the Wisconsin Higher Education Grant, the Wisconsin Tuition Grant, Indian Student Assistance Grant, and the Minority Undergraduate Retention Grant. These four programs administered by HEAB provide need-based grants of financial assistance to Wisconsin college students. HEAB works with four academic sectors; the UW system, Technical College system, the private and non-profit colleges, and the tribal colleges in WI whose students are eligible for the grant programs that would be affected by SB 676. Students served by the four programs in 2012-2013 were as follows - Wisconsin Higher Education grant (UW, Technical & Tribal combined) 54,588 students and \$77,983,414; Wisconsin Tuition grant 10,778 students and \$27,094,691; Indian Student Assistance grant 786 students and \$721,021; Minority Undergraduate retention grant 868 students and \$815,468; Total 67,020 students and \$106,614,594. SB 676 calls for any unencumbered funds in these four programs to be transferred to the UW system and directs the UW Board of Regents to use the amount so transferred to reduce the tuition charged to enroll in educational programs in the UW system.

It is not possible to estimate the amount of money that might be transferred under 2013 SB 676 without a more closely estimated date for the provisions affecting HEAB and this bill does not specify an effective date. As of this date the amounts actually expected to remain in these appropriations for the 2013-2014 academic year are minimal; HEAB makes grants throughout the school year, which is nearly ended. Each of the 4 sectors whose students receive these four types of grants receive their grant funds into their budgets through HEAB providing the grants to the schools on behalf of the recipient students. However, SB 676 as introduced would transfer any remaining funds in these programs to only one of the four academic sectors, the UW system. To the extent that SB 676 would become law on a timeframe that would find unspent funds in the programs appropriations, it could be said that the bill would result in a transfer to the UW system from the students in the other three academic sectors whose potential grants would have been transferred to the UW system.

### Long-Range Fiscal Implications