

## CORRECTED FISCAL NOTE

### HB 1945 - SB 2050

March 19, 2007

**SUMMARY OF BILL:** Creates the "Tennessee Student Assistance Program Account" in the State Treasury for the deposit of funds appropriated for use by the Tennessee Student Assistance Corporation (TSAC) for the Tennessee student assistance program and its administration; provides that earnings on the account are credited to the account and that monies in the account do not revert to the state General Fund at the end of any fiscal year.

### ESTIMATED FISCAL IMPACT:

On February 24, 2007, we issued a fiscal note on this bill indicating *a not significant increase in state expenditures*. Based on information provided by the Department of Finance and Administration and acknowledged by TSAC, the fiscal impact is as follows:

**(Corrected)**

**Other Fiscal Impact - Beginning in FY07-08, unexpended appropriations in the Tennessee Student Assistance Program will not revert to the general fund. This amount is estimated to be approximately \$1.4 million for FY07-08 which will be retained by TSAC and not available to assist in the statewide reversion of funds for the \$76.6 million overappropriation.**

Assumptions:

- Currently, this program reverts its unexpended balance to the general fund at year end, and this reversion goes toward fulfilling the state government overappropriation of \$76.6 million.
- The reversion to the state general fund at June 20, 2006 was \$985,000, and the projected reversion at June 30, 2007 is \$1,425,000.

### 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

**HB 1945 - SB 2050 (CORRECTED)**