

111th GENERAL ASSEMBLY BUDGET SUMMARY SESSION REPORT

2020

Budget Overview

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Capital Projects

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FY 2020-21 BUDGET OVERVIEW

Budget

- The total FY20-21 State Budget is 39.4 billion.
- Due to the global COVID-19 pandemic, this budget assumes recurring revenue will be \$1.5 billion less than the projections adopted in the budget the Governor proposed in January. As a result, recurring expenditures in this budget exceed recurring revenue for FY20-21. The difference will be covered through the use of one-time funds until structural balance can be restored in future years. These one-time funds will primarily come from reserves, agency savings, and issuing bonds for certain capital projects that were previously funded with cash.
- The budget also recognizes a \$15 million decrease for a one-time expansion of the annual sales tax holiday. In 2020, the cap on the price of items exempt during the original annual sales tax holiday weekend will be doubled and electronic devices under \$3,000 will be added to the list of exempt items. In addition, a second Sales Tax Holiday weekend will exempt the sale of food and drinks by restaurants and limited service restaurants.
- The budget appropriates \$50 million for an employee buyout program.
- The budget eliminates raises for members of the General Assembly that were scheduled to take effect November 2020.

Budget Reductions

- The budget makes \$20 million in reductions to the base budget by eliminating vacant positions.

Employee Salary and Benefit Policy

- \$20 million in additional funds are provided to increase the retirement contribution rate for state employees.
- The budget includes funding for the salary survey for Tennessee Wildlife Resources Agency officers, biologists, and other unique positions within the Agency.
- Statutory pay raises for law enforcement, judges, district attorneys, public defenders, attorney general, and TWRA officers are included.

Education

- K-12 Education total funding is \$6.6 billion. The budget adds \$72 million to K-12 Education, including \$10.6 million into the BEP for Teachers insurance, \$50.3 million to address growth and inflation, and \$7.3 million for increased enrollment in Tennessee Early Intervention Services.
- The budget invests a total of \$4.9 billion in Higher Education, which includes \$22.5 million in new funding. The new funding includes \$4.4 million for the new Correctional Education Investment program to expand educational opportunities in correctional institutions. Also included is \$1.2 million for MTSU/Meharry medication education student financial aid; \$1 million for Veteran Reconnect grants; \$2 million for campus security enhancements; \$1 million for TBR's Mechatronics program; \$500,000 for TTU Cybersecurity Research; and nearly \$1.1 million for additional ETSU pediatric specialists and surgeons. Capital investment for higher education institutions totals \$101.8 million.

Health and Social Services

- The budget includes \$197 million in new spending for health and social services. This includes \$140 million for the TennCare program, \$20.5 million for the Department of Health, \$12.8 million for the Department of Mental Health and Substance Abuse Services, and \$23 million for the Department of Children's Services.
- These new expenditures include, \$19 million to expand the Healthcare Safety Net; \$7.5 million for a new Children's Behavioral Health Safety Net; \$3 million for School Based Behavioral Health Liasons; and and \$4 million for TennCare's Rural Health Clinic reimbursements.
- In addition, the budget included \$150 million (\$75 in FY19-20 and \$75 in FY20-21) for a Health and Safety Emergency and Contingency Fund that can be used for unanticipated expenses related to the Covid-19 pandemic.

Law, Safety and Correction

- The budget includes \$151 million in new funding for agencies that address law, safety, and correction.
- An additional \$89 million was appropriated to the Department of Correction, including \$10 million to fund Hepatitis C Treatment Standards and \$33.2 million in FY19-20 to help the department make payments to local jails.
- An additional \$8.8 million was appropriated to the Tennessee Bureau of Investigation. This includes \$4.1 million in FY19-20 and \$4.5 million in FY20-21 for operational support. The budget also reduces TBI's reliance on fee revenue by redirecting \$3.9 million in fee revenue to the general fund and replacing that revenue with general fund appropriations.
- The budget includes an additional \$30 million to TEMA for disaster relief grants, plus an additional \$1.6 million to fund TEMA Information System and Infrastructure Improvements.
- The budget includes \$13.4 million in new funding for the Department of Safety. \$7.7 million is included to add 80 positions to the driver services division to help alleviate wait times at driver services centers and create four additional express service stations in metropolitan areas, and \$3.6 million will provide funding for the replacement of an outdated emergency dispatch system.

Resources and Regulations

- The budget includes \$60 million in new funding for agencies that address resources and regulation.
- The budget appropriates 17.2 million to the Department of Environment and Conservation, including \$10 million to provide non-recurring funding to reduce the maintenance backlog at State Parks.
- The budget includes \$189,900 in supplemental FY19-20 funding for seven police training vehicles at the Tennessee Law Enforcement Training Academy.
- The budget includes \$41.8 million for the Department of Labor and Workforce Development for a new Unemployment Benefits and Tax System and an additional \$1.3 million for modernization of the Worker's Comp system.

Business, Economic Development and Transportation

- The budget includes \$51 million in new funding for economic development. This includes \$15 million to fund an addition year of the Broadband initiative to increase broadband accessibility in rural areas. It also includes \$35 million for FastTrack Job Development grants to create new opportunities and support growth and retention for TN workers; \$1 million for the Rural Hospital Transformation Program, which helps rural hospitals in assessing viability and identifying new delivery models, strategic partnerships, and operational changes that enable continuation of needed healthcare services in rural communities; and \$174,000 to restore funding to Development Districts across the state.

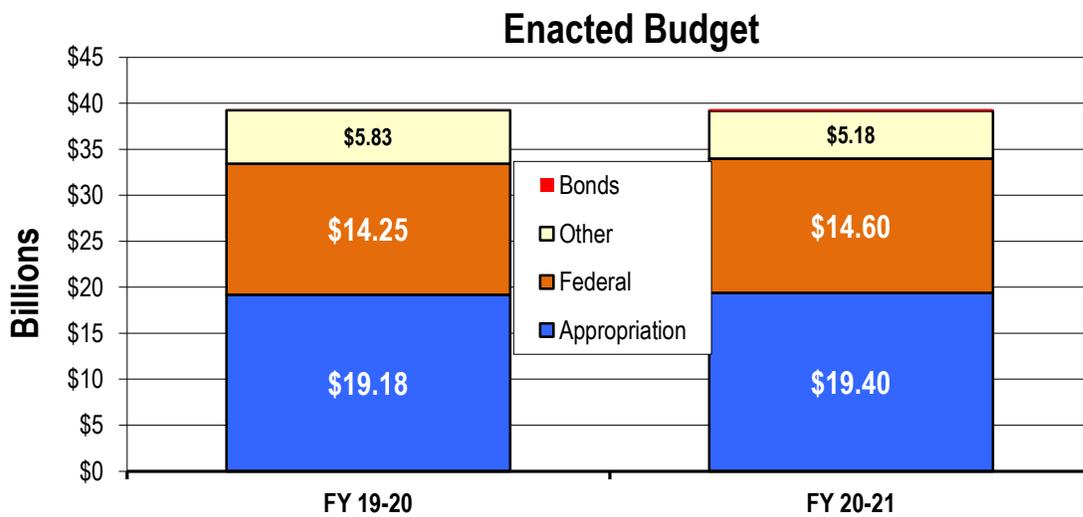
Capital Outlay/Maintenance/Facilities Revolving Fund

- In addition to appropriating over \$104 million for maintenance of existing facilities, the budget funds a number of capital improvements, including:
 - \$41 million to construct a University of Memphis STEM Research and Classroom Building;
 - \$21.9 million to construct a TCAT Chattanooga Advanced Manufacturing Building;
 - \$5 million in additional emergency and contingency funds for Department of General Services; and
 - \$5 million in additional funds for statewide interior renovation upgrades.

FY 20-21 FINAL BUDGET ACTION

TOTAL STATE BUDGET

		Est. FY 19-20	Prelim. FY 20-21	Change
TOTAL		\$39,523,792,150	\$39,400,000,000	-0.3%
Preliminary Estimate	Appropriation	\$19,175,043,550	\$19,400,000,000	1.2%
	Federal	14,249,958,300	14,600,000,000	2.5%
	Other	5,974,790,300	5,178,300,000	-13.3%
	Bonds	124,000,000	221,700,000	78.8%
Preliminary Estimate				

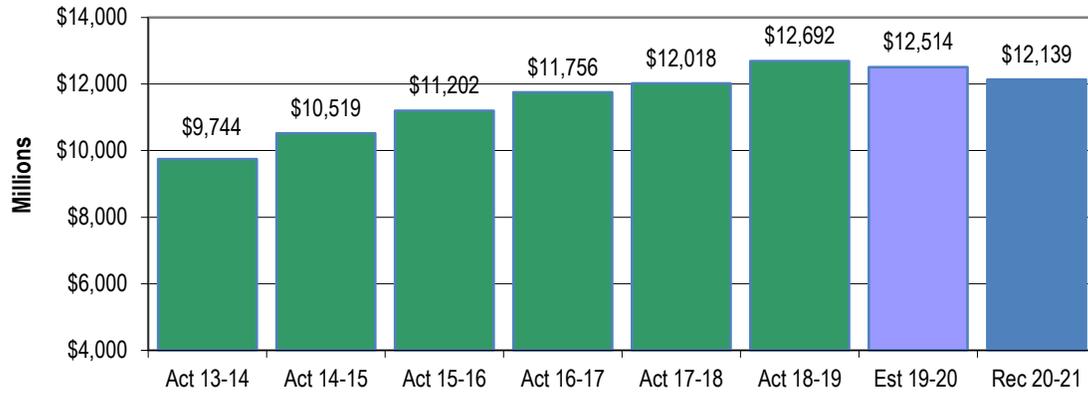


STATE BUDGET FUNDING HISTORY - (Excludes Bonds)

	Total (Billions)	State	Federal	Other	% Change
2008-09	\$29.21	13.54	9.56	4.40	
2009-10	\$29.68	12.20	12.92	4.56	1.6%
2010-11	\$31.73	12.91	13.97	4.85	6.9%
2011-12	\$31.72	13.73	13.24	4.75	0.0%
2012-13	\$31.28	13.98	12.52	4.79	-1.4%
2013-14	\$32.97	15.09	13.23	4.64	5.4%
2014-15	\$32.86	14.88	13.18	4.79	-0.3%
2015-16	\$33.55	15.58	12.87	5.10	2.1%
2016-17	\$35.19	16.53	13.42	5.24	4.9%
2017-18	\$37.27	17.95	13.63	5.69	5.9%
2018-2019	\$37.90	17.91	14.16	5.84	1.7%
Est. 2019-20	\$39.28	19.18	14.25	5.97	3.6%
Prelim. 2020-21	\$39.18	19.40	14.60	5.18	-0.2%

STATE TAX REVENUES

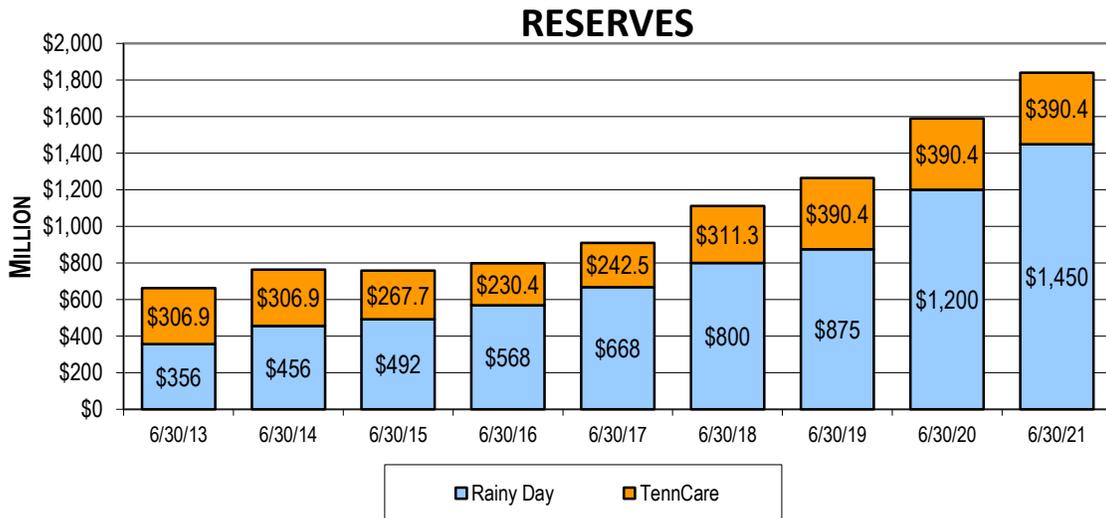
General Fund Revenues*



* Includes General Fund revenue collected by Department of Revenue.

RESERVES

	Rainy Day	% of GF Rev	TennCare	TOTAL
6/30/13	356,000,000	3.7%	306,877,300	\$662,877,300
6/30/14	456,000,000	4.7%	306,877,300	\$762,877,300
6/30/15	491,500,000	4.8%	267,729,800	\$759,229,800
6/30/16	568,000,000	5.2%	230,394,300	\$798,394,300
6/30/17	668,000,000	5.9%	242,493,900	\$910,493,900
6/30/18	800,000,000	6.8%	311,265,100	\$1,111,265,100
6/30/19	875,000,000	7.2%	390,418,300	\$1,265,418,300
Est 6/30/2020	1,200,000,000	9.5%	390,418,300	\$1,590,418,300
Rec 6/30/2021	1,450,000,000	11.9%	390,418,300	\$1,840,418,300



2020 SESSION - NOTED LEGISLATION

				General Fund - Fiscal Impact		
	Description	SB	HB	(Decrease) Recurring Exp	(Decrease) Non-Recurring Exp	Gen Fund Revenue
BUDGET BILLS	Appropriation Bill	2466	2821			
	Index bill - authorizes the index of appropriations from state tax revenues for 2019-2020 fiscal year to exceed the index of estimated growth in the state's economy by \$629 million or 3.6 percent	2468	2819			
	Bond Bill - Authorizes bonds for the construction of highways and for equipment	2469	2820			
	Appropriation Bill	2931	2922			
	Budget Implementation Act - revisions to implement appropriations act; authorizes the transfer of funds from reserves and carry forwards to supplement revenue shortfalls; protects certain reserves; lowers sales tax threshold for out of state dealers and marketplace facilitators; revises one and creates a second sales tax holiday	2932	2924			
	Bond Bill - Authorizes bonds for FY20 capitol projects not yet initiated as well as two FY 21 higher education capital projects	2935	2930			
TENNCARE	Hospital Assessment	2022	2170			
TENNCARE	Ambulance Service Assessment	2078	2184			
TENNCARE	Nursing Home Assessment	2123	2138			
ADVERTISING	"Outdoor Advertising Control Act of 2020"	2188	2255			
BUDGET PROCEDURES	Regarding authority for county budgets	1962	2001			
CHILDREN	Increases the timeframe which mothers can surrender a newborn without criminal liability	2629	2357			
COOPERATIVES	Requires posting telephone coop fees	2019	2053			
EDUCATION	Permits Education Commissioner to grant waivers to LEAs to assist with a grow your own program	1790	1835			
EDUCATION	Regarding Department of Education testing assessments	1946	1826			
EDUCATION	Requires information on the prevention of dating violence to be included in Family Life curriculum	2269	2477			
EDUCATION	Authorizes state board of education to promulgate emergency rules due to COVID-19 issues	2672	2818			
EMPLOYEES, EMPLOYERS	Enacts "TN Pregnant Workers Fairness Act"	2520	2708			
FOOD PRODUCTS	Establishes "Tennessee-Raised" branding standards	2049	2338			
FOOD PRODUCTS	Repeals obsolete Tennessee Egg Law	2140	2209			

General Fund - Fiscal Impact

	Description	SB	HB	(Decrease) Recurring Exp	(Decrease) Non-Recurring Exp	Gen Fund Revenue
GENERAL ASSEMBLY RULES	Ratifies an increase of the 911 surcharge rate to \$1.50	SJR 836				
HIGHER EDUCATION	Enacts the Financial Aid Simplification for Tennesseans (FAST) Act - reforms and makes efficiencies to Higher Ed financial aid programs	2097	2157			
HIGHER EDUCATION	Tuition Transparency and Responsible Borrowing Initiative Act	2503	2601			
SPECIAL OBSERVANCES	Designates August 18th as "Women's Suffrage Day"	2635	2586			
INTERSTATE COMPACTS	Interstate Drivers License Compact	1643	1660			
JUDICIAL DISTRICTS	Creates the 32nd Judicial District, consisting of Hickman, Lewis & Perry counties. Current 21st JD will be Williamson County only. Effective September 1, 2022	561	1156			
MENTAL HEALTH	Allows for additional behavioral health safety net providers	2007	1998	(14,400)		
MOTOR VEHICLES	Regulates pier to pier car sharing activity	2207	1593			
PEST CONTROL	Removes notice requirement for aerial pesticides	2139	2208			
SALES TAX	Requires marketplace facilitators to remit sales tax	2182	2249			84,848,400
SEARCH & SEIZURE	Limits Wildlife Resources Officers authority to conduct search and seizures	2292	2492			
SENTENCING	Changes parole eligibility for some life sentences for first degree murder	453	394			
SENTENCING	Changes minimum sentences, decreases size of drug free school zones	2734	2517	(5,500,000)		
STATE BOARD OF EDUCATION	Gives State Board of Education subpoena power in teacher licensure disciplinary cases	2260	1976			
STATE BOARD OF EDUCATION	Allows State Board of Education to recover costs in contested cases	2261	1974			
STATE BOARD OF EDUCATION	Adds offense to be considered for teacher licensure disciplinary cases	2262	1975			
TBI	Holly Bobo Act	2464	2308			
TDOT	Tennessee Accessible Transportation & Mobility Act	1612	1596			
TENNCARE	Increases TennCare ambulance reimbursement rate	1469	1175	6,967,218		
TSAC	Requires TSAC to promulgate rules for approved medical leave of absences for HOPE scholarship	823	379			
VETERANS SERVICES	Requires suicide prevention training for some Department of Veterans Services employees. Effective 1/1/21	673	787			
VICTIMS' RIGHTS	Updates law regarding crime victims' addresses	1980	1663			
WATER AUTHORITIES	Revises process by which a local government may create a new water or wastewater authority	1766	1841			

SALARIES and BENEFITS

TOTAL - SALARIES AND BENEFITS (funded in FY20-21)

45,603,800

	Recurring	Non-Recurring
State Employees	\$25,420,100	\$0
TCRS (Retirement) Contribution Increase - Effective 7/1/2020	\$20,000,000	
Health Insurance @ 4.0 - Annualized 1/1/2020 Rate Increase	\$5,420,100	
Higher Education	\$5,144,300	\$0
Health Insurance @ 4.0 - Annualized 1/1/2021 Rate Increase	\$5,144,300	
K-12	\$10,751,700	\$0
Health Insurance for LEA's @ 5.0% Increase 1/1/2021	\$10,616,400	
Teacher Training & Experience - State Special Schools	117,300	
Teacher Training & Experience - Youth Development Centers	18,000	
Mandated Salary Increases	\$4,287,700	\$0
Court System	\$794,900	
Attorney General	4,500	
Assistant District Attorneys and Criminal Investigators	978,700	
Assistant District Attorneys IV-D Child Support Enforcement	103,300	
Public Defenders (includes Memphis and Nashville)	504,900	
Post-Conviction Defender	12,500	
Governor	4,600	
Safety Step Increases	587,100	
Law Enforcement Training Academy Step Increases	21,300	
TWRA Step Increases	656,500	
TWRA Salary Survey @ 2.5% (not mandatory)	619,400	
Retirement		
TCRS Retirement Benefit COLA Increase Effective 7/1/2020	2.30%	

FY 2020-21 CAPITAL and MAINTENANCE PROJECTS

CAPITAL APPROPRIATIONS

	County	Total	State	Bonds	Federal	Other
Agriculture						
Maintenance	Statewide	\$ 1,870,000	\$ 0	\$ 0	\$ 0	\$ 1,870,000
Correction						
Maintenance	Statewide	\$ 33,160,000	\$ 0	\$ 0	\$ 0	\$ 33,160,000
Education						
Maintenance	Statewide	\$ 1,350,000	\$ 0	\$ 0	\$ 0	\$ 1,350,000
Environment and Conservation						
Maintenance	Statewide	\$ 6,815,300	\$ 0	\$ 0	\$ 153,900	\$ 6,661,400
Cummins Falls ADA Overlook	Jackson	250,000	0	0	200,000	50,000
Sub-Total Environment and Conservation		\$ 7,065,300	\$ 0	\$ 0	\$ 353,900	\$ 6,711,400
General Services						
Maintenance	Statewide	\$ 3,870,000	\$ 0	\$ 0	\$ 0	\$ 3,870,000
Emergency and Contingency Funds	Statewide	5,000,000	5,000,000	0	0	0
Sub-Total General Services		\$ 8,870,000	\$ 5,000,000	\$ 0	\$ 0	\$ 3,870,000
Intellectual and Developmental Disabilities						
Maintenance	Statewide	\$ 480,000	\$ 0	\$ 0	\$ 0	\$ 480,000
Mental Health and Substance Abuse Services						
Maintenance	Statewide	\$ 4,350,000	\$ 0	\$ 0	\$ 0	\$ 4,350,000
Military						
Maintenance	Statewide	\$ 6,800,000	\$ 0	\$ 0	\$ 3,967,500	\$ 2,832,500
McMinnville National Guard Readiness Center	Warren	11,258,000	0	0	11,258,000	0
Sub-Total Military		\$ 18,058,000	\$ 0	\$ 0	\$ 15,225,500	\$ 2,832,500
Tennessee Historical Commission						
Maintenance	Statewide	\$ 6,460,000	\$ 0	\$ 0	\$ 0	\$ 6,460,000
Tennessee State Veterans Home Board						
TSVH Murfreesboro Office and Storage Addition	Rutherford	\$ 1,270,000	\$ 0	\$ 0	\$ 825,500	\$ 444,500
Locally Governed Higher Education Institutions						
Austin Peay State University						
Maintenance	Statewide	\$ 3,295,000	\$ 0	\$ 0	\$ 0	\$ 3,295,000
East Tennessee State University						
Maintenance	Statewide	\$ 3,300,000	\$ 0	\$ 0	\$ 0	\$ 3,300,000
Middle Tennessee State University						
Maintenance	Statewide	\$ 4,600,000	\$ 0	\$ 0	\$ 0	\$ 4,600,000
Tennessee State University						
Maintenance	Statewide	\$ 5,456,500	\$ 0	\$ 0	\$ 0	\$ 5,456,500
Tennessee Technological University						
Maintenance	Statewide	\$ 2,100,000	\$ 0	\$ 0	\$ 0	\$ 2,100,000
University of Memphis						
Maintenance	Statewide	\$ 3,000,000	\$ 0	\$ 0	\$ 0	\$ 3,000,000
STEM Research and Classroom Building	Shelby	41,000,000	0	32,911,000	0	8,089,000
Sub-Total University of Memphis		\$ 44,000,000	\$ 0	\$ 32,911,000	\$ 0	\$ 11,089,000
Sub-Total Locally Governed Higher Education Institutions		\$ 62,751,500	\$ 0	\$ 32,911,000	\$ 0	\$ 29,840,500

	County	Total	State	Bonds	Federal	Other
Tennessee Board of Regents						
Maintenance	Statewide	\$ 12,660,000	\$ 0	\$ 0	\$ 0	\$ 12,660,000
TCAT Chattanooga Advanced Manufacturing Building	Hamilton	21,900,000	0	21,700,000	0	200,000
Sub-Total University of Memphis		\$ 34,560,000	\$ 0	\$ 21,700,000	\$ 0	\$ 12,860,000
University of Tennessee						
Maintenance	Statewide	\$ 4,500,000	\$ 0	\$ 0	\$ 0	\$ 4,500,000
Grand Total		\$ 184,744,800	\$ 5,000,000	\$ 54,611,000	\$ 16,404,900	\$ 108,728,900
Sub-Total Capital Maintenance		104,066,800	0	0	4,121,400	99,945,400
Sub-Total Capital Improvements		80,678,000	5,000,000	54,611,000	12,283,500	8,783,500
Sub-Total Higher Education		\$ 101,811,500	\$ 0	\$ 54,611,000	\$ -	\$ 47,200,500
Capital Maintenance		38,911,500	0	0	0	38,911,500
Capital Improvements		62,900,000	0	54,611,000	0	8,289,000
Sub-Total Other Agencies		\$ 82,933,300	\$ 5,000,000	\$ -	\$ 16,404,900	\$ 61,528,400
Capital Maintenance		65,155,300	0	0	4,121,400	61,033,900
Capital Improvements		17,778,000	5,000,000	0	12,283,500	494,500

FACILITIES REVOLVING FUND						
	County	Total	State	Bonds	Federal	Other
Capital Improvements:						
Statewide Interior Renovation Upgrades Phase 3	Statewide	\$ 5,000,000	\$ 5,000,000	\$ 0	\$ 0	\$ 0
Capital Maintenance:						
Andrew Johnson Vital Records Fire System Upgrades	Davidson	\$ 620,000	\$ 0	\$ 0	\$ 0	\$ 620,000
RS Gass State Lab Chilled Water Pump Replacement	Davidson	350,000	0	0	0	350,000
State Capitol Ceiling Repairs	Davidson	570,000	0	0	0	570,000
Davy Crockett Covered Parking Ceiling	Davidson	620,000	0	0	0	620,000
Sub-Total Capital Maintenance		\$ 2,160,000	\$ 0	\$ 0	\$ 0	\$ 2,160,000
Total Facilities Revolving Fund		\$ 7,160,000	\$ 5,000,000	\$ -	\$ -	\$ 2,160,000

HOSPITAL COVERAGE ASSESSMENT FEE

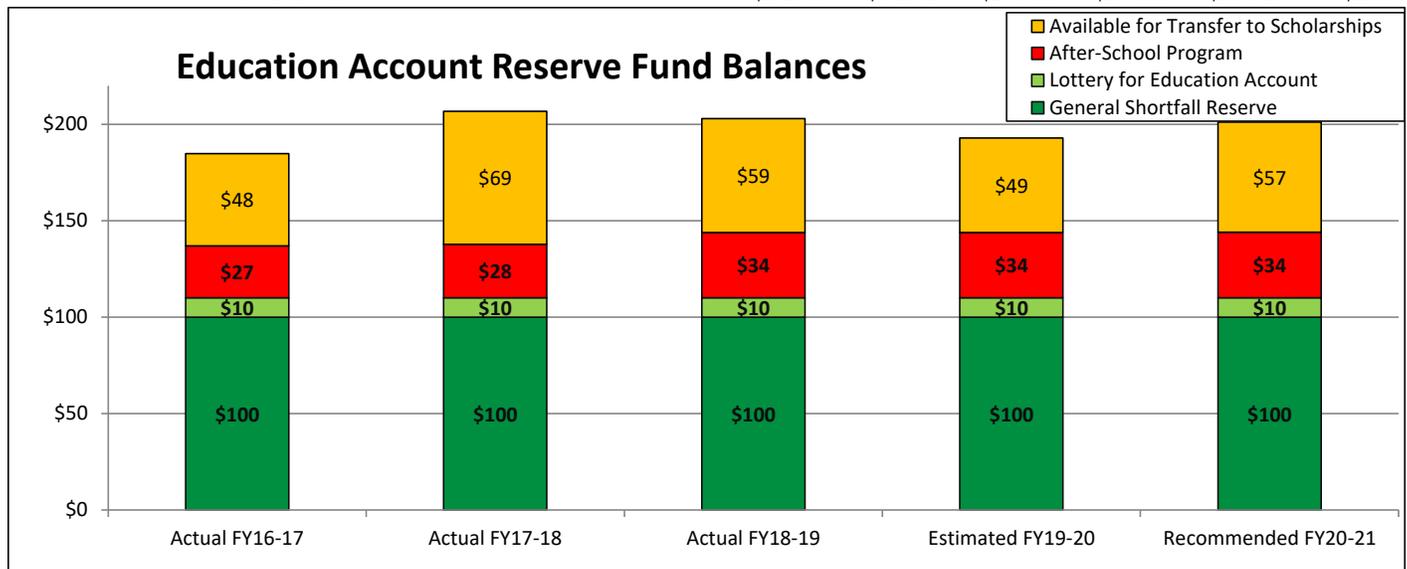
SB 2022 / HB 2170

Description	SFY 20-21		
	State Appropriation	Federal	Total
Uncompensated Charity and Self-Pay Pool	\$ 49,176,300	\$ 94,942,700	\$ 144,119,000
Virtual DSH Payments	\$ 66,914,400	\$ 129,189,100	\$ 196,103,500
Charity Care Fund	\$ 8,871,700	\$ 17,128,300	\$ 26,000,000
Directed Hospital Payments	\$ 207,632,400	\$ 400,867,600	\$ 608,500,000
Total Waiver Supplemental Pools	\$ 332,594,800	\$ 642,127,700	\$ 974,722,500
			\$ -
Graduate Medical Education	\$ 17,061,000	\$ 32,939,000	\$ 50,000,000
TN Center for Health Workforce Development	\$ 750,000	\$ 1,448,000	\$ 2,198,000
Other Hospital Items Funded			
Medicare Part A Reimbursement	\$ 12,130,500	\$ 23,419,900	\$ 35,550,400
Provider Reimbursement and Co-Pay	\$ 71,375,900	\$ 137,802,500	\$ 209,178,400
Postpone Reduction for Non-Emergent Care at Hospitals	\$ 572,800	\$ 1,106,000	\$ 1,678,800
Offset Elimination of 340B Pricing Provision of MCO Contractor Agreement	\$ 2,047,300	\$ 3,952,700	\$ 6,000,000
Match for ADT contract payments	\$ 55,000	\$ 495,000	\$ 550,000
Total Other Hospital Items	\$ 86,181,500	\$ 166,776,100	\$ 252,957,600
Funding for Benefit Limits			
Hospital Reimbursement Ceiling	\$ 21,313,200	\$ 41,148,600	\$ 62,461,800
In-Patient Services	\$ 49,707,000	\$ 95,967,400	\$ 145,674,400
Lab and X-Ray Procedures	\$ 14,658,900	\$ 28,301,300	\$ 42,960,200
Therapies	\$ 9,393,900	\$ 18,136,500	\$ 27,530,400
Out-Patient Services	\$ 44,190,700	\$ 85,317,100	\$ 129,507,800
Office Visits	\$ 17,828,700	\$ 34,421,100	\$ 52,249,800
Total Benefit Limits	\$ 157,092,400	\$ 303,292,000	\$ 460,384,400
Loss of CPE Funding	\$ 8,957,100	\$ (8,957,100)	\$ -
Total Expenditures from Assessment Excluding Trust Fund	\$ 602,636,800	\$ 1,137,625,700	\$ 1,740,262,500

LOTTERY FOR EDUCATION ACCOUNT & TENNESSEE PROMISE PROGRAM

LOTTERY FOR EDUCATION ACCOUNT (Millions):

	Actual FY18-19	Estimated FY19-20	Rec. FY20-21	Projected		
				FY21-22	FY22-23	FY23-24
Appropriation Expenditure Requirements:						
Lottery Scholarships	(\$364.7M)	(\$378.3M)	(\$382.1M)	(\$386.0M)	(\$389.8M)	(\$393.7M)
TSAC Operations	(\$6.2M)	(\$6.5M)	(\$5.5M)	(\$5.0M)	(\$5.0M)	(\$5.0M)
THEC Operations	(\$1.9M)	(\$1.9M)	(\$1.9M)	(\$1.9M)	(\$1.9M)	(\$1.9M)
Transfer to TSAC Student Assistance Awards	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M
Total Requirements	(\$372.8M)	(\$386.7M)	(\$389.5M)	(\$392.9M)	(\$396.7M)	(\$400.6M)
Revenue:						
Net Education Lottery Proceeds	\$429.2M	\$435.6M	\$446.5M	\$457.7M	\$469.1M	\$480.8M
Interest on Lottery for Education Account	\$2.7M	\$0.1M	\$0.1M	\$0.1M	\$0.1M	\$0.1M
General Shortfall Reserve @ prior year June 30	\$100.0M	\$100.0M	\$100.0M	\$100.0M	\$100.0M	\$100.0M
Lottery for Education Account Reserve @ prior year June 30	\$10.0M	\$10.0M	\$10.0M	\$10.0M	\$10.0M	\$10.0M
Total Revenue	\$541.9M	\$545.7M	\$556.6M	\$567.8M	\$579.2M	\$590.9M
Reserves at June 30:						
General Shortfall Reserve	\$100.0M	\$100.0M	\$100.0M	\$100.0M	\$100.0M	\$100.0M
Lottery for Education Account Reserve	\$10.0M	\$10.0M	\$10.0M	\$10.0M	\$10.0M	\$10.0M
After-School Program	\$33.8M	\$33.9M	\$34.0M	\$34.1M	\$34.2M	\$34.2M
Available to transfer for Tennessee Promise Scholarships	\$59.1M	\$49.0M	\$57.1M	\$64.9M	\$72.5M	\$80.3M
Total Reserve	\$202.8M	\$192.9M	\$201.0M	\$208.9M	\$216.6M	\$224.5M



Note: Reduction in Lottery for Education Account Reserve of (\$312,542,000) made in FY13-14 to endow the Tennessee Promise Program.

TENNESSEE PROMISE PROGRAM:

Original Endowment	\$48.8M	\$48.8M	\$48.8M	\$48.8M	\$48.8M	\$48.8M
Additional Endowments	\$312.5M	\$312.5M	\$312.5M	\$312.5M	\$312.5M	\$312.5M
Total Endowment	\$361.4M	\$361.4M	\$361.4M	\$361.4M	\$361.4M	\$361.4M
Transfer from TSAC	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M	\$0.0M
Transfer of Net Lottery Proceeds	\$68.9M	\$59.1M	\$49.0M	\$49.0M	\$49.0M	\$49.0M
Interest on Endowment and Reserve @ 3%	\$42.7M	\$26.8M	\$29.3M	\$29.3M	\$29.3M	\$29.3M
Total Revenue	\$111.6M	\$85.8M	\$78.2M	\$78.2M	\$78.2M	\$78.2M
Cost of Tennessee Promise Scholarships	(\$28.9M)	(\$29.6M)	(\$30.4M)	(\$30.4M)	(\$30.4M)	(\$30.4M)
Cost of Dept. of Treasury administrative fees	(\$0.4M)	(\$0.4M)	(\$0.4M)	(\$0.4M)	(\$0.4M)	(\$0.4M)
Surplus or Deficit	\$82.26	\$55.81	\$47.45	\$47.45	\$47.45	\$47.45
Balance Forward	\$233.3M	\$289.1M	\$366.5M	\$366.5M	\$366.5M	\$366.5M