

FISCAL NOTE

HB 838 - SB 973

March 22, 2005

SUMMARY OF BILL: Reduces the number of hours from 20 to 15 per week an after-school program must operate to be eligible for lottery after-school grants or lottery funded technical assistance. The bill eliminates the requirement that after-school programs offer computer instruction in order to benefit from lottery funds. Also, the bill changes the percentage of enrollment of at-risk children that must be maintained in order to benefit from lottery funds from at least 80% to at least 50%.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact - An amount of \$4,000,000 is reflected in the Governor's 2005-06 Recommended Budget for After-School Programs. This appropriation is from the state's 50% share of recurring unclaimed lottery prize money that is deposited in the After-School Programs Special Account.

Assumptions:

- By reducing the number of hours required from 20 to 15 for after-school programs, the cost per student is also reduced. Reduction in per student costs could permit a greater number of students to be served by the grant program and could result in additional after-school programs. The cost to attend an after-school program could be reduced from \$1,260/student/year to \$954/student/year.
- Since this is a grant program, grants for after school programs will only be available as excess lottery funds are allocated for this purpose. The program will operate from amount of funds dedicated for this purpose.
- Article XI, Section 5, of the Tennessee Constitution requires that such appropriation of funds to support improvements and enhancements for educational programs and purposes and such net proceeds shall be used to supplement, not supplant, non-lottery educational resources for education programs and purposes.

CERTIFICATION:

This is to duly certify that the information contained herein is true and



correct to the best of my knowledge.

James W. White, Executive Director