

### Fiscal Estimate - 2007 Session

Original       Updated       Corrected       Supplemental

<b>LRB Number</b> 07-3997/1	<b>Introduction Number</b> SB-508
<b>Description</b> Increasing fees at technical colleges for collegiate transfer programs	
<b>Fiscal Effect</b>	
<b>State:</b>	
<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"/> Decrease Existing Appropriations	<input type="checkbox"/> Decrease Existing Revenues
<input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget
	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> Decrease Costs
<b>Local:</b>	
<input type="checkbox"/> No Local Government Costs	
<input checked="" 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
<b>5. Types of Local Government Units Affected</b>	
<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
<b>Fund Sources Affected</b>	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	
<b>Affected Ch. 20 Appropriations</b>	
<b>Agency/Prepared By</b> WTCS/ Conor Smyth (608) 266-2991	<b>Authorized Signature</b> Morna Foy (608) 266-2449
<b>Date</b> 2/21/2008	

**Fiscal Estimate Narratives**  
**WTCS 2/21/2008**

LRB Number <b>07-3997/1</b>	Introduction Number <b>SB-508</b>	Estimate Type <b>Original</b>
<b>Description</b> Increasing fees at technical colleges for collegiate transfer programs		

**Assumptions Used in Arriving at Fiscal Estimate**

Section 38.24(1m)(a), Wis. Stats. requires the WTCS Board to establish program fees (tuition) for liberal arts collegiate transfer programs to recover a minimum of 31% of the statewide average operational costs of such programs. The WTCS Board set the actual collegiate transfer recovery rate at 37.9% for 2007-08. Collegiate transfer tuition is currently \$124.70 per credit, or \$3,741 annually for a full-time student (30 credits per year).

Assuming all other factors in calculating collegiate transfer tuition remain unchanged, increasing the statutory cost recovery rate to 42% would increase collegiate transfer tuition by at least \$13.75 per credit, or by \$412.50 per year for a full-time student. Increasing the cost recovery minimum to 50% would increase collegiate transfer tuition by at least \$40 per credit, or by \$1,200 per year for a full-time student. Actual increases could be greater if colleges' operational costs increase.

**Long-Range Fiscal Implications**

Tuition costs are an important factor in student access and enrollments. A significant increase in tuition adds barriers to access, particularly for low-income students, at a time when WTCS students have significant unmet financial need.

Long-range effects of increasing tuition could be to decrease collegiate transfer enrollments, thus further increasing tuition for remaining students who must cover the same proportion of operational costs. WTCS districts' revenues may decrease over the long-term if enrollments decline.