Wisconsin Legislative Council AMENDMENT MEMO



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2019 Assembly Bill 258

Assembly Substitute Amendment 1

2019 ASSEMBLY BILL 258

2019 Assembly Bill 258 creates a rural scholarship program for dental students at the Marquette University School of Dentistry. The bill directs the Higher Educational Aids Board (HEAB) to establish a program to award annual scholarships, including a stipend, to up to five first-year dental students who are Wisconsin residents. Each qualifying student will receive a **\$75,000** scholarship for each year of the student's enrollment, up to a maximum of four years. The student must in turn agree to practice dentistry upon graduation in a designated dental health shortage area (other than in Brown, Dane, Kenosha, Milwaukee, or Waukesha County) for **18 months** multiplied by the number of years he or she received the scholarship. If a student fails to meet the practice requirement, he or she must repay a proportional amount of the scholarship, under a formula described in the bill.

Beginning in fiscal year 2020-21, the bill makes an annual appropriation of **\$1.5 million** to HEAB for the program, as well as a biennial appropriation of **\$350,000** from which HEAB must make grants to the school to defray the school's administrative costs related to the program.

ASSEMBLY SUBSTITUTE AMENDMENT 1

Rather than creating a new scholarship program for dental students, Assembly Substitute Amendment 1 modifies a scholarship program that was created as part of the 2019-21 Biennial Budget Act (2019 Wisconsin Act 9) to mostly reinstate language that was vetoed by the governor.

2019-21 Biennial Budget Bill, as Passed by the Legislature

The 2019-21 Biennial Budget Bill (2019 Assembly Bill 56), as passed by the Legislature, was almost identical to Assembly Bill 258, except that under the budget bill each qualifying student would receive an annual scholarship of **\$40,000** (rather than \$75,000), up to a maximum of four years. Correspondingly, the budget bill made an annual appropriation of **\$800,000** (rather than \$1.5 million) to HEAB for the program beginning in fiscal year 2020-21. The budget bill included the same \$350,000 appropriation for program administration that is included in Assembly Bill 258.

Governor's Partial Veto

The governor partially vetoed this provision by deleting: (1) the language that made the scholarship available only to Marquette dental students; (2) the requirement that the scholarship amount be \$40,000 per year; and (3) the \$350,000 appropriation that was to be used to defray Marquette's administrative costs related to the program.

As a result of the veto, under current law, HEAB is directed to administer a scholarship program for students **in any discipline** who agree to practice upon graduation in a health shortage area in Wisconsin for 18 months multiplied by the number of years the student received the scholarship. Each

qualifying student will receive a scholarship of **an amount determined by HEAB** for each year of the student's enrollment, up to a maximum of four years. If a student fails to meet the practice requirement, he or she must repay a proportional amount of the scholarship.

Substitute Amendment

The substitute amendment reinstates the language in the biennial budget bill that was passed by the Legislature, with one difference. The substitute amendment requires that the student agree to practice in an eligible dental health shortage area for **12 months** (rather than 18 months) multiplied by the number of years he or she received the scholarship.

The substitute amendment is almost the same as Assembly Bill 258, except that under the substitute amendment the annual scholarship amount per student is **\$40,000** (rather than \$75,000) and students must agree to practice for **12 months** (rather than 18 months) in an eligible dental health shortage area. In addition, under the substitute amendment, the scholarship program created under the biennial budget act is replaced by the dental scholarship program. In contrast, under the bill, HEAB would be directed to administer both scholarship programs.

BILL HISTORY

Representative Kurtz introduced 2019 Assembly Bill 258 on June 3, 2019. On October 30, 2019, the Assembly Committee on Health recommended passage of the bill on a vote of Ayes, 11; Noes, 3. The bill was subsequently referred to the Joint Committee on Finance. On January 16, 2020, the Joint Committee on Finance voted unanimously to introduce Assembly Substitute Amendment 1, and unanimously recommended adoption of the amendment and passage of the bill, as amended. On January 21, 2020, the Assembly adopted the amendment and passed the bill, as amended, on a vote of Ayes, 95; Noes, 2.

AB:ksm