

2017 DRAFTING REQUEST

Assembly Substitute Amendment (ASA-AB888)

For: **David Murphy (608) 266-7500** Drafter: **mkunkel**
 By: **Michael** Secondary Drafters:
 Date: **2/12/2018** May Contact:

Same as LRB:

Submit via email: **YES**
 Requester's email: **Rep.Murphy@legis.wisconsin.gov**
 Carbon copy (CC) to: **aaron.gary@legis.wisconsin.gov**

Pre Topic:

No specific pre topic given

Topic:

Nonresident tuition grants

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	mkunkel 2/12/2018	wjackson 2/13/2018			
/P1	mkunkel 2/14/2018		mbarman 2/13/2018		
/1		anienaja 2/14/2018	dwalker 2/14/2018	dwalker 2/14/2018	

FE Sent For: **<END>**

Kunkel, Mark

From: Pleviak, Krista
Sent: Monday, February 12, 2018 10:20 AM
To: Kunkel, Mark
Subject: FW: Request for p-draft sub-amendment to AB 888

Mark: How about this language for item #6? Obviously, feel free to make any changes you want.

If [HEAB] submits to the department of revenue or the department of workforce development a request for data regarding a particular applicant, the department to which the request is submitted shall provide [HEAB] with any information in the department's possession related to the applicant's employment, income, or residency that may assist [HEAB] in determining the applicant's eligibility for the program.

Krista R. Pleviak
Legislative Attorney
Wisconsin Legislative Reference Bureau
P.O. Box 2037
Madison, WI 53701-2037
(608) 266 - 7290
krista.pleviak@legis.wisconsin.gov

From: Rep.Murphy
Sent: Monday, February 12, 2018 9:13 AM
To: Pleviak, Krista <Krista.Pleviak@legis.wisconsin.gov>
Subject: Request for p-draft sub-amendment to AB 888

Hi Krista,

Rep. Murphy would like a preliminary draft on a substitute amendment to AB 888 that would accomplish the following:

1. Replace DWD with HEAB.
2. Add 1 FTE to HEAB for administration of the program (if necessary in the bill)
3. Require each UWS and WTCS campus to provide a report to HEAB upon request, for each graduate after the effective date of the bill that includes the total tuition paid as a non-resident student in excess of the resident tuition rate.
4. Require that an individual must demonstrate that they are earning at least \$3333 per month before receiving their first grant. If an applicant fails to continue earning at least \$40,000 a year, they will cease to be eligible for future grants.
5. Move the date of the report to the legislature up to eight years into the program instead of ten.
6. Require that DOR and DWD provide any current existing data to HEAB necessary for confirming employment, income, and residency of an applicant.
7. Allow the \$15 million appropriation to also be used for start-up costs and administrative costs as HEAB determines, indicating that HEAB may not start spending money on the program or start-up of the program until July 1, 2019.
8. Applicants must be shown to be in good standing on the National Student Loan Data System (NSLDS) administered by the US Department of Education, or its successors, in order to be eligible for the grant.

Please let me know if you have any questions.

Thanks,

Michael Moscicke

Legislative Assistant

Office of State Representative Dave Murphy

Wisconsin State Assembly

Room 318 North State Capitol

Madison, WI 53708-8953

Phone: +1 608-266-7500



State of Wisconsin
2017 - 2018 LEGISLATURE

LRB-4997/1
KRP:ld&emw

ASA 40

MSK: WLJ

2017 ASSEMBLY BILL 888

S 0315/PI

on
TUES
2-13
1P M

January 30, 2018 - Introduced by Representatives MURPHY, PETRYK, STEFFEN, ROHRKASTE, QUINN, KITCHENS, R. BROOKS, E. BROOKS, KRUG, NOVAK, KULP and TUSLER, cosponsored by Senators TESTIN and FEYEN. Referred to Committee on Workforce Development.

1 AN ACT *to create* 20.445 (1) (c) and 106.45 of the statutes; **relating to:** grants
2 for certain University of Wisconsin and technical college graduates who paid
3 nonresident tuition; granting rule-making authority; and making an
4 appropriation.

gen cat

Substitute amendment
Analysis by the Legislative Reference Bureau

higher educational
aid board

This bill requires the Department of Workforce Development to establish a ten-year program for making annual grants to individuals who were charged nonresident tuition by and completed an educational program, including an apprenticeship, at Wisconsin technical colleges or University of Wisconsin System universities or colleges. To be eligible for the grants, an individual must have continuously resided and been employed in Wisconsin for a period of at least two years after graduation. The bill allows an individual to receive annual grants for no more than five consecutive years in amounts equal to 10 percent of the difference between the total amount of nonresident tuition the educational institution charged the individual and the total amount of resident tuition the educational institution would have charged the individual if the individual had been a resident. If an individual who receives a grant ceases to reside or be employed in Wisconsin, the bill provides that the individual is not eligible for any additional grants. DWD must promulgate rules establishing requirements and procedures for applying for and making the grants. The bill includes a sunset date that provides that DWD may not award a grant approximately ten years after the bill's publication. No later than six

INSERT
1A

INSERT
1A

INSERT
1B

substitute amendment

INSERT
1C

HEAR
the program

ASSEMBLY BILL 888

- 2 -
eight years after the program begins

months prior to that sunset date, the bill requires DWD to submit a report to the legislature evaluating the success of the program.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

substantive amendment

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 20.005 (3) (schedule) of the statutes: at the appropriate place, insert
2 the following amounts for the purposes indicated:

INSERT 2-2

2019-20 2020-21
2017-18 2018-19

3 ~~20.445~~ **Workforce development, department of**

4 (1) ~~WORKFORCE DEVELOPMENT~~

5 (g) Tuition repayment incentive pro-
6 gram

the program established under
15,000,000 15,000,000
-0- -0-

235(c)(fr)

GPR A

7 **SECTION 2.** ~~20.445 (1) (c)~~ of the statutes is created to read:

20.235(c)(fr)

8 ~~20.445 (1) (c)~~ *Tuition repayment incentive program.* The amounts in the
9 schedule for grants under s. ~~106.45~~ (2). No money may be expended from the
10 appropriation under this paragraph after the first day of the 120th month beginning
11 after the effective date of this paragraph [LRB inserts date], except moneys
12 encumbered before that date.

39.51

(a) S

13 **SECTION 3.** ~~106.45~~ of the statutes is created to read:

39.51
106.45

14 **106.45 Tuition repayment incentive program.** (1) In this section:

15 (a) "Complete an educational program" means one of the following:

16 1. For an individual who attended a technical college, to obtain an associate
17 degree or technical diploma from the technical college or successfully complete all the

administering and making

ASSEMBLY BILL 888

1 requirements of an apprenticeship program, as defined ⁱⁿ under s. 106.001 (4), that
2 includes related instruction provided by the technical college.

3 2. For an individual who attended a University of Wisconsin institution, to
4 obtain an associate or bachelor's degree at the institution.

5 (b) "Eligible institution" means a University of Wisconsin institution or a
6 technical college within the technical college system.

7 (c) "University of Wisconsin institution" means a college campus, as defined in
8 s. 36.05 (6m), or a university, as defined in s. 36.05 (13).

9 (2) The ~~department~~ ^{board} shall establish a program for making annual grants in
10 amounts specified in sub. (4) to individuals who were charged nonresident tuition by
11 eligible institutions, completed educational programs at those institutions after July
12 1, 2017, and have continuously resided and been employed in this state for a period
13 of at least 2 years after completion of those programs. An individual is eligible for
14 an annual grant under this subsection for not more than 5 consecutive years. If an
15 individual who receives an annual grant under this subsection ceases to reside or be
16 employed in this state, the individual is not eligible for any additional grant under
17 this subsection.

18 (3) Beginning in fiscal year 2019-20, from the appropriation under s. 20.445
19 (1) (c), the ~~department~~ ^{board} shall provide funding of up to \$15,000,000 in each fiscal year
20 for grants under sub. (2).

21 3 (4) The amount of an annual grant to an individual under sub. (2) is equal to
22 10 percent of the difference between the total amount of nonresident tuition an
23 eligible institution charged the individual in connection with the individual
24 completing an educational program and the total amount of resident tuition the

INSERT
3-6

INSERT
3-9

INSERT 3-13

INSERT 3-16

the program established under

(a)

ASSEMBLY BILL 888

1 eligible institution would have charged the individual if the individual had been a
2 resident.

3 (5) The ~~department~~^{board} shall promulgate rules establishing requirements and
4 procedures for applying for and making grants under the program established under
5 sub. (2). (a)

6 (6) No later than the first day of the ~~14th~~^{96th} month beginning after the effective
7 date of this subsection [LRB inserts date], the ~~department~~^{board} shall submit to the
8 standing committees of the legislature with jurisdiction over higher education and
9 workforce development matters a report under s. 13.172 (3) that evaluates the
10 success of the program established under sub. (2). (a)

11 (7) The ~~department~~^{board} may not award a grant under sub. (2) after the first day
12 of the 120th month beginning after the effective date of this subsection [LRB
13 inserts date]. (a)

14 (END)

INSERT
4-6

INSERT
4-13

1

INSERT 1A:

This substitute amendment requires the higher educational aids board to establish a ten-year program for making annual grants to individuals who were charged nonresident tuition by and completed an educational program, including an apprenticeship, at Wisconsin technical colleges or University of Wisconsin System institutions. Beginning in fiscal year 2019-20, the substitute amendment appropriates \$15,000,000 annually to HEAB for administering and making the grants.

To be eligible for the grants, an individual must have continuously resided and been employed in Wisconsin for a period of at least two years after graduation. In addition, he or she must have a gross monthly income of at least \$3,333 and, if he or she has federal student loans, the National Student Loan Data System administered by the U.S. Department of Education must show that the federal loans are in good standing. [^] Upon request by HEAB, the substitute amendment requires the department of workforce development and the department of revenue to provide information relevant to an individual's eligibility for the grants.

The substitute amendment allows an individual to receive annual grants for no more than five consecutive years in amounts equal to 10 percent of the difference between the total amount of nonresident tuition the educational institution charged the individual and the total amount of resident tuition the educational institution would have charged the individual if the individual had been a resident. If an individual who receives a grant ceases to reside or be employed in Wisconsin, or has an annual gross income of less than \$40,000, the substitute amendment provides that the individual is not eligible for any additional grants.

The substitute amendment requires HEAB to promulgate rules establishing requirements and procedures for applying for and making the grants. The substitute amendment includes a sunset date that provides that HEAB may not award a grant ten years after the program begins. No later than eight years after the program begins, the substitute amendment requires HEAB to submit a report to the legislature evaluating the success of the program. Finally, the substitute amendment allows HEAB to obtain nonresident tuition amounts for graduates specified by HEAB from technical colleges and UWS institutions.

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INSERT 2-2:

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20.235 Higher educational aids board

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(1) STUDENT SUPPORT ACTIVITIES

5

INSERT 3-6:

1 (c) "Federal system" means the National Student Loan Data System
2 administered by the U.S. Department of Education or its successor.

3 (d) "Graduate" means an individual who has completed an educational
4 program.

5 **INSERT 3-9:**

6 (2) (a) The board shall establish a program for making annual grants in
7 amounts specified in sub. (3) to an individual who was charged nonresident tuition
8 by an eligible institution and completed an educational program at the institution
9 after July 1, 2017, if he or she satisfies all of the following:

10 1. The individual has continuously resided and been employed in this state for
11 a period of at least 2 years after completion of the educational program. ✓

12 2. The individual has a gross monthly income of at least \$3,333. ✓

13 3. All federal loans to the individual that are included in the federal system are
14 shown by the federal system to be in good standing. ✓

15 (b) An individual is eligible for an annual grant under the program established
16 under par. (a) for not more than 5 consecutive years. If an individual who receives
17 an annual grant under the program ceases to reside or be employed in this state, or
18 has a gross annual income of less than \$40,000, the individual is not eligible for any
19 additional grant under the program. ✓

20 (c) If the board submits to the department of revenue or the department of
21 workforce development a request for data regarding an applicant for a grant under
22 the program established under par. (a), the department to which the request is
23 submitted shall provide the board with any information in the department's
24 possession related to the applicant's employment, income, or residency that may
25 assist the board in determining the applicant's eligibility for the program.

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INSERT 4-6:

(5) Upon request by the board, for graduates specified by the board, an eligible institution shall report to the board the total nonresident tuition paid in excess of the resident tuition rate.

INSERT 4-13:

SECTION 1. Nonstatutory provisions.

(1) POSITION AUTHORIZATION. The authorized FTE positions for the higher educational aids board are increased by 1.0 GPR position on the effective date of this subsection, to be funded from the appropriation under section 20.235 (1) (fr) of the statutes, for the purpose of administering the program established under section 39.51 (2) (a) of the statutes.

SECTION 2. Effective date.

(1) This act takes effect on July 1, 2019, or on the 2nd day after publication of the 2019-21 biennial budget act, whichever is later.

Kunkel, Mark

From: Moscicke, Michael
Sent: Wednesday, February 14, 2018 11:34 AM
To: Kunkel, Mark
Subject: RE: Request for p-draft sub-amendment to AB 888

Hi Mark,
You can do the /1, but Testin and Murphy will be introducing it.
Thanks,
Michael

From: Kunkel, Mark
Sent: Tuesday, February 13, 2018 3:38 PM
To: Moscicke, Michael <Michael.Moscicke@legis.wisconsin.gov>
Subject: RE: Request for p-draft sub-amendment to AB 888

Michael:

You should have received LRBs0315/P1 this morning. I want to make sure that you think it is okay before I create a companion for Sen. Testin. If it is okay, I can do an introducible version (i.e., /1) instead of preliminary (/P1). Let me know what you think.

Also, regarding Rep. Petryk, I assume that his office will introduce LRBs0315, instead of your office. Is that correct?

--Mark

From: Moscicke, Michael
Sent: Monday, February 12, 2018 12:15 PM
To: Kunkel, Mark <Mark.Kunkel@legis.wisconsin.gov>
Subject: RE: Request for p-draft sub-amendment to AB 888

Hey Mark,
Could you also release the sub to Rep. Petryk's office and Sen. Testin's office when it's ready?
Thanks,
Michael

From: Kunkel, Mark
Sent: Monday, February 12, 2018 10:49 AM
To: Moscicke, Michael <Michael.Moscicke@legis.wisconsin.gov>
Subject: FW: Request for p-draft sub-amendment to AB 888

Michael:

I do HEAB drafting, so I will take over on the substitute amendment, which will be LRBs0315. I'll work on this today and get back to you if I have questions.

--Mark

From: Rep.Murphy
Sent: Monday, February 12, 2018 9:13 AM
To: Pleviak, Krista <Krista.Pleviak@legis.wisconsin.gov>
Subject: Request for p-draft sub-amendment to AB 888

Hi Krista,

Rep. Murphy would like a preliminary draft on a substitute amendment to AB 888 that would accomplish the following:

1. Replace DWD with HEAB.
2. Add 1 FTE to HEAB for administration of the program (if necessary in the bill)
3. Require each UWS and WTCS campus to provide a report to HEAB upon request, for each graduate after the effective date of the bill that includes the total tuition paid as a non-resident student in excess of the resident tuition rate.
4. Require that an individual must demonstrate that they are earning at least \$3333 per month before receiving their first grant. If an applicant fails to continue earning at least \$40,000 a year, they will cease to be eligible for future grants.
5. Move the date of the report to the legislature up to eight years into the program instead of ten.
6. Require that DOR and DWD provide any current existing data to HEAB necessary for confirming employment, income, and residency of an applicant.
7. Allow the \$15 million appropriation to also be used for start-up costs and administrative costs as HEAB determines, indicating that HEAB may not start spending money on the program or start-up of the program until July 1, 2019.
8. Applicants must be shown to be in good standing on the National Student Loan Data System (NSLDS) administered by the US Department of Education, or its successors, in order to be eligible for the grant.

Please let me know if you have any questions.

Thanks,

Michael Moscicke

Legislative Assistant

Office of State Representative Dave Murphy

Wisconsin State Assembly

Room 318 North State Capitol

Madison, WI 53708-8953

Phone: +1 608-266-7500



State of Wisconsin
2017 - 2018 LEGISLATURE

LRBs0315/PP 1
MDK:wlj

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION
ASSEMBLY SUBSTITUTE AMENDMENT,
TO ASSEMBLY BILL 888

RM has
been
run

Now
- no changes

JA-

1 **AN ACT to create** 20.235 (1) (fr) and 39.51 of the statutes; **relating to:** grants for
2 certain University of Wisconsin and technical college graduates who paid
3 nonresident tuition; granting rule-making authority; and making an
4 appropriation.

Analysis by the Legislative Reference Bureau

This substitute amendment requires the Higher Educational Aids Board to establish a ten-year program for making annual grants to individuals who were charged nonresident tuition by and completed an educational program, including an apprenticeship, at Wisconsin technical colleges or University of Wisconsin institutions. Beginning in fiscal year 2019-20, the substitute amendment appropriates \$15,000,000 annually to HEAB for administering and making the grants.

To be eligible for the grants, an individual must have continuously resided and been employed in Wisconsin for a period of at least two years after graduation. In addition, he or she must have a gross monthly income of at least \$3,333 and, if he or she has federal student loans, the National Student Loan Data System administered by the U.S. Department of Education must show that the federal loans are in good

standing. The substitute amendment requires the Department of Workforce Development or the Department of Revenue, upon request by HEAB, to provide information relevant to an individual's eligibility for the grants.

The substitute amendment allows an individual to receive annual grants for no more than five consecutive years in amounts equal to 10 percent of the difference between the total amount of nonresident tuition the educational institution charged the individual and the total amount of resident tuition the educational institution would have charged the individual if the individual had been a resident. If an individual who receives a grant ceases to reside or be employed in Wisconsin, or has an annual gross income of less than \$40,000, the substitute amendment provides that the individual is not eligible for any additional grants.

The substitute amendment requires HEAB to promulgate rules establishing requirements and procedures for applying for and making the grants. The substitute amendment includes a sunset date that provides that HEAB may not award a grant ten years after the program begins. No later than eight years after the program begins, the substitute amendment requires HEAB to submit a report to the legislature evaluating the success of the program. Finally, the substitute amendment allows HEAB to obtain nonresident tuition amounts for graduates specified by HEAB from technical colleges and UW institutions.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 20.005 (3) (schedule) of the statutes: at the appropriate place, insert
2 the following amounts for the purposes indicated:

2019-20 2020-21

3 **20.235 Higher educational aids board**

4 (1) STUDENT SUPPORT ACTIVITIES

5 (fr) Tuition repayment incentive pro-
6 gram

GPR A 15,000,000 15,000,000

7 **SECTION 2.** 20.235 (1) (fr) of the statutes is created to read:

8 20.235 (1) (fr) *Tuition repayment incentive program.* The amounts in the
9 schedule for administering and making grants under the program established under
10 s. 39.51 (2) (a). No moneys may be expended from the appropriation under this

1 paragraph after the first day of the 120th month beginning after the effective date
2 of this paragraph ... [LRB inserts date], except moneys encumbered before that date.

3 **SECTION 3.** 39.51 of the statutes is created to read:

4 **39.51 Tuition repayment incentive program. (1)** In this section:

5 (a) "Complete an educational program" means one of the following:

6 1. For an individual who attended a technical college, to obtain an associate
7 degree or technical diploma from the technical college or successfully complete all the
8 requirements of an apprenticeship program, as defined in s. 106.001 (4), that
9 includes related instruction provided by the technical college.

10 2. For an individual who attended a University of Wisconsin institution, to
11 obtain an associate or bachelor's degree at the institution.

12 (b) "Eligible institution" means a University of Wisconsin institution or a
13 technical college within the technical college system.

14 (c) "Federal system" means the National Student Loan Data System
15 administered by the U.S. Department of Education or its successor.

16 (d) "Graduate" means an individual who has completed an educational
17 program.

18 (e) "University of Wisconsin institution" means a college campus, as defined in
19 s. 36.05 (6m), or a university, as defined in s. 36.05 (13).

20 **(2)** (a) The board shall establish a program for making annual grants in
21 amounts specified in sub. (3) to an individual who was charged nonresident tuition
22 by an eligible institution and completed an educational program at the institution
23 after July 1, 2017, if he or she satisfies all of the following:

24 1. The individual has continuously resided and been employed in this state for
25 a period of at least 2 years after completion of the educational program.

1 2. The individual has a gross monthly income of at least \$3,333.

2 3. All federal loans to the individual that are included in the federal system are
3 shown by the federal system to be in good standing.

4 (b) An individual is eligible for an annual grant under the program established
5 under par. (a) for not more than 5 consecutive years. If an individual who receives
6 an annual grant under the program ceases to reside or be employed in this state, or
7 has a gross annual income of less than \$40,000, the individual is not eligible for any
8 additional grant under the program.

9 (c) If the board submits to the department of revenue or the department of
10 workforce development a request for data regarding an applicant for a grant under
11 the program established under par. (a), the department to which the request is
12 submitted shall provide the board with any information in the department's
13 possession related to the applicant's employment, income, or residency that may
14 assist the board in determining the applicant's eligibility for the program.

15 **(3)** The amount of an annual grant to an individual under the program
16 established under sub. (2) (a) is equal to 10 percent of the difference between the total
17 amount of nonresident tuition an eligible institution charged the individual in
18 connection with the individual completing an educational program and the total
19 amount of resident tuition the eligible institution would have charged the individual
20 if the individual had been a resident.

21 **(4)** The board shall promulgate rules establishing requirements and
22 procedures for applying for and making grants under the program established under
23 sub. (2) (a).

1 (5) Upon request by the board, for graduates specified by the board, an eligible
2 institution shall report to the board the total nonresident tuition paid in excess of the
3 resident tuition rate.

4 (6) No later than the first day of the 96th month beginning after the effective
5 date of this subsection ... [LRB inserts date], the board shall submit to the standing
6 committees of the legislature with jurisdiction over higher education and workforce
7 development matters a report under s. 13.172 (3) that evaluates the success of the
8 program established under sub. (2) (a).

9 (7) The board may not award a grant under sub. (2) (a) after the first day of the
10 120th month beginning after the effective date of this subsection ... [LRB inserts
11 date].

12 **SECTION 4. Nonstatutory provisions.**

13 (1) POSITION AUTHORIZATION. The authorized FTE positions for the higher
14 educational aids board are increased by 1.0 GPR position on the effective date of this
15 subsection, to be funded from the appropriation under section 20.235 (1) (fr) of the
16 statutes, for the purpose of administering the program established under section
17 39.51 (2) (a) of the statutes.

18 **SECTION 5. Effective date.**

19 (1) This act takes effect on July 1, 2019, or on the 2nd day after publication of
20 the 2019-21 biennial budget act, whichever is later.

21

(END)