

Fiscal Estimate Narratives

WTCS 2/23/2024

LRB Number	23-5900/1	Introduction Number	SB-1046	Estimate Type	Original
Description University of Wisconsin System and technical college tuition remissions for and grants to support foster care and other out-of-home care placement students and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

SB 1046 requires the Board of Regents of the University of Wisconsin System (UWS) and technical college district boards to grant tuition remission to certain students who were in foster care or other placement out of their parents' homes. The bill also requires the Department of Children and Families (DCF) to distribute to UWS institutions and Wisconsin Technical College System (WTCS) colleges grants for programs that support former foster youth. This fiscal estimate reflects costs to technical colleges and the WTCS Board.

Under the bill, a student is eligible for technical college tuition remission if any of the following applies: 1) the individual resided in an out-of-home care placement on his or her 18th birthday; 2) the individual resided in an out-of-home care placement and after his or her 13th birthday the individual was adopted or appointed a nonagency guardian; or 3) the individual resided in an out-of-home care placement for at least one year after his or her 13th birthday and then returned to live in the home of his or her parent after termination of the order. The bill requires a technical college district board to grant an eligible student tuition remission for each semester or session that the student completes the federal Free Application for Federal Student Aid (FAFSA) and is enrolled in a technical diploma or associate degree program. The bill creates a new appropriation for foster care remissions and provides \$410,000 GPR in each year to the Higher Educational Aids Board (HEAB) to reimburse UWS institutions and technical college district boards for remissions under the bill. If the appropriation is not sufficient to make full reimbursement, HEAB must prorate the reimbursements to UWS institutions and technical college district boards.

More than 300 foster care youth were enrolled in an associate degree or technical college program at a WTCS college in 2024, but the number of students that meet the tuition remission eligibility criteria under the bill cannot be determined. If all of the foster care youth enrolled in an associate degree or technical college program in 2024 were eligible for tuition remission under the bill, it is unlikely that the funds appropriated to HEAB would be sufficient to cover the full cost of all eligible students' tuition remission. If the funding appropriated to HEAB under the bill is not sufficient and reimbursements to technical colleges are prorated, the bill will result in decreased revenue to technical college district boards. The amount that technical college district boards revenue could decrease is unknown.

The bill creates a new appropriation and provides \$120,000 GPR in 2024-25 to DCF to distribute at least four grants per biennium for up to \$30,000 each to UWS institutions or technical colleges to support programming for former foster youth who are enrolled in the institution. It is not known which institutions will receive grants under this program. If technical colleges are awarded grants from DCF, revenue will increase at those technical colleges, but the amount of increased revenue is unknown.

Because the bill appropriates funding to HEAB and DCF to distribute to technical college district boards, there is no anticipated fiscal effect for the WTCS Board.

Long-Range Fiscal Implications