
**Assembly Committee on Children and Families
Assembly Bill 398, Technical Excellence Higher Education Scholarships**

October 3rd, 2013

Testimony provided by Jonathan Barry, Deputy Secretary

Chairperson Krug and members of the Assembly Committee on Children and Families:

I am Jonathan Barry, Deputy Secretary at the Department of Workforce Development and I appear before you today to speak in favor of AB 398.

As you know, Governor Walker's focus has been on making life better for the residents of our state by growing our economy, developing our workforce, transforming education, reforming government, and investing in our infrastructure. Our budget invested over \$100 million in workforce development aimed at equipping workers with the skills they need to find jobs in the modern workforce. Now we are building on that investment with workforce development priorities that will continue to further those goals.

One such initiative is AB 398, the Technical Excellence Higher Education Scholarship Program, which will reward students who are at the top of their class in technical fields so that they have the opportunity to pursue a technical education.

These youth excel in specialized classroom education designed to prepare students for possible occupations in the applied and industrial trades. AB 398 supports the youth of Wisconsin who excel in technical fields much like the current Higher Education Aid Board program, the Academic Excellence Scholarship, rewards youth for overall performance.

The Academic Excellence Scholarship program is a great incentive for students to succeed in the classroom; however, very few students use the scholarship to pursue a technical education. In fact, in the last school year only 16 of 726 scholars used their award to attend a state technical school. As you are well aware, there is an abundance of positions that are open and projected to be open in high-tech manufacturing fields, and currently a lack of skilled individuals to fill those openings. With an aging workforce in many technical fields, AB 398 provides another mechanism to increase the pipeline of skilled labor to high-paying and highly rewarding careers.

This new scholarship would mirror the current one, but allows school boards to design the criteria for awarding the scholarship. By directing scholarships particularly towards proficiency in technical skills, we can encourage students to pursue an education in high demand fields at our state technical schools.

Coupled with the other aspects of Governor Walker's fall workforce agenda, this legislation further underscores Governor Walker's commitment to Wisconsin employers by developing Wisconsin's workforce of today and the workforce of the future, and provides our workers a foundation of increased skill attainment to become among the most prosperous and innovative in the country.

I would be happy to entertain questions at this time.

2012-2013
ACADEMIC EXCELLENCE SCHOLARSHIP PROGRAM
Annual Status Report
August 1, 2013

Eighty three percent of the freshmen awarded the Academic Excellence Scholarship (AES) in 2012 accepted the scholarship and used it to attend a Wisconsin post secondary institution. The percentage of freshman who used their scholarship is seven percentage points lower than last year. While changes in legislation allowed more alternates to receive the scholarship, the required 3.8 grade point for unweighted schools meant other alternates were not eligible. It may be assumed that the procedures for awarding the AES to alternates have maximized the number of scholarships used, and that an average of 87.25% of scholarships will be accepted by students in upcoming years.

In 2012-2013, 726 freshmen enrolled in a Wisconsin post secondary institution. Total AES funds going to these students were \$772,690 with an average per freshman award of \$1,064.

Six tables are attached, showing final figures for 2012-2013, along with preliminary data for 2013-2014.

- Tables I, II, and III present enrollment by sector (University of Wisconsin, Wisconsin Technical Colleges, and Wisconsin Independent Colleges and Universities.) These figures represent the students who received AES program funds.
- Table IV presents a grand total for the three sectors.
- Table V presents general information such as the number of scholars using their award to attend a Wisconsin college or university.
- Table VI gives preliminary information for 2013-2014 freshmen.

Table I						
ACADEMIC EXCELLENCE SCHOLARS UNIVERSITY OF WISCONSIN INSTITUTIONS 2012-2013 ACADEMIC YEAR						
	Freshman Scholars	Sophomore Scholars	Junior Scholars	Senior Scholars	Total Scholars	Scholarship Amount
Madison	339	386	390	351	1,466	1,472,017
Milwaukee	24	26	28	20	98	74,815
Green Bay	12	6	16	12	46	48,375
Parkside	6	5	3	6	20	18,000
UW Colleges	17	13	4	0	34	27,566
Eau Claire	54	36	39	43	172	186,190
La Crosse	44	51	41	39	175	183,377
Oshkosh	12	19	24	11	66	69,750
Platteville	20	24	18	20	82	77,627
River Falls	9	10	12	7	38	40,500
Stevens Point	19	20	24	34	97	102,940
Stout	6	10	10	9	35	37,125
Superior	3	5	1	6	15	16,875
Whitewater	5	17	21	15	58	57,939
UW Total	570	628	631	573	2,402	2,413,096

Table II						
ACADEMIC EXCELLENCE SCHOLARS WISCONSIN TECHNICAL COLLEGES 2012-2013 ACADEMIC YEAR						
	Freshman Scholars	Sophomore Scholars	Junior Scholars	Senior Scholars	Total Scholars	Scholarship Amount
Chippewa Valley	0	1	1	0	2	562
Fox Valley	0	1	1	0	2	2,250
Gateway	1	1	1	0	3	563
Indianhead	2	1	0	0	3	2,250
MATC-Madison	4	3	1	1	9	7,313
MATC-Milwaukee	8	3	4	1	16	6,188
Northeast	0	1	0	0	1	562
Western	1	0	1	0	2	1,687
WTCS Total	16	11	9	2	38	21,375

UW & WTCS Total	586	639	640	575	2,440	2,434,471
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Note: Tables I and II show actual net spent amounts and the scholars with those net spent amounts.

Table III						
ACADEMIC EXCELLENCE SCHOLARS						
INDEPENDENT COLLEGES AND UNIVERSITIES						
2012-2013 ACADEMIC YEAR						
	Freshman Scholars	Sophomore Scholars	Junior Scholars	Senior Scholars	Total Scholars	Scholarship Amount
Alverno	3	0	1	2	6	5,063
Bellin	0	0	3	1	4	4,500
Beloit	0	2	4	2	8	9,000
Cardinal Stritch	1	1	2	0	4	4,500
Carroll	7	13	15	6	41	42,751
Carthage	3	4	7	5	19	20,813
Columbia Nursing	1	0	0	0	1	563
Concordia	13	5	5	8	31	29,814
Edgewood	5	4	2	2	13	14,063
Lakeland	1	2	1	0	4	1,126
Lawrence	11	4	12	7	34	37,500
Maranatha Baptist	0	2	1	2	5	5,063
Marian	3	3	1	2	9	10,125
Marquette	34	35	34	54	157	151,308
MIAD	1	1	2	0	4	4,500
Mount Mary	3	2	2	1	8	7,875
MSOE	13	9	12	17	51	45,750
Northland	7	2	1	3	13	11,813
Northland Int'l	0	0	0	0	0	0
Ripon	9	6	9	10	34	37,125
St. Norbert's	18	13	16	10	57	60,751
Silver Lake	0	0	1	0	1	1,125
Viterbo	5	12	5	10	32	34,876
WI Lutheran	2	3	7	8	20	18,564
Independent Total	140	123	143	150	556	558,568

Table IV						
ACADEMIC EXCELLENCE SCHOLARS						
ALL SECTORS						
2012-2013 ACADEMIC YEAR						
	Freshman Scholars	Sophomore Scholars	Junior Scholars	Senior Scholars	Total Scholars	Scholarship Amount
UW	570	628	631	573	2,402	2,413,096
Technical	16	11	9	2	38	21,375
Independent	140	123	143	150	556	558,568
Grand Total	726	762	783	725	2,996	2,993,039

Note: Tables III and IV show actual net spent amounts and the scholars with those net spent amounts.

Table V				
General Scholar Data				
	2009-2010	2010-2011	2011-2012	2012-2013
Total Scholarships Available	3,523	3,516	3,494	3,487
Total Scholars Enrolled In-State	2,853	3,270	2,910	2,648
Total Freshman Scholarships Available	874	873	866	874
Scholars Enrolled as Freshmen in Wisconsin	756	779	782	726
Alternate Scholarship Recipients	182	204	194	201
% of Eligible Freshmen Enrolled In-State	87%	89%	90%	83%

Table VI	
Preliminary Data – 2013-2014 Freshman Scholars as of July 27, 2013	
Total Freshman Scholarships Available	874
Alternate Scholarships (of 874 Available Scholarships)	200
Total Scholars Enrolled in Wisconsin Institutions	464
Percentage of Scholars Enrolled in Wisconsin Institutions	53%
Scholars Enrolled in UW System Institutions	356
Scholars Enrolled in Independent Colleges	101
Scholars Enrolled in WTCS Institutions	7
Scholars Enrolled in Non-Wisconsin Institutions	200
Scholars Who Have Not Yet Specified College Choice	177



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Scott Walker
Governor

John Reinemann
Executive Secretary

TO: Members, Assembly Committee on Children and Families
FROM: John Reinemann, HEAB Executive Secretary
RE: HEAB Support for AB 398
DATE: October 3, 2013

I write in support of AB 398, which receives a public hearing today in your committee.

AB 398 creates a scholarship program for technical education. The new program is to be named the Technical Excellence Higher Education Scholarship Program. The new program would be administered by HEAB, the State of Wisconsin Higher Educational Aids Board

HEAB is the state agency that administers Wisconsin's programs of financial assistance to state residents pursuing higher education at public and nonprofit colleges and universities within the state. Under AB 398 HEAB would add the new technical education program to its portfolio of 15 programs providing grants, loans or other assistance to Wisconsin's post-secondary students.

The template for the new program is based on an existing successful program administered by HEAB, the Academic Excellence Scholarship (AES). AES is a merit-based program that provides assistance with post-secondary education to over students each year from all over Wisconsin.

Scholarships under the existing AES program are awarded to Wisconsin high school seniors who have the highest grade point average in each public and private high school throughout the State of Wisconsin. The number of scholarships each high school is eligible for is based on total student enrollment.

In order to receive an AES scholarship, a student must be enrolled on a full-time basis by September 30th of the academic year following the academic year in which he or she was designated as a scholar, at a participating University of Wisconsin, Wisconsin Technical College, or independent institution in the state. The value of the scholarship is \$2,250 per year, to be applied towards tuition. Half of the scholarship is funded by the state, while the other half is matched by the institution.

There is a requirement under AES for satisfactory academic progress; students are required to maintain a GPA of 3.0.

All the above-listed provisions of the AES scholarship are also applied to the new technical scholarship under AB 398.

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Eligibility for the current-law AES program is limited to 8 semesters at a four-year school. Should a student in the AES program elect to use the scholarship at a technical college, only 6 semesters may be used at the technical college. With that standard as a guide, AB 398 proposes that the new technical scholarship be limited to 6 semesters as well.

The current AES scholarship may be used at a UW school, a Wisconsin Technical College System school, a tribal college, or a private nonprofit college or university. The new technical scholarship will be usable only at a school within the Wisconsin Technical College System.

The new scholarship will require K-12 school districts to develop criteria for use in measuring the technical proficiency of students, so that the high schools may nominate students to the program.

AB 398 would require HEAB to develop criteria for measuring technical proficiency among students at specified state schools, and for measuring technical proficiency among students nominated by K-12 district high schools.

The current AES scholarship program relies on K-12 high schools to effectively designate AES scholars through high school GPA. It is our hope at HEAB that a standard for measuring technical proficiency among high school students can be developed that will be as objective as possible. HEAB is ready to work with DPI and others towards creating a useful standard.

Like AES, the new technical education assistance program is a scholarship. Scholarships provide recipients with funds that are granted, not loaned, so the program would not increase student indebtedness upon graduation.

As noted above, the new program would be funded by state GPR funds administered by HEAB and also by a match component from the college or university chosen by the student. Because of the match component, the program will be able to leverage assistance for students beyond the amount of the program's GPR appropriation. (The institutional portion of the new program will result in expense to participating institutions, and thus is not without cost to the institutions; but at the same time, it does constitute real and significant assistance to the recipient students.)

HEAB's fiscal note for AB 398 shows a cost in GPR through HEAB of HEAB at \$1,125 per scholar; the other half would be paid by the institution the scholar attends. We estimated 748 scholarships per year. In the second year of the program, the number of scholars would presumably double.

As noted, AB 398 bases the new program on a template now in use. HEAB is confident that it can implement and administer this new program quickly, effectively, and at a minimum cost to taxpayers.

AB 398 is a straightforward and much-needed proposal that HEAB would be pleased to implement. HEAB supports this proposal. I hope that the bill will receive your support as well.

Should you have questions or concerns about AB 398, please feel free to contact me.



State Senator
Rick Gudex

District 18

October 3, 2012

To: The Assembly Committee on Children and Families
From: Sen. Rick Gudex
Re: **Assembly Bill 398**

Mr. Chairman, members of the committee, thank you for hearing this Assembly Bill 398 today.

We all know that education beyond high school is important. Young people who finish high school and go on to higher education do better statistically in almost every way – economically, socially, and physically.

But we also know that the four-year college degree isn't for everyone. Not every high school graduate is ready for it, or knows what he or she wants to study. Even so, many young people are wasting both time and money starting out at a four-year university because that's what they're supposed to do.

None of this is meant to disparage the value of our universities, or of a college degree. But we also know that there are other options, like technical education, which can be just as valuable. Assembly Bill 398 will provide help to those students who excel in technical subjects, and will help make technical education more visible and hopefully more attractive to high school students.

Currently, the Higher Educational Aids Board (HEAB) offers scholarships of up to \$2,250 a year for students at the top of their graduating classes. This bill creates a similar program for use at technical colleges and other schools that specialize in technical education.

Under the bill, school districts will create a system for determining which students are at the top of their classes in technical education subjects. Those students will be awarded scholarships of up to \$2,250/year for attendance at a Wisconsin school that specializes in technical education.

Students must maintain a 3.0 GPA and make progress toward a degree to remain eligible for the scholarship.

This is a bipartisan bill that will help Wisconsin's youth and economy. I urge your support.