DISCUSSION/ACTION August 6, 2010

HIGHER EDUCATIONAL AIDS BOARD BOARD REPORT #11-09

PROPOSED STATUTORY LANGUAGE CHANGE WHEG MAXIMUM

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Change the WHEG Maximum from a Dollar Amount to a Calculated Amount

A statutorily determined dollar amount (\$3,000) indicates the maximum WHEG a student can receive in a given school year. Each year the Higher Educational Aids Board determines formulas which calculate the actual awards that the UW System and the Wisconsin Technical College System students will be granted. In developing the formulas the Board takes into account the number of eligible students, the amount of the appropriation, and the statutory maximum. In 2010-2011, the formula-determined maximum award for UW students is \$2,563, and for WTCS students is \$1,205.

Prior to the 2006-2007 academic year the statutory maximum was \$2,500. During the interim legislative session in 2005, the HEAB requested that this \$2,500 maximum be increased to \$3,000. This request successfully worked its way through the legislature and the final bill was signed by the Governor.

This proposed statutory language change would allow for the WHEG maximum in the statute to increase at a rate indexed to the previous year's fees at UW-Madison. While the statutory maximum would change incrementally each year, the HEAB would still be required to set formulas to determine the individual grants, including the maximum grant, which would allow the most fitting distribution of funds in the available WHEG appropriations.