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# Legislative Advisory Committee to the GET Committee

Staff Presentation  
December 11, 2012



# Meeting Agenda

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Committee to  
the GET  
Committee

- Legal and fiscal clarification of Option B
- Panel discussion of differential tuition and GET 2
- Final recommendations



# Differential Tuition Option B

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- Allow differential tuition
- Requires institutions to waive the cost of charges above base tuition (like differential tuition) at public institutions for charges payable by the GET program



# Legal Clarification

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- Does not involve charging different tuition rates to GET and non-GET holders
- Unlikely to raise equal protection issues



# Fiscal Clarification

- Maintains fiscal flexibility for state institutions
- Increases GET pay-out value for all GET units to the level of the highest differential tuition rate
- Potentially triggers some additional refunds of unused GET units
- May reduce, but not eliminate, negative impacts to GET program funded status
- Results in foregone revenue for all state institutions for all GET credits by the amount of the highest differential tuition at any institution



# Potential Fiscal Implications: Example

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## *Differential tuition charges at 50% above base tuition and mandatory fees\**

### GET Value Calculation

Base Tuition & Mandatory Fees	\$12,000
Differential Tuition Charges	\$6,000
<b>Total GET Value</b>	<b>\$18,000</b>

*\*Numbers are for illustrative purposes only and do not necessarily reflect actual costs*

## Effect of Option B at the Student Level\*

	UW English	UW Engineering	Regional	CTC	Private/Out -of-State
Base Tuition & Mandatory Fees	\$12,000	\$12,000	\$7,000	\$4,000	\$20,000
Differential Tuition Charges (engineering)	\$0	\$6,000	\$0	\$0	\$0
Room & Board	\$10,500	\$10,500	\$6,500	\$0	\$15,000
Books & Supplies	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
<b>Total Eligible Higher Education Expenses</b>	<b>\$25,500</b>	<b>\$31,500</b>	<b>\$16,500</b>	<b>\$7,000</b>	<b>\$38,000</b>
GET Value (cash)	\$12,000	\$12,000	\$12,000	\$12,000	\$18,000
GET Value (waiver/foregone revenue to the institutions)	\$6,000	\$6,000	\$6,000	\$6,000	\$0
<b>Total GET Value</b>	<b>\$18,000</b>	<b>\$18,000</b>	<b>\$18,000</b>	<b>\$18,000</b>	<b>\$18,000</b>
<b>Remaining GET value/(unfunded expenses)</b>	<b>(\$7,500)</b>	<b>(\$13,500)</b>	<b>\$1,500</b>	<b>\$11,000</b>	<b>(\$20,000)</b>

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## Effect of Option B at the Institutional Level\*

	UW English	UW Engineering	Regional	CTC	Private /Out-of-State
# of GET Students (2011-12 academic year)	3,892	432	941	2,484	5,586
# of UW Engineering Students		4085			
<b>Total Amount of Tuition Waiver</b> (Revenue Foregone) (\$6000 x # of GET students)	<b>(\$23,349,600)</b>	<b>(\$2,594,400)</b>	<b>(\$5,646,960)</b>	<b>(\$14,904,000)</b>	<b>(\$0)</b>
<b>Total Differential Tuition Revenue</b> (UW Engineering)		<b>\$24,510,000</b>			

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