



2015 - 2016 Bills of Interest to Wisconsin Technical Colleges

Special Update: College Affordability Package

As of February 26, 2016

This is a special update on the progress of the “College Affordability Package.” Co-authored by Representative Dave Murphy, Representative Dave Heaton, Senator Sheila Harsdorf and Senator Howard Marklein, the package was touted by the Governor in his State of the State address on January 19, 2016, and during a tour of 11 technical college campuses around the state. Comprised of six individual bills, the “package” is now making its way through the Legislature.

The current legislative session officially runs from January 2015 through December 2016, but effectively ends with the adjournment of both houses. The Assembly adjourned on February 19, 2016, after passing the College Affordability Package in its entirety. Speaker Robin Vos has all but ruled out the prospect of his house returning to the floor for the remainder of the session.

Senate Majority Leader Scott Fitzgerald has signaled that his house will convene for its final floor session in mid-March, but has publicly indicated a willingness to spend no more than \$2 million over the biennium on college affordability initiatives.

Readers are welcome to contact Layla Merrifield at the District Boards Association office for more information: (608) 266-9430 or lmerrifield@districtboards.org.

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Bills of Interest

SB-540/AB-740 –Wisconsin Grants for Technical College Students

These companion bills were co-authored by Rep. Dave Heaton (R-Wausau) and Sen. Sheila Harsdorf (R-River Falls) and introduced in early January. Representative Heaton introduced Assembly Substitute Amendment 1 to AB-740 on January 18, 2016. The Assembly Committee on Colleges and Universities adopted ASA-1 to AB-740 by a vote of 10-4, and passed the bill as amended, 9-5, on January 28, 2016. The full Assembly passed the bill as amended by a vote of 61-36, with 2 paired, just after midnight on February 17, 2016.

Senator Harsdorf introduced Senate Substitute Amendment 1 to SB-540 on January 8, 2016. The Senate Committee on Universities and Technical Colleges adopted SSA-1 to SB-540 by a vote of 4-1, and the bill passed as amended by a vote of 3-2, on January 28, 2016. The bills are currently in the Joint Committee on Finance, and await action by the full Senate.

Under current law, the Higher Educational Aids Board (HEAB) administers the need-based Wisconsin Grants program (formerly known as WHEG), which provides grants to resident postsecondary students enrolled in institutions of higher education, including technical colleges. These bills originally would have provided additional funding for Wisconsin Grants to technical college students by allowing the System Board to solicit “contributions” from local technical college district boards to fund the state’s grant program, or by transferring general aid, categorical grant aid, or other operating dollars to HEAB, in order to generate a state match of up to \$1 million annually.

Fortunately, in response to our concerns with this approach, the bill authors immediately introduced substitute amendments to the bills that do away with the matching requirements and instead, simply increase funding for Wisconsin Grants for technical college students by \$500,000 annually, using state GPR funds. We are very grateful to Senator Harsdorf and Representative Heaton for their excellent responsiveness and partnership on this piece of legislation, making it a huge win for the colleges and our students. The state has underfunded Wisconsin Grants (WG) for technical college students for many years, leaving 34,000 eligible students on unfunded “waitlists” in 2014-15. Under the bills, up to 1,000 additional students could receive grants by the end of the biennium.

SB-540/AB-740 have been a primary focus of our advocacy efforts over the past two months, and we are pleased with Assembly passage of AB-740. The bills are currently referred to the Joint Committee on Finance, a required step in the process for all legislation that spends state funding. We now anxiously await Senate action on these identical bills in mid-March.

Recommended Position: Support.

AB-741/SB-592 – Emergency Financial Assistance Grants

These companion bills were co-authored by Rep. Dave Murphy and Sen. Howard Marklein and introduced in January. AB-741 had a public hearing January 21 and was recommended for passage by a committee vote of 9-5. The full Assembly then passed the bill by a vote of 61-36, just after midnight on February 17, 2016.

SB-592 had a public hearing on February 17, 2016, and has been scheduled for a committee vote on March 3, 2016.

This legislation is based on a pilot program that was a public-private partnership of the Great Lakes Higher Education Corp. and the 16 colleges of the WTCS to assist financially strapped technical college students, who are in danger of dropping out due to unforeseen emergencies. The bill would provide students, who have expected family contributions of less than \$5,000 according to the FAFSA, with grants of up to \$500 per year to assist with unanticipated expenses that threaten their ability to continue their schooling, such as a medical emergency or vehicle repair. A student must provide a receipt or written proof of the expense and the third party to whom money is owed, in order to receive the grant. Funding would equal \$320,000 annually for technical colleges and an additional \$130,000 annually for UW 2-year colleges.

A similar three-year program, funded with private dollars from Great Lakes and administered by technical college financial aid offices, showed promising results. Students who received the emergency grants were more likely to graduate or remain enrolled in college, compared to their peers. Great Lakes has now expanded the program to additional states, based on the success of the pilot program in Wisconsin, which unfortunately reduces the amount of funding available to our students. The bill would replace a portion of that initial private investment with state funding. Read more about Great Lakes Emergency Grant program outcomes at:

https://community.mygreatlakes.org/mglstatic/community/forms/EG_Emergency_Grant_Closing_Report_2012-15_0216.pdf

Along with the Wisconsin Grants legislation, emergency grants have been the focus of our advocacy efforts during this floor session. We are particularly grateful for the leadership of Rep. Murphy in putting this important legislation forward.

Recommended Position: Support.

Remainder of the College Affordability Package:

AB-739/SB-622 – Income Tax Deduction for Loan Interest

These companion bills were co-authored by Rep. John Macco and Sen. Howard Marklein. AB-739 had a public hearing on January 21, 2016, and was recommended for passage on January 28 by a vote of 8-5. The full Assembly then passed the bill by a vote of 61-37 on February 16, 2016.

SB-622 had a public hearing on February 17, 2016, and has been scheduled for a committee vote on March 3, 2016.

This legislation eliminates the cap on the income tax deduction for interest paid on qualified student loans. Under current law, a maximum of \$2,500 in student loan interest can be deducted on state or federal income taxes, and the maximum deduction amount is phased down to zero as the taxpayer's income rises to a set limit under federal law.

AB-739/SB-622 is estimated to benefit roughly 32,000 tax filers in Wisconsin, with an average benefit of \$165 per filer. The state would forego related revenue of approximately \$5.2 million annually. As such, this legislation is by far the most expensive piece of the package, and its future is uncertain given Sen. Fitzgerald's comments regarding a \$2 million cap on overall college affordability spending.

AB-742/SB-594 – DWD Student Internship Coordination

These companion bills were co-authored by Rep. Murphy, Rep. Bernier, Rep. Kitchens, and Sen. Marklein. AB-742 received a public hearing on January 21, 2016, and was recommended for passage on January 28 by a vote of 8-5. The full Assembly then passed the bill by a vote of 60-37, shortly after midnight on February 17, 2016. SB-593 received a public hearing on February 17 and is scheduled for a committee vote on March 3, 2016.

This legislation re-allocates \$200,000 in current Fast Forward funding to create 2.0 FTE positions, to provide student internship coordination through the Department of Workforce Development. These coordinators are intended to facilitate opportunities for students enrolled in higher education institutions to complete internships with businesses across the state.

AB-743/SB-593 – UW System Student Internships

These companion bills were co-authored by Rep. Murphy, Rep. Petryk, Rep. Tranel, and Sen. Marklein. AB-743 received a public hearing on January 21, 2016, and was recommended for passage on January 28 by a vote of 9-5. The full Assembly then passed the bill by a vote of 57-40 shortly after midnight on February 17, 2016. SB-593 received a public hearing on February 17 and is scheduled for a committee vote on March 3, 2016.

These bills would provide \$500,000 to the UW System to hire internship coordinators, to serve as liaisons between employers and UW two-year and four-year institutions, in an effort to improve post-UW-graduation employment outcomes and to encourage UW graduates to remain in Wisconsin.

AB-744/SB-595—Educational Costs and Financial Literacy Information

These companion bills were co-authored by Rep. Murphy, Rep. Krug, Rep. VanderMeer, and Sen. Marklein. AB-744 received a public hearing on January 21, 2016, and was recommended for passage on January 28 by a vote of 9-5. The full Assembly then passed the bill by a vote of 61-36 shortly after midnight on February 17, 2016. SB-595 received a public hearing on February 17 and is scheduled for a committee vote on March 3, 2016.

This legislation is modeled on an Indiana initiative to promote financial literacy among students taking on student loans. This bill requires all higher education institutions in the state to provide a letter to students at the beginning of every academic year containing the following information:

- Information about each of the student's student loans, where available, including the total amount of debt accrued, the interest rate, the estimated future monthly payments under the loan, and the total projected cost of the loan.
- The estimated total cost of attendance at the institution of higher education for the academic year, including actual or estimated costs of tuition, fees, and room and board.
- The cumulative amount of state, federal, and institutional grants that the student receives.

This bill also requires higher education institutions to provide financial literacy information during a student's first semester.

While technical colleges currently provide similar information, college financial directors may be required to present information in a different format and make estimates of what students' future loan payments could be, based on available information. All 16 technical colleges currently provide the SALT online financial literacy program for college students, or an equivalent program, in an effort to provide students with the resources necessary to manage their finances during college.

This report was prepared by Layla Merrifield, who is exclusively responsible for its content including any analysis or opinion. For more information, contact Layla Merrifield at 608 266-9430 or lmerrifield@districtboards.org.

A Guide to Reading Bill Histories follows:

Reading Wisconsin Bill Histories – A Guide to the Basics

Wisconsin Technical College District Boards Association

The text, sponsors, and procedural history of each state legislative bill are available at the Wisconsin Legislature’s website, <http://legis.wisconsin.gov>. Enter the bill number, e.g., “AB xx,” under “**Find a Proposal.**” In the search results, click on the specific bill.

At this site, under “**Links,**” readers will find the full bill text, any Report of Committee Proceedings (“ROCP”), Government Accountability Board Information (Lobbying positions on the bill), and other documents. Any twin bill introduced in the other house is linked under “**See Also.**” The bill’s history and status is found under “**History.**”

When reviewing a specific bill history online, the following guide may be helpful:

Introduced by	Lists all legislators who have signed-on as a bill’s co-sponsor.
Fiscal estimates	(Link to) estimated state (but not local) costs of implementing the bill as a new law.
Read first time ...	Provides the committee to which bill is referred for a hearing.
Public hearing held ...	Hearing held at which public was able to testify or register a position on the bill. Legislators may offer amendments at the hearing.
Executive action taken ...	The committee voted on the bill, sending it to the full body with its recommendation/vote for passage by the full house.
Amendments	(Link to) any amendment that changes a bill text or a substitute amendment that replaces the original bill’s full text.
Assembly/Senate amendment	Link(s) to the numbered amendment(s) to the bill (appears as AA 1, SA 2, etc.).
Assembly/Senate “substitute” amendment	Link(s) to the numbered “substitute” amendment. A “substitute” amendment <i>replaces entire original bill.</i> (appears as ASA 3, SSA 2, etc.).
Second reading	The full body considers the bill after it comes back from committee. This is the point at which amendments from the committee or from the floor are debated and, if adopted, officially attached.

Third reading	Clears the way for a full vote to pass or defeat the bill (on the third reading the bill may be voted up or down but not amended). Allowing a third reading on the floor on the same day, as the second reading requires waiving the rules without objection. For controversial bills, those opposed may object to waiving the immediate third reading in order to slow down passage.
Tabling	To “park” or stop a bill or a motion or other proposed action.
Pulling	To remove a bill from committee and bring it to the floor without it first being acted upon and voted out of committee.
Referral	To stop action on the floor by returning or sending a bill back to a committee.
Voice vote	Adoption by the body without a roll call.
Ayes/Noes	Click on this link to see the member-by-member roll call vote (not available when the action was by “voice vote”).
Messaged	After passage, the action sending the bill to the other house.
Concurred in	One house’s adoption of the other’s bill or bill version.
Enrolled	The passed bill is packaged as a complete piece of legislation and is available to be called for by, or sent to, the Governor.
Report approved, vetoed, or vetoed in part	Reflects the Governor’s signing, veto, or (for appropriations bills only) partial veto.
Report published	The date on which the Secretary of State published the new law, making it official and putting it into effect as a law.
Act (number)	When a bill becomes law it is transformed from a bill number to “2015 Act xx.” Click on the Act number to see the new law.