



State of Wisconsin
2017 - 2018 LEGISLATURE

LRBs0335/1
MDK:wlj

**SENATE SUBSTITUTE AMENDMENT 1,
TO SENATE BILL 732**

February 14, 2018 - Offered by Senator TESTIN.

1 **AN ACT to create** 20.235 (1) (fr) and 39.51 of the statutes; **relating to:** grants for
2 certain University of Wisconsin and technical college graduates who paid
3 nonresident tuition; granting rule-making authority; and making an
4 appropriation.

Analysis by the Legislative Reference Bureau

This substitute amendment requires the Higher Educational Aids Board to establish a ten-year program for making annual grants to individuals who were charged nonresident tuition by and completed an educational program, including an apprenticeship, at Wisconsin technical colleges or University of Wisconsin institutions. Beginning in fiscal year 2019-20, the substitute amendment appropriates \$15,000,000 annually to HEAB for administering and making the grants.

To be eligible for the grants, an individual must have continuously resided and been employed in Wisconsin for a period of at least two years after graduation. In addition, he or she must have a gross monthly income of at least \$3,333 and, if he or she has federal student loans, the National Student Loan Data System administered by the U.S. Department of Education must show that the federal loans are in good standing. The substitute amendment requires the Department of Workforce Development or the Department of Revenue, upon request by HEAB, to provide information relevant to an individual's eligibility for the grants.

The substitute amendment allows an individual to receive annual grants for no more than five consecutive years in amounts equal to 10 percent of the difference between the total amount of nonresident tuition the educational institution charged the individual and the total amount of resident tuition the educational institution would have charged the individual if the individual had been a resident. If an individual who receives a grant ceases to reside or be employed in Wisconsin, or has an annual gross income of less than \$40,000, the substitute amendment provides that the individual is not eligible for any additional grants.

The substitute amendment requires HEAB to promulgate rules establishing requirements and procedures for applying for and making the grants. The substitute amendment includes a sunset date that provides that HEAB may not award a grant ten years after the program begins. No later than eight years after the program begins, the substitute amendment requires HEAB to submit a report to the legislature evaluating the success of the program. Finally, the substitute amendment allows HEAB to obtain nonresident tuition amounts for graduates specified by HEAB from technical colleges and UW institutions.

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

1 **SECTION 1.** 20.005 (3) (schedule) of the statutes: at the appropriate place, insert
2 the following amounts for the purposes indicated:

		2019-20		2020-21
20.235 Higher educational aids board				
(1) STUDENT SUPPORT ACTIVITIES				
(fr) Tuition repayment incentive pro-				
gram	GPR A	15,000,000		15,000,000

7 **SECTION 2.** 20.235 (1) (fr) of the statutes is created to read:

8 20.235 (1) (fr) *Tuition repayment incentive program.* The amounts in the
9 schedule for administering and making grants under the program established under
10 s. 39.51 (2) (a). No moneys may be expended from the appropriation under this
11 paragraph after the first day of the 120th month beginning after the effective date
12 of this paragraph [LRB inserts date], except moneys encumbered before that date.

1 **SECTION 3.** 39.51 of the statutes is created to read:

2 **39.51 Tuition repayment incentive program. (1)** In this section:

3 (a) “Complete an educational program” means one of the following:

4 1. For an individual who attended a technical college, to obtain an associate
5 degree or technical diploma from the technical college or successfully complete all the
6 requirements of an apprenticeship program, as defined in s. 106.001 (4), that
7 includes related instruction provided by the technical college.

8 2. For an individual who attended a University of Wisconsin institution, to
9 obtain an associate or bachelor’s degree at the institution.

10 (b) “Eligible institution” means a University of Wisconsin institution or a
11 technical college within the technical college system.

12 (c) “Federal system” means the National Student Loan Data System
13 administered by the U.S. Department of Education or its successor.

14 (d) “Graduate” means an individual who has completed an educational
15 program.

16 (e) “University of Wisconsin institution” means a college campus, as defined in
17 s. 36.05 (6m), or a university, as defined in s. 36.05 (13).

18 **(2)** (a) The board shall establish a program for making annual grants in
19 amounts specified in sub. (3) to an individual who was charged nonresident tuition
20 by an eligible institution and completed an educational program at the institution
21 after July 1, 2017, if he or she satisfies all of the following:

22 1. The individual has continuously resided and been employed in this state for
23 a period of at least 2 years after completion of the educational program.

24 2. The individual has a gross monthly income of at least \$3,333.

1 3. All federal loans to the individual that are included in the federal system are
2 shown by the federal system to be in good standing.

3 (b) An individual is eligible for an annual grant under the program established
4 under par. (a) for not more than 5 consecutive years. If an individual who receives
5 an annual grant under the program ceases to reside or be employed in this state, or
6 has a gross annual income of less than \$40,000, the individual is not eligible for any
7 additional grant under the program.

8 (c) If the board submits to the department of revenue or the department of
9 workforce development a request for data regarding an applicant for a grant under
10 the program established under par. (a), the department to which the request is
11 submitted shall provide the board with any information in the department's
12 possession related to the applicant's employment, income, or residency that may
13 assist the board in determining the applicant's eligibility for the program.

14 **(3)** The amount of an annual grant to an individual under the program
15 established under sub. (2) (a) is equal to 10 percent of the difference between the total
16 amount of nonresident tuition an eligible institution charged the individual in
17 connection with the individual completing an educational program and the total
18 amount of resident tuition the eligible institution would have charged the individual
19 if the individual had been a resident.

20 **(4)** The board shall promulgate rules establishing requirements and
21 procedures for applying for and making grants under the program established under
22 sub. (2) (a).

23 **(5)** Upon request by the board, for graduates specified by the board, an eligible
24 institution shall report to the board the total nonresident tuition paid in excess of the
25 resident tuition rate.

