

Fiscal Estimate - 2015 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 15-0476/1	Introduction Number AB-0929
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Description
 University of Wisconsin and technical college nonresident tuition exemptions

Fiscal Effect

State:

No State Fiscal Effect
 Indeterminate

<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease 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"/> Decrease Costs
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Local:

No Local Government Costs
 Indeterminate

1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	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
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Fund Sources Affected	Affected Ch. 20 Appropriations
<input 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 UWS/ Adrienne Eccleston (608) 262-5850	Authorized Signature Freda Harris (608) 262-2734	Date 2/26/2016
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Fiscal Estimate Narratives

UWS 2/26/2016

LRB Number 15-0476/1	Introduction Number AB-0929	Estimate Type Original
Description University of Wisconsin and technical college nonresident tuition exemptions		

Assumptions Used in Arriving at Fiscal Estimate

Wisconsin Statute §36.27(2) provides a list of criteria for determining a student's residency status. Students that are determined to be residents are exempt from paying nonresident tuition and instead pay resident tuition and fees. For example, at UW-Green Bay, resident tuition for a full-time undergraduate is \$3,149.16 per semester while nonresident tuition is \$6,935.64.

This bill creates a nonresident tuition exemption for an alien who is not a legal permanent resident of the United States and who: 1) graduated from a Wisconsin high school or received a declaration of equivalency of high school from Wisconsin; 2) was continuously present in Wisconsin for at least three years following the first day of attending a Wisconsin high school or immediately preceding receipt of a declaration of equivalency of high school graduation; 3) enrolls in a UW System institution and provides the institution with an affidavit stating that he or she has filed or will file an application for permanent residency with U.S. Citizenship and Immigration Services as soon as the person is eligible to do so.

A fiscal estimate could not be meaningfully created for this bill for the following reasons:

1. Census data was reviewed for this analysis, but it was not specific enough to extrapolate a meaningful fiscal estimate. The American community Survey estimates the number of people living in Wisconsin who are foreign born and not U.S. citizens, but the data does not provide enough information on age or educational attainment to be useful for this purpose.
2. The market forces involved with the decision to attend college for this population are particularly difficult to predict. For example, a student who is not a U.S. citizen may choose not to attend the University of Wisconsin because of the cost of nonresident tuition. However, the student may choose to attend a private college or to pursue an online education in order to avoid residency-based tuition.
3. While data on underrepresented student participation, retention, and graduation for University of Wisconsin institutions is publicly available, this data is not specific to the population of students who would be impacted by this legislation. Similarly, the data on high school students for whom English is a Second Language is also readily available, but not specific enough to determine which of those students are not U.S. citizens.

During this analysis, a 2011 article in the Evans School Review was reviewed. The article suggested that nonresident tuition exemptions increase the likelihood of enrollment among Latino students who are foreign-born by 1.7 times. It is unclear if students in Wisconsin would respond to pricing in the same way, however it does suggest that the proposed legislation could result in additional students attending the University of Wisconsin and paying resident tuition.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2015 Session

Detailed Estimate of Annual Fiscal Effect

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Description University of Wisconsin and technical college nonresident tuition exemptions			
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			
TOTAL State Costs by Category		\$	\$
B. State Costs by Source of Funds			
GPR			
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			
		<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$	\$
Agency/Prepared By		Authorized Signature	
UWS/ Adrienne Eccleston (608) 262-5850		Freda Harris (608) 262-2734	
		Date	
		2/26/2016	