



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

May 8, 2007

Joint Committee on Finance

Paper #526

National Guard Tuition Grants Reestimate (DMA)

Base Agency

CURRENT LAW

Under s. 21.49 of the statutes, the Department of Military Affairs (DMA) administers a tuition grant reimbursement program for qualified Wisconsin National Guard members. Currently, enlisted members and warrant officers in the National Guard are eligible for tuition reimbursement for baccalaureate degree work at an eligible school. An eligible school for purposes of the program is the University of Wisconsin Extension and any campus of the UW System, a technical college, an accredited in-state institution of higher education, or those out-of-state public institutions of higher education that are subject to either the Minnesota-Wisconsin student reciprocity agreement or reciprocity agreements affecting students in community and technical colleges in Michigan, Illinois, and Iowa).

Reimbursement grants are provided for 100% of actual tuition expenses at an eligible school, not to exceed the maximum of the resident undergraduate tuition at the UW-Madison for a comparable academic load. Qualified students are eligible for up to eight full semesters of undergraduate courses, or 120 credits of part-time study. Each summer, fall or spring semester, a participant has 90 days after completing his or her coursework to apply for reimbursement. Guard members must achieve a minimum grade point average of 2.0 or an average grade of "C" in each semester in which they request a grant. The program is funded under a sum sufficient appropriation. Base level funding in the appropriation is \$4,177,300 GPR annually.

National Guard members who are also classified as veterans may receive tuition and fee remission from UW System and Wisconsin Technical College System (WTCS) institutions for up to 128 credits. For purposes of receiving tuition and fee remission, a National Guard member would have to serve on active duty for at least 90 days during a war period, under honorable conditions. Currently, these institutions must remit 50% of tuition and fees. However, under 2005 Wisconsin Act 468, they will have to remit 100% of tuition and fees for eligible veterans beginning with the 2007-08 academic year.

GOVERNOR

No provision.

MODIFICATION

Reestimate the amounts appropriated for National Guard Tuition Grant (NGTG) by -\$668,500 GPR in 2007-08 and -\$458,000 GPR in 2008-09.

Explanation: Under 2005 Wisconsin Act 25, the UW System Board of Regents and each technical college district board is required to remit 50% of all academic fees and segregated fees and 100% of all nonresident tuition, minus any federal reimbursement, for up to 128 credits or eight semesters, whichever is greater. Act 25 began to have effect with the 2005-06 academic year, at which point there was a 9% reduction in the total amount requested for NGTG reimbursements, despite a 6.9% tuition increase.

2005 Wisconsin Act 468 increases the remission level to 100% of tuition and fees. Based on prior experience it is estimated that there would be a 9.9% decrease to the amounts requested in 2007-08, due to the initial impact of higher tuition and fee remission at the UW System and WTCS. This would result in an estimated \$3,508,800 GPR in NGTG reimbursement requests. It could then be estimated that there would be a 6% increase in 2008-09 due to tuition increases, resulting in \$3,719,300 GPR of reimbursement requests.

Compared to the base level estimate of \$4,177,300 GPR, the estimated funding could be adjusted by -\$668,500 GPR in 2007-08 and -\$458,000 GPR in 2008-09. Since this is a sum sufficient appropriation this modification would not affect the eligibility of a National Guard applicant.

	Change to Bill Funding	Change to Base Funding
GPR	- \$1,126,500	- \$1,126,500

Prepared by: Darin Renner