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Joint Committee on Finance

Paper #593

Dual Enrollment (DPI -- Choice, Charter, and Open Enrollment)

[LFB 2019-21 Budget Summary: Page 333, #28, Page 352, #21,
Page 443, #17, Page 458, #4, and Page 463, #2]

CURRENT LAW

Under the early college credit program, high school pupils enrolled in a public or private school can enroll in courses at a UW institution, a private, non-profit college or university, or a tribal college. Under the program, the cost of a course is shared between the pupil's school or school district and the state, if the pupil will receive high school credit for the course, or between the school or school district, the state, and the pupil, if the pupil will receive only postsecondary credit for the course. Tuition charged by the UW institution cannot exceed one-third of the amount that would be charged to an individual who is enrolled as a Wisconsin undergraduate pupil for a pupil attending a four-year institution, or one-half the amount charged to a resident undergraduate for a pupil attending a UW College institution. Tuition charged by a private university cannot exceed one-third of the amount that would be charged by UW-Madison for a resident undergraduate pupil enrolled in a similar course.

A separate program exists allowing juniors and seniors enrolled in a public high school to take technical college courses under a dual enrollment program specific to the Wisconsin Technical College System (WTCS). Under the program, a pupil does not pay for a college course if the district determines the course qualifies for high school credit and is not comparable to a course already offered in the district.

GOVERNOR

Delete the early college credit program, and \$1,753,500 GPR annually under the Department of Workforce Development for the program.

Instead, create new dual enrollment programs under the UW System and WTCS under which a pupil attending high school in Wisconsin may be admitted as a non-degree pupil to a UW institution or technical college, and may enroll in courses of instruction offered for transcribed credit. For a pupil to enroll in such courses, the pupil must meet the requirements and prerequisites of the course, and there must be space available in the course. A UW institution or technical college district board would be prohibited from charging any fees to any high school pupil, or to the school district or private school in which the pupil is enrolled, in connection with the pupil's participation in the program or the pupil's enrollment in any course under this program. Additionally, delete current law allowing DPI to use the appropriation for aid for open enrollment transportation to reimburse parents for the costs of transporting pupils attending a course at an institution of higher education under the early college credit program.

DISCUSSION POINTS

1. In general, the purpose of dual enrollment programs is to offer pupils an opportunity to receive college credit, often at a reduced tuition rate, before graduating from high school. Pupils who enter college with college credits may be able to graduate early and with less debt. Additionally, dual enrollment programs give pupils access to a greater variety of courses than they have at their high school, particularly for advanced pupils or those who have specialized academic or career interests, and may allow pupils to explore career options before starting college. Some pupils may be able to gain work skills or credentials that allow them to seek employment immediately after high school graduation.

2. The youth options program was enacted in 1991 Act 39. The program was designed to allow public high school pupils to take postsecondary courses during high school and receive both high school and college credit. The program allowed pupils in 11th or 12th grades to take courses from the following institutions: (a) a two- or four-year institution in the UW System; (b) a technical college (c) a nonprofit institution of higher education; or (d) a tribal college. The pupil's school board was required to pay for courses taken under the program for which the pupil received high school credit, if no comparable course was offered in the district.

3. An additional program allowing pupils to earn early college credit was created under 2013 Act 20. Act 20 expanded the part-time open enrollment program to create the course options program. Under course options, pupils enrolled in a public school in any grade could take courses from the following institutions: (a) a nonresident school district; (b) a two- or four-year institution in the UW System; (c) a technical college; (d) a nonprofit institution of higher education; (e) a tribal college; (f) a charter school; or (g) any nonprofit organization approved by DPI. The pupil's resident school board could deny an application to attend a course under the program if the course conflicted with the pupil's academic and career plan or individualized education program (IEP), or if the course did not fulfill a high school graduation requirement. School districts were required to pay tuition for the course in an amount equal to the cost of providing the course to the pupil, as determined by DPI, but no additional amount could be charged to the pupil under Act 20.

4. Concerns were raised following the creation of the course options program that the program placed a cost burden on institutions of higher education. A July 10, 2014, opinion issued by

Attorney General J.B. Van Hollen concluded that statutory provisions related to the course options program also applied to UW programs offering college-level courses taught at high schools that qualify for both high school and college credit. Such courses are taught by a high school teacher who is classified as a UW System adjunct instructor and who conducts the course under the supervision of a UW System institution. Prior to the Attorney General's opinion, pupils did not pay a fee for the course if they received only high school credit, but paid a reduced tuition amount if they chose to receive both high school credit and college credit. Following the Attorney General's decision, UW institutions could no longer charge tuition from the pupil for these courses. The UW System indicated that for 2014-15, the System would absorb the full cost of tuition for course options pupils, equal to an estimated \$2.9 million in that year. However, the System indicated that it could not bear the costs of the program in future years. As a result, the program was modified under 2015 Act 55 to specify that institutions could charge additional tuition or fees to pupils who would receive college credit from a course taken under the program.

5. Under 2017 Act 59, the youth options program was replaced with the early college credit program for UW institutions, private colleges and universities, and tribal colleges, and the part-time open enrollment program was restored so that it would apply only to courses taken in a non-resident school district. Technical colleges were excluded from the early college credit program under Act 59. Instead, provisions of the youth options program under prior law continue to apply to technical college courses only.

6. Under the early college credit program, costs are shared between the higher education institution, the school district, the state, and in some cases, the pupil. Higher education institutions share in the cost of the program by charging a lower tuition amount for a participating high school pupil. Tuition charged by the UW institution cannot exceed one-third of the amount that would be charged to an individual who is enrolled as a Wisconsin undergraduate pupil for a pupil attending a four-year institution, or one-half the amount charged to a resident undergraduate for a pupil attending a two-year institution. Tuition charged by a private university cannot exceed one-third of the amount that would be charged by UW-Madison for a resident undergraduate pupil enrolled in a similar course.

7. The share of the costs paid by the school district, state, and pupil under the early college credit program depend on whether the course is taken for high school credit, regardless of whether the pupil will also receive college credit, or whether the course is taken for college credit only. To be eligible for cost sharing, the course must not be comparable to a course offered in the school district. The portion of costs paid by each are shown in the table below. The state's share of the costs is paid from an appropriation under the Department of Workforce Development, equal to \$1,753,500 GPR in 2018-19.

**School District, State, and Pupil Responsibility for Course Costs
Under Early College Credit Program**

	<u>Course Taken for High School Credit</u>	<u>Course Taken for College Credit Only</u>
School District	75%	25%
State	25	50
Pupil	0	25

8. The early college credit program was modified under 2017 Act 307 (Assembly Bill 805) to exclude from the program courses taught by a high school teacher employed by the school district or private school under an agreement between the district or private school and the institution of higher education. Concern was expressed in the public hearing on 2017 AB 805 that without the modification, the early college credit program shifted costs onto school districts and reduced tuition revenue for UW institutions, and could have resulted in the discontinuation of these programs. By excluding these courses from the early college credit program, Act 307 allowed UW institutions and private colleges to continue to charge tuition directly to pupils earning college credit through the programs.

9. Under the Governor's recommendations, new dual enrollment programs would be created under the UW System and WTCS under which a public or private high school pupil could enroll in courses as a non-degree pupil at a UW institution or technical college. To be eligible, the pupil would be required to meet the requirements and prerequisites of the course, and space must be available in the course. A UW System institution or technical college district board could not charge any fees to any high school pupil, or to the school district or private school in which the pupil is enrolled, in connection with the pupil's participation in the program.

10. The bill would require the participating pupil to notify his or her school board or private school of his or her intent to participate in the program by March 1, for the fall semester, or by October 1, for the spring semester. The pupil would be required to include the titles of the courses he or she intends to take, and specify whether the courses will be taken for high school credit, or for post-secondary credit only. The school board or private school would be responsible for determining if the courses satisfy any high school graduation requirements, and the number of credits to award for the courses. The State Superintendent would be required to develop guidelines for use in making these determinations.

11. In addition to modifying the tuition and payment structure under the early college credit program, the bill would differ from current law in several other ways. The bill does not create a new program for private, non-profit colleges or tribal colleges, and as a result, pupils would no longer be able to attend these institutions under a state dual enrollment program. Information from the Wisconsin Association of Independent Colleges and Universities indicates that at least 20 private colleges or universities plan to participate in the early college credit program in 2019-20. Additionally, the programs under the bill would not include a current-law provision specifying that to be eligible for the program, a course must not be comparable to a course offered by the school district or private

school. If a course is comparable to a course offered by the district or school under current law, the pupil is responsible for the full cost of tuition and fees for the course. Additionally, current law specifies that if a pupil receives a failing grade in a course, or fails to complete a course, the pupil or the pupil's parent or guardian must reimburse the school board or private school for the cost of the course. If no reimbursement is made, the pupil is ineligible for further participation in the program. The bill does not include a provision for recovering costs for pupils who enroll in a course but do not successfully complete the course.

12. It may be beneficial to require pupils to pay a portion of the cost of a course for which they will receive college credit. Grades received in dual enrollment courses become part of a pupil's permanent college academic record. A low grade would therefore affect the pupil's grade point average, which could impact the pupil's academic standing, access to financial aid, or future employment. Requiring pupils to pay a portion of tuition would mean that the pupil's family has invested financially in the course, and may view the course more seriously than other courses.

13. On the other hand, paying a portion of the tuition for dual enrollment courses may be difficult for some pupils, particularly for low-income pupils. As a result, it could be the case that low-income pupils are unable to access college credit under the existing early college credit program because they are required to pay a portion of the tuition. The early college credit program addresses this issue by requiring school boards to waive the pupil's responsibility for a portion of the cost of the program if it is determined that the cost of a course would pose an undue financial burden on a pupil's family. This provision has the effect of requiring the school district to cover the pupil's portion of the cost. However, it could be argued that this approach places an additional burden on school districts and private schools with a high percentage of low-income pupils, which may already face additional financial pressures.

14. The UW System indicates that the majority of its dual enrollment courses are offered through college credit in high school (CCIHS) courses, which are courses taught on high school campuses by high school teachers who are classified as UW adjunct instructors and who conduct the courses under the supervision of UW System institutions. UW-Oshkosh and UW-Green Bay have large, well-established CCIHS programs, and other institutions have recently begun expanding their programs. Alternatively, dual enrollment courses may include courses taught on a UW campus by a UW instructor, either to high school pupils only or as a traditional college course offered to both high school pupils and regular pupils enrolled in the institution.

15. According to data from the UW System, in Fall, 2018, 7,385 high school pupils were enrolled in UW courses. Of those, 5,701 (or 77.2%) were enrolled through CCIHS programs, and 898 (or 12.2%) were enrolled through the early college credit program. An additional 572 pupils (7.7%) participated in both CCIHS and the early college credit program. The remaining 214 pupils enrolled as UW special pupils without participating in either CCIHS or the early college credit program.

16. Under the bill, the cost sharing element of the early college credit program would be eliminated, and instead, UW System and WTCS would be prohibited from charging fees to a high school pupil, or to the pupil's school district or private school, in connection with the pupil's participation in the program. CCIHS programs would not be excluded from these requirements as they were under the early college credit program. UW System staff indicate the concern that UW

institutions would not be able to recover their costs incurred to educate pupils participating in the programs. As a result, UW System institutions could have less incentive to participate in dual enrollment programming, and could result in fewer dual enrollment options being available for pupils.

17. WTCS staff indicates that the majority of its dual enrollment courses offered through technical colleges are provided through transcribed credit programs. Under these programs, courses are taught at high schools by WTCS-certified high school teachers following technical college curriculum, grading policies, and standards. WTCS indicates that transcribed credit courses are cost neutral for school districts and technical colleges, and therefore are provided at no charge to pupils and their families. Pupils may also enroll in courses through Start College Now, WTCS's new program based on the former youth options program. Pupils may enroll in courses on a technical college campus that are open to all technical college pupils, or may participate in a dual enrollment academy program, under which the technical college has primary instructional responsibility using a combination of technical college instructors, facilities and equipment. Although arrangements between school districts and technical colleges vary, WTCS indicates that academy programs typically require school districts to pay an amount equal to the cost of tuition, course fees, and books.

18. According to data from WTCS's 2019 annual report regarding high school pupils attending technical colleges, 48,003 high school pupils enrolled in a total of 78,488 courses through WTCS colleges, earning 191,703 total credits, in 2017-18 (the most recent year included in the report). Of those pupils, 40,652 (84.7%) participated in a transcribed credit program, and 3,118 (or 6.5%) participated in youth options, now known as Start College Now. An additional 3,256 pupils (6.8%) took courses established through contracts between school districts and technical colleges. The remaining 977 pupils participated in youth apprenticeship programs or attended technical colleges under statutory provisions allowing pupils who meet certain criteria to enroll in technical colleges in lieu of high school courses.

19. WTCS staff have expressed a number of concerns about the proposal in the bill. The program that would be most directly affected is Start College Now. Under this program, pupils may enroll in courses on a technical college campus that are open to all technical college pupils, or may participate in a dual enrollment academy program specifically for high school pupils. Under Start College Now, a pupil's school district is responsible for paying tuition and other fees. Because the bill would not allow technical colleges to charge tuition, the changes under the bill would result in reduced tuition revenues of approximately \$2.2 million annually according to WTCS staff. Additionally, the changes under the bill could reduce the number of courses or programs offered specifically to high school pupils under the program.

20. WTCS has also expressed concern about the definition of transcribed credit used under the bill. WTCS has historically defined transcribed credit as courses that are taught at high schools by WTCS-certified high school teachers following technical college curriculum, grading policies, and standards. WTCS indicates that transcribed credit courses are cost neutral for school districts and technical colleges, and therefore are provided at no charge to pupils and their families, and make up the majority of dual enrollment courses offered through technical colleges. By referring to "the higher education institution in which a high school pupil is enrolled", the bill's definition implies courses which a high school pupil attends on a technical college campus. The bill does not directly address the course delivery approach WTCS refers to as transcribed credit, but using a definition other than

the definition currently in use could lead to confusion.

21. Additionally, WTCS staff have indicated that the changes made under the bill could have an unintended effect on contracts between school districts and technical college districts. Under s. 38.14 of the statutes, technical college districts have broad authority to enter into contracts to provide educational services to public and private educational institutions. Currently, technical college districts use this authority to enter into contracts with school districts to provide technical college courses to high school pupils, with costs and other arrangements based on negotiations between the school district and the technical college district. This authority would not be directly affected by the bill, but WTCS staff have expressed concern that modifying the existing program to require dual enrollment courses to be offered at no cost to school districts could result in fewer school districts entering into contracts requiring them to pay for technical college courses.

22. The bill would expand the role of DPI under the dual enrollment program. Currently, DPI does not have a statutorily-defined role in Start College Now or other WTCS dual enrollment programs. Under the bill, technical college districts would be required to consult with DPI to establish their dual enrollment programs, and DPI would provide guidelines for determining whether courses are eligible for high school credit and reviewing school board decisions about the awarding of credit. WTCS staff have expressed concern about an expanded state role in these local programs.

23. The state has approached dual enrollment programs in different ways in recent years. New programs have been created in two of the last three budget acts, in addition to the new program proposed under AB 56/SB 59. These changes create uncertainty for participating pupils, school districts, and institutions of higher education. It could be argued that, given the complexity of this issue and the volatility in recent years, it may be appropriate to consider changes to the program through the standing committees, rather than through the budget process. Therefore, the Committee may wish to consider removing the provision from the bill. [Alternative 3]

24. Pupils participating in the youth options program in Fall, 2019, were required to submit their applications to the institution of higher education in Spring 2019, and were required to notify their school district or school no later than March 1. Therefore, pupils will have already applied to participate in the program existing under current law prior to the effective date of the bill. It may be preferable to delay the elimination of the early college credit program until the 2020-21 school year to allow pupils already enrolled in the program under existing law to complete their courses and to allow institutions of higher education to adjust their policies and procedures for the new program. [Alternative 2]

25. The administration has identified a modification to these provisions under budget errata. This modification would "clarify that 'transcripted credit' does not include credits earned by a student pursuant to a contract between a school district and UWS or WTCS for classes taught in a school district building by a UWS or WTCS employee. Any such contract must prohibit a party thereto from passing any costs of the credits to the student or his/her family." As a result, it appears that the provisions governing the dual enrollment programs would not apply to credits earned in this manner.

ALTERNATIVES

1. Approve the Governor's recommendation, as modified by the errata, to delete the early college credit program, and \$1,753,500 annually under the Department of Workforce Development for the program, and replace it with dual enrollment programs under the UW System and WTCS, and delete the reference to the early college credit program in the appropriation for open enrollment transportation aid.

ALT 1	Change to	
	Base	Bill
GPR	- \$3,507,000	\$0

2. Approve the Governor's recommendation, as modified by the errata, to replace the early college credit program with dual enrollment programs under the UW System and WTCS, but delay the implementation of the new program until the 2020-21 school year.

ALT 2	Change to	
	Base	Bill
GPR	- \$1,753,500	\$1,753,500

3. Take no action.

ALT 3	Change to	
	Base	Bill
GPR	\$0	\$3,507,000

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