

Fiscal Estimate - 2015 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 15-3562/1	Introduction Number SB-396
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Description
 Waiver of University of Wisconsin System and technical college application fees and making an appropriation

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. <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 checked="" 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	Authorized Signature	Date
UWS/ Adrienne Eccleston (608) 262-5850	Freda Harris (608) 262-2734	12/7/2015

Fiscal Estimate Narratives

UWS 12/7/2015

LRB Number	15-3562/1	Introduction Number	SB-396	Estimate Type	Original
Description					
Waiver of University of Wisconsin System and technical college application fees and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

This bill requires University of Wisconsin System (UWS) institutions and technical colleges to waive application fees for state residents who are high school juniors or seniors who apply during the second full week of October. The bill appropriates general purpose revenues to reimburse UWS institutions and technical colleges for the fees that are waived.

In order to determine the potential impact of this legislation, the number of applications in the months of September and October for FY 2016 were analyzed. UWS keeps application totals on a monthly basis. It is highly likely that students would either wait to apply until the second week of October or apply earlier than normal if the application fee was waived, so the impact of the waiver was estimated by dividing the total number of October applications by two and including the applications from September. This projection is assumed to be low because it is likely that students will apply to more institutions with all application fees waived. The current application fee of \$44 was used for this estimate.

September 2015 plus Half October*	
.....Applications.....	Cost
UW-Madison.....8,622.....	\$379,346
UW-Milwaukee.....2,072.....	\$91,146
UW-Eau Claire.....1,860.....	\$81,840
UW-Green Bay.....786.....	\$34,562
UW-La Crosse.....2,287.....	\$100,628
UW-Oshkosh.....1,510.....	\$66,418
UW-Parkside.....277.....	\$12,166
UW-Platteville....1,373.....	\$60,390
UW-River Falls....795.....	\$34,958
UW-Stevens Point..1,194.....	\$52,514
UW-Stout.....818.....	\$35,992
UW-Superior.....188.....	\$8,250
UW-Whitewater....2,054.....	\$90,376
UW-Colleges.....597.....	\$26,268
TOTAL.....24,429.....	\$1,074,854

*Includes nonresident applications

**Assuming \$44 application fee

Determining the residency of applicants is done by a computer program. Each campus determines the information that is required for an applicant to be designated as a resident. Once an applicant is accepted, if the student disagrees with their residency designation, they may dispute the designation.

This waiver period will add the potential for application fee reimbursements that will need to be made to students who applied during the second week of October who were incorrectly designated as nonresidents. It may also result in waivers to students wrongly designated as residents. The time required to process these reimbursements would vary by institution and adds uncertainty to the reimbursement amount and timetable.

The current program for sorting applications would have to be changed at the System level to comply with this bill. Currently an application fee or a request for a waiver of the application fee based on financial hardship is required to submit an application. UW System would have to change the program to allow students who could prove their residency status to waive the application fee during the second week in October. The cost of changing the program is unknown.

Long-Range Fiscal Implications

There is currently no waiver period for application fees. Creating a period of time when the fee is waived may result in an increase of applications during that week. Students may also choose to apply to more UWS institutions than previous years which may increase the reimbursement costs in the future. An influx in applications will also result in more staff time needed to process the additional applications.

Recently, institutions were permitted to change their application fees under Wis. Stat. 36.11(3)(d). For example, next year UW-Madison's application fee will increase to \$50. Further changes to applications fees may also increase the reimbursement costs.

Fiscal Estimate Worksheet - 2015 Session

Detailed Estimate of Annual Fiscal Effect

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LRB Number 15-3562/1	Introduction Number SB-396	
Description Waiver of University of Wisconsin System and technical college application fees and making an appropriation		
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	1,074,854	
Local Assistance		
Aids to Individuals or Organizations		
TOTAL State Costs by Category	\$1,074,854	\$
B. State Costs by Source of Funds		
GPR	1,074,854	
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	\$1,074,854	\$
NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By		
Authorized Signature		Date
UWS/ Adrienne Eccleston (608) 262-5850		12/7/2015
Freda Harris (608) 262-2734		