AACT: Student Financial Need WLC: 0111/1

SG:ty 05/25/2007

1 **AN ACT** to amend 36.34 (1) (a) (intro.) and 39.44 (1) (a) (intro.); and to create 36.11

- 2 (3) (am) and 39.40 (2) (e) of the statutes; **relating to:** the consideration of race or
- 3 ethnicity in the University of Wisconsin System and by the higher educational aids
- 4 board.

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

JOINT LEGISLATIVE COUNCIL PREFATORY NOTE: This draft was prepared for the joint legislative council's special committee on affirmative action.

This draft would specify that the University of Wisconsin System may not consider the race or ethnicity of an applicant as a factor weighing in favor of admission to the University of Wisconsin System unless the applicant demonstrates financial need. Specifically, the applicant must demonstrate that the applicant's family income was no more than 400% of the federal poverty guidelines for 3 of the 4 years prior to application. The federal poverty guidelines are issued by the U.S. department of health and human services. Currently, for a family of 4, 400% of the federal poverty guidelines is equal to \$80,000.

Under current law, the Ben R. Lawton minority undergraduate program provides financial assistance, in the form of grants, to certain minority undergraduate students enrolled in the University of Wisconsin System. This draft would create the requirement that a student must demonstrate financial need in order to receive a grant under the Ben R. Lawton minority undergraduate program. Specifically, the student must demonstrate that the student's family income was no more than 400% of the federal poverty guidelines for 3 of the 4 years prior to the receipt of the grant.

Under current law, the higher educational aids board (HEAB) operates a minority teacher loan program. Under the program, the board shall award loans to certain minority students who agree to teach in school districts with high minority populations. The loan program also specifies terms for loan forgiveness. Additionally, HEAB operates a minority undergraduate grant program. Under the program, HEAB provides financial assistance, in the form of grants, to certain minority

students enrolled in the Wisconsin technical college system and private institutions of higher education.

This draft would create the requirement that a student must demonstrate financial need in order to receive a minority undergraduate grant or minority teacher loan from the HEAB. Specifically, the student must demonstrate that the student's family income was no more than 400% of the federal poverty guidelines for 3 of the 4 years prior to the receipt of the grant or loan.

SECTION 1. 36.11 (3) (am) of the statutes is created to read:

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

36.11 (3) (am) The board may not consider the race or ethnicity of an applicant for admission as a factor weighing in favor of admission of the person to the University of Wisconsin System unless the applicant demonstrates that, in 3 of the 4 years prior to application, the annual family income of the applicant's family was equal to or less than 400% of the federal poverty guidelines issued by the U.S. department of health and human services.

SECTION 2. 36.34 (1) (a) (intro.) of the statutes is amended to read:

36.34 (1) (a) (intro.) In this subsection "minority undergraduate" means an undergraduate student who, demonstrates that for 3 of the 4 years prior to receipt of a grant, the annual family income of the student's family was equal to or less than 400% of the federal poverty guidelines issued by the U.S. department of health and family services and who:

SECTION 3. 39.40 (2) (e) of the statutes is created to read:

39.40 (2) (e) Demonstrates that for 3 of the 4 years prior to receipt of a loan, the annual family income of the student's family was equal to or less than 400% of the federal poverty guidelines issued by the U.S. department of health and human services.

SECTION 4. 39.44 (1) (a) (intro.) of the statutes is amended to read:

39.44 (1) (a) (intro.) In this section "minority undergraduate" means an undergraduate student who, demonstrates that for 3 of the 4 years prior to receipt of a grant, the annual family

- income of the student's family was equal to or less than 400% of the federal poverty guidelines
- 2 <u>issued by the U.S. department of health and family services and who:</u>

3 (END)