

1 **AN ACT** *to amend* 39.41 (2) and (3) (a) and 39.435 (7) (a) 2. of the statutes; **relating**
 2 **to:** the Wisconsin academic excellence scholarship program and the Wisconsin
 3 higher education grant, and making an appropriation.

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

JOINT LEGISLATIVE COUNCIL PREFATORY NOTE: This draft was prepared for the Joint Legislative Council’s Special Committee on Review of Higher Education Financial Aid Programs.

The academic excellence scholarship (AES) program provides scholarships to the seniors with the highest grade point average (GPA) from each high school in Wisconsin that enroll in a public or private institution of higher education in the state. Generally, the number of students that may receive these scholarships from each high school is based on the number of students in each respective high school.

If a scholar under this program declines a scholarship, the high school must designate as alternate scholars any seniors with the same GPA as the scholar. If there is no other student with the same GPA, the school must designate a scholar from any of the remaining seniors with the next highest GPA of not less than 3.8.

If a student is awarded a scholarship and is enrolled full-time in a participating institution (University of Wisconsin (UW) System, Wisconsin Technical College System, or independent institution in Wisconsin of higher education), and maintains a GPA of at least 3.000, the student is eligible for a scholarship in the subsequent year. If a student does not enroll in a participating institution of higher education in the subsequent year, the student is eligible for the scholarship in the 2nd year following the year in which they previously received the scholarship.

The value of the AES is currently \$2,250 per year, not to exceed 4 years. Half of this amount is funded by the state, and the other half is matched by the institution of higher education.

For the 2012–13 academic year, this draft decreases the value of the AES by 65% from \$2,250 to \$1,000 and increases the appropriation beginning in fiscal year 2012–13 for the Wisconsin higher education grant for UW

System students (WHEG-UW) by an amount equal to the difference between the 2011-12 appropriation for the AES program and the appropriation necessary to fund the AES program and the appropriation necessary to fund the AES program.

1 **SECTION 1.** 39.41 (2) and (3) (a) of the statutes are amended to read:

2 39.41 **(2)** (a) If a designated scholar under sub. (1m) is admitted to and enrolls, on a
3 full-time basis, by September 30 of the academic year immediately following the school year
4 in which the senior was designated a scholar, in an institution within the University of
5 Wisconsin System or in a technical college district school that is participating in the program
6 under this section, the scholar shall receive a higher education scholarship that exempts the
7 scholar from all tuition and fees, including segregated fees, at the institution or district school
8 for one year, except that the maximum scholarship for a scholar who receives an original
9 scholarship for the 1996-97 academic year ~~or for any~~ to the 2011-12 academic year thereafter
10 may not exceed \$2,250 per academic year and the maximum scholarship for a scholar who
11 receives an original scholarship for the 2012-13 academic year or for any academic year
12 thereafter may not exceed \$1,000 per academic year.

13 (b) For each year that a scholar who receives a scholarship under par. (a) is enrolled full
14 time, maintains at least a 3.000 grade point average, or the equivalent as determined by the
15 institution or district school, and makes satisfactory progress toward an associate degree, a
16 bachelor's degree, or a vocational diploma, the student shall be exempt from all tuition and
17 fees, including segregated fees, in the subsequent year or, if the scholar does not enroll in a
18 participating institution of higher education in the subsequent year, in the 2nd year following
19 the year in which the scholar received the scholarship, except that the maximum scholarship
20 for a scholar who receives an original scholarship for the 1996-97 academic year ~~or for any~~
21 to the 2011-12 academic year thereafter may not exceed \$2,250 per academic year and the

1 maximum payment for a scholar who receives an original scholarship for the 2012-13
2 academic year thereafter may not exceed \$1,000 per academic year. No scholar is eligible for
3 an exemption for more than 4 years in the University of Wisconsin System or more than 3 years
4 at a district school.

5 (c) Subject to sub. (4), for each year the student is exempt from tuition and fees under
6 par. (a) or (b), the board shall pay the institution or district school, on behalf of the student,
7 an amount equal to 50% of the student's tuition and fees, except that the maximum payment
8 for a student who receives an original scholarship for the 1996-97 academic year ~~or for any~~
9 ~~to the 2011-12 academic year thereafter~~ may not exceed \$1,125 per academic year and the
10 maximum payment for a scholar who receives an original scholarship for the 2012-13
11 academic year or for any academic year thereafter may not exceed \$500 per academic year.

12 (3) (a) If a designated scholar under sub. (1m) is admitted to and enrolls, on a full-time
13 basis, by September 30 of the academic year immediately following the school year in which
14 the senior was designated a scholar, in a private institution of higher education that is located
15 in this state and participating in the program under this section, the board shall pay the
16 institution, on behalf of the pupil, an amount equal to 50% of the tuition and fees charged a
17 resident undergraduate at the University of Wisconsin-Madison in the same academic year,
18 except that the maximum payment for a pupil who receives an original scholarship for the
19 1996-97 academic year ~~or for any~~ to the 2011-12 academic year thereafter may not exceed
20 \$1,125 per academic year and the maximum payment for a scholar who receives an original
21 scholarship for the 2012-13 academic year or for any academic year thereafter may not exceed
22 \$500 per academic year.

NOTE: This SECTION would amend the AES program to reduce the size of the total scholarship to \$1,000, and to reduce the size of the higher educational aids board (HEAB) contribution to the scholarship from

\$1,125 to \$500, beginning with scholarships originally received in the 2012–13 academic year.

COMMENT: This SECTION would amend the AES for the 2012–13 academic year. Under s. 39.41, stats., “academic year” means the year of enrollment in an institution of higher education, meaning this draft would apply to high school seniors graduating at the end of the 2011–2012 academic year.

1 **SECTION 2.** 39.435 (7) (a) 2. of the statutes is amended to read:

2 39.435 (7) (a) 2. For purposes of calculating the amount to be appropriated under s.
3 20.235 (1) (fe) for each fiscal year after fiscal year 2011–12, “base amount” means the
4 appropriation amount calculated under par. (b) for the previous fiscal year, plus an amount
5 equal to the difference between the amount listed in the schedule under s. 20.005, 2009 stats.,
6 for the academic excellence higher education scholarships in s. 20.235 (1) (fy) in the 2010–11
7 fiscal year and the amount listed in the schedule under s. 20.005 for academic excellence
8 higher education scholarships in s. 20.235 (1) (fy) for the fiscal year.

NOTE: This SECTION adds an amount equal to the difference between the 2010–11 appropriation for the AES and the future AES appropriation to the “base amount” used to calculate the appropriation for Wisconsin Higher education grant for UW System students (WHEG–UW) in fiscal years after 2011–12.

COMMENT: After reducing the size of the AES funding, this draft incorporates the amount of the former AES funding into the “base amount” used to calculate the WHEG–UW appropriation in fiscal years after 2011–12. By operation of s. 39.435, stats., the portion of the “base amount” attributable to the former AES funding will be adjusted in future fiscal years in the same manner as other amounts contained in the “base amount” for the WHEG–UW appropriation.

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(END)