

Fiscal Estimate - 2001 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 01-3037/2	Introduction Number AB-496
Subject College tuition vouchers for students who play taps at a military honors funeral	
Fiscal Effect	
State:	
<input checked="" type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs	
Local:	
<input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs 4. <input checked="" type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory	
5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input checked="" type="checkbox"/> WTCS Districts	
Fund Sources Affected	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	
Affected Ch. 20 Appropriations	
Agency/Prepared By WTCS/ Morna Foy (608) 266-2449	Authorized Signature Dan Clancy (608) 266-7983
Date 1/16/02	

Fiscal Estimate Narratives

WTCS 1/16/02

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Subject					
College tuition vouchers for students who play taps at a military honors funeral					

Assumptions Used in Arriving at Fiscal Estimate

According to the Wisconsin Department of Veterans Affairs, 2,978 military honors funerals were held last year (9/1/00 - 8/31/01). The DVA does not have prior year data. Taps were performed at each of these services. However DVA does not have an estimate of the proportion of services at which taped music was used versus a live performance. Moreover, DVA does not keep a list of persons who perform Taps at military funerals. There is no provision in the proposed legislation directing voucher recipients to a particular postsecondary school or any provision to limit the use (set a maximum) of vouchers in any one postsecondary system. In addition, AB 496 does not limit the number of vouchers any individual may redeem in a given year or in total.

WTCS's estimate of the potential impact of AB 496 assumes, therefore, that all military honors funerals include a live performance of Taps, that all providers of said performances receive and redeem a \$25 tuition voucher, and that all vouchers would be redeemed at WTCS institutions. If all vouchers were redeemed within a year of issuance, these assumptions would result in a maximum of 3,000 vouchers redeemed at WTCS institutions each year. This estimate does not attempt to calculate the variance in voucher redemptions from year to year that would occur as recipients accumulate and redeem vouchers over time.

Although not required by AB 496, WTCS's estimate assumes that administration of the voucher program would be the responsibility of another agency (DVA) and that agency would be charged with the responsibility of designing and producing vouchers that could not be duplicated or forged. WTCS also assumes that the administrative agency (not WTCS) would have the responsibility of creating a system by which colleges and universities could easily verify the validity of vouchers submitted for redemption. If no administrative agency is designated and no validation procedures are required, the possibility of abuse is increased. Under such circumstances, any fiscal effect estimate based on the number of actual military funerals performed could significantly underestimate the cost or lost revenues resulting from this program.

Long-Range Fiscal Implications

Annual lost tuition revenues for WTCS districts: approx. 3,000 vouchers issued * \$25 = \$75,000 annually.

It is assumed that districts would reallocate resources to cover the cost of internal account administration for a state tuition voucher program. However, depending on the actual level of lost tuition revenues, WTCS districts may also have to reallocate resources to cover budget shortfalls resulting from this annual revenue loss.

Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

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Subject			
College tuition vouchers for students who play taps at a military honors funeral			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$	\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues		\$	\$
NET ANNUALIZED FISCAL IMPACT			
		<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$	\$(\$75,000)
Agency/Prepared By		Authorized Signature	
WTCS/ Morna Foy (608) 266-2449		Dan Clancy (608) 266-7983	
		Date	
		1/16/02	