

SENATE BILL 3768

By Norris

AN ACT to make appropriations for the purpose of defraying the expenses of the state government for the fiscal years beginning July 1, 2011, and July 1, 2012, in the administration, operation and maintenance of the legislative, executive and judicial branches of the various departments, institutions, offices and agencies of the state; for certain state aid and obligations; for capital outlay, for the service of the public debt, for emergency and contingency; to repeal certain appropriations and any acts inconsistent herewith; to provide provisional continuing appropriations; and to establish certain provisions, limitations and restrictions under which appropriations may be obligated and expended. This act makes appropriations for the purposes described above for the fiscal years beginning July 1, 2011, and July 1, 2012.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. That appropriations hereinafter set out are hereby made for the purpose of defraying the expenses of state government for the fiscal year beginning July 1, 2012, in the administration, operation and maintenance of the legislative, executive and judicial branches of the various departments, institutions, offices and agencies of the state, and for certain state aid and obligations and for capital outlay; for the service of the public debt, and for emergency and contingency, all according to the following schedule:

I. LEGISLATIVE		<u>2012-2013</u>
1. Legislature		
1.1 General Assembly Support Services .....	\$	7,674,100.00
1.2 House of Representatives .....		17,071,000.00
1.3 State Senate .....		9,374,400.00
1.4 Legislative Administration Services .....		4,425,200.00
1.5 Tennessee Code Commission .....		68,900.00
Total Legislature.....	\$	38,613,600.00
2. Fiscal Review Committee .....		1,370,000.00
Total Title I .....	\$	39,983,600.00

II. JUDICIAL

1.	Appellate and Trial Courts .....	\$	57,876,000.00
2.	Supreme Court Buildings.....		2,647,200.00
3.	Child Support Referees .....		762,000.00
4.	Guardian Ad Litem.....		6,047,500.00
5.	Indigent Defendants' Counsel.....		31,463,000.00
6.	Civil Legal Representation Fund.....		3,327,900.00
7.	Verbatim Transcripts .....		3,857,500.00
8.	Tennessee State Law Libraries .....		74,500.00
9.	Council of Juvenile and Family Court Judges .....		78,400.00
10.	Judicial Conference .....		221,900.00
11.	Judicial Programs and Commissions.....		429,900.00
12.	State Court Clerks' Conference .....		259,000.00
13.	Administrative Office of the Courts .....		9,755,600.00
14.	Appellate Court Clerks.....		518,400.00
15.	Board of Court Reporting.....		167,300.00
16.	Board of Law Examiners .....		718,600.00
17.	Board of Professional Responsibility .....		3,053,800.00
18.	Tennessee Lawyers Assistance Program.....		448,400.00
19.	Continuing Legal Education.....		790,400.00
20.	Client Protection Fund .....		208,500.00
	Total Title II .....	\$	122,705,800.00

### III. EXECUTIVE

#### 1. Constitutional and Quasi-Judicial Offices

1.	Attorney General and Reporter		
1.1	Attorney General and Reporter .....	\$	22,612,600.00
1.2	Publication of Tennessee Reports.....		171,100.00
1.3	Special Litigation .....		289,700.00
	Total Attorney General and Reporter.....	\$	23,073,400.00
2.	District Attorneys General Conference		
2.1	District Attorneys General.....	\$	69,638,000.00
2.2	District Attorneys General Conference .....		435,500.00
2.3	Executive Director .....		1,640,000.00
	Total District Attorneys General Conference .....	\$	71,713,500.00
3.	Secretary of State		
3.1	Secretary of State .....	\$	8,747,200.00
3.2	State Election Commission.....		1,588,600.00
3.3	Public Documents .....		396,300.00
3.4	State Library and Archives .....		8,261,000.00
3.5	Regional Library System .....		6,549,300.00
3.6	Bureau of Ethics and Campaign Finance .....		608,500.00
3.7	Economic Council on Women .....		203,400.00
3.8	Charitable Solicitations and Charitable Gaming.....		54,000.00

	Total Secretary of State.....	\$	26,408,300.00
4.	District Public Defenders Conference		
4.1	District Public Defenders .....	\$	36,015,200.00
4.2	Executive Director .....		1,560,100.00
4.3	Shelby County Public Defender.....		3,144,500.00
4.4	Davidson County Public Defender.....		1,608,200.00
	Total District Public Defenders Conference .....	\$	42,328,000.00
5.	Comptroller of the Treasury		
5.1	Division of Administration .....	\$	1,911,800.00
5.2	Office of Management Services .....		10,057,800.00
5.3	Division of State Audit .....		12,025,300.00
5.4	Division of County Audit .....		7,762,700.00
5.5	Division of Municipal Audit.....		1,953,800.00
5.6	Office of State and Local Finance.....		808,000.00
5.7	Office of Local Government.....		1,092,200.00
5.8	Division of Property Assessments .....		7,114,200.00
5.9	Tax Relief.....		25,642,100.00
5.10	State Board of Equalization .....		901,200.00
5.11	Offices of Research and Education Accountability .....		1,371,900.00
5.12	Office of State Assessed Properties.....		1,040,400.00
5.13	Telecommunications Ad Valorem Tax Equity Payments.....		7,000,000.00
	Total Comptroller of the Treasury.....	\$	78,681,400.00
6.	Office of the Post-Conviction Defender.....	\$	2,126,900.00
7.	Treasury Department		
7.1	Treasury Department .....	\$	373,600.00
7.2	Certified Public Administrators .....		407,300.00
7.3	Baccalaureate Education System Trust.....		2,152,200.00
7.4	Interlock Assistance Fund .....		463,500.00
	Total Treasury Department.....	\$	3,396,600.00
8.	Claims and Compensation		
8.1	Criminal Injuries Compensation.....	\$	9,900,000.00
	Total Claims and Compensation .....	\$	9,900,000.00
	Total Title III-1 .....	\$	257,628,100.00

The appropriation made under Title III-1, Item 8, may be increased or decreased as realized receipts of the Criminal Injuries Compensation Fund justify, subject to the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 4, Part 51. To the extent that receipts of the fund are insufficient to meet the fund's expenditure requirements, there is hereby appropriated a sum sufficient to support such expenditures.

2. Executive Offices

1.	Executive Department		
1.1	Governor's Office .....	\$	4,809,800.00

	Total Executive Department .....	\$	4,809,800.00
2.	Commissions		
2.1	Commission on Children and Youth .....	\$	1,987,900.00
2.2	Commission on Aging and Disability .....		13,685,600.00
2.3	Alcoholic Beverage Commission .....		64,900.00
2.4	Human Rights Commission .....		1,652,200.00
2.5	Health Services and Development Agency.....		1,079,700.00
2.6	Tennessee Regulatory Authority .....		7,400,400.00
2.7	Advisory Commission on Intergovernmental Relations.....		223,200.00
2.8	Arts Commission .....		6,385,600.00
2.9	State Museum .....		3,604,300.00
	Total Commissions.....	\$	36,083,800.00
3.	Department of Finance and Administration		
3.1	Division of Administration .....	\$	2,243,400.00
3.2	Division of Budget .....		3,805,400.00
3.3	Criminal Justice Programs.....		7,401,300.00
3.4	State Architect's Office .....		1,040,800.00
3.5	Volunteer Tennessee .....		239,900.00
3.6	Business Solutions Delivery .....		1,175,900.00
	Total Department of Finance and Administration.....	\$	15,906,700.00
4.	Department of General Services		
4.1	Administration .....	\$	426,400.00
4.2	Real Estate Asset Management .....		4,407,200.00
4.3	Printing and Media Services.....		304,400.00
4.4	Procurement Office .....		7,639,400.00
4.5	State Facilities Pre-Planning .....		8,500,000.00
	Total Department of General Services .....	\$	21,277,400.00
5.	Department of Veterans Affairs .....	\$	4,763,900.00
	Total Title III-2 .....	\$	82,841,600.00
3.	Department of Agriculture		
1.	Administration and Grants .....	\$	5,273,800.00
2.	Regulatory Services .....		12,263,000.00
3.	Market Development .....		20,944,200.00
4.	Agricultural Resources Conservation Fund.....		3,187,500.00
5.	Forestry Operations.....		21,914,200.00
6.	Forestry Maintenance.....		157,200.00
7.	Certified Cotton Growers' Organization Fund .....		607,500.00
8.	Agricultural Regulatory Fund .....		2,718,600.00
	Total Title III-3 .....	\$	67,066,000.00
4.	Department of Tourist Development		

1.	Administration and Marketing .....	\$	10,432,100.00
2.	Welcome Centers .....		1,365,000.00
	Total Title III-4 .....	\$	11,797,100.00

5. Department of Environment and Conservation

1.	Administrative Services .....	\$	5,505,700.00
2.	Recreation Educational Services .....		788,800.00
3.	Historical Commission .....		2,233,600.00
4.	Archaeology .....		806,500.00
5.	Geology .....		366,400.00
6.	Tennessee State Parks .....		41,151,700.00
7.	State Parks Maintenance .....		2,214,100.00
8.	Maintenance of Historic Sites .....		285,000.00
9.	West Tennessee River Basin Authority .....		937,200.00
10.	Environment Administration .....		1,260,300.00
11.	Used Oil Collection Program .....		1,100,000.00
12.	Tennessee Dry Cleaners Environmental Response Fund .....		1,900,000.00
13.	Air Pollution Control .....		1,082,400.00
14.	Radiological Health .....		600,000.00
15.	Water Pollution Control .....		9,072,800.00
16.	Solid Waste Management .....		1,799,300.00
17.	Abandoned Lands .....		500,000.00
18.	Hazardous Waste Remedial Action Fund .....		1,000,000.00
19.	Water Supply .....		950,500.00
20.	Groundwater Protection .....		2,013,600.00
21.	Underground Storage Tanks .....		22,940,600.00
22.	Solid Waste Assistance .....		11,205,900.00
23.	Environmental Protection Fund .....		51,222,600.00
24.	Clean Water and Drinking Water State Revolving Fund .....		6,683,600.00
25.	West Tennessee River Basin Authority Maintenance .....		580,400.00
26.	State Lands Compensation Fund .....		100,000.00
27.	Office of Environmental Assistance .....		270,700.00
28.	Conservation Compensation Fund .....		42,000.00
29.	Local Parks Acquisition Fund .....		3,718,700.00
30.	State Lands Acquisition Fund .....		3,087,500.00
	Total Title III-5 .....	\$	175,419,900.00

6. Tennessee Wildlife Resources Agency

1.	Wildlife Resources Agency .....	\$	37,102,800.00
2.	Boating Safety .....		6,242,400.00
3.	Wetlands Acquisition Fund .....		6,506,300.00
4.	Wetlands Compensation Fund .....		400,000.00
	Total Title III-6 .....	\$	50,251,500.00

The appropriation made under Title III-6 may be increased or decreased as realized receipts of the Wildlife Resources Fund justify, subject to the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 4, Part 51.

7. Department of Correction

1.	Administration .....	\$	15,079,400.00
2.	State Prosecutions .....		149,932,800.00
3.	Correction Academy .....		5,171,900.00
4.	Tennessee Prison for Women .....		22,687,900.00
5.	Turney Center Industrial Complex .....		37,691,300.00
6.	Mark Luttrell Correctional Facility.....		13,810,000.00
7.	Charles B. Bass Correctional Complex.....		28,611,500.00
8.	Southeastern Tennessee State Regional Correctional Facility .....		51,522,500.00
9.	Correction Release Centers .....		1,918,800.00
10.	Major Maintenance .....		7,165,800.00
11.	West Tennessee State Penitentiary.....		56,670,400.00
12.	Riverbend Maximum Security Institution.....		26,052,100.00
13.	Northeast Correctional Complex.....		41,153,500.00
14.	South Central Correctional Center.....		28,459,600.00
15.	Northwest Correctional Complex .....		51,329,700.00
16.	Lois M. DeBerry Special Needs Facility.....		39,007,500.00
17.	Hardeman County Incarceration Agreement.....		39,890,900.00
18.	Sentencing Act of 1985 .....		30,807,000.00
19.	Sex Offender Treatment Program.....		443,600.00
20.	Hardeman County Agreement – Whiteville .....		31,832,000.00
21.	Morgan County Correctional Complex.....		60,843,900.00
22.	Field Supervision .....		72,484,100.00
23.	Community Corrections .....		13,810,600.00
	Total Title III-7 .....	\$	826,376,800.00

8. Department of Economic and Community Development

1.	Administrative Services .....	\$	5,038,800.00
2.	Business Development.....		5,724,500.00
3.	FastTrack Infrastructure and Job Training Assistance .....		30,157,400.00
4.	Community and Rural Development .....		2,197,000.00
5.	Energy Division .....		34,800.00
6.	Economic Development District Grants .....		1,500,100.00
7.	Policy and Federal Programs .....		682,000.00
8.	Innovation Programs .....		257,900.00
9.	Headquarters Relocation Assistance.....		6,000,000.00
	Total Title III-8 .....	\$	51,592,500.00

9. Department of Education

1.	Administrative Services		
1.1	Administration .....	\$	6,695,300.00
1.2	State Board of Education .....		848,200.00

1.3	Governor's Books from Birth Fund .....		3,444,100.00
	Total Administrative Services .....	\$	10,987,600.00
2.	Kindergarten, Elementary and Secondary		
2.1	State Programs		
	a. Curriculum and Instruction.....	\$	3,202,200.00
	b. Career Ladder .....		45,500,000.00
	c. Basic Education Program .....		3,900,114,100.00
	d. Driver Education.....		1,700,000.00
	e. Training and Professional Development .....		1,651,300.00
	f. Grants-In-Aid.....		4,713,900.00
	g. Technology, Infrastructure, and Support Systems .....		2,343,900.00
	h. Accountability and Assessment.....		27,980,400.00
	i. Early Childhood Education .....		88,685,100.00
	Subtotal State Programs .....	\$	4,075,890,900.00
2.2	Federally Funded and Supported Programs		
	a. Improving Schools Program .....	\$	20,377,600.00
	b. School Nutrition Program .....		4,807,300.00
	c. Special Education Services .....		658,200.00
	d. Tennessee Early Intervention Services .....		11,686,200.00
	e. ESEA No Child Left Behind .....		470,000.00
	f. Achievement School District.....		774,900.00
	Subtotal Federally Funded and Supported Programs .....	\$	38,774,200.00
2.3	Lottery-Funded Programs		
	a. After-School Programs Special Account.....	\$	12,000,000.00
	Subtotal Lottery-Funded Programs.....	\$	12,000,000.00
	Total Kindergarten, Elementary and Secondary .....	\$	4,137,652,700.00
3.	Career and Technical Education Programs .....	\$	3,954,200.00
4.	Special Schools		
4.1	Alvin C. York Institute.....	\$	5,625,800.00
4.2	Tennessee School for the Blind.....		10,643,700.00
4.3	Tennessee School for the Deaf .....		15,010,100.00
4.4	West Tennessee School for the Deaf .....		2,660,800.00
4.5	Major Maintenance.....		239,100.00
	Total Special Schools.....	\$	34,179,500.00
	Total Title III-9 .....	\$	4,175,786,400.00
10.	Higher Education		
1.	Administration and Support Services		
1.1	Tennessee Higher Education Commission.....	\$	2,204,400.00
1.2	Contract Education.....		2,178,400.00
1.3	Tennessee Student Assistance Awards .....		52,762,500.00
1.4	Tennessee Student Assistance Corporation.....		1,214,600.00

1.5	Loan/Scholarship Programs .....		1,191,000.00
1.6	Foreign Language Institute.....		349,600.00
1.7	THEC Grants.....		2,318,100.00
	Total Administration and Support Services.....	\$	62,218,600.00
2.	Excellence Initiatives		
2.1	Academic Scholars Program .....	\$	401,800.00
2.2	Centers of Excellence .....		17,538,300.00
2.3	Campus Centers of Emphasis.....		1,265,900.00
	Total Excellence Initiatives .....	\$	19,206,000.00
3.	University of Tennessee System		
3.1	Administrative and Other Services		
	a. UT University-Wide Administration .....	\$	4,565,000.00
	b. UT Institute for Public Service .....		4,537,800.00
	c. UT Municipal Technical Advisory Service .....		2,742,000.00
	d. UT County Technical Assistance Service .....		1,653,200.00
	e. UT Access and Diversity Initiative .....		5,550,100.00
	f. UT Space Institute.....		7,600,900.00
	g. UT Research Initiatives .....		5,594,300.00
	Subtotal Administrative and Other Services .....	\$	32,243,300.00
3.2	Agricultural Services		
	a. UT Agricultural Experiment Station.....	\$	24,375,300.00
	b. UT Agricultural Extension Service .....		29,472,500.00
	c. UT Veterinary Medicine .....		15,442,300.00
	Subtotal Agricultural Services.....	\$	69,290,100.00
3.3	Medical Education		
	a. UT Health Science Center.....	\$	67,172,500.00
	b. UT Family Medicine.....		9,894,600.00
	c. UT College of Medicine .....		44,890,200.00
	Subtotal Medical Education .....	\$	121,957,300.00
3.4	University Campuses		
	a. UT Chattanooga.....	\$	34,736,400.00
	b. UT Knoxville .....		153,874,400.00
	c. UT Martin .....		25,473,600.00
	Subtotal University Campuses .....	\$	214,084,400.00
	Total University of Tennessee System .....	\$	437,575,100.00
4.	Tennessee Board of Regents System		
4.1	Administration and Other Services		
	a. Tennessee Board of Regents .....	\$	4,916,400.00
	b. Regents Access and Diversity Initiative .....		9,803,700.00
	Subtotal Administration and Other Services .....	\$	14,720,100.00
4.2	Medical Education		
	a. ETSU College of Medicine .....	\$	27,389,800.00
	b. ETSU Family Practice .....		5,743,400.00

Subtotal Medical Education .....	\$	33,133,200.00
4.3 Regional Universities		
a. Austin Peay State University .....	\$	28,615,800.00
b. East Tennessee State University.....		46,697,200.00
c. University of Memphis .....		94,286,000.00
d. Middle Tennessee State University .....		77,445,000.00
e. Tennessee State University.....		30,892,300.00
f. Tennessee Technological University .....		37,299,000.00
Subtotal Regional Universities.....	\$	315,235,300.00
4.4 Tennessee Community Colleges.....	\$	199,521,200.00
4.5 Tennessee Technology Centers.....	\$	54,672,100.00
4.6 Agricultural Centers		
a. TSU McMinnville Center.....	\$	543,600.00
b. TSU Institute of Agricultural and Environmental Research .....		2,206,300.00
c. TSU Cooperative Education .....		3,006,500.00
d. TSU McIntire-Stennis Forestry Research .....		174,100.00
Subtotal Agricultural Centers.....	\$	5,930,500.00
Total Tennessee Board of Regents System .....	\$	623,212,400.00
5. Lottery-Funded Programs		
5.1 Lottery for Education Account .....	\$	298,500,000.00
Total Lottery-Funded Programs.....	\$	298,500,000.00
Total Title III-10 .....	\$	1,440,712,100.00
11. Department of Commerce and Insurance		
1. Administration .....	\$	3,382,500.00
2. Insurance .....		92,900.00
3. Consumer Affairs.....		1,198,100.00
4. Fire Service and Codes Enforcement Academy .....		2,718,400.00
5. 911 Emergency Communications Fund .....		63,109,300.00
6. Regulatory Boards.....		18,919,800.00
6.1 Real Estate Education and Recovery Fund .....		291,300.00
6.2 Auctioneer Education and Recovery Fund .....		81,600.00
7. Tennessee Law Enforcement Training Academy.....		2,332,900.00
8. POST Commission .....		8,942,300.00
9. Cemetery Consumer Protection Fund .....		364,200.00
10. Pre-Need Funeral Consumer Protection Fund.....		100,100.00
11. Tennessee Athletic Commission.....		248,000.00
12. Corrections Institute.....		909,800.00
13. Fire Fighting Personnel Standards and Education.....		4,126,900.00
Total Title III-11 .....	\$	106,818,100.00

12. Department of Financial Institutions .....	\$	8,674,600.00
Total Title III-12 .....	\$	8,674,600.00

The appropriation made under Title III-12 may be increased or decreased as realized receipts justify, subject to the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 4, Part 51.

13. Department of Labor and Workforce Development

1. Administration .....	\$	3,103,400.00
2. Tennessee Occupational Safety and Health Administration (TOSHA).....		4,953,400.00
3. Workers' Compensation .....		13,305,400.00
4. Mines .....		374,700.00
5. Boilers and Elevators.....		4,363,800.00
6. Labor Standards.....		1,302,200.00
7. Second Injury Fund .....		9,872,400.00
8. Adult Basic Education.....		3,785,600.00
9. Workers' Compensation Employee Misclassification Education and Enforcement Fund (WCEMEEF).....		321,500.00
10. Employment Security.....		280,000.00
Total Title III-13 .....	\$	41,662,400.00

14. Department of Mental Health

1. Administration		
1.1 Administrative Services Division.....	\$	12,062,300.00
Total Administration.....	\$	12,062,300.00
2. Mental Health Services		
2.1 Middle Tennessee Mental Health Institute.....	\$	30,391,200.00
2.2 Western Mental Health Institute .....		19,656,700.00
2.3 Moccasin Bend Mental Health Institute.....		14,371,900.00
2.4 Memphis Mental Health Institute .....		17,567,400.00
2.5 Community Mental Health Services.....		73,679,000.00
2.6 Major Maintenance.....		450,000.00
Total Mental Health Services.....	\$	156,116,200.00
3. Alcohol and Drug Abuse Services		
3.1 Community Alcohol and Drug Abuse Services .....	\$	16,365,700.00
Total Alcohol and Drug Abuse Services .....	\$	16,365,700.00
Total Title III-14 .....	\$	184,544,200.00

15. Department of Military

1. Administration .....	\$	2,248,400.00
2. Army National Guard .....		954,600.00

3.	Air National Guard .....		2,261,600.00
4.	Tennessee Emergency Management Agency .....		2,843,100.00
5.	Armories Maintenance.....		588,200.00
6.	TEMA Disaster Relief Grants.....		4,000,000.00
7.	Armories Utilities .....		1,959,100.00
	Total Title III-15 .....	\$	14,855,000.00

16. Department of Health

1.	Administration		
1.1	Executive Administration .....	\$	6,837,300.00
1.2	Administrative Services .....		2,813,300.00
1.3	Office for Information Technology Services .....		4,630,400.00
1.4	Policy Planning and Assessment.....		4,040,000.00
	Total Administration.....	\$	18,321,000.00
2.	Manpower Resources and Facilities		
2.1	Bureau of Health Licensure and Regulation .....	\$	8,286,700.00
2.2	Emergency Medical Services .....		511,500.00
2.3	Laboratory Services .....		7,458,700.00
2.4	Health Related Boards .....		13,334,300.00
2.5	Trauma System Fund.....		9,000,000.00
	Total Manpower Resources and Facilities .....	\$	38,591,200.00
3.	Community Health Services		
3.1	Health Services Administration.....	\$	14,820,200.00
3.2	General Environmental Health .....		11,621,200.00
3.3	Maternal and Child Health .....		2,126,900.00
3.4	Communicable and Environmental Disease Services.....		12,002,600.00
3.5	Diabetes Prevention and Health Improvement .....		3,000,000.00
3.6	Community and Medical Services .....		8,855,200.00
3.7	Division of Animal Welfare.....		657,500.00
	Total Community Health Services .....	\$	53,083,600.00
4.	Local Health Services .....	\$	58,836,100.00
	Total Title III-16 .....	\$	168,831,900.00

17. Department of Human Services

1.	Administration		
1.1	Administration .....	\$	21,676,700.00
1.2	Field Operations.....		5,415,900.00
1.3	County Rentals.....		6,471,500.00
1.4	Appeals and Hearings.....		3,375,400.00
1.5	Organizational Performance Management .....		2,680,000.00
	Total Administration.....	\$	39,619,500.00
2.	Family Assistance Services		

2.1	Child Support .....	\$	16,682,800.00
2.2	Family Assistance Services .....		71,337,000.00
2.3	Temporary Cash Assistance .....		19,968,900.00
2.4	Child Care Benefits .....		12,067,600.00
	Total Family Assistance Services .....	\$	120,056,300.00
3.	Social Services		
3.1	Community Services .....	\$	1,677,700.00
	Total Social Services .....	\$	1,677,700.00
4.	Rehabilitative Services		
4.1	Vocational Rehabilitation .....	\$	9,735,100.00
	Total Rehabilitative Services .....	\$	9,735,100.00
	Total Title III-17 .....	\$	171,088,600.00
18.	Department of Revenue		
1.	Administration Division .....	\$	6,394,900.00
2.	Tax Enforcement Division .....		5,656,200.00
3.	Information Technology Resources Division .....		16,559,000.00
4.	Taxpayer and Vehicle Services Division .....		23,607,600.00
5.	Processing Division .....		6,095,000.00
6.	Audit Division .....		20,085,700.00
7.	Anti-Theft Unit .....		1,489,600.00
8.	Tax Refund Interest Expense .....		2,500,000.00
	Total Title III-18 .....	\$	82,388,000.00
19.	Tennessee Bureau of Investigation .....	\$	36,121,200.00
	Total Title III-19 .....	\$	36,121,200.00
20.	Department of Safety		
1.	Administration .....	\$	8,452,900.00
2.	Driver License Issuance .....		1,485,900.00
3.	Highway Patrol .....		89,365,600.00
4.	Motorcycle Rider Education .....		485,200.00
5.	Motor Vehicle Operations .....		9,933,200.00
6.	Driver Education .....		269,900.00
7.	Office of Homeland Security .....		1,692,200.00
8.	Major Maintenance .....		10,200.00
9.	Technical Services .....		864,100.00
	Total Title III-20 .....	\$	112,559,200.00
21.	Strategic Health-Care Programs		
1.	CoverTN .....	\$	16,874,500.00

2.	AccessTN.....	23,049,200.00
3.	CoverKids.....	58,496,600.00
4.	CoverRx .....	13,188,500.00
5.	Health-Care Planning and Innovation .....	1,170,500.00
	Total Title III-21 .....	\$ 112,779,300.00

22. Miscellaneous Appropriations

1.	State Employees' Unemployment Compensation, Sick Leave, Death Benefit Payments and Terminal Leave Payments .....	\$ 200,000.00
2.	Consolidated Retirement System	
	2.1 Former Governors and Widows of Former Governors – Pensions.....	347,900.00
3.	Insurance – Retirees	
	3.1 Retirees Health Insurance .....	12,600,000.00
	3.2 Retired Teachers Insurance .....	18,400,000.00
	3.3 Basic Term and Accidental Death Insurance.....	450,000.00
	3.4 Tennessee State Guard and Civil Air Patrol Leave of Absence	3,200.00
4.	Attorney's Fees – Civil Rights Cases .....	500,000.00
5.	Special Election Reimbursement to Counties .....	300,000.00
6.	Homeland Security Emergency Fund .....	1,100,000.00
7.	Criminal Justice Programs.....	1,098,800.00
8.	Tennessee Association of Rescue Squads.....	71,300.00
9.	Volunteer Rescue Squad – \$25,000 Death Benefit.....	25,000.00
10.	YMCA Youth Legislature .....	25,000.00
11.	YMCA Community Action Program.....	350,000.00
12.	Forensic Center at Quillen College of Medicine .....	100,000.00
13.	State Employees 2.5% Salary Increase.....	36,000,000.00
14.1	Salary Market Adjustment.....	15,000,000.00
14.2	Market Salary Study .....	300,000.00
15.	Group Health Insurance Premium – State Employees .....	10,400,000.00
16.	TCRS-Retirement Contribution Rate Change .....	1,161,700.00
17.	Deferred Compensation – 401K Match – State Employees .....	9,197,000.00
18.	Intergovernmental Conference Dues .....	581,500.00
19.	UT CBER – Research Assistance .....	159,200.00
20.	UT CBER – State Census Data Center .....	278,000.00
21.	MVM – DUI Vehicle Confiscation Program .....	720,000.00
22.	MVM – Purchase of New Vehicles .....	3,500,000.00
23.	Statewide Rate Adjustments	
	23.1 Rent Adjustments.....	1,800,000.00
	23.2 OIR Rate Adjustment for Data Center .....	3,055,400.00
	23.3 Property Insurance Premium.....	1,700,000.00
	23.4 Mileage Rate-State Agencies .....	411,800.00
	23.5 Postage Rate-State Agencies .....	800,000.00
24.	Civil Rights Museum.....	250,000.00
25.	Administration Legislation.....	2,000,000.00
26.	Legislative Initiatives.....	5,000,000.00
27.	Severance Benefit Plan .....	2,900,000.00
28.	Swipe and Ride Benefit .....	500,000.00

29.	Fisk University – Stieglitz Collection Maintenance .....	80,000.00
30.	American Battle Monuments Commission – Maintenance of Tennessee World War I Monuments in France.....	13,500.00
31.	Financial Systems Billings Reconciliation .....	1,597,000.00
32.	Parkers Crossroads Battlefield Interpretation.....	109,000.00
33.	Temporary Office Space.....	6,000,000.00
	Total Title III-22 .....	\$ 139,085,300.00

23. Department of Children's Services

1.	Administration .....	\$ 25,916,700.00
2.	Family Support Services.....	24,390,000.00
3.	Custody Services .....	82,219,100.00
4.	Adoption Services .....	39,768,100.00
5.	Child and Family Management.....	78,006,100.00
6.	John S. Wilder Youth Development Center .....	11,675,700.00
7.	Woodland Hills Youth Development Center.....	12,263,600.00
8.	Mountain View Youth Development Center .....	11,754,500.00
9.	New Visions Youth Development Center .....	3,211,000.00
10.	Major Maintenance .....	370,100.00
11.	Needs Assessment.....	4,119,300.00
	Total Title III-23 .....	\$ 293,694,200.00

24.	Board of Parole .....	\$ 2,979,400.00
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	Total Title III-24 .....	\$ 2,979,400.00
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25. Department of Intellectual and Developmental Disabilities

1.	Intellectual Disabilities Services Administration .....	\$ 1,304,900.00
2.	Community Intellectual Disabilities Services .....	11,521,300.00
3.	Quality Assurance Program.....	859,700.00
4.	Clover Bottom Developmental Center.....	95,900.00
5.	Greene Valley Developmental Center.....	648,900.00
6.	Harold Jordan Center .....	5,228,500.00
7.	West Tennessee Regional Office .....	1,561,500.00
8.	Middle Tennessee Regional Office .....	1,055,900.00
9.	East Tennessee Regional Office .....	1,043,800.00
10.	West Tennessee Resource Center .....	155,600.00
11.	Middle Tennessee Resource Center .....	138,800.00
12.	East Tennessee Resource Center.....	124,200.00
13.	East Tennessee Community Homes .....	56,000.00
14.	Major Maintenance .....	100,000.00
15.	Developmental Disabilities Council.....	225,300.00
	Total Title III-25 .....	\$ 24,120,300.00

26. Department of Finance and Administration – Bureau of TennCare

1.	TennCare Administration .....	\$	95,626,000.00
2.	TennCare Medical Services.....		1,914,381,900.00
3.	Supplemental Payments.....		264,806,200.00
4.	Intellectual Disabilities Services.....		303,207,100.00
5.	Medicare Services .....		287,865,900.00

Total Title III-26 ..... \$ 2,865,887,100.00

27. Emergency and Contingency Fund ..... \$ 819,300.00

Total Title III-27 ..... \$ 819,300.00

The Emergency and Contingency Fund may be used for any purpose authorized by law to be allowed on Executive Order of the Governor; provided, however, the Emergency and Contingency Fund shall not be used to fund any law requiring the expenditure of state funds unless an appropriation is made elsewhere for the estimated first year's funding.

28. State Building Commission

1. Major Maintenance and Equipment ..... \$ 250,000.00

Total Title III-28 ..... \$ 250,000.00

29. Facilities Revolving Fund

1. General Services Operating Maintenance ..... \$ 7,517,200.00

2. General Services Project Maintenance..... 5,547,600.00

3. Capital Projects ..... 125,100,000.00

Total Title III-29 ..... \$ 138,164,800.00

30. Department of Transportation

There is hereby appropriated for the use of the Department of Transportation such receipts of highway revenues as are now provided by law, or may hereafter be so provided, to accrue to that department during the fiscal year, beginning July 1, 2012, to be expended by the Commissioner of Transportation, all according to the following schedule:

2012-2013

1. Headquarters ..... \$ 89,368,300.00

2. Bureau of Administration ..... 49,910,400.00

3. Bureau of Engineering..... 88,199,000.00

4. Field Engineering ..... 137,123,600.00

5. Bureau of Environment and Planning ..... 61,841,200.00

6. Field Construction ..... 222,643,900.00

7. Field Maintenance Operations..... 134,917,100.00

8. Garage and Fleet Operations ..... 34,296,500.00

Total Title III-30 ..... \$ 818,300,000.00  
 Grand Total ..... \$ 12,625,784,300.00

Said funds so appropriated shall be obligated and expended under the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 4, Part 51. There is further appropriated to the Department of Transportation such departmental revenue, expressly including federal matching funds, as may accrue to the department.

The "Proposed Highway Program for Fiscal Year 2012-2013", prepared by the Department of Transportation as a supplement to and as "Supporting Data for the Budget Request", is hereby incorporated into and made a part of the Appropriations Act.

Whenever a determination is made that one or more of the projects in the approved program cannot be proceeded with, the Commissioner of Transportation shall furnish, in written form as prescribed by the Chairmen of the Finance, Ways and Means Committees of the Senate and House and the Chairmen of the Transportation Committees of the Senate and House, the reasons for such proposed cancellation or rescheduling of said project, together with a recommendation for a substitute project. The notice of cancellation or rescheduling of said project shall be submitted to the Speaker of the Senate, the Speaker of the House of Representatives, the Chairmen of the Finance, Ways and Means Committees of the Senate and House, the Chairmen of the Transportation Committees of the Senate and House and to the individual Senator and Representative in whose districts the canceled project or proposed substitution is located.

From the funds appropriated above in Item 4. Field Engineering, the sum of \$9,540,000 is allocated for the purpose of funding the state's eighty percent (80%) share of the project cost of the 1990 Bridge Grant Program. For the fiscal 2012-2013 budget, the state shall fund an eighty percent (80%) share of this program and local governments shall be responsible for funding the remaining twenty percent (20%), as set forth in Tennessee Code Annotated, Title 54, Chapter 4, Part 5.

For the fiscal year beginning July 1, 2012, the Commissioner of Transportation shall distribute this money among the ninety-five (95) county geographical areas of the state according to the following formula:

One-half of the funds shall be distributed equally, and one-half shall be distributed on the basis of structural needs. Structural needs shall be determined by calculating the ratio of linear feet of bridges with a load rating of less than ten tons, in each county geographical area, located on public roads other than those on a federal-aid system or the state system of highways, to the total linear feet of like bridges in the state.

31. State Funding Board

There is hereby appropriated to the State Funding Board for interest and reduction of the state debt, for debt service expense and interest on proposed bond authorization:

	<u>2012-2013</u>
1. Interest on State Debt.....	\$ 60,665,000.00

2.	Retirement of Bonds.....	116,945,000.00
3.	Debt Service Expense .....	1,000,000.00
4.	Amortization of Authorized and Unissued Construction Bonds .....	88,450,000.00
5.	Amortization of Authorized and Unissued Highway Bonds.....	128,600,000.00
6.	Amortization of Bonds Issued – October 2011.....	40,800,000.00
	Total Title III-31 .....	\$ 436,460,000.00

The appropriation made under Section 1, Title III-31, Items 1, 2, 3, 4, 5, and 6, is made under the provisions of Tennessee Code Annotated, Title 9, Chapter 9, and may be increased to such amounts as will be necessary to carry out such provisions.

### 32. Capital Outlay

There is hereby appropriated to each of the departments and agencies enumerated herein, funds for major maintenance, equipment, construction and acquisition of land, and for expansion, improvement, betterments and repairs to existing structures. The Commissioner of Finance and Administration is hereby authorized to transfer the amounts herein appropriated to the Capital Projects Fund for the use of the said departments and agencies.

1.	Department of Children’s Services .....	\$ 640,000.00
2.	Department of Commerce and Insurance .....	400,000.00
3.	Department of Education.....	1,600,000.00
4.	Department of Economic and Community Development.....	11,000,000.00
5.	Department of Environment and Conservation .....	12,940,000.00
6.	Department of Finance and Administration.....	575,000.00
7.	Department of General Services.....	12,930,000.00
8.	Department of Intellectual and Developmental Disabilities.....	2,750,000.00
9.	Department of Mental Health.....	120,000.00
10.	Department of Military .....	1,770,000.00
11.	Department of Safety.....	10,000,000.00
12.	Department of Veterans Affairs .....	600,000.00
13.	Tennessee Board of Regents.....	48,930,000.00
14.	University of Tennessee .....	34,345,000.00
	Total Title III-32 .....	\$ 138,600,000.00

Said funds herein appropriated shall be used solely for improvements, betterments, and additions to state structures and for the acquisition of additional land and space, including the purchase of existing structures and grants, as described or referred to above and as approved by the State Building Commission; provided, further, that such funds as are appropriated herein shall be utilized to finance only those projects, improvements, betterments, or additions which are presented in the State of Tennessee’s 2012-2013 Budget Document, as amended by any changes or additional projects contained in the Appropriations Act as passed on third and final consideration; provided, further, that all funds appropriated in this act or other general acts of this session for capital outlay shall be subject to the provisions of Tennessee Code Annotated, Title 4, Chapter 15, Part 1, and further expressly providing for the making of grants to governmental entities and/or to the Shelby Farms Park Conservancy, a not-for-profit organization located in Shelby County, in support of the Phase I Master Plan projects for Shelby Farms Park; and to the Blount Mansion Association, a not-for-profit organization located in Knox County. Such grants so identified and approved are determined to be for a public purpose.

### 33. Capital Outlay - Sinking Fund

There is hereby appropriated for the fiscal year beginning July 1, 2012, to the Sinking Fund from the receipts of the tax levied by Tennessee Code Annotated, Title 67, Chapter 4, Part 20, "The Excise Tax Law", an amount to be determined by the State Funding Board.

#### SECTION 2. Capital Outlay and Major Maintenance

Item 1. Any funds appropriated by this General Assembly for capital outlay, capital maintenance and major maintenance shall not revert to the general fund but shall remain available until expended. It is the intent of the General Assembly that funds of capital outlay nature shall remain available until expended for the purpose for which the appropriations were made.

In the fiscal years ending June 30, 2012, and June 30, 2013, the carry-forward and reappropriation of unexpended appropriations for major maintenance shall be subject to approval by the Commissioner of Finance and Administration based upon the availability of revenues and reserves in the general fund at June 30, 2012, and June 30, 2013.

Item 2. Any unexpended capital outlay or capital maintenance funds appropriated by previous General Assemblies for completed or discontinued projects shall be accumulated in a capital account to be administered by the Department of Finance and Administration. Expenditure of these funds is subject to approval by the State Building Commission upon recommendation of the University of Tennessee, State Board of Regents, or Department of General Services, as applicable, and certification of available funds by the Commissioner of Finance and Administration.

Item 3. From the appropriations made to the State Funding Board in Section 1, Title III-31, the Funding Board is hereby authorized to allocate and provide to the Capital Projects Fund such funds not required for debt service during fiscal year 2012-2013 for projects duly authorized and approved by the General Assembly; provided, however, that when the Funding Board allocates funds under this provision, any other appropriation or bond authorization for said purpose is hereby reduced accordingly.

Item 4. From the funds appropriated for capital outlay in this act and other acts of the legislature, the Commissioner of Finance and Administration, with the approval of the State Building Commission, is authorized to charge the administrative costs of the construction programs to the capital outlay appropriations or to transfer from the Capital Projects Fund to the general fund an amount sufficient to cover those costs. Such expenditures shall be from non-bond proceeds.

Item 5. From the funds appropriated for capital outlay in this act and other acts of the legislature, the Commissioner of Finance and Administration is authorized to establish and charge the costs of design and engineering positions to the capital outlay appropriations or to transfer from the Capital Projects Fund to the general fund an amount sufficient to cover these costs. This item is subject to approval by the State Building Commission.

Item 6. From the funds appropriated for capital outlay in this act and other acts of the legislature, the Commissioner of Finance and Administration, with the approval of the State Building Commission, is authorized to transfer the appropriations for capital outlay to the Department of Finance and Administration to provide for the centralized administration of capital outlay. It is further the legislative intent to allow for centralized administration of any project recommended by the Commissioner of Finance and Administration and approved by the State Building Commission.

Item 7. To the extent that the accumulated yearly interest and earnings of the Natural Resources Trust Fund are available through June 30, 2012, said funds are hereby appropriated to the Department of Environment and Conservation to be available for projects which are reviewed and evaluated under procedures established by the authority of Tennessee Code Annotated, Section 11-14-308.

Item 8. There is hereby appropriated to the Department of Mental Health the proceeds from the sale of any real property and facilities being used by the department. The appropriation shall be available to fund the department's master plan for facilities subject to approval by the State Building Commission.

This appropriation is made notwithstanding the provisions of Section 20 of this act and the provisions of Tennessee Code Annotated, Title 54, Chapter 2, Part 2, to the contrary.

Item 9. There is hereby appropriated to the Department of Military the proceeds from the sale of any real property and facilities being used by the department. The appropriation shall be available to fund replacement facilities for the department subject to approval by the State Building Commission.

This appropriation is made notwithstanding the provisions of Section 20 of this act and the provisions of Tennessee Code Annotated, Title 54, Chapter 2, Part 2, to the contrary.

Item 10. There is hereby appropriated to the Department of Intellectual and Developmental Disabilities the proceeds from the sale of any real property and facilities being used by the department. The appropriation shall be available to fund replacement facilities for the department subject to approval by the State Building Commission.

This appropriation is made notwithstanding the provisions of Section 20 of this act and the provisions of Tennessee Code Annotated, Title 54, Chapter 2, Part 2, to the contrary.

Item 11. Other provisions of the law to the contrary notwithstanding, any proceeds from the sale of surplus land and real property in Davidson County are hereby reappropriated to the Department of Finance and Administration to provide for the state's office space and support facilities requirements in Davidson County.

This appropriation is made notwithstanding the provisions of Section 20 of this act and the provisions of Tennessee Code Annotated, Title 54, Chapter 2, Part 2, to the contrary. Any reappropriation made pursuant to the provisions of this item is subject to the approval of the State Building Commission.

Item 12. The appropriation in Section 1, Title III-7, to the Department of Correction, Sentencing Act of 1985, is made pursuant to TCA, Section 9-4-210.

(a) The appropriation reflects a base appropriation reduction of \$24,492,500, which recognizes the increased recurring operating costs at the Southeastern Tennessee State Regional Correctional Facility in fiscal year 2012-2013.

(b) The appropriation in the amount of \$30,807,000 is hereby reappropriated to the department for major maintenance and capital outlay purposes.

(c) From the balance of the reserve fund carried forward at June 30, 2012, there is hereby appropriated the sum of \$2,243,000 to the department for major maintenance and capital outlay purposes in the 2012-2013 fiscal year.

(d) From any remaining reserve fund balance carried forward at June 30, 2012, there is hereby appropriated a sum sufficient to the department for major maintenance and capital outlay purposes.

(e) Other appropriations made under this act to the Department of Correction, Sentencing Act of 1985, are hereby reappropriated to the department for major maintenance and capital outlay purposes.

(f) On or before October 1, 2012, the Commissioner of Finance and Administration shall submit a detailed financial report to the Chairs of the Finance, Ways and Means Committees of the Senate and House of Representatives and to the Chairs of the State and Local Government Committees of the Senate and House of Representatives concerning all activities of the "Sentencing Act of 1985 reserve account (established and maintained pursuant to TCA, § 9-4-210)" during fiscal year 2011-2012. The report shall indicate the account balance on July 1, 2011, and shall itemize all funds deposited into the reserve account as well as all funds allocated from the reserve account. For each such allocation from the reserve account, the report shall describe the purpose, amount and location of the allocation as well as any other information deemed to be informative by the Commissioner.

Item 13. The provisions of this item shall take effect upon becoming law, the public welfare requiring it. From the appropriation made to the Department of Economic and Community Development for capital outlay grants to the Wacker Chemie AG Plant project in Section 1, Title III-32 of Chapter 554, Public Acts of 2009, the Commissioner of Finance and Administration is authorized to approve transfers to the FastTrack Infrastructure and Job Training Assistance program in the general fund.

Item 14. Capital improvement projects recommended for higher education institutions in the 2012-2013 Budget Document on page A-145 include funding partially from institutional sources. It is the legislative intent that such projects include an institutional matching component, applicable to the first \$75 million of project costs, at the following rates by type of institution: (a) universities, 25 percent; (b) community

colleges, 10 percent; (c) non-formula units, 10 percent; and (d) technology centers, 5 percent. Matching funds may include gifts, grants, institutional funds, student fees, and other non-state sources. The provisions of this item shall not apply to the project identified as UT Health Sciences Center Buildings Demolition.

### SECTION 3.

Item 1. Appropriations made under Section 1, Titles III-11 and III-16, for the operation of the state regulatory boards, shall be subject to allotment by the Commissioner of Finance and Administration, and no expenditure shall be made by any said boards out of fees collected by them unless and until such allotments have been made by the Commissioner of Finance and Administration. Such allotments for the operation of said respective boards as are made by the Commissioner of Finance and Administration shall be disbursed under the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 4, Part 51.

The allotment hereinabove provided shall be subject to the condition that no money shall be paid therefrom for the salary of any employee of said boards unless and until such salary has been approved by the Commissioner of Human Resources. The appointment of all employees of said boards shall likewise be approved by the Commissioner of Human Resources.

Notwithstanding any provision of law to the contrary, no member of any board or commission established by law or pursuant to law, which receives an appropriation under this act, regardless of the source of funding, shall receive any compensation, whether denominated per diem or by whatever name called, except for days in which such member actually works four (4) or more hours performing duties directly relating to that board's or commission's activities, or for time or days spent attending meetings of that board or commission. The chairman or head of each board or commission, the department head to which such board or commission is attached administratively, and the Commissioner of Finance and Administration, shall prescribe procedures to contain, as a minimum, a certification of time worked by each member claiming compensation.

Item 2. Except as otherwise provided in this section, the appropriations to the Wildlife Resources Agency under Section 1, Title III-6, shall be paid out of the special fund established under Tennessee Code Annotated, Title 70, Chapter 1, Part 4 and Section 69-9-203. Such appropriations shall be expended under the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 4, Part 51, and shall be used only for the expenses of the Wildlife Resources Agency pursuant to Tennessee Code Annotated, Title 70 and Title 69, Chapter 9, Part 2, and no part of the unexpended fund left at the end of the fiscal year shall be used for any other purpose but shall be carried over in said fund and may be expended during the next year, and all of said fees and revenues provided by Tennessee Code Annotated, Title 70 and Title 69, Chapter 9, Part 2, are herein specifically apportioned and appropriated to the use and for the benefit of the Wildlife Resources Agency to be expended under the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 4, Part 51. Nothing in this item shall be construed as relieving the Wildlife Resources Agency of the duty of policing littering of lakes and streams.

Item 3. The appropriation to the State Board of Law Examiners in Section 1, Title II, Item 16, shall be from funds generated by fees collected by the board under the provisions of Tennessee Code Annotated, Title 23, Chapter 1.

In case the appropriation to the board shall prove inadequate to allow the board to function efficiently, the Commissioner of Finance and Administration may make an additional allotment thereto from the general fund, the total of all allotments to the board not to exceed the revenues paid into the treasury by the board.

Item 4. The appropriation to the Department of Financial Institutions in Section 1, Title III-12, shall be derived from banking fees assessed pursuant to Tennessee Code Annotated, Title 45, Chapter 1, Part 1. No part of the unexpended fees left at the end of the fiscal year shall revert to the general fund.

### DEPARTMENTAL REVENUES

SECTION 4. All departmental revenues of every kind, as hereinafter defined, collected by any department, institution, office, or agency, in the course of its operations, for its own use, are hereby appropriated to it in addition to the specific appropriations made by this act, unless otherwise provided in this act or other provision of law. Federal aid funds granted to the state for the use of or to be administered by any department, institution, or agency, are likewise appropriated. For the purpose of this section "departmental revenues" are defined as (1) earnings or charges for goods or services; (2) donations, contributions or participation by political subdivisions, foundations, corporations, firms or persons. State revenues, in contradistinction to departmental revenues, are the proceeds of taxes, licenses, fees, fines, forfeiture or other imposts laid specifically by law.

Notwithstanding any provision of the previous paragraph, the Department of Health shall deposit all funds generated by fees or taxes collected by such entity in the general fund of the state. Any appropriations for the operation of such entity shall be subject to allotment by the Commissioner of Finance and Administration, and no expenditure shall be made by any such entity out of fees or taxes collected by it, unless and until such allotments have been made by the Commissioner of Finance and Administration. Such allotments for the operation of such entity as are made by the Commissioner of Finance and Administration shall be disbursed under the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 4, Part 51.

The departmental revenues and federal aid funds appropriated under this act shall include the amounts hereinafter set out:

	I. LEGISLATIVE	<u>2012-2013</u>
1.	Legislative Administration Services .....	\$ 17,000.00
2.	House of Representatives .....	28,500.00
3.	State Senate .....	22,000.00
4.	General Assembly Support Services .....	70,000.00
	Total Title I .....	\$ 137,500.00
	II. JUDICIAL	

1.	Appellate and Trial Courts .....	\$	27,300.00
2.	Supreme Court Buildings.....		613,000.00
3.	Child Support Referees .....		1,609,500.00
4.	Indigent Defendants' Counsel.....		5,000.00
5.	Appellate Court Clerks.....		1,627,100.00
6.	Judicial Programs and Commissions.....		498,200.00
7.	Administrative Office of the Courts .....		1,557,500.00
8.	Judicial Conference .....		40,000.00
9.	Council of Juvenile and Family Court Judges .....		121,000.00
	Total Title II .....	\$	6,098,600.00

### III. EXECUTIVE

#### 1. Constitutional and Quasi-Judicial Offices

1.	Attorney General and Reporter		
1.1	Attorney General and Reporter .....	\$	11,109,900.00
1.2	Special Litigation .....		788,700.00
	Total Attorney General and Reporter.....	\$	11,898,600.00
2.	District Attorneys General Conference		
2.1	District Attorneys General.....	\$	6,373,700.00
2.2	District Attorneys General Conference .....		161,000.00
2.3	Executive Director .....		1,260,900.00
2.4	IV-D Child Support Enforcement .....		19,408,000.00
	Total District Attorneys General Conference .....	\$	27,203,600.00
3.	Secretary of State		
3.1	Secretary of State .....	\$	7,183,300.00
3.2	State Library and Archives .....		3,634,300.00
3.3	Regional Library System .....		822,500.00
3.4	Bureau of Ethics and Campaign Finance .....		515,100.00
3.5	Charitable Solicitations and Charitable Gaming.....		1,680,500.00
3.6	Help America Vote Act .....		27,500,000.00
	Total Secretary of State.....	\$	41,335,700.00
4.	District Public Defenders Conference		
4.1	District Public Defenders .....	\$	1,642,900.00
	Total District Public Defenders Conference .....	\$	1,642,900.00
5.	Comptroller of the Treasury		
5.1	Division of Administration .....	\$	109,400.00
5.2	Office of Management Services .....		272,500.00
5.3	Division of State Audit .....		4,426,400.00
5.4	Division of County Audit .....		1,253,200.00
5.5	Division of Municipal Audit.....		215,000.00
5.6	Office of State and Local Finance.....		547,400.00
5.7	Office of Local Government.....		100,000.00
5.8	Division of Property Assessments .....		1,719,500.00

5.9	State Board of Equalization .....	100,000.00
5.10	Offices of Research and Education Accountability .....	100,000.00
5.11	Office of State Assessed Properties .....	125,000.00
	Total Comptroller of the Treasury .....	\$ 8,968,400.00
6.	Treasury Department	
6.1	Treasury Department .....	\$ 26,506,400.00
6.2	Small and Minority-Owned Business Assistance Program ....	250,000.00
6.3	Baccalaureate Education System Trust.....	125,100.00
	Total Treasury Department.....	\$ 26,881,500.00
7.	Claims and Compensation	
7.1	Criminal Injuries Compensation.....	\$ 6,200,000.00
7.2	Unclaimed Property.....	31,750,000.00
7.3	Risk Management Fund .....	57,367,900.00
	Total Claims and Compensation .....	\$ 95,317,900.00
	Total Title III-1 .....	\$ 213,248,600.00
2.	Executive Offices	
1.	Commissions	
1.1	Commission on Children and Youth .....	\$ 3,424,400.00
1.2	Commission on Aging and Disability .....	30,199,300.00
1.3	Alcoholic Beverage Commission .....	6,112,700.00
1.4	Human Rights Commission .....	761,700.00
1.5	Advisory Commission on Intergovernmental Relations.....	2,694,100.00
1.6	Tennessee Housing Development Agency.....	232,069,700.00
1.7	Arts Commission .....	2,776,200.00
1.8	Tennessee Regulatory Authority .....	395,100.00
1.9	Health Services and Development Agency.....	16,400.00
1.10	Tennessee Rehabilitative Initiative in Correction .....	33,162,300.00
1.11	State Museum .....	5,000.00
	Total Commissions.....	\$ 311,616,900.00
2.	Department of Finance and Administration	
2.1	Division of Administration .....	\$ 8,756,300.00
2.2	Office for Information Resources .....	139,266,300.00
2.3	Benefits Administration.....	11,029,200.00
2.4	Division of Accounts .....	11,251,800.00
2.5	Criminal Justice Programs.....	20,950,200.00
2.6	Volunteer Tennessee .....	4,277,400.00
2.7	Office of Inspector General.....	4,680,900.00
2.8	Enterprise Resource Planning .....	23,445,300.00
2.9	Shared Services Solutions .....	865,200.00
	Total Department of Finance and Administration.....	\$ 224,522,600.00
3.	Department of Human Resources	
3.1	Executive Administration .....	\$ 2,472,800.00
3.2	Human Resource Development .....	3,448,300.00

3.3	Technical Services .....		5,264,800.00
	Total Department of Human Resources .....	\$	11,185,900.00
4.	Department of General Services		
4.1	Administration .....	\$	5,311,900.00
4.2	Postal Services .....		21,374,600.00
4.3	Motor Vehicle Management.....		32,009,100.00
4.4	Real Estate Asset Management .....		18,474,700.00
4.5	Printing and Media Services .....		4,609,700.00
4.6	Procurement Office .....		7,133,700.00
4.7	Office of Information Technology Services (OITS).....		2,139,800.00
4.8	Warehousing and Distribution .....		4,573,600.00
	Total Department of General Services .....	\$	95,627,100.00
5.	Department of Veterans Affairs .....	\$	1,019,700.00
	Total Title III-2 .....	\$	643,972,200.00
3.	Department of Agriculture		
1.	Administration and Grants .....	\$	5,466,600.00
2.	Regulatory Services .....		6,823,700.00
3.	Market Development .....		442,800.00
4.	Forestry Operations.....		8,278,400.00
5.	Grain Indemnity Fund .....		126,700.00
6.	Agricultural Regulatory Fund .....		120,000.00
	Total Title III-3 .....	\$	21,258,200.00
4.	Department of Tourist Development		
1.	Administration and Marketing .....	\$	1,047,200.00
2.	Welcome Centers .....		7,078,600.00
	Total Title III-4 .....	\$	8,125,800.00
5.	Department of Environment and Conservation		
1.	Administrative Services .....	\$	10,457,200.00
2.	Recreation Educational Services .....		4,475,800.00
3.	Historical Commission .....		504,600.00
4.	Land and Water Conservation Fund .....		750,000.00
5.	Archaeology .....		60,500.00
6.	Geology.....		647,600.00
7.	Tennessee State Parks .....		36,831,600.00
8.	West Tennessee River Basin Authority.....		388,400.00
9.	Environment Administration.....		3,993,800.00
10.	Air Pollution Control.....		16,562,400.00
11.	Radiological Health.....		5,250,800.00
12.	Water Pollution Control.....		13,199,000.00

13.	Solid Waste Management.....	11,114,000.00
14.	DOE Oversight .....	6,482,700.00
15.	Hazardous Waste Remedial Action Fund .....	10,546,100.00
16.	Water Supply .....	6,073,700.00
17.	Groundwater Protection.....	4,563,800.00
18.	Underground Storage Tanks .....	2,077,300.00
19.	Clean Water and Drinking Water State Revolving Fund .....	44,615,300.00
20.	Used Oil Collection Program .....	1,000.00
21.	Fleming Training Center .....	888,200.00
22.	Office of Environmental Assistance .....	870,300.00
23.	Tennessee Heritage Conservation Trust Fund .....	1,000,000.00

Total Title III-5 ..... \$ 181,354,100.00

6. Tennessee Wildlife Resources Agency

1.	Wildlife Resources Agency .....	\$ 25,031,200.00
2.	Boating Safety .....	3,582,000.00
3.	Wetlands Acquisition Fund .....	15,000.00

Total Title III-6 ..... \$ 28,628,200.00

7. Department of Correction

1.	Administration .....	\$ 4,840,500.00
2.	State Prosecutions .....	800,000.00
3.	Correction Academy .....	64,900.00
4.	Tennessee Prison for Women .....	843,100.00
5.	Turney Center Industrial Complex .....	1,327,000.00
6.	Mark Luttrell Correctional Facility.....	542,000.00
7.	Charles B. Bass Correctional Complex.....	1,131,800.00
8.	Southeastern Tennessee State Regional Correctional Facility .....	1,406,300.00
9.	Hardeman County Incarceration Agreement.....	18,900.00
10.	Hardeman County Agreement – Whiteville .....	18,700.00
11.	West Tennessee State Penitentiary.....	1,320,200.00
12.	Riverbend Maximum Security Institution.....	426,900.00
13.	Northeast Correctional Complex.....	1,316,500.00
14.	South Central Correctional Center.....	18,700.00
15.	Northwest Correctional Complex .....	1,732,400.00
16.	Lois M. DeBerry Special Needs Facility .....	397,400.00
17.	Morgan County Correctional Complex .....	1,654,400.00
18.	Sentencing Act of 1985 .....	7,500.00
19.	Sex Offender Treatment Program.....	60,000.00
20.	Field Supervision .....	758,700.00

Total Title III-7 ..... \$ 18,685,900.00

8. Department of Economic and Community Development

1.	Administrative Services .....	\$ 858,900.00
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2.	Business Development .....	722,800.00
3.	FastTrack Infrastructure and Job Training Assistance .....	340,500.00
4.	Community and Rural Development .....	220,800.00
5.	Energy Division .....	4,050,600.00
6.	Small Business Energy Loan Program .....	100,000.00
7.	Tennessee Energy Loan Program .....	5,000,000.00
8.	Local Government Energy Loan Program.....	100,000.00
9.	Tennessee Job Skills Program .....	5,285,200.00
10.	Film and Television Incentive Fund .....	48,600.00
11.	Policy and Federal Programs .....	77,495,400.00
12.	Innovation Programs .....	10,213,500.00

Total Title III-8 ..... \$ 104,436,300.00

9. Department of Education

1.	Administration .....	\$ 1,556,400.00
2.	ESEA No Child Left Behind .....	319,643,200.00
3.	Technology, Infrastructure, and Support Systems .....	200,000.00
4.	Training and Professional Development .....	617,500.00
5.	Curriculum and Instruction.....	133,100.00
6.	Improving Schools Program .....	30,494,000.00
7.	Accountability and Assessment .....	5,433,600.00
8.	After-School Programs Special Account.....	1,500,000.00
9.	Early Childhood Education .....	2,673,900.00
10.	Energy Efficient Schools Initiative.....	36,672,800.00
11.	School Nutrition Program.....	306,311,600.00
12.	Special Education Services .....	235,933,400.00
13.	Career and Technical Education Programs .....	27,988,400.00
14.	Alvin C. York Institute .....	1,055,700.00
15.	Tennessee School for the Blind.....	913,000.00
16.	Tennessee School for the Deaf .....	543,400.00
17.	West Tennessee School for the Deaf .....	222,700.00
18.	Tennessee Early Intervention Services.....	23,254,000.00
19.	Race to the Top.....	124,253,400.00
20.	Achievement School District.....	11,066,300.00

Total Title III-9 ..... \$ 1,130,466,400.00

10. Higher Education

1.	Tennessee Higher Education Commission .....	\$ 15,618,800.00
2.	Tennessee Student Assistance Awards.....	8,362,400.00
3.	Federal Family Education Loan Program (FFELP) .....	190,001,900.00
4.	Tennessee Student Assistance Corporation .....	23,962,800.00
5.	Academic Scholars Program .....	378,700.00
6.	Loan/Scholarship Programs .....	3,374,100.00
7.	THEC Grants .....	1,856,900.00
8.	Lottery for Education Account.....	32,100,000.00

	Total Title III-10 .....	\$	275,655,600.00
11. Department of Commerce and Insurance			
1.	Administration .....	\$	5,822,500.00
2.	Insurance .....		13,087,500.00
3.	Fire Prevention .....		20,533,800.00
4.	TennCare Oversight .....		2,354,500.00
5.	Securities .....		2,182,200.00
6.	Consumer Affairs.....		82,000.00
7.	Fire Service and Codes Enforcement Academy .....		941,100.00
8.	911 Emergency Communications Fund .....		14,552,600.00
9.	Regulatory Boards.....		598,700.00
10.	Tennessee Law Enforcement Training Academy.....		1,381,900.00
11.	POST Commission.....		43,300.00
12.	Corrections Institute.....		60,000.00
	Total Title III-11 .....	\$	61,640,100.00
12. Department of Financial Institutions .....			
	Total Title III-12 .....	\$	8,161,100.00
13. Department of Labor and Workforce Development			
1.	Administration .....	\$	6,668,400.00
2.	Tennessee Occupational Safety and Health Administration (TOSHA) .....		4,235,100.00
3.	Workers' Compensation .....		32,000.00
4.	Mines .....		240,600.00
5.	Boilers and Elevators.....		60,000.00
6.	Labor Standards.....		202,400.00
7.	Workforce Development.....		68,368,500.00
8.	Second Injury Fund .....		275,000.00
9.	Adult Basic Education.....		11,685,500.00
10.	Employment Security.....		135,670,500.00
	Total Title III-13 .....	\$	227,438,000.00
14. Department of Mental Health			
1. Administration			
1.1	Administrative Services Division.....	\$	4,731,400.00
	Total Administration.....	\$	4,731,400.00
2. Mental Health Services			
2.1	Community Mental Health Services.....	\$	18,300,400.00
2.2	Middle Tennessee Mental Health Institute.....		15,587,000.00
2.3	Western Mental Health Institute .....		13,823,500.00

2.4	Moccasin Bend Mental Health Institute.....		11,009,900.00
2.5	Memphis Mental Health Institute .....		4,094,900.00
	Total Mental Health Services.....	\$	62,815,700.00
3.	Alcohol and Drug Abuse Services		
3.1	Community Alcohol and Drug Abuse Services .....	\$	35,255,800.00
	Total Alcohol and Drug Abuse Services .....	\$	35,255,800.00
	Total Title III-14 .....	\$	102,802,900.00
15.	Department of Military		
1.	Administration .....	\$	1,356,000.00
2.	Army National Guard .....		5,963,300.00
3.	Air National Guard .....		12,554,800.00
4.	Tennessee Emergency Management Agency .....		10,044,800.00
5.	Armories Maintenance.....		7,190,200.00
6.	Homeland Security Grants.....		55,056,600.00
7.	TEMA Disaster Relief Grants.....		5,000,000.00
8.	Armories Utilities .....		4,263,000.00
	Total Title III-15 .....	\$	101,428,700.00
16.	Department of Health		
1.	Administration		
1.1	Executive Administration .....	\$	1,284,900.00
1.2	Administrative Services .....		1,355,500.00
1.3	Office for Information Technology Services .....		126,000.00
1.4	Policy Planning and Assessment.....		7,064,600.00
	Total Administration.....	\$	9,831,000.00
2.	Manpower Resources and Facilities		
2.1	Bureau of Health Licensure and Regulation .....	\$	8,561,000.00
2.2	Emergency Medical Services .....		1,337,300.00
2.3	Laboratory Services .....		12,447,600.00
2.4	Health Related Boards .....		129,000.00
	Total Manpower Resources and Facilities .....	\$	22,474,900.00
3.	Community Health Services		
3.1	General Environmental Health .....	\$	178,600.00
3.2	Health Services Administration.....		3,927,000.00
3.3	Maternal and Child Health .....		18,997,800.00
3.4	Communicable and Environmental Disease Services.....		46,800,900.00
3.5	Community and Medical Services .....		9,127,400.00
3.6	Women, Infants, and Children (WIC).....		137,785,900.00
	Total Community Health Services .....	\$	216,817,600.00
4.	Local Health Services .....	\$	131,945,400.00

	Total Title III-16 .....	\$	381,068,900.00
17. Department of Human Services			
1.	Administration		
1.1	Administration .....	\$	48,721,200.00
1.2	Field Operations.....		11,467,300.00
1.3	County Rentals.....		11,183,200.00
1.4	Appeals and Hearings.....		9,177,100.00
1.5	Organizational Performance Management .....		4,103,200.00
	Total Administration.....	\$	84,652,000.00
2.	Family Assistance Services		
2.1	Child Support .....	\$	55,165,500.00
2.2	Child Care Benefits .....		202,890,600.00
2.3	Temporary Cash Assistance .....		100,841,500.00
2.4	Food Stamp Benefits.....		2,043,156,300.00
2.5	Family Assistance Services.....		112,855,700.00
	Total Family Assistance Services.....	\$	2,514,909,600.00
3.	Social Services		
3.1	Community Services .....	\$	186,149,000.00
	Total Social Services.....	\$	186,149,000.00
4.	Rehabilitative Services		
4.1	Vocational Rehabilitation.....	\$	66,059,900.00
4.2	Disability Determination.....		68,561,300.00
	Total Rehabilitative Services .....	\$	134,621,200.00
	Total Title III-17 .....	\$	2,920,331,800.00
18. Department of Revenue			
1.	Administration Division .....	\$	2,976,800.00
2.	Tax Enforcement Division.....		2,680,800.00
3.	Information Technology Resources Division .....		4,053,000.00
4.	Taxpayer and Vehicle Services Division .....		2,914,600.00
5.	Processing Division .....		9,384,800.00
6.	Audit Division .....		2,571,800.00
	Total Title III-18 .....	\$	24,581,800.00
19.	Tennessee Bureau of Investigation .....	\$	32,627,800.00
	Total Title III-19 .....	\$	32,627,800.00
20. Department of Safety			
1.	Administration .....	\$	546,000.00
2.	Driver License Issuance .....		41,242,800.00

3.	Highway Patrol .....	12,694,200.00
4.	Auto Theft Investigations .....	350,000.00
5.	Technical Services .....	6,912,900.00
6.	Office of Homeland Security .....	4,151,300.00

Total Title III-20 ..... \$ 65,897,200.00

21. Strategic Health-Care Programs

1.	CoverTN.....	\$ 27,965,900.00
2.	CoverKids.....	186,440,700.00
3.	CoverRX.....	400,000.00
4.	Health-Care Planning and Innovation .....	2,693,500.00

Total Title III-21 ..... \$ 217,500,100.00

22. Department of Children's Services

1.	Administration .....	\$ 20,360,000.00
2.	Family Support Services.....	10,119,800.00
3.	Custody Services .....	128,423,400.00
4.	Adoption Services .....	38,345,700.00
5.	Child and Family Management .....	132,028,000.00
6.	John S. Wilder Youth Development Center .....	375,300.00
7.	Woodland Hills Youth Development Center .....	521,400.00
8.	Mountain View Youth Development Center .....	436,300.00
9.	New Visions Youth Development Center .....	69,400.00

Total Title III-22 ..... \$ 330,679,300.00

23. Department of Intellectual and Developmental Disabilities

1.	Intellectual Disabilities Services Administration .....	\$ 12,799,000.00
2.	Community Intellectual Disabilities Services .....	13,101,600.00
3.	Quality Assurance Program.....	7,749,400.00
4.	Clover Bottom Developmental Center.....	21,048,300.00
5.	Greene Valley Developmental Center.....	45,814,900.00
6.	West Tennessee Regional Office .....	14,651,100.00
7.	Middle Tennessee Regional Office .....	9,486,100.00
8.	East Tennessee Regional Office .....	9,905,100.00
9.	West Tennessee Resource Center .....	5,120,600.00
10.	Middle Tennessee Resource Center .....	4,484,300.00
11.	East Tennessee Resource Center .....	4,070,800.00
12.	West Tennessee Community Homes.....	16,130,700.00
13.	East Tennessee Community Homes .....	16,056,900.00
14.	Developmental Disabilities Council.....	1,976,200.00

Total Title III-23 ..... \$ 182,395,000.00

24. Department of Finance and Administration – Bureau of TennCare

1.	TennCare Administration .....	\$	116,028,700.00
2.	TennCare Medical Services.....		4,621,481,300.00
3.	Supplemental Payments.....		565,363,600.00
4.	Intellectual Disabilities Services.....		564,006,000.00
5.	Medicare Services .....		232,066,500.00
	Total Title III-24 .....	\$	6,098,946,100.00

25. Department of Transportation

1.	Headquarters .....	\$	53,193,000.00
2.	Bureau of Administration .....		12,875,400.00
3.	Bureau of Engineering.....		98,063,200.00
4.	Field Engineering .....		93,201,000.00
5.	Bureau of Environment and Planning .....		69,009,100.00
6.	Field Construction .....		586,020,700.00
7.	Field Maintenance Operations.....		6,812,600.00
8.	Garage and Fleet Operations .....		11,900.00
	Total Title III-25 .....	\$	919,186,900.00

26. Facilities Revolving Fund

1.	General Services Operating Maintenance .....	\$	53,289,000.00
2.	General Services Project Management .....		4,000,000.00
3.	Facilities Management.....		49,033,200.00
4.	Capital Projects .....		6,680,000.00
5.	Debt Service .....		25,900,000.00
	Total Title III-26 .....	\$	138,902,200.00

27. State Building Commission

1.	Major Maintenance and Equipment .....	\$	150,000.00
	Total Title III-27 .....	\$	150,000.00
	Grand Total .....	\$	14,445,805,300.00

REFUND OF RECEIPTS

SECTION 5.

Item 1. There is hereby appropriated the necessary and sufficient sums to refund any collection or part thereof made erroneously or illegally for the use or benefit of the state or any of its departments, institutions, offices or agencies. Such refunds shall be made in accordance with existing law as applicable in any particular case. In case revenues are not adequate to meet in full all appropriations made, the

appropriations made for Sinking Fund Debt Service and the amounts necessary to cover the salary and wage obligations of the state shall have preferential payment.

Item 2. With respect to any revenues or receipts collected by any department or agency with the exception of those collected by the Department of Revenue, notwithstanding any provisions of the law to the contrary, such amounts as are determined to have been erroneously paid may be refunded by such procedure as may be approved by the Commissioner of Finance and Administration and the Comptroller of the Treasury.

SECTION 6. In addition to the appropriations made to the State Funding Board in Section 1, Title III-31, of this act, there is appropriated the following items:

Item 1. There is hereby appropriated a sum sufficient from the internal service funds available to the Department of Finance and Administration, Office of Information Resources, to provide the debt service on general obligation bond and note issues authorized in the following amounts:

(1) Chapter 952, Public Acts of 1996.....	\$ 20,000,000.00
(2) Chapter 962, Public Acts of 2006.....	\$ 35,039,930.67

Item 2.

(a) From the funds appropriated in Section 1, Title III-31, Item 5, Amortization of Authorized and Unissued Highway Bonds, the sum of \$74,000,000.00 is appropriated in lieu of issuing highway bonds under the provisions of Chapter 958, Public Acts of 2004; and the sum of \$27,600,000.00 is appropriated in lieu of issuing bonds under the provisions of Chapter 1193, Public Acts of 2008 (State Route 840 bonds). The State Funding Board shall take the necessary action to cancel the unissued bonds.

(b) Chapter 552, Public Acts of 2009, authorized bonds in the amount of \$87,500,000 for implementation of Phase I of the Tennessee transportation infrastructure improvement bond program of 2009 to be expended for the construction of bridges and highways. To the extent that bridge projects are converted to federal financing in the fiscal year ending June 30, 2013, the State Funding Board shall take the necessary action to cancel the unissued bridge bonds in an amount equal to the conversion to federal funding.

Item 3. For the purpose of defraying the costs of issuance of debt and the administration of authorized programs of the Tennessee Local Development Authority, there is hereby appropriated to the Tennessee Local Development Authority an amount not to exceed \$25,000.00 from the State Loan Program Fund. Such amounts shall be determined as necessary by the State Funding Board and the Tennessee Local Development Authority.

Item 4. From the appropriation made in Section 1, Title III-31, of this act to the State Funding Board, a sum not to exceed \$4,200,000 is earmarked to pay debt service on general obligation bonds issued under the authority of Chapter 582, Public Acts of 1996, for the purpose of making a grant to the Metropolitan Government of Nashville and Davidson County for the construction of a sports stadium. It is the legislative intent that said appropriations shall be funded first from the sales tax revenues allocated under the

provisions of Tennessee Code Annotated, Section 67-6-103(d)(1), and any revenues in excess of debt service requirements shall be reserved at June 30 and not revert to the fund balance and that said appropriations, to the extent required, shall be funded second from revenues and reserves available to the debt service fund.

Item 5. To provide the debt service on the general obligation bonds authorized under Chapter 313, Public Acts of 2003, there is hereby appropriated a sum sufficient from the funds available to the State Funding Board pursuant to agreements entered into thereunder.

Item 6. From the funds appropriated in Section 1 and Section 4 of this act to the Tennessee Board of Regents for defraying operating expenses in this act and other acts of legislature, with the approval of the State Building Commission a sum sufficient is appropriated to be used for payments to the State Funding Board as required for any debt issued under the authorization of Chapter 313, Public Acts of 2003.

Item 7. From the funds appropriated in Section 1 and Section 4 of this act to the Tennessee Board of Regents for defraying operating expenses in this act and other acts of the legislature for the state technology centers, with the approval of the State Building Commission a sum sufficient is appropriated to be used for payments to the State Funding Board as required for any debt issued in an amount not to exceed \$34,000,000 under the authorization of Chapter 470, Public Acts of 2011.

Item 8. From the funds appropriated in Section 1 and Section 4 of this act to the Tennessee Board of Regents for defraying operating expenses in this act and other acts of legislature, with the approval of the State Building Commission a sum sufficient is appropriated to be used for payments to the State Funding Board as required for any debt issued in an amount not to exceed \$10,700,000 under the authorization of Chapter 591, Public Acts of 2007.

Item 9. In addition to the appropriations made in Section 1, Title III-31, of this act to the State Funding Board, and to the extent that the board issues any tax revenue anticipation notes pursuant to the provisions of Tennessee Code Annotated, Section 9-10-101, there is hereby appropriated a sum sufficient from subsequently available funds of the state to pay debt service on such notes within the fiscal year of issuance.

Item 10. There is hereby appropriated to the Tennessee State School Bond Authority a sum sufficient in the amount of payments allowable to the Authority from the federal government pursuant to the qualified school construction bond program or similar programs, for purposes of debt service on such bonds.

Item 11. In addition to the appropriation made in Section 1, Title III-31, Item 4 for Amortization of Authorized and Unissued Construction Bonds, there is appropriated the sum of \$1,750,000.00 from the debt service fund balance for the same purpose.

Item 12. From the funds appropriated in Section 1, Title III-31, Item 4 and in Section 6, Item 11, of this act, for Amortization of Authorized and Unissued Construction Bonds, the sum of \$7,000,000.00 is appropriated in lieu of issuing bonds for the interoperable communication system upgrade under the provisions of Senate Bill \_\_\_\_ / House Bill \_\_\_\_\_. The State Funding Board shall take the necessary action to cancel

unissued bonds. This appropriation is subject to Senate Bill \_\_\_\_ / House Bill \_\_\_\_ becoming a law.

SECTION 7. The appropriations made by this act under Sections 1 and 4 shall be subject to the following provisions, limitations, or restrictions. From the funds appropriated to the:

Item 1. It is the legislative intent that annual dues assessed by the Council of State Governments (CSG) and the National Conference of State Legislatures (NCSL) be paid quarterly and timely from the funds appropriated in Section 1, Title III-22, Item 18, for Intergovernmental Conferences Dues. CSG dues for 2011-2012 shall be remitted in four (4) equal payments of \$41,384.50 (\$165,538 annualized), and NCSL dues shall be remitted in four (4) equal payments of \$51,559.25 (\$206,237 annualized).

It is further the legislative intent that the annual dues assessed by The National Conference of Insurance Legislators be paid timely in the amount of \$10,000 from the funds appropriated in Section 1, Title III-22, Item 18, for Intergovernmental Conference Dues.

Item 2. From the appropriation made for the State Election Commission under Section 1, Title III-1, Item 3.2, there is hereby appropriated funds for expenses of the State Election Commission, including the printing of election laws, the office of the Coordinator of Elections, and other expenses of administering election laws. The salary of each member of the State Election Commission shall be nine thousand dollars (\$9,000.00) annually, except that the Chairman of the State Election Commission shall be paid an additional one thousand eight hundred dollars (\$1,800.00) annually for additional duties required of him and the Secretary of the State Election Commission shall be paid an additional one thousand two hundred dollars (\$1,200.00) annually for additional duties required of him. The Secretary of State is hereby authorized to make all necessary purchases of election supplies from funds appropriated for such purpose in accordance with state purchasing procedures.

Item 3. From the funds appropriated to the Office of the Comptroller of the Treasury and the Department of Finance and Administration, there is hereby authorized to be allocated an amount not to exceed \$45,000.00 for the purpose of meeting the State of Tennessee's participation in the cost of supporting the National Council on Governmental Accounting or a governmental accounting standards board in the establishment of governmental accounting standards and principles.

Item 4. Maintenance of the Tennessee Residence in the amount of sixty thousand dollars (\$60,000.00) per year, and travel expenses as certified by the Governor, shall be paid by the Commissioner of Finance and Administration from the appropriations made under Section 1, Title III-2, Item 1.1, for the Governor's Office, it being the legislative intent that the residence should be maintained and operated as the official residence and office of the Chief Executive of Tennessee in a manner required of the Office of Governor.

Item 5. Miscellaneous Appropriations in Section 1, Title III-22, Item 29, the sum of \$80,000.00 is hereby appropriated for the purpose of making a grant to Fisk University for the necessary staff, services and other costs associated with maintaining and showing the Stieglitz Collection at Fisk University. It is the legislative intent that this

appropriation is a direct appropriation grant and that it be processed accordingly by the Commissioner of Finance and Administration. This appropriation is made under the provisions of Tennessee Code Annotated, Section 4-20-202.

Item 6. The appropriation made in Section 1, Title II, Item 6, of this act, for Civil Legal Representation shall be adjusted to an amount equal to the revenue collected in the fiscal year ending June 30, 2012, from the earmarked litigation tax levied pursuant to Tennessee Code Annotated, Section 67-4-602(g) and Section 16-3-808.

In addition to the preceding appropriation, there is hereby appropriated a sum sufficient not to exceed the revenue collected in the fiscal year ending June 30, 2012, from the earmarked bail bond tax levied pursuant to Tennessee Code Annotated, Section 67-4-806, for the purpose of developing and providing continuing education for professional Bail Bonding Agents and providing civil legal representation to low-income Tennesseans.

Item 7. Department of Finance and Administration in Section 1, Title III-2, Item 3.3, there is hereby earmarked a sum sufficient from the proceeds of the \$15.00 privilege tax on marriage licenses for purposes of funding family violence shelters and shelter services. This appropriation is made under the provisions of Tennessee Code Annotated, Section 67-4-411.

Item 8. Department of Correction in Section 1, Title III-7, Item 23, the department is authorized to make a grant of up to \$182,000 to "Project Return". This provision is subject to Senate Bill 2248 / House Bill 2386 becoming a law.

Item 9. Department of Correction in Section 1, Title III-7, Item 23, the sum of \$136,500 is for the sole purpose of making a grant in such amount to Dismas, Inc., to be used for assisting with their programs in the State of Tennessee, and for no other purpose. From the funds appropriated to Dismas, Inc., there is earmarked the sum of \$25,000 to Chattanooga Endeavors (formerly Dismas House of Chattanooga) and \$8,000 to Better Decisions (formerly DECISIONS, a program of the DISMAS, Inc., home office) for the sole purpose of maintaining operations at their former level. This provision is subject to Senate Bill 2248 / House Bill 2386 becoming a law.

Item 10. The appropriation to the Department of Correction, Sex Offender Treatment Program in Section 1, Title III-7, Item 19, is made pursuant to Tennessee Code Annotated, Section 39-13-709.

Item 11. Department of Economic and Community Development in Section 1, Title III-8, Item 3, the amount of \$100,000.00 is to be paid to the Nashville Minority Business Center and the amount of \$100,000.00 is to be paid to the Minority Enterprise Development as direct appropriation grants.

Item 12. Commission on Fire Fighting Personnel Standards and Education in Section 1, Title III-11, Item 13, funds are earmarked for payment to eligible units of local government to pay bonus supplements to firemen who successfully complete during calendar year 2012 an in-service training program appropriate to such fireman's rank and responsibility and the size and location of his department of at least forty (40) hours duration at a school established or certified by such commission. The funds

appropriated by this item shall be disbursed in accordance with the provisions of Tennessee Code Annotated, Title 4, Chapter 24 and Section 56-4-205(c), and no supplement to any person shall exceed six hundred dollars (\$600.00).

Item 13. POST Commission in Section 1, Title III-11, Item 8, funds are earmarked for payment to eligible units of local government which have required all police officers to complete during calendar year 2012 an in-service training course appropriate to each officer's rank and responsibility commensurate with the size and location of his department of at least forty (40) hours duration at a school certified or recognized by the Peace Officer Standards and Training Commission. The funds appropriated by this item shall be disbursed in accordance with the provisions of Tennessee Code Annotated, Title 38, Chapter 8, Part 1, and no recipient shall be eligible to receive a supplement of more than six hundred dollars (\$600.00).

Item 14. Department of Health in Section 1, Title III-16, Item 3.6, the amount of \$113,700 is to be paid to St. Jude Hospital in Memphis to defray, in whole or in part, the expenses of patients and their families who are citizens and residents of Tennessee in traveling to and from St. Jude Hospital. Such payments shall be administered by the hospital and shall be made on the basis of need. Such patients, or their families, requesting assistance from these funds shall supply such documents supporting need and travel expenses as the hospital may require.

Item 15. In the fiscal year ending June 30, 2013, it is the legislative intent that the sum of two million dollars (\$2,000,000) be credited to the Health Access Incentive Account pursuant to Tennessee Code Annotated, Section 66-29-121, and that \$1,000,000 of the appropriation made in Section 4, Title III-16, of this act be funded from the program's reserve balance.

Item 16. From the appropriation in Section 1, Title III-27, for the Emergency and Contingency Fund, there is hereby appropriated an amount not to exceed three hundred nineteen thousand three hundred dollars (\$319,300.00) for the following purposes: (1) forest fire control in the Division of Forestry, (2) payment of indemnities for destruction of livestock and extraordinary veterinary payrolls for cattle market fluctuations by the Department of Agriculture, (3) payment of extraordinary expenditures for insect and pest control efforts by the Department of Agriculture, and (4) the cost of personnel and equipment needed to restore law and order in instances arising out of civil disorders.

Item 17. It is the legislative intent that the appropriation made in Section 1, Title III-22, Item 32 in the amount of \$109,000.00 for Parkers Crossroads Battlefield Interpretation is a non-recurring grant to the City of Parkers Crossroads for the purpose stated.

SECTION 8. In addition to the appropriations made in Section 1 of this act and subject to the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 4, Part 51, there is hereby appropriated a sum sufficient:

Item 1. To pay all lawful claims due from the state to any of the several counties thereof on account of unpaid court costs, unpaid allotments of taxes distributable by the state to the counties and such other sums as may be due from the state to the counties, but none of such funds shall be distributed to the counties of the state until after the validity of the claims has been investigated and approved by the State Comptroller and

the Governor. Provided, however, that such funds shall not include funds due to counties and cities for the state share of costs to cities and counties as required by Section 24, Article II, of the Constitution of Tennessee.

Item 2. To the Tennessee Code Commission for the following purposes: (1) to purchase pocket supplements for the state-owned sets of Tennessee Code Annotated; (2) to purchase replacement volumes for state-owned sets of Tennessee Code Annotated; (3) to purchase replacement sets of Tennessee Code Annotated; (4) to purchase sets of Tennessee Code Annotated for judges of new courts created during the 2012 Session of the General Assembly; (5) to purchase pocket supplements for the state-owned sets of the Index to the Private Acts of Tennessee; and (6) to pay for proofreading and other expenses involved in preparing supplements and replacement volumes for Tennessee Code Annotated.

Item 3. To pay the salaries and travel expenses of all persons appointed to sit as Special Judges, Special District Attorneys General and/or Special Prosecutors under statutes relating to the state judicial system.

Item 4. To provide for indigent defendants counsel in capital cases.

Item 5. To pay fees of special counsel who may be employed by the Governor, on recommendation of the Attorney General, and to pay other expenses in special cases of litigation involving the state. In matters involving the Tennessee Regulatory Authority, Housing Development Agency, Wildlife Resources Agency, financial institutions, regulatory boards and other programs and agencies funded by earmarked or dedicated revenues, the sum sufficient appropriation shall be provided from said earmarked or dedicated revenues. In matters involving departments, agencies and/or programs funded in whole or in part with federal aid and/or departmental revenues and reserves, the sum sufficient appropriation may be provided in whole or in part from said revenues and reserves.

Item 6. To the Administrative Office of the Courts from revenues and reserves available to the following programs:

(a) "Divorcing Parent Education and Mediation Fund" and the "Marriage License Tax" pursuant to Tennessee Code Annotated, Section 36-6-413(b)(2).

(b) Tennessee Judicial Information System Fund pursuant to Tennessee Code Annotated, Section 16-3-807.

(c) Board of Professional Responsibility, Tennessee Lawyers Assistance Programs, Continuing Legal Education and Client Protection Fund. Additional positions as required are authorized to be established.

(d) Municipal Court Judges and Municipal Court Clerks Training and Continuing Legal Education pursuant to Tennessee Code Annotated, Section 16-18-304.

(e) General Sessions Judges' Conference pursuant to Tennessee Code Annotated, Section 16-15-5007 and Section 67-4-606(a)(9), to defray expenses of serving the general sessions courts.

(f) Board of Court Reporting pursuant to Tennessee Code Annotated, Section 20-9-616.

Item 7. To the Attorney General and Reporter from the revenues and reserves available to the following programs:

(a) False Claims Act Fund established pursuant to Tennessee Code Annotated, Section 4-18-104(j). The Commissioner of Finance and Administration is authorized to adjust the appropriation made under Section 1, Title III-1, Item 1.1, of this act to recognize any reimbursement for expenses already provided.

(b) Reserve for Attorney General Litigation Settlement. The Commissioner of Finance and Administration is authorized to establish positions as may be required.

Item 8. To provide for payment of administrative law judge services. The Commissioner of Finance and Administration is authorized to allocate the funds to the appropriate organizational units, adjust departmental revenues accordingly, and establish authorized positions.

Item 9. To the Comptroller of the Treasury from the Telecommunications Ad Valorem Tax Reduction Fund to provide for the administration of the program and payments from the fund as provided by law. The Commissioner of Finance and Administration is authorized to reduce the appropriation made in Section 1, Title III-1, Item 5.13 to the amount of taxes apportioned for this purpose, if the apportionment is less than the appropriation.

Item 10. To the Treasury Department, Small and Minority-Owned Business Assistance Program, from funds allocated to the program pursuant to Tennessee Code Annotated, Section 65-5-113.

Item 11. To the Tennessee Local Development Agency a sum sufficient from the Underground Storage Tank Fund for the purpose of paying debt service and expenses in connection with any debt issued pursuant to the provisions of Chapter 444, Public Acts of 1997, relative to underground storage tanks.

Item 12. To the Tennessee Advisory Commission on Intergovernmental Relations (TACIR) from the TACIR reserves authorized by Tennessee Code Annotated, Section 4-10-107. The Commissioner of Finance and Administration is authorized to adjust departmental revenues accordingly, and establish authorized positions as needed.

Item 13. To the Office for Information Resources from the general obligation bonds/notes authorized under Chapter 952, Public Acts of 1996, for data processing services and telecommunications services; and from the general obligation bonds/notes

authorized under Chapter 962, Public Acts of 2006, for the purpose of acquisition and implementation of enterprise resource planning software.

Item 14. To the Department of Finance and Administration to reimburse the federal government for arbitrage on the state's general obligation debt.

Item 15. To the Department of Finance and Administration to provide for payments to the State Office Buildings and Support Facilities Revolving Fund for spaces occupied by the Tennessee State Museum and for other areas within the Tennessee Performing Arts Center.

Item 16. To the Department of Finance and Administration from revenues and reserves available to the following programs:

(a) To provide funding for the additional sexual assault program services pursuant to Tennessee Code Annotated, Title 71, Chapter 6, Part 3. Any unexpended funds shall not revert to the general fund balance at June 30 and are hereby reappropriated in the subsequent fiscal year.

(b) To provide funding to establish drug courts pursuant to Tennessee Code Annotated, Title 16, Chapter 22, Part 1.

(c) To provide funding for family violence shelters and shelter services pursuant to Tennessee Code Annotated, Section 39-13-101. Any unexpended funds shall not revert to the general fund at June 30 and are hereby reappropriated in the subsequent fiscal year.

(d) To provide funding from the revenues apportioned to the Domestic Violence Community Education Fund pursuant to Tennessee Code Annotated, Section 36-3-616.

(e) To provide funding from the litigation tax apportioned to fund grants to local governments to purchase and maintain electronic fingerprint imaging systems pursuant to Tennessee Code Annotated, Section 67-4-602 and Section 67-4-606.

(f) To provide funding for grant awards to local law enforcement agencies for purposes of obtaining and maintaining equipment and personnel needed in the enforcement of alcohol related traffic offenses and for the purpose of funding grant awards to halfway houses whose primary focus is to assist drug and alcohol offenders pursuant to Tennessee Code Annotated, Section 55-10-403(t)(3)(D) and (F). Any unexpended funds shall not revert to the general fund at June 30 and are hereby reappropriated in the subsequent fiscal year.

Item 17. To the Department of Correction from the reserves for parole and probation supervision and rehabilitation fees pursuant to Tennessee Code Annotated, Section 40-28-203(c). This provision is subject to Senate Bill 2248 / House Bill 2386 becoming a law.

Item 18. To the Department of Agriculture from revenues and reserves available to the following programs:

(a) Agricultural Resources Conservation Fund pursuant to Tennessee Code Annotated, Section 67-4-409(l).

(b) Agricultural Regulatory Fund pursuant to Tennessee Code Annotated, Title 43, Chapter 1, Part 7.

(c) Certified Cotton Growers' Organization Fund pursuant to Tennessee Code Annotated, Title 43, Chapter 6, Part 4.

(d) Tennessee Grain Indemnity Fund pursuant to Tennessee Code Annotated, Title 43, Chapter 32, Part 2.

(e) Market Development, Agricultural Development Fund pursuant to Tennessee Code Annotated, Section 55-4-267.

(f) Division of Forestry, from the proceeds of revenue allocated pursuant to Tennessee Code Annotated, Section 11-14-305(b)(3), pertaining to the sale and replacement of real property.

(g) Division of Regulatory Services a sum sufficient pursuant to Tennessee Code Annotated, Section 47-18-1311, pertaining to kerosene and motor fuels quality inspection.

Item 19. To the Department of Environment and Conservation from revenues and reserves available to the following programs:

(a) Local Park Land Acquisition Fund, State Lands Acquisition Fund, and State Lands Compensation Fund pursuant to Tennessee Code Annotated, Sections 67-4-409(i) and 67-4-409(j).

(b) Heritage Conservation Trust Fund pursuant to Tennessee Code Annotated, Section 11-7-103.

(c) State parks program from revenues derived from nonprofit support groups pursuant to Tennessee Code Annotated, Title 11, Chapter 3, Part 2.

(d) State Park Fund pursuant to Tennessee Code Annotated, Title 11, Chapter 3, Part 3.

(e) From revenues derived from the sale of Tennessee Elk River Development Authority lands. This appropriation is subject to approval by the Commissioner of Finance and Administration.

(f) Environmental Protection Fund pursuant to Tennessee Code Annotated, Title 68, Chapter 203, Part 1. Departmental revenues shall be adjusted accordingly.

(g) Radiation Reclamation Trust Fund and the Perpetual Care Trust Fund pursuant to Tennessee Code Annotated, Section 68-202-405.

(h) Solid Waste Assistance program from revenues received pursuant to Tennessee Code Annotated, Title 67, Chapter 4, Part 16 and Title 68, Chapter 211, Part 8.

(i) Used Oil Collection Fund pursuant to Tennessee Code Annotated, Section 68-211-1004.

(j) Hazardous Waste Remedial Action Fund pursuant to Tennessee Code Annotated, Title 68, Chapter 212, Part 2.

(k) Petroleum Underground Storage Tank Fund pursuant to Tennessee Code Annotated, Title 68, Chapter 215, Part 1.

(l) Drycleaner Environmental Response Fund pursuant to Tennessee Code Annotated, Title 68, Chapter 217, Part 1.

(m) Solid Waste Disposal Site Restoration Fund pursuant to Tennessee Code Annotated, Section 68-211-116.

(n) Hazardous Waste Trust Fund pursuant to Tennessee Code Annotated, Section 68-212-108.

Item 20. To the Wildlife Resources Agency from revenues available to the Wetlands Acquisition Fund and the Wetlands Compensation Fund pursuant to Tennessee Code Annotated, Section 67-4-409(g).

Item 21. To the Wildlife Resources Agency from the general fund for any difference between the actual charges to the agency under the indirect cost allocation plan and the amount the TWRA can justify and continue to receive federal funds.

Item 22. To the Wildlife Resources Agency from its own revenues to implement the programs, activities and projects approved by the Wildlife Resources Agency Commission. The Commissioner of Finance and Administration is authorized to adjust departmental revenue accordingly and to establish positions as may be required.

Item 23. To the Department of Correction from revenues and reserves available for the following programs:

(a) Sex Offender Treatment Program pursuant to Tennessee Code Annotated, Section 39-13-709.

(b) Supervision and rehabilitation fees pursuant to Tennessee Code Annotated, Section 40-28-203(c).

Item 24. To the Department of Commerce and Insurance, Division of Regulatory Boards, from revenues and reserves available for the following purposes:

(a) To purchase examinations for regulatory boards. This appropriation is contingent upon the fees collected for giving examinations being in excess of the budgeted estimates.

(b) To fund data processing systems development and implementation. Said appropriations are made pursuant to Tennessee Code Annotated, Section 4-3-1011.

(c) To the Real Estate Education and Recovery Fund, to provide for court-ordered payments and to print and distribute to all licensees a manual of laws and rules and regulations.

(d) To the Auctioneer Education and Recovery Fund, to provide for court-ordered payments.

(e) To the Cemetery Consumer Protection Fund pursuant to Tennessee Code Annotated, Section 46-1-105.

(f) To the Pre-Need Funeral Consumer Protection Fund pursuant to Tennessee Code Annotated, Section 62-5-414. The Commissioner of Finance and Administration is authorized to make transfers from the Pre-Need Funeral Consumer Protection Fund to the Burial Services program in the Division of Regulatory Boards.

Item 25. To the Department of Commerce and Insurance, 911 Emergency Communications Fund, from the revenues collected pursuant to Tennessee Code Annotated, Title 7, Chapter 86, Part 3.

Item 26. To the Department of Labor and Workforce Development from revenues and reserves available to the following programs:

(a) Uninsured Employers Fund program pursuant to Tennessee Code Annotated, Section 50-6-801.

(b) Tennessee Occupational Safety and Health Administration (TOSHA) program pursuant to Tennessee Code Annotated, Title 50, Chapter 6, Part 4.

(c) Boilers and Elevators pursuant to Tennessee Code Annotated, Section 68-121-108, Section 68-121-117 and Section 68-122-205. Appropriations established under this authority shall be in lieu of the departmental revenue appropriation in Section 4, Title III-13, Item 5 of this act.

(d) Lawful Employment Enforcement Fund pursuant to Tennessee Code Annotated, Section 50-1-708.

(e) Workers' Compensation Employee Misclassification and Enforcement Fund pursuant to Tennessee Code Annotated, Section 50-6-913.

(f) Unemployment Compensation Administration Fund pursuant to Tennessee Code Annotated, Section 50-7-502.

Item 27. To the Department of Mental Health from the revenues and reserves available to the Alcohol and Drug Addiction Treatment Fund pursuant to Tennessee Code Annotated, Section 40-33-211(c)(2).

Item 28. To the Department of Military to provide for the cost of personnel and equipment needed to maintain law and order in instances arising out of civil disorders.

Item 29. To the Department of Military, Disaster Relief Grants, for the purpose of matching federal funds and to the Department of Military to pay the administrative costs of the Disaster Relief Program. Said appropriations shall be made first from the Reserve for Disaster Relief and they are in addition to the appropriation made in Section 1, Title III-15, Item 6, of this act. Federal aid and other departmental revenue may be adjusted accordingly.

Any unexpended funds remaining in the Reserve for Disaster Relief or from the appropriation made in Section 1, Title III-15, Item 6, of this act, other acts of this General Assembly or acts by previous General Assemblies shall not revert to the general fund balance at June 30. Said funds are hereby reappropriated in the subsequent fiscal year. The provisions of this item shall take effect upon becoming law, the public welfare requiring it.

Item 30. To the Department of Health from revenues and reserves available to the following programs:

(a) Nursing Home Resident Protection Trust Fund pursuant to Tennessee Code Annotated, Section 68-11-827.

(b) Health Access Act of 1989, pursuant to Tennessee Code Annotated, Sections 66-29-121 and 66-29-151.

(c) Child Safety Fund pursuant to Tennessee Code Annotated, Section 55-9-602(f)(7).

(d) Medicaid Nursing Home Trust Fund pursuant to Federal Regulations, Chapter 42, Section 488.442.

(e) Traumatic Brain Injury Fund to allow for the provision of enhanced and/or new services which benefit traumatic brain injury persons and their families as authorized in Tennessee Code Annotated, Title 68, Chapter 55, Part 4. Any additional appropriations provided under this item are non-recurring from carry-forward funds which exist in the Traumatic Brain Injury Fund and are subject to approval of the Commissioner of Finance and Administration.

(f) Health Related Boards, for data processing systems development and implementation costs and for the cost of investigations and subsequent prosecution of licensees in violation of their practice acts. Said appropriations are made pursuant to Tennessee Code Annotated, Section 4-3-1011.

(g) Commercial Breeder Act pursuant to Tennessee Code Annotated, Title 44, Chapter 17, Part 7.

Item 31. To the Department of Revenue to pay interest, attorney fees and other costs which are due with certain taxpayer refund payments.

Item 32. To the Department of Revenue from the C.I.D. Anti-Theft reserve fund pursuant to Tennessee Code Annotated, Section 55-3-208.

Item 33. To the Tennessee Bureau of Investigation from revenues and reserves available to the following programs:

(a) For the purpose of maintaining the expunged criminal offender and pretrial diversion database and other systems pursuant to Tennessee Code Annotated, Section 40-32-101(d)(2).

(b) TBI Toxicology Unit Intoxicant Testing Fund pursuant to Tennessee Code Annotated, Section 55-10-419.

Item 34. To the Department of Safety from revenues and reserves available to the following programs:

(a) Motorcycle Rider Safety reserve fund pursuant to Tennessee Code Annotated, Section 55-51-104.

(b) Driver Education reserve fund pursuant to Tennessee Code Annotated, Section 67-4-606(a)(2)(B).

Item 35. To the Department of Transportation for payments to the Risk Management Fund. Said appropriation shall be made from the highway fund balance.

Item 36. To the Department of Transportation, for the Air, Water and Rail Transportation program, from the Transportation Equity Fund. This appropriation is subject to the availability of revenue in the fund.

Item 37. To the Department of Finance and Administration, Strategic Health-Care Programs, to provide funding from the reserve for the State Health Planning unit, pursuant to Tennessee Code Annotated, Section 68-11-1625.

SECTION 9. In addition to the appropriations made in Section 4 of this act and subject to the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 4, Part 51, there is hereby appropriated a sum sufficient:

Item 1. To the Attorney General and Reporter, if the appropriation made in Section 4, Title III-1, Item 1.1, shall prove inadequate to allow the Attorney General and Reporter to represent the state agencies and officials before the Claims Commission, or state agencies and officials in other cases of litigation or other legal matters. The Commissioner of Finance and Administration, upon the request of the Attorney General and Reporter, is hereby authorized to increase the departmental revenue estimate by an amount sufficient to provide for such representation and to establish positions as may be required.

Item 2. To the Attorney General and Reporter a sum sufficient from the Risk Management Fund for the purposes of implementing the provisions of Tennessee Code Annotated, Title 8, Chapter 42, relative to legal representation for state employees. The Commissioner of Finance and Administration, upon the request of the Attorney General and Reporter, is authorized to establish positions as may be required to implement the provisions of Tennessee Code Annotated, Title 8, Chapter 42, Part 1.

Item 3. To the Bureau of Ethics and Campaign Finance from fees collected by the agency.

Item 4. To the State Treasurer, with the concurrence of the Speaker of the Senate and the Speaker of the House of Representatives, for the purpose of developing and implementing programs designed to enhance investment performance, including programs designed to recruit, hire, and retain qualified investment staff. The State Treasurer, with approval from the Commissioner of Finance and Administration, is further authorized to establish additional positions and funding for such positions needed to effectuate the purposes of this section.

Item 5. To the State Treasurer for payment of Unclaimed Property – Claims.

Item 6. To the State Treasurer from the revolving account created pursuant to Tennessee Code Annotated, Section 9-4-603(g).

Item 7. To the Office of the District Public Defenders Conference pursuant to Tennessee Code Annotated, Section 40-14-210. Additional positions as required are authorized to be established.

Item 8. From federal funds available to the Tennessee Housing Development Agency, there is hereby appropriated a sum sufficient to meet obligations incurred by the agency, pursuant to the federal Section 8 program and the Hardest Hit Fund (HHF) Program.

Item 9. To Tennessee Rehabilitative Initiative in Correction Board (TRICOR), in an amount equal to the balance in the revolving fund, for benefit of the program.

Item 10. To the Tennessee State Museum from (a) deferred revenue and departmental revenues available to the museum to be used for the purchase of artifacts, and (b) donations made to the State Museum. Any unexpended revenues shall not revert to the general fund balance at June 30 and such revenues shall be carried forward in a reserve at June 30 and are hereby reappropriated in the subsequent fiscal year.

Item 11. From the fund created in Tennessee Code Annotated, Section 65-5-113, to the State Treasurer for purposes of conducting a purchasing disparity study. It is the legislative intent that such study include the University of Tennessee system and the state university and community college system; provided, however, the costs of such study shall not exceed amounts previously set aside therefor. Should available funds be insufficient to conduct a valid purchasing disparity study, funds appropriated by this item may be used to conduct a review to determine best practices related to increasing

purchasing opportunities with small and minority owned businesses and to implement recommendations arising from the study.

Item 12. To the Department of General Services for equipment and supplies ordered but not delivered at June 30, 2012.

Item 13. To the Department of General Services, Property Utilization, from available revenues and reserves.

Item 14. To the Department of Tourist Development from revenues received from communities, businesses, non-state organizations, federal funds, and other sources of departmental revenue to be used for marketing programs of the department. Any unexpended balances at June 30 shall be carried forward in a reserve and are hereby reappropriated in the subsequent fiscal year.

Item 15. To the Department of Environment and Conservation, West Tennessee River Basin Authority, from funds provided by the counties within the authority area.

Item 16. To the Department of Correction all monies collected as contraband from the inmate population at any of the facilities operated by or under authority of the department. Any unexpended revenue shall not revert to the state general fund balance pursuant to Tennessee Code Annotated, Section 4-6-147.

Item 17. To the Department of Economic and Community Development from revenues received from communities, businesses, non-state organizations, federal funds, and other sources of departmental revenue to be used for marketing programs of the department. Any unexpended balances at June 30 shall be carried forward in a reserve and are hereby reappropriated in the subsequent fiscal year.

Item 18. To the Department of Economic and Community Development:

(a) To meet community development block grant expenditure requirements. This appropriation shall be from federal aid funds.

(b) From monies received from conferences, trade missions, trade shows and other activities which reimburse the state for expenses.

(c) From interest earnings allocated to the FastTrack Program; Job Skills Fund; and Small Cities Community Development Block Grant (CDBG).

(d) From revenues and reserves of the Small Business Energy Loan Program, Local Government Energy Loan Program, and Tennessee Energy Loan Program.

Item 19. To the Tennessee Film, Entertainment and Music Commission from departmental revenues received by the Commission. This appropriation is subject to approval by the Commissioner of Finance and Administration.

Item 20. To the Tennessee Industrial Finance Corporation from any revenues available to the organization to be expended pursuant to Tennessee Code Annotated, Title 4, Chapter 17, Part 4.

Item 21. To the Department of Commerce and Insurance, Division of Fire Prevention, for payment of electrical inspections. This appropriation is contingent upon the fees collected for making electrical inspections being in excess of the budgeted estimate.

Item 22. To the Department of Commerce and Insurance, Division of Securities, from the revenues and reserves of the Securities Enforcement and Legal Training reserve and the Securities Education Fund.

Item 23. To the Department of Commerce and Insurance, Consumer Affairs, from departmental revenues and reserves for consumer education purposes.

Item 24. To the Department of Commerce and Insurance, Division of Insurance, from revenue and reserves of the Insurance Education Fund.

Item 25. To the Department of Labor and Workforce Development from federal aid funds and other departmental revenues. Subject to this appropriation, authorized positions may be increased up to one hundred (100) positions.

Item 26. To the Department of Labor and Workforce Development from federal National Emergency Grant funds.

Item 27. To the Department of Mental Health from revenue received from behavioral health organizations and other non-state organizations for inpatient mental health services provided for publicly funded or potentially publicly funded persons.

Item 28. To the Department of Military, TEMA and Disaster Relief Grants, from federal aid disaster relief funds.

Item 29. To the Tennessee Bureau of Investigation from revenues and reserves available to the following programs:

(a) To conduct records and background checks for handgun carry permits pursuant to Tennessee Code Annotated, Section 39-17-1351.

(b) To conduct criminal history records checks on purchasers of firearms (Tennessee Instant Check System – TICS) pursuant to Tennessee Code Annotated, Section 39-17-1316.

(c) To conduct criminal history checks for employment requirements pursuant to TCA, Sections 33-2-1201; 37-5-502; 49-5-406; 68-11-233; 68-11-234; and 71-2-403.

(d) To certify endorsement of transporting hazardous material on commercial driver licenses pursuant to Federal Register Part IV, 49 CFR Part 1572.

(e) To provide criminal history information through the Tennessee Online Records Information System (TORIS) pursuant to TCA 38-6-120.

Item 30. To the Department of Safety, Driver License Issuance, from revenues and reserves available to defray expenses of handgun carry permit program pursuant to Tennessee Code Annotated, Section 39-17-1351.

Item 31. To the Department of Safety, the Department of Revenue, the Tennessee Bureau of Investigation, the Tennessee National Guard and the Alcoholic Beverage Commission from the proceeds of property seized and forfeited under federal procedures which are shared with the departments or the commission.

Item 32. To the Department of Transportation from local government funds, federal aid and other departmental revenues.

Item 33. The provisions of this item shall take effect upon becoming a law, the public welfare requiring it. To the Department of Education, Achievement School District program, from donations made to the program. Any unexpended revenues shall not revert to the general fund balance at June 30 and, subject to the approval of the Commissioner of Finance and Administration, such revenue shall be carried forward and reappropriated in the subsequent fiscal year.

SECTION 10. The appropriations made by this act under Sections 1 and 4 shall be subject to the following provisions, limitations, or restrictions:

Item 1. Notwithstanding any provision of the law to the contrary, any institution which receives state funds appropriated by the provisions of this act shall be subject to audit by the Comptroller of the Treasury as to the expenditure and obligation of such funds.

Item 2. Any personal services, professional services or consultant services contracts concerning management services of all types, management studies, planning services, public relations, evaluations, systems designs, data processing, auditing or accounting services entered into by an executive department or agency of state government shall be executed by the head of such department or agency and shall be subject to approval by the Commissioner of Finance and Administration and the Comptroller of the Treasury. No funds appropriated under this act to a department or agency shall be used for such contracts unless such approval is received or is otherwise authorized by the approving officials. Any such contract entered into by agencies of the legislative or judicial branches shall be subject to the approval of the Comptroller of the Treasury.

Item 3. No funds appropriated by this act shall be obligated and/or expended for any newsletter, periodical, or other material which is to be distributed to all, or substantially all, state employees (excluding higher education) until the agency head proposing to make such distribution contacts the two Speakers and makes available equal space for legislative information in such newsletter, periodical, or other material. This item shall not apply to policy and/or procedural directives.

Item 4. From the funds appropriated to the TennCare program, the state shall comply with applicable federal law.

Item 5. During fiscal year 2012-2013 it is the legislative intent to encourage that all conferences, workshops, meetings, seminars, programs, and similar endeavors conducted for officials and/or employees of the legislative, executive, or judicial branch of state government be conducted in state facilities whenever practicable.

Item 6. From the appropriation for travel expenses of Justices of the Supreme Court and for the members of the Court of Appeals and the Court of Criminal Appeals, each member of said Courts shall be reimbursed for necessary traveling expenses incurred by them during their absence from the counties of their residence on official business; provided, however, that such travel expenses shall be limited to board and lodging and mileage each way necessary to travel on official business. Any judge seeking reimbursement for official expense under this section shall file with the Director of the Administrative Office of the Courts, or other official upon whom this duty may be lodged by law, a statement of such amounts necessarily expended by him in the discharge of such official duties and upon receipt of this verified statement, warrant for reimbursement for such expenses shall be issued.

Item 7. The Supreme Court shall fix the salaries of the marshals for the Eastern, Middle, and Western Divisions, which salary shall be payable out of the appropriations for Appellate Court Clerks.

Item 8. The commission in charge of the Supreme Court Building in Nashville, established by Tennessee Code Annotated, Section 16-3-701, is authorized to employ an experienced Engineer-Superintendent to supervise the air-conditioning and heating of the Supreme Court Building at Nashville and to employ the necessary assistants to keep and maintain the building. Payment for said services shall be paid out of the appropriations made by this act.

Light, heat and water for the Supreme Court Building in Nashville and for the Supreme Court Building in Knoxville is to be provided by the Department of General Services out of the appropriation herein made for it.

Item 9. Employees of the office of the Executive Secretary to the District Public Defenders Conference, District Public Defenders and employees of a District Public Defenders Office, as created pursuant to Tennessee Code Annotated, Title 8, Chapter 14, shall only travel and shall be reimbursed for travel expenses in accordance with the provisions of the comprehensive travel regulations promulgated by the Department of Finance and Administration and approved by the Attorney General.

Item 10. The appropriation made in Section 1, Title III-1, Item 5.9, for the Tax Relief Program, is made for the purpose of providing tax relief for elderly low-income homeowners, disabled homeowners, and disabled veteran homeowners, as provided by law. The income eligibility limit for elderly low-income homeowners and for homeowners totally and permanently disabled shall be adjusted for the fiscal year 2012-2013 under the provisions of Tennessee Code Annotated, Sections 67-5-702 and 67-5-703.

Item 11. Notwithstanding any provision of the law to the contrary, from the appropriations made for the Department of the Treasury, there is hereby appropriated funds sufficient to defray the cost of administering, on behalf of state employees compensated on the centralized state payroll system, Tennessee Code Annotated, Title 8, Chapter 25, Part 1, the same being the "Government Employees' Deferred Compensation Plan Act", and Tennessee Code Annotated, Title 8, Chapter 25, Part 3, the same being the "Profit Sharing or Salary Reduction Plans for State Employees", and Tennessee Code Annotated, Section 8-25-501, the same being a "Cafeteria Benefits Plan" for state employees.

Item 12. Subject to the concurrence of the Commissioner of Finance and Administration, the Commissioner of Human Resources is authorized to develop and implement a system whereby the cost of the Civil Service Commission and of services rendered to the Department of Human Resources by the Administrative Procedures Division of the Department of State is recovered from those departments, boards and commissions to whom services are rendered.

Item 13. The funds appropriated in Section 4, Title III-3, Item 4, to Forestry Operations, shall include the proceeds from timber sales conducted by the Department of Agriculture. It is the legislative intent that said proceeds shall be accounted for as departmental revenue.

Item 14. From the appropriation made for the Department of Tourist Development, there is hereby appropriated a sum not to exceed twelve thousand five hundred dollars (\$12,500.00), sufficient to defray the cost of advertising and other expenses in connection with special events in which Tennessee is represented and/or events within the state for which Tennessee will act as official host. Any allotment of funds made under the authority of this section shall be made only on the approval of the Commissioner of Finance and Administration.

Item 15. From the appropriations made in this act, there shall be paid expenses incurred by the Department of Economic and Community Development and the Department of Tourist Development, representing the state in its official capacity; provided, however, that nothing herein shall authorize the expenditure by each agency for such purposes in excess of five thousand dollars (\$5,000.00) per annum. The amount and purposes of such expenses are subject to approval by the Commissioner of Finance and Administration.

Item 16. From the appropriations made to State Prosecutions in Section 1, Title III-7, Item 2, payments to reimburse counties for housing state prisoners shall not exceed \$35.00 per inmate per day. Provided, however, the \$35.00 per inmate per day limitation on reimbursement payments shall be inapplicable to the extent the state is obligated by the specific terms of a written contract to provide reimbursement at a rate in excess of \$35.00 per inmate per day, but only to the extent of that contractual obligation.

Item 17. Notwithstanding any provision of the law to the contrary, where a judicial proceeding is transferred from one jurisdiction to another for trial on a defendant's motion for change of venue, the limitation of five hundred dollars (\$500.00) for the board and lodging of the jury shall not apply, provided the Comptroller of the

Treasury on the advice of the State Attorney General, determines that additional funds for boarding and lodging the jury are necessary.

Item 18. No funds appropriated by the provisions of this act to the Department of Economic and Community Development shall be used to contract for services, or to renew any contract for services, with any individual or entity if such individual or entity's position presents an actual or apparent conflict of interest between duties owed to the State of Tennessee under such contract and duties owed to any third party. It is the legislative intent that work performed under service contracts shall be performed in-house by the department to the extent possible.

Item 19. The Department of Mental Health is authorized to expend up to one hundred fifty thousand dollars (\$150,000) in available funds for the purpose of implementing the provisions of Tennessee Code Annotated, Section 12-4-330, and such funds are specifically appropriated for that purpose.

Item 20. The appropriation to the Department of Health, Trauma System Fund, in Section 1, Title III-16, Item 2.5, is made pursuant to Tennessee Code Annotated, Title 68, Chapter 59, "Tennessee Trauma Center Funding Law of 2007". Subject to approval by the Commissioner of Finance and Administration there is hereby appropriated a sum sufficient from the Trauma System Fund reserve and the appropriation may be increased or decreased as collections from the tax established pursuant to Tennessee Code Annotated, Section 67-4-1025(e) justify.

Item 21. Within the amount appropriated in Section 1, Title III-17, and in Section 4, Title III-17, for Temporary Assistance to Needy Families, the Commissioner of Human Services shall establish by rule or regulation, pursuant to the provisions of Tennessee Code Annotated, Section 71-3-155, to be effective July 1, 2012, the standard of need for each family size in the Families First program; provided, the maximum grant for each family size will remain at the Fiscal Year 2011-2012 established level; and, provided further, that the Commissioner of Human Services, in consultation with the Commissioner of Finance and Administration, may by rule to be effective on July 1, 2012, establish certain categories of Families First recipients to whom an additional grant differential for the family size up to a maximum of fifty dollars (\$50.00) per family may be paid.

Item 22. The appropriations to the Department of Revenue under Section 1, Title III-18, provide for all the activities of the department and include amounts in lieu of percentages allowed by law on collection of certain taxes and revenues; such percentage shall be covered into and made a part of the general fund. Appropriations also include amounts for motor vehicle registration and any other activities which may be administered by the Department of Revenue.

Item 23. The appropriation to the Tennessee Association of Rescue Squads in Section 1, Title III-22, Item 8, is for the sole purpose of maintaining a state headquarters of the association and to pay the salary of an executive director of the association and other expenses appurtenant thereto.

Item 24. Notwithstanding any provision of the law to the contrary, the Department of Transportation shall not release or make available information which reveals the amount of funding available for any project.

Item 25. No funds appropriated by the provisions of this act for any specialty license plate shall be allocated by the Department of Finance and Administration to the Department of Revenue until such plate has met all statutory requirements for issuance.

Item 26. The General Assembly recognizes that demands on available state revenue are such that it may be necessary to establish priorities among state services and programs and to revise the methods of allocating state resources. Therefore, it is the legislative intent that local governments should consider in undertaking long-term obligations based on state payments, specifically state per diem payments for housing state inmates in local jails, that existing payments may be reduced or eliminated in the future and such not be regarded as the principal source of funding for debt repayment obligations.

Item 27. From the appropriation in Section 1, Title III-3, Item 3, Department of Agriculture, Market Development, the following amounts are earmarked:

(a) Non-recurring grants of \$250,000 to the Future Farmers of America (FFA) and \$250,000 to the 4-H Foundation.

Item 30.

(a) From funds previously appropriated for such purpose, it is the intent of the General Assembly that there is established the Jimmy Naifeh Center for Effective Leadership at the University of Tennessee to prepare elected and appointed officials for the challenges of serving the public; to provide leadership and management programming for government officials from across the state and the nation; and to provide studies and research in public service on any and all matters relating to the development of professional skills to enhance effectiveness as representatives of the people.

(b) It is the intent of the General Assembly that in addition to or as part of the services provided pursuant to subsection (a), the Center shall administer the Tennessee Government Executive Institute, the Tennessee Government Management Institute, and the Local Government Leadership Program as well as other such programs or initiatives that promote leadership development and public service.

Item 31. From the funds appropriated for the Criminal Injuries Compensation Fund, pursuant to § 40-38-405 there is earmarked the sum of \$100,000 for the sole purpose of making a grant in such amount to the Tennessee Coalition Against Domestic and Sexual Violence to support the activities of the Tommy Burks Victim Assistance Academy.

Item 32. From the appropriation made in Section 1, Title III-3, Item 5, to the Department of Agriculture, Forestry Operations, the sum of \$3,457,100 is intended to fund the depreciation cost to replace bulldozers and associated equipment. Unexpended

funds for this purpose may be carried forward and held in reserve until such a time as replacement is deemed necessary.

Item 33. From the funds appropriated by this act, the State Funding Board is directed to conduct a study of the budgeted contingency costs of capital outlay projects compared to the actual costs of such capital outlay projects to increase efficiency in state government. Such study shall examine the methodologies and reporting requirements of entities completing such capital outlay projects and the use of such contingency funds to develop best practices for managing the public debt of the state. It is the legislative intent that all entities eligible to receive state bond proceeds participate in such study by providing timely information and other services as requested by the State Funding Board.

SECTION 11. The appropriations made by this act under Sections 1 and 4 to the Department of Education shall be subject to the following provisions, limitations, or restrictions:

Item 1. The appropriation made in Section 1, Title III-9, Item 2.1c, for the Basic Education Program (BEP), shall be administered pursuant to the provisions of the Education Improvement Act (Public Chapter No. 535 of the Public Acts of 1992) and Public Chapter No. 369 of the Public Acts of 2007. The BEP formula shall be calculated for the fiscal year using the following criteria:

(a) The state shall provide seventy percent (70%) of the funds generated for the instructional positions component;

(b) The dollar value of the BEP instructional positions component shall be forty-two thousand two hundred fifty dollars (\$42,250), or an amount in accordance with the provisions of Senate Bill 2210 / House Bill 2438, if such bill becomes law;

(c) The formula shall provide one hundred percent (100%) funding for at-risk students in grades K-12;

(d) The formula shall provide funding for English language learners at a ratio of one to thirty (1:30) and one to three hundred (1:300) for teachers to students and translators to students, respectively;

(e) Each local education agency (LEA) shall receive no less than a twenty-five percent (25%) state share in the non-classroom components;

(f) The cost differential factor shall be applied at a level of fifty percent (50%); and

(g) Local fiscal capacity shall be calculated by applying a weight of fifty percent (50%) of the current multiple regression analysis model and fifty percent (50%) of the model based on local jurisdictions' ability to raise revenue for education from local option sales tax and property tax as provided in Public Chapter 369 of 2007.

Item 2. From the appropriations made to the Department of Education under Section 1, Title III-9, of this act, the Department of Education is authorized to pay

through disbursements to local education agencies (LEAs), the following amounts based on the Basic Education Program (BEP) formula, of participation in the basic accident and medical expense insurance plan, authorized by Tennessee Code Annotated, Title 8, Chapter 27, Part 3, by eligible employees of local education agencies:

(a) For the benefit of eligible local education instructional employees and their dependents, an amount not to exceed forty-five percent (45%) of the total statewide cost;

(b) For the benefit of eligible local education support staff employees and their dependents, an amount not to exceed thirty percent (30%) of the total statewide cost.

Furthermore, local education agencies are required to contribute a portion of the premium for participation in the basic accident and medical expense insurance plan at the following levels:

(1) Pursuant to Tennessee Code Annotated, Section 8-27-303(j)(1), each local education agency shall pay on behalf of each instructional employee participating in the health insurance coverage authorized by Tennessee Code Annotated, Sections 8-27-302 and 303 a minimum of forty-five percent (45%) of the monthly premium for the coverage elected by the instructional employee.

(2) Pursuant to Tennessee Code Annotated, Section 8-27-303(j)(2), beginning January 1, 2013 each local education agency shall pay on behalf of each support staff employee participating in the health insurance coverage authorized by Tennessee Code Annotated, Sections 8-27-302 and 303 a minimum of ten percent (10%) of the monthly premium for the coverage elected by the support staff employee.

The Local Education Insurance Committee shall determine a calendar year 2013 plan of benefits, related services, and monthly premiums for each of the health care options offered through the "basic plan" it authorizes pursuant to Section 8-27-302, Tennessee Code Annotated, which results, with reasonable certainty, in the provision of sufficient revenues to pay plan expenses and to provide for the funding of reserves for estimated incurred but unreported claims. The aggregate amount of funds obligated through the determination of the plans of benefits and the monthly premiums by the Local Education Insurance Committee shall not exceed the amount appropriated to the Department of Education, Basic Education Program's insurance component in this act. The monthly premiums shall be subject to the approval of the Commissioner of Finance and Administration pursuant to Section 4-3-1006, Tennessee Code Annotated.

The Local Education Insurance Committee shall recognize the annualized rate and benefits adjustments intended to be effective on January 1, 2013, which are required so that the plan of benefits, on an annualized basis, shall not exceed the recurring amount appropriated to the Department of Education.

Item 3. From the appropriation made to the Department of Education under Section 1, Title III-9, of this act, for technology programs, there is hereby earmarked a sum sufficient for the expenditures of the Web Project.

Item 4. From the appropriation made in Section 1, Title III-9, Item 2.1c, Basic Education Program, it is the legislative intent to provide additional BEP funding for student enrollment growth on a current year student basis pursuant to Tennessee Code Annotated, Section 49-3-351(d).

Item 5. Under the provisions of Tennessee Code Annotated, Sections 49-3-357 and 49-3-358, pertaining to interest accruing on investments and deposits to the Education Trust Fund and the Basic Education Program, it is the legislative intent that only interest earnings be recognized and that no interest expense be charged to the fund and the program.

Item 6. The Department of Education shall submit to the Office of Legislative Budget Analysis the revised BEP funding formula for the ensuing fiscal year no later than January 1 of each year.

Item 7. Local education agencies are required to report average daily membership (ADM) to the Department of Education on a scheduled basis. To the extent a local education agency fails to report accurate and timely ADM information to the department, the BEP payments for the subsequent fiscal year shall be based on the second prior year ADM figure, unless the late-reported ADM figures are lower than the second prior year.

## SECTION 12.

Item 1. There is hereby appropriated the sum of three million dollars (\$3,000,000.00) to the Department of Human Services, which sum shall be in addition to all other appropriations made to the Department of Human Services and which sum shall be used for the sole purpose of increasing the amount available to social service contractors, as provided for in Tennessee Code Annotated, Title 71, Chapter 1, Part 2.

Item 2. It is the intent of the General Assembly that the Commissioner of Finance and Administration shall have the authority to promulgate, as emergency rules pursuant to Tennessee Code Annotated, Section 4-5-209, those rules and regulations which concern the Medicaid/TennCare program, including Medicare Crossover payments, and which require promulgation in order for the state to fiscally function (i) within the appropriations provided for the Medicaid/TennCare program or (ii) within the availability of revenues received for the Medicaid/TennCare program.

Item 3. In addition to any other funds appropriated by the provisions of this act, there is hereby appropriated to the Department of Finance and Administration for distribution to the appropriate entities a sum sufficient to fund any bill on which the fiscal note indicates that the cost of implementation of the bill is minimal or not significant. It is the legislative intent that if funding is earmarked for implementation in such bills that the funds appropriated in this item be reduced accordingly. It is the legislative intent to recognize a revenue loss from bills that result in no expenditure increase but forgo revenue which has not been collected previously.

Item 4. In addition to any other funds appropriated by the provisions of this act, if the fiscal note on any bill states that state revenues would be increased in an amount equal to or greater than state expenditures as a result of the enactment of such bill, then there is appropriated a sum sufficient from such increased revenue to the appropriate entity, as determined by the Commissioner of Finance and Administration, to implement such bill.

SECTION 13. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it.

Item 1. The Commissioner of Finance and Administration is authorized to reallocate appropriations for Board of Claims premiums and property insurance premiums among state agencies and programs, based on the actuarial study provided by the State Treasurer, and to adjust federal and other departmental revenues accordingly. There is further appropriated for this purpose sums sufficient from dedicated and earmarked revenues to provide for the allocation of appropriations to those agencies and programs funded by dedicated and earmarked revenues. The Commissioner of Finance and Administration also shall reduce appropriations from the general fund and from dedicated and earmarked revenues where necessary, to reflect the allocations of the actuarial study.

Item 2. From the appropriation made in Section 4, Title III-1, Item 7.3, Risk Management Fund, funds may be expended for purposes outlined in TCA 9-8-109(d), including, but not limited to, contracting with a third party for claims management services.

SECTION 14. The appropriations made by this act and all other appropriations, including appropriations of departmental revenues as set forth in Section 4 of this act, except such as may be made for the expenses of the Legislative Branch, and the appropriations made for the Judiciary, including the Attorney General and Reporter, District Attorneys General, Public Defenders, and the Office of the Post-Conviction Defender, the Secretary of State, Comptroller of the Treasury and State Treasurer, shall be obligated and expended under the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 4, Part 51, which shall remain in full force and effect; and in case of conflict with any other law, the provisions of such laws shall prevail, except as otherwise herein specifically provided. All appropriations except those made by acts authorizing bond issues and expenditures thereof and those excepted from obligations and expenditure hereinabove, though made by other statutes, shall likewise be obligated and expended under the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 4, Part 51.

SECTION 15.

Item 1. No part of the fund appropriated to any department, office, instrumentality, or agency of the state government shall be expended in any other such entity, but if the head of any department, office, commission or instrumentality of the state government finds that there is a surplus in any classification, division, or unit under such entity, and a deficiency in any other division, unit or classification, then in that event the head of such department, office, commission or instrumentality of the state government may transfer such portion of such funds as may be necessary for the one division, unit or classification where the surplus exists to the other, except as otherwise provided herein, provided such transfer is approved by the Commissioner of Finance

and Administration. Such transfer of funds pursuant to this item shall be subject to the approval of a majority of a committee composed of the Speaker of the Senate, the Speaker of the House and the Comptroller of the Treasury.

Item 2. The Commissioner of Finance and Administration may establish in any department, office, commission or instrumentality of the state government a clearing account through which all salaries and wages, including the state's portion of retirement, insurance, Social Security, etc., may be disbursed. In the event such accounts are established, department records shall be maintained showing the distribution of such amounts among the various appropriation codes, and any financial reports shall present expenditures as if such expenditures had been made through the individual appropriation accounts.

Item 3. The Commissioner of Finance and Administration shall have power and authority to refuse, with the approval of the Governor, to approve or honor any and all requisitions for purchases, except requisitions for purchases authorized by the Legislative Branch, including the Secretary of State, Comptroller of the Treasury and State Treasurer, and the Judiciary, including the Attorney General and Reporter. In case any division or function of government for which an appropriation is provided in this act or otherwise, shall be transferred from an existing department, to any other department, such transfer shall automatically result in the appropriation for such transferred division or function becoming available to the department to which such transfer is made for the purposes of such transferred division or function.

Item 4. From the appropriations made to the various state departments and agencies under this act, and other general acts appropriating money, there may be paid any expenses incurred by said departments and agencies for the purpose of conducting and serving as host for regional or national conferences of which such departments or agencies may be members. Before any funds shall be expended under this authorization, the amount and purpose of the proposed expenditure shall be approved by the Commissioner of Finance and Administration.

Item 5. Notwithstanding any provision of law to the contrary, no state department or agency in the Executive Branch of state government is authorized to make organizational changes within such department or agency without the prior approval of the Commissioner of Finance and Administration. Where such organizational changes require a transfer of funds between organizational accounts and are contrary to the manner in which appropriations have been made herein, approval of said transfers is subject to approval by the Commissioner of Finance and Administration and by a majority of a committee composed of the Speaker of the Senate, the Speaker of the House and the Comptroller of the Treasury.

Item 6. The Commissioner of Finance and Administration is authorized to draw down disputed federal funds and to reserve the funds to prevent their expenditure until the dispute is settled; and the Commissioner of Finance and Administration in consultation with the State Treasurer is authorized to allocate interest earnings on the draw-down of disputed federal funds and to pay interest earnings to the federal government in those instances when expenditures are ultimately disallowed.

Item 7. The Commissioner of Finance and Administration is authorized to impose a reasonable real estate transaction fee on all real estate transactions when the transaction is processed through the Department of Finance and Administration. Said fee structure shall be subject to approval by the State Building Commission.

Subject to the approval of the State Building Commission, there is hereby appropriated a sum sufficient to replace any real estate transaction fees that are waived.

Item 8. The Commissioner of Finance and Administration shall maintain a policy to recover state funds and the state's costs associated with checks, warrants, drafts, and electronic funds transfers deposited to a state account that are subsequently returned unpaid by the drawer's bank.

Item 9. The Commissioner of Finance and Administration is authorized to maintain an indirect cost recovery plan to recognize overhead costs associated with the operations of the Tennessee Regulatory Authority, Wildlife Resources Agency, Department of Financial Institutions, Housing Development Agency and the regulatory boards and commissions not under the administration of the Department of Commerce and Insurance or the Department of Health. The Commissioner is further authorized to charge the departments and agencies covered by the indirect cost recovery plan for their individual overhead costs.

Item 10. The Commissioner of Finance and Administration shall establish a state regulatory fee of \$5.00 for one year and \$10.00 for two years. The fee shall be in lieu of any allocation of indirect costs which would otherwise be allocated to the regulatory boards covered by the provisions of Tennessee Code Annotated, Section 4-3-1011(b)(2).

Item 11. If any appropriation in this act fails to designate a department or agency of state government to be responsible for the administration of the appropriation, then the Commissioner of Finance and Administration is hereby directed to designate the state department or agency to administer the appropriation.

Unless otherwise directed by language in this act, appropriation grants to agencies outside of state government shall be administered in such manner as the Commissioner of Finance and Administration shall determine. Direct appropriation grants for the benefit of agencies outside of state government may be administered by the Department of Finance and Administration.

Item 12. For the purposes of this item, the term "chief fiscal officer" shall mean the position within a state agency that has overall daily responsibility for the oversight of the fiscal operation for that agency. The Commissioner of Human Resources in consultation with the Commissioner of Finance and Administration shall designate and classify position(s) within each agency of the Executive Branch of state government as chief fiscal officer(s) for that agency. Qualifications and appointments to fill existing or future vacancies shall be in accordance with procedures established by the Commissioner of Human Resources with the approval of the Commissioner of Finance and Administration.

Item 13. From the appropriations made in this act to pay the salaries of state employees who are hired on or after July 1, 2012, the Commissioner of Finance and Administration is authorized to require that those salaries be paid through direct-deposit procedures.

Item 14. The Commissioner of Finance and Administration is hereby authorized to adjust departmental revenue and reserve estimates and related expenditures: (a) for internal service funds and enterprise funds to record fees received for services provided to departments, agencies, boards, and commissions, and (b) to record payment for services provided to state agencies by another state agency.

Item 15. The Commissioner of Finance and Administration is hereby authorized to adjust departmental revenue and related expenditures to recognize (a) the carry-over of federal funds and other departmental revenues that were budgeted and allotted but unexpended or unobligated at June 30; (b) an increase in the federal rate of reimbursement or match in federal programs so that there is less state expense or the additional federal funds are available to meet increasing costs without improving programs; and (c) an unexpected increase in federal grant funds so that there is less state expense or the additional federal funds are available to meet increasing costs without improving programs.

Item 16. The Commissioner of Finance and Administration is hereby authorized to adjust the estimates of federal block grant funds and other federal grant-in-aid funds estimated in Section 4 and Section 31 of this act to reflect the actual allocations of federal revenues made available to the State of Tennessee by the federal government.

Item 17. From the appropriation made in Section 4, Title III-2, Item 4.4, to General Services, Real Estate Asset Management, the Commissioner of Finance and Administration is authorized to establish new positions in property services management for new buildings the state maintains.

Item 18. Financial Systems Billings. From the funds appropriated in this act, the Commissioner of Finance and Administration is authorized to approve adjustments in rates charged by the Department of Finance and Administration for enterprise resource planning (ERP, or Edison) and the Division of Accounts, the Department of Human Resources, and the Department of General Services; to reserve any funds needed to rebate savings to the federal government; and to reallocate state appropriations between departments and reduce appropriations, and adjust federal aid and other departmental revenue accordingly.

Item 19. From the appropriations made for accounting functions and other fiscal activities in this act and other acts of the legislature, the Commissioner of Finance and Administration is authorized to establish and charge the costs of accounting positions and other fiscal positions to said appropriations. The Commissioner of Finance and Administration is further authorized to transfer between departments and agencies existing accounting positions, other fiscal positions and the funding provided in this act for transferred positions.

## SECTION 16.

Item 1. Each department, division or agency for the benefit of which an appropriation is made herein and which participates in the Consolidated Retirement System, shall pay from such appropriation monthly such sums as may be due such Consolidated Retirement System as the state's contribution from such department, division or agency.

#### SECTION 17.

Item 1. From the appropriations made herein, the various departments, agencies, boards and commissions of state government shall pay on behalf of each participating employee within the respective departments, agencies, boards and commissions, not less than eighty percent (80%) of the cost of each individual's participation in the basic group medical insurance program and one hundred percent (100%) of the cost of twenty thousand dollars (\$20,000.00) of basic term life insurance coverage and forty thousand dollars (\$40,000.00) of basic special accident insurance coverage for each participating employee; such basic medical, life and accident insurance program to be established pursuant to Tennessee Code Annotated, Title 8, Chapter 27, Part 2.

The employer contribution amounts established by the State Insurance Committee for eligible participating employees shall not exceed, in the aggregate, the amounts appropriated in this act. The State Insurance Committee shall determine a calendar year 2013 plan of benefits, related services, and monthly premiums for each of the health care options it authorizes pursuant to Section 8-27-201, Tennessee Code Annotated, which result, with reasonable certainty, in the provision of sufficient revenues to pay plan expenses and to provide for the funding of reserves for estimated incurred but unreported claims. The monthly premiums and the employer contribution amounts shall be subject to the approval of the Commissioner of Finance and Administration pursuant to Section 4-3-1006, Tennessee Code Annotated.

The State Insurance Committee shall recognize the annualized rate and benefits adjustments intended to be effective on January 1, 2013, which are required so that the plan of benefits, on an annualized basis, shall not exceed the recurring revenues to pay plan expenses.

Item 2. From the appropriations made herein the Department of Military is hereby authorized to pay, on behalf of each participating national guardsman called up to state active duty, the cost of each individual's participation in the state-approved Group Life Insurance Plan for national guardsmen called up to state active duty. The provisions of Tennessee Code Annotated, Title 8, Chapter 27, Part 2, shall apply.

Item 3. The State Insurance Committee shall establish and maintain, within the appropriations made in this act for supplemental medical insurance for retired state employees and retired teachers and in accordance with Tennessee Code Annotated, Section 8-27-702, the respective contribution levels to be made by the state on behalf of the eligible participating retirees. The annualized contribution rate established by the Committee for the eligible participating employees shall not exceed the amount appropriated in this act, and the rate established is subject to approval by the Commissioner of Finance and Administration.

Item 4. It is the legislative intent that the State Insurance Committee establish a schedule of premium payments for retirees participating in the group insurance plan under the provisions of Tennessee Code Annotated, Section 8-27-205(b).

Item 5. The Commissioner of Finance and Administration is hereby authorized to establish positions and make appropriate adjustments to the Benefits Administration budget to reflect changes in the contractual arrangements for medical and other insurance coverage provided to state insurance plan participants. The establishment of additional positions and the allotment of additional departmental revenue are subject to approval by the State Insurance Committee.

SECTION 18. From the appropriations made by this act, claims for official travel expenses of state employees and members of boards and commissions, notwithstanding any provision of the law to the contrary, shall be subject to the provisions of comprehensive travel regulations as approved by the Attorney General and the Commissioner of Finance and Administration under the provisions of Tennessee Code Annotated, Section 4-3-1008.

SECTION 19. Whenever similar or duplicate appropriations are made in this act to those carried in any other act, such appropriation herein shall not be deemed as a supplemental appropriation, it being the legislative intent that there shall be no overlapping appropriations for equivalent amounts; but if this act simply supplements the appropriations made by the other act, then such supplemental appropriation shall be valid. The same shall apply to similar or duplicate appropriations made solely within this act.

SECTION 20. Notwithstanding the provisions of Tennessee Code Annotated, Title 54, Chapter 2, Part 2, to the contrary, whenever the State of Tennessee has any surplus lands or other surplus real properties which are sold or conveyed during the fiscal year ending June 30, 2012, the proceeds from the sale of such lands or other real property shall be subject to the provisions of Tennessee Code Annotated, Section 12-2-112.

SECTION 21. The State Procurement Commission may, if it considers such action in the interest of the state, authorize the Chief Procurement Officer to negotiate for the purchase of computer programs and associated software systems without following the procedures set out in Tennessee Code Annotated, Title 12, Chapter 3, relative to requisitioning and the receipt of bids. Such purchases shall be made at and for the best possible price, and each such purchase shall be confirmed by the State Procurement Commission before becoming effective. This exception shall not apply to the purchase of computer equipment machinery or associated hardware, but the same shall continue to be acquired in accordance with the procedures set out in Tennessee Code Annotated, Title 12, Chapter 3.

SECTION 22. Notwithstanding the provisions of Tennessee Code Annotated, Title 66, Chapter 29, warrants, drafts, and checks drawn on the State Treasury that have not been redeemed within 12 months of issue date shall be cancelled and written off the state's books with the funds reverting to the fund of issue. Subsequent claims by the payee of said instruments, shall be honored upon receipt of documentation to substantiate the claim. The Commissioner of Finance and Administration and the State Treasurer shall ensure the state's compliance with the unclaimed property law.

SECTION 23.

Item 1. Budget and Authorized Positions Reconciliation and Reporting; Allotments. It is hereby declared to be the legislative intent that the Commissioner of Finance and Administration revise the funding recommendations and personnel summaries contained in the Budget Document to conform with this act, other general acts of this Session and any other actions which affect the level of departmental or other such revenue; it is the legislative intent that the commissioner make all necessary adjustments to revenues, appropriations, authorized positions, and totals to effectuate the provisions of this act as amended by the General Assembly. Said revised summaries shall be provided to the Office of Legislative Budget Analysis, Finance, Ways and Means Committees of the Senate and House of Representatives and to the Office of the Comptroller of the Treasury and Fiscal Review Committee.

In establishing allotments from the appropriations herein made, the Commissioner of Finance and Administration may establish total spending authorizations in the amount of the specific appropriation from state revenues herein made, plus the estimated federal and departmental revenues estimated to be available as presented in the revised funding summaries cited above. In the event federal and departmental revenues for any particular program, appropriation code, or other classification are less than the amount estimated to be available under the allotments then and to that extent the spending authorizations are hereby reduced; to the extent that federal or departmental revenues in excess of the amounts allotted are realized, such excess shall not constitute increased spending authorizations, except under the conditions herein specified.

In establishing the allotments herein authorized, the Commissioner of Finance and Administration shall divide the total spending authorizations by allotment code, into two subdivisions, as follows:

1. Personal Services and Benefits
2. Other Operating Expenses

Item 2. Program Expansion Reports (Federal and Other Departmental Revenue). No state revenues shall be expended by any state agency unless such revenues are appropriated by the General Assembly, as reflected in the provisions of this act and the revised summaries cited above. No state agency shall establish any new programs or expand any existing programs, beyond the scope of those already established, recognized and approved by the General Assembly, as reflected in this act and the revised summaries cited above, unless each such new or expanded program is funded entirely from unanticipated or excess departmental revenues or federal revenues. However, no such expenditure of unanticipated or excess departmental revenues or federal revenues shall occur until written notice of the program and the availability of unanticipated or excess departmental revenues or federal revenues is submitted by the Commissioner of Finance and Administration to the Chairs of the Finance, Ways and Means Committees of the Senate and House of Representatives and until said committee chairs have acknowledged in writing receipt of such written notice; provided, however, that capital outlay program projects, whether capital improvements or capital maintenance, shall be submitted to the State Building Commission to be acknowledged. When submitted, a copy of operational budget expansion reports shall be provided to the Fiscal Review Committee executive director and the Office of Legislative Budget Analysis director for information purposes. For the

purposes of this paragraph, the term "departmental revenues" means earnings or charges for goods or services; or donations, contributions or participation by political subdivisions, foundations, corporations, firms or persons; and the term "state revenues" means the proceeds of taxes, licenses, fees, fines, forfeiture or other imposts laid specifically by state law.

An expansion report shall not be acknowledged by the Chairs of the Finance, Ways and Means committees during a time that the General Assembly is in regular, annual session until each Finance, Ways and Means Committee has held a hearing on the proposed program expansion, or the committees have held a joint hearing.

State fiscal stabilization funds available under U.S. Public Law 111-5, American Recovery and Reinvestment Act, and any subsequent revenue-sharing relief to the states in excess of the amounts specifically appropriated or identified in this act shall not be used to expand programs until specifically appropriated by the General Assembly.

Item 3. Capital Outlay Budget and Quarterly Reports. It is the legislative intent that funding for all capital improvement projects and funding for each capital maintenance project of one million dollars (\$1,000,000) or more shall be specified in detail in the annual budget document and listed by affected spending agency. Funding for each capital maintenance project of less than one million dollars (\$1,000,000) shall be specified in such detail in the annual budget document as the Governor shall determine.

It is further the legislative intent that appropriations for capital improvement and capital maintenance projects shall be specified by state agency in lump sums consistent with capital improvement and maintenance projects detailed in the annual budget document.

The Commissioner of Finance and Administration shall provide a written quarterly report to the director of the Office of Legislative Budget Analysis and to the executive director of the Fiscal Review Committee identifying additions, deletions or other modifications of capital improvement and capital maintenance projects occurring subsequent to enactment of the annual budget through the appropriations and bond authorization acts.

Item 4. Time-Limited Federal Criminal Justice Grant-Funded Positions. The Commissioner of Finance and Administration shall report to the Chairmen of the Senate and House Finance, Ways and Means Committees on positions funded by federal criminal justice grants that are time-limited. The report shall include the number of positions and costs by federal program and by state agency and program, the period of the grant, the outlook for federal continuation of the grant beyond the expiration date, and any conditions of the grant indicating a state obligation upon expiration of the grant. A copy of the report also shall be provided to the Office of Legislative Budget Analysis director and the Fiscal Review Committee executive director.

Item 5. Non-recurring Grants Notification. The Department of Finance and Administration, under guidelines it shall issue, shall direct state agencies to notify in writing by November 1, 2012, each entity (other than state agencies or individuals) receiving a grant under this act which is from a non-recurring appropriation that such

funding has been identified in the Budget or appropriations act to expire at the end of 2012-2013, and that such entity is advised to seek alternative non-state funding for future fiscal years or to reduce its budget.

Item 6. Overlapped Positions Reports. The Commissioner of Human Resources shall submit a monthly report to the Office of Legislative Budget Analysis regarding positions that have been overlapped for ninety (90) days or more. In addition, the budget as introduced shall indicate the number of positions overlapped for ninety (90) days or more at a time no more than thirty (30) days before transmittal of the budget.

#### SECTION 24.

Item 1. Notwithstanding any provision of the law to the contrary, the heads of the respective departments for which appropriations are made in Section 1, Titles I, II, III-1, Items 1, 3, 5, and 7, are authorized to revise their respective budgets and personnel authorizations within the appropriations made in Sections 1 and 4 of this act and to submit those revised summaries to the Commissioner of Finance and Administration, who shall incorporate them into the revised funding recommendations and personnel summaries and allotments and spending authorizations required by Section 23 of this act.

Item 2. All funds appropriated in Section 1, Title III-1, Items 3, 5 and 7 and in Section 4, Title III-1, Items 3, 5 and 6, shall be administered in a ministerial capacity by the Department of Finance and Administration in accordance with budgets and any revisions thereto of the respective entities for which such appropriations are made. Such budgets and any revisions thereto shall be subject to the concurrence of the Speaker of the Senate and Speaker of the House of Representatives.

SECTION 25. Except where sovereign immunity has been or shall hereafter be expressly waived by the General Assembly, all appropriations of state revenues and departmental revenues made in this act and in prior acts to the state, its departments, agencies, boards, educational institutions, instrumentalities, and incorporated entities performing the state's governmental functions shall be state funds and shall be protected by the state's sovereign immunity from every court's judgment, decree, attachment, or other legal process; provided, however, that any statutory or other provision authorizing an agency, board, or entity to sue and be sued shall not constitute a waiver of sovereign immunity.

SECTION 26. From the appropriation made for the General Assembly under Section 1, Title I, payment shall be made for, but not limited to, the following items:

1. Any lawful expenses of the One Hundred Seventh General Assembly, for which funds have not been obligated on June 30, 2012, such funds herein appropriated as are required may be made available during the fiscal year ending June 30, 2012.

2. The lawful expenses of the One Hundred Seventh General Assembly.

3. The cost of staffing, maintaining and operating the offices of the Speaker of the Senate and the Speaker of the House of Representatives, including necessary travel and other expenses incident to said offices, not covered by Title I, Items 1.2 and 1.3, of this act.

4. Such expenses as may be incurred for maintaining legislative facilities including the maintenance and staffing and such other expenses as may be necessary to provide offices and other services to members of the General Assembly and their staff in state facilities in Nashville.

5. Expenses and travel pay to legislators for each day when attending conferences, workshops, and other official meetings, both within and without the State of Tennessee, when said travel is approved by the Speaker of the Senate and/or the Speaker of the House of Representatives. Payments shall be at the same rate provided for members of the standing committees of the General Assembly when meeting between sessions. Provided, further, that reimbursement may be made to legislators for registration fees incurred while attending conferences and meetings as may be approved by the Speaker of the Senate and/or the Speaker of the House of Representatives.

6. Expenses and travel pay allowed to members of the Joint Legislative Services Committee as authorized under Tennessee Code Annotated, Section 3-1-106, and to members of the Fiscal Review Committee, as authorized under Tennessee Code Annotated, Section 3-7-102.

7. The Speakers may transfer to the Office of Legal Services for the General Assembly and to the Fiscal Review Committee sufficient funds to enable them to complete all studies assigned to them by the One Hundred Seventh General Assembly, and to furnish such help as may be required by standing, select and joint committees of the General Assembly.

8. Membership dues to the National Conference of State Legislatures, similar service organizations, and such other conferences as may be approved by the Speaker of the Senate and the Speaker of the House of Representatives. Such payments may be made quarterly or in accordance with other partial payment plans.

9. Any expenditures for legislative purposes called for by resolutions or joint resolutions properly adopted by either or both Houses of the General Assembly.

10. Payment of expenses to any member, as provided by law, for attendance at any meeting of any standing, special, or select committee of the General Assembly, whether such meeting occurs during or between sessions of the General Assembly. Such expenses for meetings held between sessions shall be paid at the same rate as provided in the general law for meetings held while the General Assembly is in session.

11. In addition to appropriations made under Section 1, Title I, there is hereby appropriated a sum sufficient to cover any increase automatically occurring under mandate of law in any compensation, benefits, or expenses funded under Section 1, Title I.

12. From funds available to the General Assembly, there is earmarked a sum sufficient for the sole purpose of funding expenses of members of the General Assembly for meetings of study committees of the General Assembly on which they serve; provided, that such expense payment is subject to approval by the Speaker of the House

of Representatives and the Speaker of the Senate in accordance with Tennessee Code Annotated, Section 3-1-106.

All items listed above, together with any other expenses for the General Assembly, upon the approval of the Speaker of the Senate and/or the Speaker of the House of Representatives, shall be paid through the Office of Legislative Administration, who shall also be authorized to make arrangements for, and incur obligations incident to, any convening of the One Hundred Seventh General Assembly.

Provided, further, that during any period when the Offices of the Speaker of the Senate or the Speaker of the House of Representatives are vacant, or otherwise upon authority of the Speakers, the Director of the Office of Legislative Administration is hereby authorized to do any act which the Speaker might do under the provisions of this section.

The provisions of the section shall not be construed to countermand any general act passed by the One Hundred Seventh General Assembly.

SECTION 27. The Speaker of each House of the General Assembly shall be paid from funds appropriated to the General Assembly the following sums:

Seven hundred fifty dollars (\$750.00) for their ex officio services during any session of the General Assembly; plus the sum of five thousand seven hundred dollars (\$5,700.00) annually for local office expenses in their county of residence which will be in addition to the cost of maintaining and operating offices in the State Capitol. In addition, each Speaker shall be allowed the same amount for expenses and travel pay as that provided for members of the standing committees of the General Assembly when meeting between sessions, for attending meetings of standing, select, or joint committees of the General Assembly or when absent from their county of residence on official duty as Speaker.

The allowance for ex officio duties authorized by this section shall be paid at the request of each Speaker at any time after adjournment of a session. The amount authorized hereby for local office expenses shall be paid annually on or after November 1st of each year at the request of each Speaker. Requests for payments shall be addressed to the Director of the Office of Legislative Administration and need not be accompanied by a list of expenditures for which allowances the reimbursements are claimed. Payments for attending meetings between sessions or when absent from county of residence shall be paid from time to time on request of each Speaker.

SECTION 28. In order to prevent duplication of effort and to establish professional standards, audits to be performed by internal audit staffs or grantees of departmental activities funded from appropriations made in this act shall be coordinated with the Office of the Comptroller of the Treasury, and such reports as may be issued shall be prepared in accordance with standards established as required by law by the Comptroller of the Treasury. No department, agency, institution, board, or commission shall cause internal auditing to be performed by persons who do not meet the job specifications for internal auditors established by the Commissioner of Human Resources and approved by the Commissioner of Finance and Administration.

SECTION 29. The appropriations to public institutions of higher education set forth in Section 1 of this act shall be subject to the conditions and limitations set forth in this section, and shall not be subject to other provisions of this act except as otherwise expressly stated.

Item 1. Salaries to be paid from the appropriations made to educational institutions shall be fixed as follows:

The President and the staff of the University of Tennessee, by the Board of Trustees; the Presidents and staffs of the institutions within, and the Chancellor and staff of, the State University and Community College System of Tennessee, by the Board of Regents; and the Directors and staffs of the technology centers by the Board of Regents; all of which shall be within the appropriations provided and available for said purposes.

Item 2. Each higher education institution, including technology centers, shall report to the Commissioner of Finance and Administration, the Tennessee Higher Education Commission, and the Office of Legislative Budget Analysis, the actual amount of expenditures for maintenance and operation of the physical plant, exclusive of utilities, for the fiscal year, and any deviation in these expenditures from the amounts recommended in the funding formula for these purposes, prorated to reflect actual funding levels appropriated in this act.

Item 3. All institutional revenues of any kind collected by the institutions in the course of their operations for their own use are hereby appropriated to the institutions in addition to the specific appropriations made by this act.

Item 4. It is the intent of the General Assembly that the fee charges among the public institutions of higher education of the state, be subject to the nature and scope of the institutions, and that the State Board of Regents and the Board of Trustees of the University of Tennessee shall consult with the Higher Education Commission before establishing the fee schedules for the universities, community colleges and technology centers.

Item 5. The appropriations herein for higher education and appropriations of all higher education departmental and institutional revenue are subject to the provisions of Tennessee Code Annotated, Title 9, Chapter 4, and subsections (4) and (5) of Tennessee Code Annotated, Section 4-3-1006. Within the general requirements of these provisions, the Commissioner of Finance and Administration, in consultation with the Comptroller of the Treasury and the Higher Education Commission, shall specify the content and procedures for submitting operating budgets and revisions thereto. The operating budgets shall be submitted to the Higher Education Commission by the respective governing boards. The Higher Education Commission shall then submit such operating budgets with their comments to the Department of Finance and Administration for approval. In addition, the appropriations in this act to institutions of higher education shall be subject to the requirements, restrictions and controls of the State Board of Claims and the State Building Commission in the same manner as other agencies of the state. The governing boards shall submit to the Office of Legislative Budget Analysis both the original and revised operating budgets proposed. The Tennessee Higher Education Commission shall submit to the Office of Legislative Budget Analysis the

revised higher education funding formula for the ensuing fiscal year no later than December 1 of each year.

Item 6. From the appropriations made herein, institutions of higher education are hereby authorized to pay, on behalf of each participating employee, a percentage amount equal to the amount paid by other agencies of the state of the cost of each employee's participation in the state-approved Group Insurance Plan for state employees.

Item 7. Except where sovereign immunity has been or shall hereafter be expressly waived by the General Assembly, all appropriations of state funds and institutional revenues made in this act and prior acts to institutions of higher education shall be state funds and shall be protected by the state's sovereign immunity from any court's judgment, decree, attachment, or other legal process, provided, that any statutory or other provision authorizing any entity to sue and be sued shall not constitute a waiver of sovereign immunity.

Item 8. From the appropriations made in this act and other appropriations acts, the budgetary units in higher education shall pay to the Tennessee Consolidated Retirement System the employer's share of retirement and shall pay to the Social Security Administration the Social Security costs including the additional benefit costs associated with pay, pay raises funded from fees, revenues, payroll savings or any other funding source.

Item 9. The appropriations in this act for Centers of Excellence and Campus Centers of Emphasis are subject to allocation by the Higher Education Commission and the Commissioner of Finance and Administration. In allocating the appropriation for Centers of Excellence, a consideration shall be planned reductions to existing expenditures to supplement funding for the centers.

Item 10. There is hereby appropriated a sum sufficient to pay insurance claims filed by lending institutions under the provisions of the Federal Family Education Loan Program and the costs associated with administering that program. Provided, however, such payments shall be made and such costs shall be paid from funds and reserves received and maintained by the Tennessee Student Assistance Corporation for the Federal Family Education Loan Program and the State of Tennessee shall in no way be liable for such claims.

Item 11. In addition to any other funds appropriated by the provisions of this act, there is appropriated to the Student Assistance Corporation all reserve balances now held by the Corporation for the Student Loan Program authorized by Tennessee Code Annotated, Title 49, Chapter 4, Part 5. It being the legislative intent that these reserves may be used to cover any expenditures resulting from over-awards of assistance to students enrolled during the 2012-2013 academic year under the Student Assistance Program and may use that portion of earnings from the Student Loan Program reserves to conduct the training, administration and default management for students, schools and lenders in the Federal Family Education Loan Program, Part 4 and the Student Loan Program, Part 5. The allotment of funds appropriated by this item shall be subject to the provisions of Tennessee Code Annotated, Title 4, Chapter 3, Part 10 and Title 9, Chapter 4, Part 51.

Item 12. In the Tennessee Student Assistance Awards Program any prior year appropriations recovered from prior recipients by June 30, 2013, shall not revert to the fund balance but shall be added to the reserve balances now held by the Student Assistance Corporation for the Student Loan Program authorized by Tennessee Code Annotated, Title 49, Chapter 4, Part 5.

Item 13. Proceeds collected from prior recipients of the teacher loan/scholarship programs authorized by Tennessee Code Annotated, Title 49, Chapter 4, Part 2, shall not revert to the fund balance but shall be deferred and added to the funds appropriated in the succeeding year for expenditure as awards in the Teaching Scholars Program (Tennessee Code Annotated, Section 49-4-212).

Item 14. Proceeds collected from prior recipients of the Minority Teaching Fellows Program authorized by Tennessee Code Annotated, Title 49, Chapter 4, Part 7, shall not revert to the fund balance but shall be deferred and added to the funds appropriated in the succeeding year for expenditure as awards in the Minority Teaching Fellows Program (Tennessee Code Annotated, Section 49-4-706).

Item 15. There is hereby appropriated a sum sufficient to the Tennessee Student Assistance Corporation from accumulated interest earnings in the Academic Scholars Program (Tennessee Code Annotated, Section 49-4-203) and in the Christa McAuliffe Scholarships Program (Tennessee Code Annotated, Section 49-4-705).

Item 16. In the fiscal year ending June 30, 2013, there is appropriated a sum sufficient to the Tennessee Student Assistance Corporation from revenues received pursuant to TCA 49-4-702(c) for the loan-scholarship program for graduate students in professional nursing. Said funds shall not revert to the general fund, but shall be carried forward for future student awards.

Item 17. There is hereby appropriated a sum sufficient to the Baccalaureate Education System Trust Board of Directors from fees and other charges for participation in the prepayment tuition program operated by the board under the provisions of Tennessee Code Annotated, Title 49, Chapter 7, Part 8.

Item 18. It is hereby declared to be the legislative intent that the Tennessee Higher Education Commission shall, as part of the budget recommendation to the Governor each year, provide estimates of likely increases in student fees at various levels of state appropriations varying from zero increase in state appropriations to full funding of the Commission's recommendations. It is further the intent of the General Assembly that the Commission include within its recommendations the total revenues expected to be available to each higher education institution for educational and general purposes (including state appropriations, student fees and any other available funds), compared to total educational and general revenues recommended for each institution under the Commission's formula at full funding.

Item 19. State appropriations to higher education institutions will be budgeted and expended in a manner that advances the priorities and goals of the approved higher education master plan.

Item 20. The capital outlay project "UTC Life Sciences Laboratory Facility Planning," funded at \$3,000,000, as identified on page A-145 of the FY 2012-2013 Budget Document, is hereby deleted and replaced with the "UTK Science Lab Facility Planning" project, funded at \$3,000,000 from non-state sources. The provisions of this item reflect the administration and legislative intent and are in accordance with the priority recommendations of the Tennessee Higher Education Commission.

Item 21. The capital outlay projects listed in the 2012-2013 Budget Document and which are identified with the heading "Capital Projects from School Bonds and Other Sources, Fiscal Year 2012-2013", are presented for informational purposes only. The projects are subject to recommendation and approval procedures involving the higher education institutions and their governing boards, the Tennessee Higher Education Commission, Finance and Administration, the Tennessee State School Bond Authority, the State Funding Board and the State Building Commission.

SECTION 30. Salaries provided under the appropriations made in Sections 1 and 4 of this act to the respective departments, institutions, offices and agencies shall be fixed as under the provisions of Tennessee Code Annotated, Title 8, Chapter 23.

Within the appropriations made for the Office of the Attorney General and Reporter under this act, the salaries of the attorneys, legal and clerical staff and other employees shall be fixed by the Attorney General. The expenditures provided for herein shall not exceed the amount of the appropriation to the Office of the Attorney General and Reporter.

The salaries of all employees of the Judicial Branch, except those whose salaries are set by law, shall be fixed by the Director of the Administrative Office of the Courts with the approval of the Chief Justice of the Supreme Court. The compensation of the judges, chancellors, and justices of the state's trial and appellate courts shall be set in accordance with Tennessee Code Annotated, Section 8-23-103.

Within the appropriations herein made, the salaries of the subordinates and employees of the Treasurer, Comptroller, Secretary of State, and the Fiscal Review Committee shall be fixed by the heads thereof, respectively, and the salaries of the employees and subordinates of the Joint Legislative Services Committee shall be fixed by such committee in accordance with the provisions of Tennessee Code Annotated, Title 3, Chapters 10 through 14, inclusive; all other salaries and wages in departments, institutions, offices and agencies shall be approved by the Commissioner of Human Resources, provided, however, that the establishment of salary ranges within such departments, institutions, offices and agencies shall be subject to the approval of the Commissioner of Finance and Administration. To the extent that additional funds are appropriated or are generated within a department or agency by abolishing vacant and funded positions, subject to review and approval of the Commissioner of Finance and Administration and the Commissioner of Human Resources, salary increases may be granted from such funds.

Employee promotions shall be reported to the General Assembly under the provisions of Tennessee Code Annotated, Section 8-30-211(b).

SECTION 31. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it. Under the provisions of Section 4 and Section 23 of this act, it is the legislative intent to appropriate the proceeds of federal block grant programs, as assumed by the State of Tennessee, in the following manner:

1. Social Services block grant in the amount of \$13,303,000 to the Department of Human Services and in the amount of \$21,210,500 to the Department of Children's Services.
2. Mental Health Services block grant in the amount of \$8,174,600 to the Department of Mental Health.
3. Child Care Development Funds block grant in the amount of \$125,358,400 to the Department of Human Services.
4. Maternal and Child Health block grant in the amount of \$13,859,600 to the Department of Health.
5. Preventive Health block grant in the amount of \$1,430,000 to the Department of Health.
6. Community Services block grant in the amount of \$12,037,800 to the Department of Human Services.
7. Low-Income Energy Assistance block grant in the amount of \$84,964,200 to the Department of Human Services.
8. Substance Abuse Prevention and Treatment block grant in the amount of \$30,275,500 to the Department of Mental Health.
9. Temporary Assistance to Needy Families (TANF) block grant in the amount of \$217,648,500 to the Department of Human Services.
10. Small Cities Community Development block grant in the amount of \$53,543,300 to the Department of Economic and Community Development. Said sum being the estimated allocation of funds for the fiscal years 2011-2012 and 2012-2013 combined.

Provided, however, that all expenditures of any community development block grant funds in addition to those appropriated and enumerated in this section shall be subject to the following limitations and restrictions:

The Housing and Community Development Act of 1981 made it possible for states to assume administration of the Small Cities Community Development Block Grant (CDBG) previously administered by the U.S. Department of Housing and Urban Development (HUD). In Tennessee, the CDBG Program shall be administered by the Department of Economic and Community Development (ECD).

There shall be appropriated by the General Assembly to ECD such funds as may be allocated to Tennessee by the federal government for the CDBG Program. The state-administered CDBG Program shall be developed within the parameters of the CDBG legislation, applicable federal regulations, and consultation with citizens and elected officials in Tennessee.

The CDBG goals shall be three-fold: (1) target on areas of economic distress; (2) stimulate the growth of jobs and income in these areas; and (3) maximize the number of grantees. Additionally, all CDBG projects must meet one of the three national objectives of (1) principally benefiting persons of low and moderate income; (2) elimination or prevention of slums and blight; or (3) elimination of conditions detrimental to health, safety or public welfare. ECD shall be authorized to make grants and/or loans of CDBG monies to eligible city and county governments in Tennessee to achieve these goals. Loan payments and interest shall be reserved for reappropriation and shall not revert to the general fund balance at year end.

Eligible applicants shall be all city and county governments in Tennessee except those cities of and counties designated by HUD as CDBG entitlement areas. Cities excluded from the state-administered CDBG Program include Memphis and Shelby County, Nashville (Davidson County), Chattanooga, Knoxville and Knox County, Clarksville, Bristol, Johnson City, Oak Ridge, Murfreesboro, Kingsport and Jackson. These cities and counties will receive their CDBG funds directly from HUD.

Based upon anticipated CDBG allocations of \$29,093,400 in fiscal year 2012 and of \$24,449,900 in fiscal year 2013, the following target funding levels shall be established:

	<u>FY '12</u>	<u>FY '13</u>
Administrative Costs.....	\$ 681,900	\$ 589,000
Industrial Location/ Expansions/Retentions .	500,000	500,000
Community Livability.....	2,379,200	1,976,900
Water/Sewer/Solid Waste.....	21,093,800	17,526,900
Housing and Neighborhood Revitalization ...	3,438,500	2,857,100
Set-Aside.....	1,000,000	1,000,000

A fifty percent (50%) reduction in any category will be permitted to facilitate proper program management and allow administrative flexibility. The funds so reduced shall be allocated to other categories with priority given to water/sewer/solid waste projects.

Selection criteria for project approvals shall be uniform within categories, objective and quantitative, and shall be based on project need, project feasibility, project impact, community need, and, for community livability projects, essentialness.

Project application materials will be supplemented, as appropriate, by site visits and by informed opinions of state agencies knowledgeable about particular projects.

The level of CDBG assistance for individual projects shall be determined by the following factors: (1) the percent of project beneficiaries that have family incomes below the low and moderate income (LMI) levels; (2) a maximum grant and/or loan of \$750,000.00 for individual projects (\$300,000.00 for community livability projects); (3) a maximum grant and/or loan to any applicant of \$750,000.00 in two successive years; and (4) the grantee's ability to pay. Higher grant levels (up to \$1,000,000.00) may be approved for regional projects.

If modifications in the expenditure plan for the CDBG Program are required, said modifications shall be accomplished in the following manner: (1) if the General Assembly is in session such modifications shall be approved by the General Assembly, or (2) if the General

Assembly is not in session, the Governor may, (a) submit such modifications to the State Funding Board for approval or, (b) call a special session of the General Assembly for approval.

The American Recovery and Reinvestment Act of 2009, U.S. Public Law 111-5, authorizes additional funding for federal block grant programs in fiscal year 2011-2012. It is the legislative intent to appropriate the proceeds, as assumed by the State of Tennessee, in the following manner:

1. Small Cities Community Development block grants in the amount of \$912,000 in fiscal year 2011-2012 to the Department of Economic and Community Development.

The Housing and Economic Recovery Act of 2008, U.S. Public Law 110-289, authorizes additional funding for the Small Cities Neighborhood Stabilization Community Development block grant. It is the legislative intent to appropriate the proceeds, as assumed by the State of Tennessee, in fiscal year 2011-2012 in the amount of \$11,299,000 to the Tennessee Housing Development Agency. Any unexpended funds at June 30, 2012, are hereby reappropriated in the 2012-2013 fiscal year.

SECTION 32. The appropriations made in Section 1, Title III-8, Item 3, to the Department of Economic and Community Development for the FastTrack Infrastructure and Job Training Assistance Programs shall be expended pursuant to Tennessee Code Annotated, Sections 4-3-716 and 4-3-717. The Commissioner of Finance and Administration is authorized to transfer sums sufficient from the appropriation for FastTrack Infrastructure and Job Training Assistance to Community and Rural Development, Business Development and Innovation Programs for economic development projects. The Commissioner of Economic and Community Development is authorized to transfer sums sufficient from the appropriation for FastTrack Infrastructure and Job Training Assistance to Tennessee Jobs Skills Program, subject to the approval of the Commissioner of Finance and Administration. There is hereby reappropriated sums sufficient from any amounts carried forward in the FastTrack fund at the end of each fiscal year pursuant to Tennessee Code Annotated, Section 4-3-716(d).

SECTION 33. On or before January 31 of each calendar year, the Center for Business and Economic Research of the University of Tennessee shall cause to be published a comprehensive report on the state's economy. Said report shall be based on projections from the Tennessee Econometric Model and such other information as the Center may deem appropriate. The report shall contain projections for ten years (beginning with the calendar year preceding the year in which the report is due) of the annual economic activity (level and percent change over prior year) for each of the state's major economic sectors; shall include ten-year projections of selected economic indicators, as specified by the State Funding Board; and shall also include a narrative description of the short-term and long-term prospects for economic and business activity in the state based on these indicators. Quarterly projections shall also be published if available.

Said report shall be distributed to the Governor and the other members of the State Funding Board. The State Funding Board shall report to the General Assembly as provided in Tennessee Code Annotated, Section 9-4-5202.

SECTION 34. The provisions of this section shall take effect upon becoming law, the public welfare requiring it. From the appropriations made in Chapter 473, Public Acts of 2011, the Commissioner of Finance and Administration is authorized to make transfers from the appropriations made:

Item 1. To the District Attorneys General in Section 1, Title III-1-2.

Item 2. To the Department of Finance and Administration in Section 1, Title III-2-3, and to adjust federal aid and other departmental revenue accordingly.

Item 3. To the Department of Agriculture in Section 1, Title III-3, and to adjust federal aid and other departmental revenue accordingly.

Item 4. To the Department of Environment and Conservation in Section 1, Title III-5, and to adjust federal aid and other departmental revenue accordingly.

Item 5. To the Department of Economic and Community Development in Section 1, Title III-8.

Item 6. To the Department of Education in Section 1, Title III-9, and to adjust federal aid and other departmental revenue accordingly.

Item 7. To the Department of Safety in Section 1, Title III-20, and to adjust federal aid and other departmental revenue accordingly.

SECTION 35. The Commissioner of Finance and Administration is authorized to make the following transfers from the appropriations made in this act:

Item 1. To the Judicial Branch in Section 1, Title II, but excluding the appropriations for Board of Law Examiners, Board of Professional Responsibility, Tennessee Lawyers Assistance Program, Continuing Legal Education and Client Protection Fund. Transfer of appropriations to or between Guardian ad Litem, Indigent Defendants' Counsel, Civil Legal Representation, and Verbatim Transcripts are sanctioned, but transfers from these programs to other programs are excluded.

Item 2. In Section 1 for the IV-D Child Support Program, a reallocation of funds between the District Attorneys General and the Department of Human Services is authorized. The Commissioner of Finance and Administration is further authorized to adjust federal aid and other departmental revenues, and to establish positions as may be required.

Item 3. From the funds appropriated in Section 1, Title III-3, to the Department of Agriculture for the agricultural enhancement program.

Item 4. To the Department of Environment and Conservation in Section 1, Title III-5, to recognize administrative reorganizations and to adjust authorized positions, federal aid and other departmental revenue accordingly.

Item 5. To the Department of Correction in Section 1, Title III-7, and to adjust the number of authorized positions within the department's authorized level.

Item 6. To the Department of Economic and Community Development, in Section 1, Title III-8, from Community and Rural Development and Policy and Federal Programs to Economic Development District Grants to comply with the requirements of Chapter 521, Public Acts of 2007.

Item 7. In Section 1 for Targeted Case Management Services, a reallocation of funds between the Department of Education and the Department of Children's Services is authorized. The Commissioner of Finance and Administration is further authorized to adjust departmental revenues as may be required.

Item 8. To the Department of Education in Section 1, Title III-9, to recognize administrative reorganizations addressing the management of the federal Race to the Top grant program and implementation of Public Acts of 2010 (E.S.), Public Chapter 2, the Tennessee First to the Top Act of 2010, and to adjust authorized positions, federal aid and other departmental revenue accordingly. To implement the Achievement School District program, the Commissioner of Finance and Administration is further authorized to increase authorized positions in the Department of Education and to adjust federal aid and other departmental revenue accordingly.

Item 9. To the University of Tennessee System in Section 1, Title III-10, Item 3, excluding non-formula units, for technical corrections to the Higher Education outcomes-based funding formula.

Item 10. To the Tennessee Board of Regents System in Section 1, Title III-10, Item 4, excluding non-formula units, for technical corrections to the Higher Education outcomes-based funding formula.

Item 11. To the Department of Labor and Workforce Development in Section 1, Title III-13, and to adjust federal aid and other departmental revenue accordingly.

Item 12. To the Department of Mental Health in Section 1, Title III-14, and to adjust federal aid and other departmental revenue accordingly.

Item 13. To the Department of Military in Section 1, Title III-15, and to adjust federal aid and other departmental revenue accordingly.

Item 14. To the Department of Health in Section 1, Title III-16, and to adjust federal aid and other departmental revenue accordingly.

Item 15. From the appropriations made to the Department of Human Services and the TennCare program in Section 1, for eligibility determination for the Medicaid Program and various federal family assistance programs, the Commissioner of Finance and Administration is authorized to reallocate appropriations between the department and program, and to adjust federal and departmental revenue estimates accordingly, in order to reflect actual costs of eligibility determination services and Medicaid case management services.

Item 16. To the Department of Human Services in Section 1, Title III-17, and to adjust federal aid and other departmental revenue accordingly.

Item 17. To the Department of Revenue in Section 1, Title III-18, and to adjust departmental revenue accordingly.

Item 18. To the Strategic Health-Care Programs in Section 1, Title III-21, and to adjust federal aid and other departmental revenues accordingly.

Item 19. The appropriations made in Section 1, Title III-22, Miscellaneous Appropriations, are authorized to be allocated and transferred to the appropriate organizational units and programs of state government by the Commissioner of Finance and Administration. For each appropriation so allocated and transferred, there is further appropriated sums sufficient from dedicated and earmarked revenues to provide for the comparable allocation of appropriations to those agencies and programs funded by dedicated and earmarked revenues. The appropriation for the Homeland Security Emergency Fund is subject to approval by the Director of Homeland Security.

In addition to the appropriations made in Section 4 of this act, there is hereby appropriated to the organizational units and programs of state government all federal aid funds and departmental revenue earnings associated with the allocation and transfer of Miscellaneous Appropriations authorized under the preceding paragraph in this item.

Item 20. To the Department of Children's Services in Section 1, Title III-23, and to adjust federal aid and other departmental revenue accordingly.

Item 21. To the Department of Intellectual and Developmental Disabilities in Section 1, Title III-25, and to adjust federal aid and other departmental revenue accordingly.

Item 22. To the Department of Finance and Administration, TennCare program in Section 1, Title III-26, and to adjust federal aid and other departmental revenue accordingly.

Item 23. To the Department of Transportation in Section 1, Title III-30, to provide additional funds for resurfacing as determined by the Commissioner of Transportation.

Item 24. To the Department of Transportation in Section 1, Title III-30, to recognize administrative reorganizations and to adjust authorized positions, federal aid and other departmental revenue accordingly.

The Commissioner of Transportation, with the approval of the Commissioner of Finance and Administration, is authorized to reorganize programs within the Department of Transportation for better accounting and personnel management practices made possible by implementation of the enterprise resource planning system.

SECTION 36. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it. Subject to the availability of funding at June 30, 2012, any unexpended balances of appropriations made under Chapter 473, Public Acts of 2011, other acts of this General Assembly or acts by previous General Assemblies, listed in this section are hereby reappropriated to be expended in the 2012-2013 fiscal year and such appropriations shall be carried forward in a reserve into the fiscal year beginning July 1, 2012. The reappropriation and carry-forward of these funds is subject to approval by the Commissioner of Finance and Administration. Unless otherwise noted, the unexpended balances reappropriated are authorized under Chapter 473, Public Acts of 2011, and they are the appropriations made:

Item 1. For data processing services, systems development, data processing equipment purchases and leases and telecommunication systems purchases and leases. The Commissioner of Finance and Administration is authorized to transfer from the amounts carried forward sums sufficient for the Computer Equipment Replacement Fund and to the Systems Development Fund.

Item 2. Notwithstanding any provision of law to the contrary, all funds appropriated to the Legislative Branch which remain unobligated and unexpended at the end of any fiscal year, shall not revert to the general fund but shall be carried forward in a reserve to be expended in accordance with the approval of the Speaker of the House of Representatives and the Speaker of the Senate. This item shall not be subject to the approval of the Commissioner of Finance and Administration.

Item 3. To the Judicial Branch in Section 1, Title II, but excluding the appropriations for Guardian ad Litem, Indigent Defendants' Counsel, Civil Legal Representation, Verbatim Transcripts, Board of Law Examiners, Board of Professional Responsibility, Tennessee Lawyers Assistance Program, Continuing Legal Education, Client Protection Fund and Council of Juvenile and Family Court Judges. The reappropriated funds shall be expended for the integrated computer system for the Tennessee Court System under the provisions of Tennessee Code Annotated, Section 16-3-807. This item shall not be subject to the approval of the Commissioner of Finance and Administration.

Item 4. To the Judicial Branch, Administrative Office of the Courts in Section 1, Title II, Item 13, to defray expenses of serving the General Sessions Courts and the General Sessions Judges' Conference pursuant to Tennessee Code Annotated, Section 16-15-5007 and Section 67-4-606(a)(B)(9).

Item 5. To the Administrative Office of the Courts from the unexpended balance of revenue from the gift received to benefit the Hillman Taylor Library in Memphis.

Item 6. To the Judicial Branch, Board of Law Examiners in Section 1, Title II, Item 16. The carry-forward amount shall be the difference between expenditures and revenues, including any reserve balance.

Item 7. To the Judicial Branch, Council of Juvenile and Family Court Judges in Section 36, Item 7 and in Section 65, Item 6, of Chapter 554, Public Acts of 2009, the non-recurring appropriation to provide for juvenile mental health evaluations.

Item 8. To the District Attorneys General from revenues earned from the Department of Human Services for food stamp fraud prosecution activities, the unexpended balance of such funds, not to exceed \$100,000.

Item 9. To the Secretary of State for publication of the Blue Book pursuant to Section 1, Title III-1, Item 3.3 and Section 36, Item 9.

Item 10. To the Secretary of State, Charitable Solicitations and Charitable Gaming, in Section 36, Item 11 and in Section 4, Title III-1, Item 3.5. The unexpended balances of departmental revenue are hereby reappropriated to fund a charitable solicitations systems development project.

Item 11. To the Alcoholic Beverage Commission from the unexpended balance of departmental revenues of the Alcohol Server Responsibility and Training Program authorized by Tennessee Code Annotated, Title 57, Chapter 3, Part 7.

Item 12. To the Human Rights Commission in Section 1, Title III-2, Item 2.4, an amount not to exceed \$200,000.

Item 13. To the Health Services and Development Agency in Section 1, Title III-2, Item 2.5, in an amount not to exceed \$300,000 for the purpose of paying audit costs.

Item 14. To the Department of Finance and Administration, Strategic Health-Care Programs, in Section 36, Item 15 and in Section 1, Title III-2, Item 3.10 of Chapter 1108, Public Acts of 2010, for Health Information Technology, in an amount not to exceed \$13,275,000, to provide non-recurring funds to advance the appropriate use of health information technology and to improve quality of care. The Commissioner of Finance and Administration is authorized to transfer sums sufficient to the information systems fund and to other appropriate organizational units of state government. The appropriation was transferred to Cover Tennessee Health Care Programs, Health Care Planning and Innovation effective July 1, 2011.

Item 15. To the Department of Finance and Administration, Strategic Health-Care Programs, from the appropriation made in Section 36, Item 16 and in Section 1, Title III-2, Item 3.8 of Chapter 603, Public Acts of 2007, for State Health Planning Division, in a non-recurring amount not to exceed \$1,208,983.06. The appropriation was transferred to Cover Tennessee Health Care Programs, Health Care Planning and Innovation, effective July 1, 2011.

Item 16. To the Department of General Services any unexpended real estate fees collected by the Real Estate Asset Management Division.

Item 17. To the Department of Finance and Administration in Section 36, Item 18 and in Section 1, Title III-2, Miscellaneous Appropriations, Item 33.4, of Chapter 603, Public Acts of 2007, for the use of Nashville MTA bus services for state employees, in an amount not to exceed \$200,000.

Item 18. To the Department of Veterans Affairs in Section 36, Item 20, and in Section 1, Title III-2, Item 6, of Chapter 503, Public Acts of 2005, the unexpended balance of the \$300,000 appropriation for Memphis cemetery headstones realignment, which is hereby reappropriated for that purpose and for other non-recurring costs at the veterans cemeteries.

Item 19. To the Department of Veterans Affairs in Section 4, Title III-2, Item 5, the greater of \$500,000 or the total of unexpended burial fees and federal burial grant funds shall not revert to the general fund.

Item 20. To the Department of General Services, in Section 4, any unexpended revenues received for conducting conferences for the Governor's Office of Diversity and Business Enterprise shall not revert to the general fund.

Item 21. To the Department of Agriculture the unexpended balance of revenues from timber sales at state forests and state parks.

Item 22. To the Department of Agriculture for the agricultural enhancement program in Section 36, Item 24 and in Section 1, Title III-3, Items 2 and 3.

Item 23. To the Department of Agriculture in Section 36, Item 25 and in Section 1, Title III-3, Item 4, of Chapter 603, Public Acts of 2007 for Forestry Operations, in the non-recurring amount not to exceed \$475,235.73 to replace aging equipment.

Item 24. To the Department of Environment and Conservation, Land Reclamation, in Section 1, Title III-5, Item 16 and in Section 36, Item 26.

Item 25. To the Department of Environment and Conservation for a rural water supply study in Section 36, Item 28 and in Section 57, Item 22, of Chapter 963, Public Acts of 2006. The unexpended balance is reappropriated for a water resources management and planning study.

Item 26. To the Department of Environment and Conservation for the Biofuels Project in Section 36, Item 29 and in Section 57, Item 21, of Chapter 963, Public Acts of 2006.

Item 27. To the Tennessee Historical Commission in Section 1, Title III-5, Items 3 and 9, for the Tennessee Wars Commission.

Item 28. To the Tennessee Historical Commission the unexpended funds from any prior appropriations for publications, historical markers and other historical activities.

Item 29. To the Department of Economic and Community Development in Section 36, Item 32 and from the appropriations made in Section 1, Title III-8, to support the Three-Star community program, the Main Street program, and other community development programs.

Item 30. To the Department of Economic and Community Development for non-FastTrack economic development project grants made in the Business Development program.

Item 31. To the Department of Economic and Community Development, Tennessee Film/Television Incentive Fund, pursuant to T.C.A., Section 4-3-4903(e), the Commissioner of Finance and Administration is authorized to carry forward unexpended balances of any appropriations made for the incentive fund.

Item 32. To the Department of Economic and Community Development in Section 36, Item 35 and in Section 12, Item 24, of Chapter 554, Public Acts of 2009, for rural assistance grants, and to the Secretary of State in an amount not to exceed \$1,030,000 provided by a grant from Economic and Community Development.

Item 33. To the Department of Economic and Community Development in Section 36, Item 36 and in Section 61, Item 21 of Chapter 603, Public Acts of 2007, to provide a non-recurring grant to the State Legislative Leaders Foundation.

Item 34. All funds appropriated to the Department of Education for the purposes of the state testing programs which remain unobligated and unexpended at the end of any fiscal year shall not revert to the general fund but shall be carried forward in a reserve to be expended for the purposes of such programs.

Item 35. To the Department of Education in Section 36, Item 38 and in Section 1, Title III-9, Item 2.1e, of Chapter 603, Public Acts of 2007, in a non-recurring amount of \$2,000,000 for the Teach Tennessee Program.

Item 36. To the Department of Education in Section 36, Item 39 and in Section 1, Title III-9, Item 2.1e, of Chapter 503, Public Acts of 2005, in a non-recurring amount of \$5,000,000 to fund a professional development, leadership, and training initiative program.

Item 37. To the Department of Education in Section 36, Item 40 and in Section 1, Title III-9, Item 2.1a, for the Governor's Schools Program.

Item 38. To the State Board of Education, in Section 36, Item 41 and in Section 12, Item 54, of Chapter 603, Public Acts of 2007, in the non-recurring amount of \$200,000 for the sole purpose of facilitating program development in accordance with Chapter 459, Public Acts of 2007.

Item 39. To the Department of Labor and Workforce Development in Section 36, Item 42 and in Section 1, Title III-13, Item 7, for the Second Injury Fund.

Item 40. To the Department of Mental Health in Section 1, Title III-14, Item 2.6, for housing initiatives for the seriously and persistently mentally ill.

Item 41. To the Department of Military in Section 1, Title III-15, Item 1 and Item 3, for tuition assistance.

Item 42. To the Department of Human Services for the purpose of Child Support Enforcement which remain unobligated and unexpended may be carried forward in reserve.

Item 43. To the Department of Human Services for the purpose of Vocational Rehabilitation services to clients which remain unobligated and unexpended may be carried forward in reserve.

Item 44. To the Department of Revenue for the production of license plates.

Item 45. To the Department of Safety and the Tennessee Bureau of Investigation from the handgun carry permit fees paid pursuant to Tennessee Code Annotated, Section 39-17-1351.

Item 46. To the Department of Children's Services in Section 1, Title III-23. Subject to the availability of revenue, the Commissioner of Finance and Administration is authorized to carry forward funds to provide for a statewide needs assessment of child welfare services.

Item 47. To the Board of Probation and Parole, Community Corrections, in Section 1, Title III-24, Item 2, pursuant to Tennessee Code Annotated, Section 40-36-304(c)(1).

Item 48. To Miscellaneous Appropriations in Section 36, Item 51 and in Section 60, Item 1, of Chapter 1203, Public Acts of 2008, for the 5% Personnel Reduction Plan – Voluntary Buyout Costs. The funds are hereby reappropriated to provide for any additional severance pay costs in 2011-2012 and 2012-2013 required by legislative action in the 2012 legislative session.

Item 49. To Miscellaneous Appropriations in Section 36, Item 52 and in Section 60, Item 1(3) for Voluntary Buyout Costs – Tuition Assistance, in Chapter 1203, Public Acts of 2008.

Item 50. To Miscellaneous Appropriations in Section 36, Item 53 and in Section 65, Item 1, of Chapter 554, Public Acts of 2009, to fund a severance benefit plan for reduction-in-force separations. The funds are hereby reappropriated to provide for any additional severance pay costs in 2011-2012 and 2012-2013 required by legislative action in the 2012 legislative session.

Item 51. To Miscellaneous Appropriations in Section 1, Title III-22, Item 27 for Severance Benefit Plan. The funds are hereby reappropriated to provide for any additional severance pay costs in 2011-2012 and 2012-2013 required by legislative action in the 2012 legislative session.

Item 52. To the Department of Transportation in Section 1, Title III-30, Item 2, for equipment purchases.

Item 53. To the Department of Transportation for any appropriations which are reserved at June 30, 2012.

Item 54. To the Ad Hoc Task Force on Human Resources in Section 36, Item 57 and in Section 77 of Chapter 1108, Public Acts of 2010.

Item 55. To the State Museum in Section 38 of this act, in an amount not to exceed \$150,000 to fund an exhibition from the National Archives and Records Administration entitled “Discovering the Civil War” and “Consequences of the Civil War.”

Item 56. To the Treasury Department in Section 1, Title III-1, Item 7.3, unexpended balance shall not revert, but shall be reappropriated for expenditures related to savings incentive initiatives and a college savings plan.

Item 57. To the Tennessee Bureau of Investigation in Section 77, Item 19, in an amount not to exceed \$750,000, to provide funds to local governments for costs related to methamphetamine clean-up.

SECTION 37. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it. Subject to the availability of revenue at June 30, 2012, any unexpended balances of appropriations made under Chapter 473, Public Acts of 2011, other acts of this General Assembly or acts by previous General Assemblies for benefit of an agency

of local government or a third-party nonprofit organization for which there is a grant agreement/contract approved by the Commissioner of Finance and Administration or the Secretary of State are hereby reappropriated to be expended in the 2012-2013 fiscal year and such appropriations shall be carried forward in a reserve into the fiscal year beginning July 1, 2012. The Commissioner of Finance and Administration or the Secretary of State shall provide a list of any unexpended balances carried forward to the Director of Accounts and to the Division of State Audit. The reappropriation and carry-forward of these funds is subject to approval by the Commissioner of Finance and Administration or the Secretary of State, respectively, and expenditure and reporting requirements to the Secretary of State are adjusted accordingly to the fiscal year in which the funds are received by the grant recipient, notwithstanding any provision in the grant agreement to the contrary.

SECTION 38. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it. There is hereby appropriated the following amounts which shall be in addition to the appropriations provided under Chapter 473, Public Acts of 2011:

Commissions	
1.	State Museum – Emancipation Proclamation Exhibit..... \$ 150,000.00
TennCare	
1.	Partially Restore January 1, 2012 Reductions ..... \$ 7,251,800.00
TennCare for Intellectual and Developmental Disabilities	
1.	CloverBottom Developmental Center – Transition Delay ..... \$ 2,107,300.00
Environment and Conservation	
1.	Clean Water and Drinking Water State Revolving Fund – Match Federal Grant..... \$ 2,018,000.00
Correction	
1.	State Prosecutions – Local Jail Payments ..... \$ 31,000,000.00
2.	Prisons – Mental Health Contract Services..... 912,000.00
	Total Correction..... \$ 31,912,000.00
Economic and Community Development	
1.	FastTrack Infrastructure and Job Training Assistance ..... \$ 50,000,000.00
2.	Biodiesel Manufacturers Incentive Fund – Correct June 30, 2011 Closing ..... 199,100.00
3.	Headquarters Relocation Assistance..... 34,000,000.00
	Total Economic and Community Development..... \$ 84,199,100.00
Education	
1.	BEP – Salary Average Correction..... \$ 1,978,900.00
Commerce and Insurance	
1.	Administration – Interdepartmental Revenue Loss – Regulatory Boards Indirect Costs ..... \$ 3,382,500.00
Mental Health	
1.	Lakeshore Mental Health Institute – Transition – Mental Health Trust Fund ..... \$ 4,800,000.00

Health	
1.	Bureau of Health Licensure and Regulation – Health-Related Boards Indirect Costs..... \$ 264,000.00
Revenue	
1.	Tax Refund Interest Expense – Accounting Change..... \$ 2,500,000.00
Safety	
1.	Driver License Issuance – Revocation Revenue Non-Recurring Loss..... \$ 6,645,900.00
Miscellaneous Appropriations	
1.	State Agencies – Mileage Rate @ 10-1-2011 – 1¢ Increase @ 47¢/Mile..... \$ 300,000.00
2.	State Agencies – Postage Rates @ 1-22-2012..... 400,000.00
	Total Miscellaneous Appropriations..... \$ 700,000.00
	TOTAL ..... \$ 147,909,500.00

The appropriation to Mental Health is funded from revenues and reserves available to the Mental Health Trust Fund pursuant to Tennessee Code Annotated, Section 12-2-117, for the purpose of transition costs at Lakeshore Mental Health Institute.

The Commissioner of Finance and Administration is authorized to allot and transfer these appropriations to the appropriate expenditure account within each department, agency or branch of government and to adjust authorized positions accordingly. The Commissioner of Finance and Administration is further authorized to adjust federal aid and departmental revenues accordingly.

SECTION 39. The provisions of this section shall take effect upon becoming law, the public welfare requiring it. At June 30, 2012, any unexpended balances of departmental revenues and federal aid funds appropriated in this section are hereby reappropriated in the fiscal year beginning July 1, 2012.

SECTION 40. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it. There is hereby appropriated a sum sufficient to recognize any accrued liability of the state and any obligations between state agencies at June 30, 2013, and federal aid and departmental revenues may be adjusted accordingly. This appropriation is subject to certification of the accrued liability and obligations between state agencies by the Commissioner of Finance and Administration to the State Comptroller.

SECTION 41. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it.

Item 1.

(1) From the appropriations made in Sections 1 and 4 of this act, there are appropriated sums sufficient to fund the following programs:

(a) An amount sufficient to implement and pay the cost of administering the Section 125 cafeteria plan established for state employees is hereby appropriated for that purpose. From the appropriation made in this item and any annual forfeited contributions, the State Treasurer, with the approval of the Commissioner of Finance and Administration, is authorized to establish positions and funding for such positions in the Department of Treasury to fund recurring and non-recurring costs of administering the cafeteria plan established for such employees. There is hereby appropriated a sum sufficient to pay additional costs of administering the State Employee Cafeteria Plan as a result of increased participation in the plan by state employees; and

(b) An amount up to but not exceeding \$600,000 for the wellness program or other state employee insurance programs administered by the Department of Finance and Administration; and

(c) An amount up to but not exceeding \$10,000 for the daycare program for children of state employees as administered by the Department of Human Services, provided, that allotment of funds under this sub-item is subject to approval of the Commissioner of Finance and Administration; and

(d) An amount up to but not exceeding \$130,000 to fund the administrative costs of the state employee sick leave bank administered by the Department of Human Resources; and

(e) An amount to provide for the employer match to the state's 401(k) plan for state employees compensated on the centralized state payroll system pursuant to TCA, Title 8, Chapter 25.

(2) There is hereby appropriated in Section 1, Title III-22, Item 17, of this act the sum of \$9,197,000 for the fifty dollar (\$50) match for state employees compensated on the centralized state payroll system if the amount appropriated in Sections 1 and 4 is insufficient.

(3) There is hereby appropriated a sum sufficient from employer FICA tax savings from the Section 125 cafeteria plan maintained by the University of Tennessee to provide for the employer match to the state's 401(k) plan for employees of institutions under the University of Tennessee system pursuant to TCA, Title 8, Chapter 25. Should this be insufficient to provide for the fifty dollar (\$50) match, there is appropriated in Section 1, Title III-10, of this act, the sum of \$2,838,100 to supplement funding for such match.

(4) There is hereby appropriated a sum sufficient from employer FICA tax savings from the Section 125 cafeteria plan maintained by the Board of Regents system to provide for the employer match to the state's 401(k) plan for employees of institutions under the Board of Regents system pursuant to TCA, Title 8, Chapter 25. Should this be insufficient to provide for the fifty dollar (\$50) match, there is appropriated in Section 1, Title III-10, of this act, the sum of \$4,328,500 to supplement funding for such match.

(5) The State Treasurer shall have the authority to contract with the optional retirement plan vendors to provide investment products to optional retirement plan participants under the state's 401(k) program.

Item 2. In the fiscal year ending June 30, 2013, there is hereby appropriated a sum sufficient from the state reserve for the Help America Vote Act for the purpose of matching federal funds.

Item 3. The remaining funds from the \$1,000,000 appropriated in Chapter 963, Section 1, Title III-1, Item 3.9 of the Public Acts of 2006 for library construction are hereby reappropriated to the Department of State. The Secretary of State is authorized to reallocate remaining funds from projects that have not developed to other unspecified locations and counties where future library construction projects may develop.

Item 4. There is hereby appropriated a sum sufficient from earmarked and/or dedicated agency revenues and reserves to provide for the costs of implementing the state's Underground Storage Tanks Program. The Commissioner of Finance and Administration shall allocate the costs to the individual agencies and establish the appropriations required from revenues and reserves available to the individual agencies.

Item 5. There is hereby appropriated a sum sufficient from general fund interest earnings for the purpose of funding the State of Tennessee's liability under IRS regulations for arbitrage interest earnings on proceeds from general obligation debt.

Item 6. There is hereby appropriated a sum sufficient from general fund interest earnings for the purpose of funding the state's liability for the exchange of interest with the federal government as provided for in the Cash Management Act of 1990.

Item 7. There is hereby appropriated a sum sufficient to provide for a consultant's services in review of accounts receivable management for the State of Tennessee and for the implementation of those recommendations to the extent the recommendations are approved by the Commissioner of Finance and Administration. It is the intent of the legislature that said appropriation shall be funded from revenues collected from accounts receivable. The Commissioner of Finance and Administration may establish such positions as may be required to cost-effectively implement such recommendation. The Commissioner also is authorized to allocate a portion of the revenues collected to the appropriate organizational units and programs of state government and to adjust federal aid and other departmental revenue accordingly. Each allocation shall be a one-time incentive to maximize accounts receivable collections and shall be used to fund non-recurring items only.

Item 8. There is hereby appropriated a sum sufficient for the purpose of implementing an employee maintenance policy by the Department of Finance and Administration effective July 1, 2012. It is the legislative intent to hold harmless, employees affected by the maintenance policy who were employed as of June 30, 1998. The Commissioner of Finance and Administration is authorized to allocate the appropriation to the appropriate organizational units and programs of state government and to adjust federal aid and departmental revenue allotments accordingly.

Item 9. From the appropriations in Sections 1 and 4 of this act, sums sufficient are appropriated for state agencies to pay the professional privilege tax levied in Tennessee Code Annotated, Title 67, Chapter 4, Part 17, on behalf of full-time state employees who are subject to the tax; and who use the certification in their job duties. The payment is subject to approval by the department or agency head in accordance with the provisions of Tennessee Code Annotated, Section 67-4-1709.

Item 10. From the appropriations made in Section 1, Titles III-2 through III-30 and in Section 4, Titles III-2 through III-27, to the Executive Branch departments and agencies, the Commissioner of Finance and Administration is authorized to transfer amounts budgeted for contract services to payroll and to increase the number of authorized positions to replace contractors with state employees.

Item 11. Subject to the financial reporting requirement that the value of federal food stamps be recognized in the state's accounting system, there is hereby appropriated a sum sufficient from federal funds to recognize the value of food stamps.

Item 12. The Commissioner of Finance and Administration is hereby authorized to establish a reserve account for Community Services Agency (CSA). If any CSA ceases to operate, any fund balances may be deposited to this account. There is hereby appropriated a sum sufficient from the reserve account to provide for outstanding obligations of any CSA or the ongoing operational cost of any CSA. Disbursement from this fund is subject to the approval of the Commissioner of Finance and Administration.

Item 13. From the funds appropriated by this act, the Commissioner of Finance and Administration is authorized to transfer a sum sufficient to the Department of General Services, Division of Motor Vehicle Management Internal Service Fund for the acquisition of motor vehicles.

Item 14. In the fiscal year ending June 30, 2013, the proceeds from the sale of surplus property assigned to General Services, Property Management, may be carried forward in a reserve into the subsequent fiscal year and is hereby reappropriated. This appropriation is subject to approval by the Commissioner of Finance and Administration.

Item 15. The appropriations made in Section 1, Title III-22, Items 19 and 20, of this act to the UT Center for Business and Economic Research are reimbursement for research assistance to the Department of Finance and Administration (\$159,200) and for services delivered under the state data contract with the U.S. Census Bureau (\$278,000).

Item 16. There is appropriated to the Department of the Treasury a sum not to exceed \$249,900 from the Criminal Injuries Compensation Fund for grants to the District Attorneys General for domestic violence prevention and drug enforcement activities authorized under Tennessee Code Annotated, Section 29-13-116.

Item 17. There is hereby appropriated from the earnings of the funds of the Tennessee Consolidated Retirement System to the Tennessee Department of Treasury a sum sufficient for implementation of project CONCORD as authorized in TCA 8-34-321; provided, however, that said sum sufficient shall be subject to the approval of the Commissioner of Finance and Administration. The State Treasurer shall file a request to

establish such sum sufficient with the Commissioner of Finance and Administration and the Chair and Vice Chair of the Council on Pensions and Insurance. The Commissioner of Finance and Administration shall not act upon such request until in receipt of a letter from the Chair and Vice Chair of the Council on Pensions and Insurance acknowledging receipt of the State Treasurer's request. Within the appropriation approved pursuant to this item the State Treasurer, with the approval of the Speaker of the Senate and the Speaker of the House of Representatives, is authorized to establish positions and funding needed to effectuate TCA 8-34-321.

Item 18. In addition to the appropriation made in Section 1, Title III-30, Item 3, for Highway Maintenance, and Item 5.5, for State Highway Construction, in Chapter 473, Public Acts of 2011, there is further appropriated such amount as the Commissioner of Finance and Administration shall determine is available from tax revenues allocated to the highway fund and from the highway fund balance.

Item 19. In the fiscal year ending June 30, 2012, there are hereby appropriated sums sufficient in amounts equal to the unexpended balances of prior year accrued liabilities in the following education programs: (a) Safe Schools Act of 1998; (b) Coordinated School Health Program; (c) State testing programs; (d) Governor's Schools; and (e) Governor's Institute for Science and Math. The appropriations shall not revert at June 30, 2012, but shall be carried forward and are hereby reappropriated in the fiscal year beginning July 1, 2012.

Item 20. In the fiscal year ending June 30, 2012, there are hereby appropriated sums sufficient from the unexpended balances of prior year accrued liabilities for the Special Schools and the Tennessee Infant Parent Services School. The Commissioner of Finance and Administration shall determine the amounts of appropriations to be established pursuant to the requirements of Tennessee Code Annotated, Section 49-50-1002(b)(2). These appropriations are in addition to appropriations made to the Department of Education in Section 1, Title III-9 of the 2011 Appropriations Act.

Item 21. In the fiscal year ending June 30, 2013, any unexpended state appropriations, not to exceed ten percent (10%) of the total appropriated funds in both the Department of Education and the Department of Children's Services, made for the Tennessee Early Intervention Services program may be reserved to be carried forward to the next fiscal year in the Department of Education. Said reserve is subject to the approval of the Commissioner of Finance and Administration.

Item 22. From the appropriation in Section 41, Item 52, of Chapter 603, Public Acts of 2007, and in Section 59, Item 1, of Chapter 963, Public Acts of 2006, to the Department of Education for the Coordinated School Health Program, the Commissioner of Finance and Administration is authorized to carry forward in a reserve an amount not to exceed \$500,000 at June 30, 2012. This carry-forward and reappropriation of funds is subject to approval of the Commissioner of Finance and Administration.

Item 23. In the fiscal year ending June 30, 2009, there was appropriated the sum of \$1,500,000 (non-recurring) to the Attorney General and Reporter from Tobacco Master Settlement Agreement (MSA) payments received in February 2009 that were previously withheld by tobacco companies. The appropriation is for the purpose of funding costs related to impending diligent enforcement arbitration proceedings. The

appropriation shall not revert to the general fund at June 30, 2013, and shall remain available until expended.

Item 24. In the fiscal year ending June 30, 2013, there is appropriated a sum sufficient to the Tennessee Housing Development Agency from the sale or rent of housing and other property rehabilitated by the Neighborhood Stabilization Program.

Item 25. From the appropriations made in Section 1, Title III-8, to the Department of Economic and Community Development, the Commissioner of Finance and Administration is authorized to make transfers to recognize administrative reorganizations and to adjust authorized positions, federal aid, and other departmental revenue accordingly.

Item 26. In the fiscal year ending June 30, 2013, there is hereby appropriated sums sufficient to the Department of Environment and Conservation, Tennessee State Parks, from revenues collected by the parks system.

Item 27. In the fiscal year ending June 30, 2012, the unexpended balances of appropriations made under Chapter 554, Public Acts of 2009, in Section 65, Item 3, for an advanced manufacturing technology center, and Item 4, to the Energy Efficiency and Clean Energy Technology Initiatives, are hereby reappropriated to be expended in the 2012-2013 fiscal year.

The appropriation in sub-item (c)(ii) of Item 4 is further reappropriated, as follows. For participation in a multi-state initiative with the U.S. Department of Energy to demonstrate electric vehicle technologies, the sum of \$2,500,000 for a grant and the sum of \$2,500,000 for rebates to purchase electric vehicles that are eligible under the multi-state initiative.

Item 28. The appropriation made to the state office building and support facilities revolving fund pursuant to Chapter 554, Section 68, Item 8(b) of Public Acts of 2009, for purposes authorized by Chapter 529, Public Acts of 2009, "The Tennessee Clean Energy Act of 2009", is hereby reappropriated for the same purpose in the fiscal year beginning July 1, 2012.

Item 29. In the fiscal year ending June 30, 2013, there is appropriated a sum sufficient to the Department of Revenue, Administration Division, from proceeds resulting from investigation and enforcement of state tobacco laws. Any unexpended balances shall not revert to the general fund at June 30, 2013, but shall be reappropriated in the fiscal year beginning July 1, 2013.

Item 30. The Commissioner of Finance and Administration is authorized to adjust departmental revenues related to inter-agency agreements with the Electronic Health Initiative for the purpose of implementing federal electronic health initiatives.

Item 31. In the fiscal year ending June 30, 2012, the Commissioner of Finance and Administration is authorized to transfer the sum of \$143,600 from the general fund to the Sex Offender Treatment Fund reserve to restore funds that reverted to the general fund in closing fiscal year 2010-2011.

Item 32. In the fiscal year ending June 30, 2012, the Commissioner of Finance and Administration is authorized to transfer the sum of \$659,575 from the general fund to the TRUST Fund (title and registration system) reserve to restore funds that reverted to the general fund in closing fiscal year 2010-2011.

Item 33. In the fiscal years ending June 30, 2012 and June 30, 2013, there are hereby appropriated sums sufficient to the Department of Revenue for interest due to taxpayers on tax refunds pursuant to Tennessee Code Annotated, Section 67-801(b)(1).

Item 34. In the fiscal years ending June 30, 2012 and June 30, 2013, there are hereby appropriated sums sufficient to the Department of Economic and Community Development for the headquarters relocation assistance program pursuant to Tennessee Code Annotated, Section 67-4-2109(g)(2). Any unexpended balances shall not revert to the general fund at June 30, 2012 or June 30, 2013, but shall be reappropriated in the fiscal years beginning July 1, 2012 and July 1, 2013.

Item 35. The appropriation made in Section 77, Item 19, of Chapter 473, Public Acts of 2011, to the Tennessee Bureau of Investigation, in the amount of \$750,000, is hereby reappropriated to the Tennessee Bureau of Investigation for the sole purpose of methamphetamine clean-up, equipment, training.

Item 36. In the fiscal years ending June 30, 2012 and June 30, 2013, there are appropriated sums sufficient to the Treasury Department from revenues and reserves available to the Financial Literacy Program pursuant to Tennessee Code Annotated, Section 49-6-1706.

Item 37. From the funds appropriated in this act in Section 1, Title III-32, Capital Outlay, to the Department of Safety for the interoperable communication system upgrade, and in Section 71(b), Item 6(B) of Chapter 1108, Public Acts of 2010, to the Department of Safety for the highway patrol communication system capital outlay project, the Commissioner of Finance and Administration is authorized to transfer sums sufficient from the capital outlay fund to the general fund or systems development fund as required.

Item 38. If Senate Bill 2248 / House Bill 2386 does not become a law, the appropriations in Section 1, Title III-7 to the Department of Correction shall be reduced in the amount of \$86,294,700 and the appropriation in Section 1, Title III-24 to the Board of Parole shall be increased in the amount of \$87,009,500. The full-time positions authorized shall be adjusted by 1,108 positions between the department and the board.

Item 39. If Senate Bill 2225 / House Bill 2363 does not become a law, the appropriation in Section 4, Title III-23 to the Department of Intellectual and Developmental Disabilities shall be reduced in the amount of \$663,500 and the appropriation in Section 4, Title III-14 to the Department of Mental Health shall be increased in the same amount. The full-time positions authorized shall be adjusted by 3 positions between the departments.

Item 40. Pursuant to Section 36, Item 51 of Chapter 473, Public Acts of 2011, unexpended appropriations in the amount of \$5,000,000 were carried forward at June 30, 2011 for severance costs. It is the legislative intent to reappropriate a sum sufficient

from the \$5,000,000 for the purpose of funding a severance benefit plan pursuant to Section 60 of Chapter 473, Public Acts of 2011, for the closing of Lakeshore Mental Health Institute and Taft Youth Development Center.

#### SECTION 42.

(a) Notwithstanding any provision of the law to the contrary, no law of general application which imposes increased expenditure requirements on cities and counties in excess of one million dollars (\$1,000,000.00) shall take effect unless the state share of the cost of such law is specifically appropriated by the provisions of this act.

(b) From the growth in state-shared taxes apportioned to cities and counties and from the increase in local revenue generated from passage of any general law during the 2012 annual session of the 107th General Assembly not otherwise appropriated pursuant to this act, a sum sufficient hereby is appropriated to fund the state share of the cost of any law of general application which requires, without local discretion, that incorporated municipalities or county governments increase expenditures as a direct consequence of passage of any general law.

SECTION 43. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it.

Item 1. It is the legislative intent to recognize over-appropriation reversion savings in the general fund in the following amounts:

(a) In fiscal year 2011-2012 to recognize a base recurring over-appropriation of \$86,700,000 and a non-recurring reversion of \$94,500,000.

(b) In fiscal year 2012-2013 to recognize a base recurring over-appropriation of \$86,700,000.

Item 2. In the fiscal year ending June 30, 2012, there shall be reserved or designated a sum in the general fund balance to provide for non-recurring appropriations and other appropriations intended to be funded in the 2012-2013 fiscal year from the general fund balance at June 30, 2012. The Commissioner of Finance and Administration shall determine the amount to be reserved or designated.

Item 3. Under the provisions of Tennessee Code Annotated, Section 55-6-107(a), the sum of \$4,100,000 shall be allocated to the general fund for the cost of issuing motor vehicle registration plates in the fiscal year ending June 30, 2012.

Item 4. Unexpended appropriations in an amount to be determined by the Commissioner of Finance and Administration shall be transferred from the debt service fund to the general fund in the fiscal year ending June 30, 2012.

Item 5. In the fiscal year ending June 30, 2012, tax revenues allocated to the debt service fund, including motor vehicle title fees, in excess of \$390,800,000 shall be transferred to the general fund. If said allocation to the debt service fund is less than \$390,800,000, then the allocation of excise tax revenues to the debt service fund shall be increased in an amount to provide the allocation of \$390,800,000 to the debt service fund.

Item 6. In the fiscal year ending June 30, 2012, the allocation of motor vehicle title fees to the debt service fund shall be the lesser of \$2,700,000 or the sum generated by the \$1.50 fee under the provisions of Tennessee Code Annotated, Section 55-6-101(a)(1).

Item 7. It is the legislative intent that any required reversion from higher education appropriations to the general fund balance at June 30, 2012, be drawn from the unexpended balance in the Tennessee Higher Education Commission, the Tennessee Student Assistance Corporation, and from Tennessee Student Assistance Awards, in the amount of \$2,600,000.

Item 8. In the fiscal year ending June 30, 2012, the appropriations made in Section 1, Title III-17 of the 2011 Appropriations Act to the Department of Human Services to fund programs or services for temporary assistance shall be reduced in an amount equal to the unexpended and unobligated balances of the appropriations. The reductions shall be made to recognize over-appropriation savings in programs or services for temporary assistance in the fiscal year ending June 30, 2012.

Item 9. Pursuant to Tennessee Code annotated, Section 67-6-103(k) there is apportioned from the general fund share of the sales and use tax into cities and counties state shared taxes for the County Revenue Partnership Fund the sum of \$400,000 in the fiscal year ending June 30, 2011 and the sum of \$400,000 in the fiscal year ending June 30, 2012.

#### SECTION 44.

Item 1. There is hereby appropriated a sum sufficient from the State Office Buildings and Support Facilities Revolving Fund to provide for expenditures authorized under Title 9, Chapter 4, Part 9, of the Tennessee Code Annotated. There is appropriated a sum sufficient to the revolving fund in recognition of the lease cost of space for which recovery is not in the state's best interest. The Commissioner of Finance and Administration is authorized to allot, from the amount carried forward under Tennessee Code Annotated, Title 9, Chapter 4, Part 9, to provide funding for state office buildings and support facilities, and is further authorized to make appropriation transfers between the revolving fund and state departments and agencies.

SECTION 45. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it.

Item 1. There is hereby created a Capital Projects Account in the Office for Information Resources for the administration of the Information Systems Capital Projects Budget.

This account is established to provide for:

(a) Implementation of the statewide Management Information Systems Plan;

(b) Ability to separate the operational budget of the Office for Information Resources and the system development projects contained in the MIS Plan; and

(c) Financial control of the system development projects, including equipment replacement for the various agencies of state government.

Item 2. There is hereby authorized the transfer of those sums appropriated for Information Systems Capital Projects in Sections 1 and 4 and in Section 36, Item 1, of this act. Federal aid funds and other departmental revenues shall be adjusted accordingly to reflect the transfer of state appropriations.

Item 3. The Commissioner of Finance and Administration is authorized to transfer to the Capital Projects Account any appropriations made in Sections 1 and 4 of this act resulting from operating savings derived from implementation of information systems funded through this section.

Item 4. From the appropriations made for systems development and other data processing activities in this act and other acts of the legislature, the Commissioner of Finance and Administration is authorized to establish and charge the costs of information systems analyst positions and other data processing positions to said appropriations. The Commissioner of Finance and Administration is further authorized to transfer between departments and agencies existing information systems analyst positions, other data processing positions and the funding provided in this act for transferred positions.

Item 5. Expenditure of any funds, subject to the jurisdiction of the Information Systems Council, appropriated for systems development, the purchase of computer software or the purchase of computer hardware shall be subject to the policies of such Council.

Item 6. From the appropriations made for information systems activities in this act and other acts of the legislature, the Commissioner of Finance and Administration is authorized to transfer from professional services to payroll amounts budgeted for contractors. Additionally, the Commissioner of Finance and Administration is authorized to increase authorized positions in order to replace contractors with state employees.

Item 7. The Commissioner of Finance and Administration is authorized to approve an adjustment in rates charged by the Office for Information Resources and to reserve any funds needed to rebate savings to the federal government and to reallocate state appropriations between departments and to adjust federal aid and other departmental revenue accordingly. Any adjustment of rates or reserve of funds pursuant to the provisions of this act shall be reported to the Information Systems Council.

Item 8. The Commissioner of Finance and Administration shall have the authority to allocate savings generated from rate reductions from the Office for Information Resources Services to support modifications needed to be made to existing applications resulting from technology obsolescence or product nonperformance to extend the life of a system.

Item 9. From the funds appropriated in Section 1, Titles III-2 through III-30 and in Section 4, Titles III-2 through III-27 of this act, the Commissioner of Finance and

Administration is authorized to establish positions and to transfer positions to provide staff for the Enterprise Resource Planning (ERP) systems development project.

SECTION 46.

Item 1. The revenues allocated under the provisions of Tennessee Code Annotated, Title 55, Chapter 4, Part 2 – Special License Plates, are hereby appropriated in a sum sufficient amount as provided in Part 2.

Item 2. From the motor vehicle registration fees imposed pursuant to Tennessee Code Annotated, Section 55-4-132, there is hereby appropriated a sum sufficient in the fiscal year ending June 30, 2013, to be used solely for the development, acquisition, and updating of a computerized titling and registration system, and for the operation of the titling and registration system. The Commissioner of Finance and Administration is authorized to allocate the funds to implement the intent of the act.

SECTION 47. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it.

Item 1. From state revenues and other funds available to the general fund in excess of requirements for the fiscal year ending June 30, 2012, the Commissioner of Finance and Administration shall establish the Revenue Fluctuation Reserve in such amount as may be available under the provisions of Tennessee Code Annotated, Section 9-4-211. Provided, it is the legislative intent that the Revenue Fluctuation Reserve be set at a level of not less than \$306,000,000 on June 30, 2012.

Item 2. From state revenues and other funds available to the general fund in excess of requirements for the fiscal year ending June 30, 2013, the Commissioner of Finance and Administration shall establish the Revenue Fluctuation Reserve in such amount as may be available under the provisions of Tennessee Code Annotated, Section 9-4-211. Provided, it is the legislative intent that the Revenue Fluctuation Reserve be set at a level of not less than \$356,000,000 on June 30, 2013.

Item 3. It is the legislative intent that at June 30, 2012, any surplus general fund revenue, after fulfilling the requirements of Public Acts of 2011, Chapter 473, and of this act, including all requirements of the closing of accounts at June 30, 2012, be deposited in a reserve for future requirements.

SECTION 48. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it.

Item 1. The Commissioner of Finance and Administration is authorized to transfer all federal and state health care funds, except those funds appropriated to support the State Group Insurance Program, the Local Education Insurance Program and the Local Government Health Insurance Program, to the TennCare Program for the purpose of implementing any program approved by waiver, state plan amendment and/or state and federal legislation pursuant to the provisions of health care services to Tennesseans designated as eligible by TennCare. In addition, any premiums collected by the TennCare Program are explicitly authorized to be appropriated to the program for the purpose of carrying out the provisions of TennCare.

The Commissioner of Finance and Administration is further authorized to transfer state funds and positions, as required, between TennCare and Mental Health Services; Intellectual and Developmental Disabilities; other Health Services; Children's Services; Human Services; Strategic Health-Care Programs; and Commerce and Insurance, Division of TennCare Oversight.

Item 2. For fiscal year 2012-2013, in addition to all other appropriations to the TennCare Program, the Commissioner of Finance and Administration is authorized to use certified public expenditures and/or intergovernmental transfers from all government-related TennCare service providers and local governments for the purpose of matching funds under federal law for the TennCare Program. The use of the certified public expenditures and/or intergovernmental transfers shall be in accordance with federal law and regulations.

Item 3. Subject to the availability of funding at June 30, 2012, the Commissioner of Finance and Administration is authorized to carry forward into the fiscal year beginning July 1, 2012, any unexpended balances of appropriations made under Chapter 473, Public Acts of 2011, for TennCare and such funds as are carried forward are hereby reappropriated to be expended in the 2012-2013 fiscal year.

Item 4. The Commissioner of Finance and Administration is hereby authorized to expend or lend from the funds appropriated such sums as the Commissioner deems appropriate to assist TennCare HMO(s) in their operations and obtain services from contractors, consultants, and other third parties to give such assistance, such being determined by the General Assembly to be for a public purpose. The Commissioner shall provide prompt notification to the Speakers of the Senate and House of Representatives and to the Chairs of the Finance, Ways and Means Committees regarding any such expenditure or loan with complete details of the amounts and recipients involved in such transactions.

Item 5. The Commissioner of Finance and Administration is hereby authorized to adjust revenue estimates and related expenditures in Section 4, Title III-24, related to premiums and drug rebates for the purpose of carrying out the provisions of TennCare.

Item 6. The Commissioner of Finance and Administration is authorized to impose service limitations, to reduce optional eligibility categories, mandate standardized reimbursement levels, and/or reduce, or limit, optional benefits in the TennCare Program as necessary to control program expenditures in the fiscal year ending June 30, 2012, and June 30, 2013.

Item 7. In the fiscal year ending June 30, 2012, the Commissioner of Finance and Administration is authorized to transfer a sum sufficient, not to exceed \$10,100,000, from the TennCare reserve to the Department of Intellectual and Developmental Disabilities for systems development purposes.

Item 8. From the appropriations made to the TennCare Program in this act in Section 1, Title III-26 and Section 4, Title III-24, for the Program Integrity Unit, the Commissioner of Finance and Administration is authorized to transfer positions from TennCare to the Attorney General and to adjust departmental revenue estimates accordingly.

Item 9. Subject to the availability of funding at June 30, 2012, the Commissioner of Finance and Administration is authorized to carry forward into the fiscal year beginning July 1, 2012, any unexpended balances of appropriations made under Chapter 1108, Public Acts of 2010, Section 67, Item 1, for planning of additional PACE (Program of All-Inclusive Care for the Elderly) programs. Further, the Commissioner of Finance and Administration is authorized to adjust federal aid and other departmental revenues accordingly.

#### SECTION 49.

Item 1. From the appropriation made in Section 1, Title III-22, Item 13, for a state employee salary increase, it is the legislative intent to provide a 2.5 percent across-the-board salary increase effective July 1, 2012, for each state employee and to adjust the appropriate salary ranges in a like manner. The salary increase is not applicable to employees in positions which come under the provisions of a statutorily mandated pay plan; provided, however, that employees who come under the provision of a statutorily mandated plan shall be paid in accordance with the provisions of such plan.

Item 2. It is the legislative intent that the across-the-board salary increase shall apply to all state employees unless an employee is denied on the basis of unsatisfactory work performance, which shall be set forth in a statement from the head of the department or agency detailing the circumstances surrounding the denial, which shall be sent to the affected employee. The person shall have the opportunity to respond either orally or in writing to the head of the department or agency or their designee. If the denial is sustained, such letter must be filed with the Commissioner of Human Resources. Provided, however, that employees who are compensated at range minimums shall receive any increase caused by the adjustment of the range minimums, notwithstanding the provisions of this item to the contrary.

#### Item 3.

(a) It is the legislative intent to provide funding for a 2.5 percent salary increase for the survey portion of the commissioned officer pay plan in the Department of Safety and the Tennessee Law Enforcement Training Academy as referenced in Tennessee Code Annotated, Section 4-7-205, effective July 1, 2012.

(b) It is the legislative intent to provide funding for a 2.5 percent salary increase for the survey portion of the Tennessee Wildlife Resources Agency pay plan effective July 1, 2012.

Item 4. The appropriations made in Section 1, Title III-10, for Higher Education include \$29,800,000 to fund a 2.5 percent salary increase for higher education employees effective July 1, 2012.

Item 5. From the appropriation made in Section 1, Title III-22, Item 14.1, in the amount of \$15,000,000, it is the legislative intent to provide funds for a salary market adjustment for state employees, effective January 1, 2013. The appropriation reflects an annualized amount of \$30 million and is discounted to reflect six months cost.

SECTION 50. From the appropriation in Section 1, Title III-11, Item 6, Regulatory Boards, an amount of \$200,000 is earmarked from the Board of Architectural and Engineering Examiners revenues or reserve funds for disbursement to accredited interior design programs, accredited architectural programs, accredited engineering programs and accredited landscape architectural programs of state-funded colleges and universities, after application to and subject to approval by the Board of Architectural and Engineering Examiners. The Board will develop guidelines for application, award and disbursement of the funds appropriated herein.

SECTION 51. From the appropriations made in Section 1 and Section 4 of this act, the Commissioner of Finance and Administration is authorized to transfer appropriation savings resulting from energy management projects to the major maintenance accounts of the departments and agencies. These funds may be used to pay debt service on associated bonds, to reimburse the general fund for appropriations made for energy management capital projects, to pay energy management fees, and to fund energy projects approved by the State Building Commission.

SECTION 52.

Item 1. From the Lottery for Education Account, the After-School Programs Special Account, and other accounts and sub-accounts established pursuant to Tennessee Code Annotated, Title 4, Chapter 51, the Tennessee Education Lottery Implementation Law, sums sufficient hereby are appropriated for the higher education scholarship programs and other education programs authorized by that law and by Title 49, Chapter 4, Part 9, relative to higher education scholarships; Title 49, Chapter 6, Part 7, relative to after-school educational programs. The appropriation from these sources for after-school programs pursuant to Title 49, Chapter 6, Part 7, shall not exceed the balance available in the After-School Programs Special Account at June 30, 2012, and such balance hereby is appropriated for expenditure in the fiscal year beginning July 1, 2012; provided, that the appropriation is contingent upon the availability of funds in the proper account and upon the availability of excess funds from net lottery proceeds, after the funding of higher education scholarships. The availability of excess funds shall be determined by the Commissioner of Finance and Administration prior to the distribution of any excess funds. A copy of such determination shall be filed with the Chairs of the education committees of the Senate and House of Representatives and the Office of Legislative Budget Analysis.

Item 2.

(a) For students who first received the Tennessee HOPE scholarship, Tennessee HOPE access grant or Tennessee HOPE scholarship for nontraditional students before the fall semester of 2009, award amounts for the 2012-2013 academic year (two semesters) shall be:

(1) \$4,000 for an eligible student under the HOPE scholarship award or HOPE nontraditional scholarship award pursuant to § 49-4-914(a);

(2) \$2,000 for an eligible student under the HOPE scholarship award pursuant to § 49-4-914(b);

(3) \$1,500 for an eligible student under the ASPIRE need-based supplemental award pursuant to § 49-4-915; and

(4) \$1,000 for an eligible student under the General Assembly Merit Scholar supplemental award pursuant to § 49-4-916;

(b) For students who first received the Tennessee HOPE scholarship, Tennessee HOPE access grant or Tennessee HOPE scholarship for nontraditional students beginning the fall semester of 2009 or thereafter, award amounts for the 2012-2013 academic year shall be:

(1) \$2,000 per semester for an eligible student under the HOPE scholarship award or HOPE nontraditional scholarship award pursuant to § 49-4-914(a);

(2) \$1,000 per semester for an eligible student under the HOPE scholarship award pursuant to § 49-4-914(b);

(3) \$750 per semester for an eligible student under the ASPIRE need-based supplemental award pursuant to § 49-4-915;

(4) \$500 per semester for an eligible student under the General Assembly Merit Scholar supplemental award pursuant to § 49-4-916; and

(5) Pursuant to the provisions of § 49-4-920, the award amount for an eligible student under the Tennessee HOPE access grant shall be \$1,375 per semester at four-year schools and \$875 per semester at two-year schools;

(c) The 2012-2013 award amount for an eligible student under the Wilder-Naifeh Technical Skills Grant pursuant to § 49-4-921 shall be \$2,000;

(d) The 2012-2013 award amount for an eligible student under the Tennessee HOPE foster child tuition grant shall be determined under the provisions of § 49-4-933;

(e) The 2012-2013 award amount shall be \$1,000 per semester for successful completion of twelve (12) or more semester hours for an eligible student under the Helping Heroes Grant pursuant to § 49-4-938; provided, however, that the total amount expended for Helping Heroes Grants shall not exceed \$750,000;

(f) The 2012-2013 award amount shall be determined pursuant to the provisions of § 49-4-939 for an eligible student under the Tennessee Rural Health scholarship; provided, however, that the total amount expended for Tennessee Rural Health scholarships shall not exceed \$300,000; and

(g) The 2012-2013 award amount shall be determined by the Tennessee Student Assistance Corporation in accordance with § 49-4-930 for an eligible student under the dual enrollment grant.

Item 3. A sum sufficient, not to exceed the available balance in the LEAP Grant Fund, is appropriated from the fund for the purpose of awarding 3-year grants in accordance with the provisions of Chapter 1175, Public Acts of 2008.

Item 4. A sum sufficient, not to exceed the available balance in the Energy Efficient Schools Council Fund, is appropriated from the fund for the purpose of the Energy Efficient Schools Initiative in accordance with the provisions of Chapter 1188, Public Acts of 2008.

Item 5. From the appropriations in Sections 1 and 4 of this act, the sum of \$6,800,000 from the Lottery for Education Account is appropriated to the Tennessee Student Assistance Corporation for the sole purpose of supplementing Tennessee Student Assistance Awards.

SECTION 53. From the appropriation made in Section 4 of this act, to the Department of Commerce and Insurance, Division of Insurance, it is the legislative intent to recognize base level funding of \$7,479,700 in the fiscal year ending June 30, 2013. It is further the legislative intent that expenditures in excess of the \$7,479,700 base level shall be funded from the increase in revenues generated by Chapter 333, Public Acts of 2001, which established funding appropriated to the Division of Insurance in the fiscal year ending June 30, 2001, as the base level.

SECTION 54. There are appropriated all tax revenues which are allocated by statute in accordance with the provisions of such statutes. The provisions of this section shall apply to all statutes becoming a law prior to July 1, 2013.

SECTION 55. Notwithstanding any provision of this act to the contrary, a direct appropriation to a non-governmental agency or entity shall not be disbursed until the recipient has filed with the head of the agency through which such disbursement is being made a plan specifying the proposed use of such funds and the benefits anticipated to be derived therefrom. As a prerequisite to the receipt of such direct appropriation, the recipient shall agree to provide to the agency head, within ninety (90) days of the close of the fiscal year within which such direct appropriation was received, an accounting of the actual expenditure of such funds including a notarized statement that the report is true and correct in all material respects; provided, however, that the head of the agency through which such disbursement is being made may require, in lieu of the accounting as provided above, an audited financial statement of the non-governmental agency or entity. A copy of such accounting or audit, as the case may be, shall be filed with the Office of the Comptroller of the Treasury.

SECTION 56.

Item 1. The provisions of this item shall take effect upon becoming law, the public welfare requiring it.

(a) In the fiscal years ending June 30, 2012, and June 30, 2013, the unexpended balances of health care safety net appropriations, including Project Diabetes, in Public Acts of 2005, Chapter 503, and in Public Acts of 2006, Chapter 963, and in Public Acts of 2007, Chapter 603, and in the Public Acts of 2008, Chapter 1203, and in Public Acts of 2009, Chapter 554, and in Public Acts of 2010, Chapter 1108, and in Public Acts of 2011, Chapter 473, and in this act

may be carried forward and hereby are reappropriated for expenditure in the succeeding fiscal year, subject to approval of the Commissioner of Finance and Administration. Provided, however, that payroll savings from Department of Health positions established for the health care safety net shall revert to the general fund.

(b) From the health care safety net reserves carried forward at June 30, 2012, the Commissioner of Finance and Administration is authorized to transfer funds between health care safety net programs and to Cover Tennessee Health-Care Programs.

Item 2. All appropriations in this act for the AccessTN may be used for matching federal funds available, through waiver or otherwise, for expanding premium assistance, subject to the approval of the Commissioner of Finance and Administration.

Item 3. In addition to the appropriations elsewhere in this act, sums sufficient hereby are appropriated to the appropriate programs from the revenues and reserves of CoverTN, AccessTN, CoverRx, CoverKids, Project Diabetes, and health care safety net programs.

#### SECTION 57.

Item 1. The departmental revenues appropriated in this act from federal Homeland Security grant programs are subject to the following provisions:

(a) The allotment of these funds is subject to approval of the Commissioner of Finance and Administration, and the distribution among state and local agencies shall be subject to approval of or under procedures of the state Homeland Security Council.

(b) The Commissioner of Finance and Administration is hereby authorized to reallocate appropriations within the affected state agencies and to reallocate Homeland Security appropriations among the affected agencies for the purpose of providing the required state match to these and other federal Homeland Security and bioterrorism grants; to adjust position authorizations among affected departments, offices, and programs for that purpose; and to adjust federal and other departmental revenue estimates accordingly. The commissioner shall file any such reallocations or adjustments with the Fiscal Review Committee and the Office of Legislative Budget Analysis.

Item 2. There are appropriated sums sufficient to the Office of Homeland Security from federal grant funds and to other agencies of state government receiving Homeland Security federal grant funds.

Item 3. In the fiscal year ending June 30, 2013, any unexpended state appropriations made for Homeland Security purposes may be reserved to be carried forward to the next fiscal year. Said reserve is subject to the availability of revenue and to the approval of the Commissioner of Finance and Administration.

Item 4. The appropriation made in Section 1, Title III-22, Item 6, Miscellaneous Appropriations, for Homeland Security Emergency Fund shall not revert to the general fund balance at June 30, 2013.

SECTION 58. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it.

Item 1. In the fiscal year ending June 30, 2012, any unexpended appropriations of U.S. Economic Recovery Act Funds made in this act are hereby reappropriated to be expended in the 2012-2013 fiscal year and such appropriations shall be carried in a reserve into the fiscal year beginning July 1, 2012. This appropriation and carry-forward is subject to approval by the Commissioner of Finance and Administration.

SECTION 59.

Item 1. From the appropriation made in Section 1, Title III-32, Item 4, of Chapter 1108, Public Acts of 2010, to the Department of Intellectual and Developmental Disabilities, to provide alternative residential settings for clients and plan for the future, the Commissioner of Finance and Administration is authorized to transfer sums sufficient to the general fund to provide for other transitional costs.

SECTION 60. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it. From the appropriations in Public Acts of 2008, Chapter 1203, in Public Acts of 2009, Chapter 554, in Public Acts of 2010, Chapter 1108 in Section 1, Title III-22, Item 25, in Public Acts of 2011, Chapter 473 in Section 1, Title III-22, Item 27, and in Section 1, Title III-22, Item 27 of this act, a sum sufficient is appropriated to fund a severance plan to be used in conjunction with the base budget personnel reductions required by this act.

The severance benefit plan shall consist of:

(1) A base payment of \$3,200.

(2) College tuition assistance for 2 years to be capped at the average of the highest four-year public Tennessee college undergraduate level; provided, however, that such assistance shall only be provided for periods of actual attendance within a period of time to be determined by the Commissioner of Finance and Administration.

SECTION 61. From the appropriations in Section 1, Title III-26, the following non-recurring amounts are appropriated to the TennCare Program in order to restore in the fiscal year beginning July 1, 2012, certain recurring reductions made in fiscal year 2009-2010 and fiscal year 2010-2011, referenced on pages A-48 and 49 of the 2012-2013 Budget Document and for other purposes identified in this section. The reductions restored are identified by reference to reduction items stated in Volume 2, Base Budget Reductions, of the 2009-2010 and 2010-2011 Budget Documents.

Item 1.

(a) If Senate Bill No. 2766 / House Bill No 3446, the annual coverage assessment act of 2012, becomes a law, there hereby is appropriated from the appropriations in Section 1, Title III-26 of this act, the sum of \$449,800,000 (non-recurring) to the TennCare Program for the following purposes, and the

Commissioner of Finance and Administration is authorized to adjust federal and other departmental revenue accordingly; provided, however, that if the federal government disallows the coverage assessment as a valid source to match federal Medicaid funds, the appropriations in this Item 1(a) shall be null and void, and the appropriations in Section 1, Title III-26 shall be reduced accordingly. If Senate Bill No. 2766 / House Bill No. 3446 does not become a law, the appropriations in Section 1, Title III-26 of this act, are hereby reduced in the amount of \$449,800,000.

<u>Reduction Number</u>	<u>Description</u>	<u>Amount</u>
(i) FY 2009-2010 Base Reductions Restored:		
12	Essential Access Hospital Payments .....	\$ 33,812,000
13	Graduate Medical Education .....	16,906,000
15	Critical Access Hospital Payments .....	3,381,200
20	Medicare Part A Reimbursement.....	12,020,300
23	Provider Reimbursement and Co-Pay .....	<u>66,531,600</u>
	Subtotal .....	<u>132,651,100</u>
(ii) FY 2010-2011 Base Reductions Restored:		
10	Hospital Reimbursement Ceiling .....	23,655,100
16	In-Patient Services .....	47,581,500
17	Lab and X-Ray Procedures .....	28,376,000
18	Therapies .....	4,664,500
19	Out-Patient Services .....	11,151,700
24	Office Visits .....	<u>15,360,200</u>
	Subtotal .....	<u>130,789,000</u>
(iii) Other Appropriations:		
	Disproportionate Share Hospital Payments .....	\$ 27,395,500
	Add'l Cost-Based Reimbursement for Critical Access Hospital Payments – Unreimbursed Costs .....	6,000,000 <u>152,964,400</u>
	Subtotal .....	<u>186,359,900</u>
	Total .....	<u>\$ 449,800,000</u>

(b) There is further appropriated to the TennCare Program, in addition to the appropriation in this item in (a)(iii), Other Appropriations, Hospital Payments – Unreimbursed Costs, a sum sufficient from any amount in excess of \$449,800,000 collected from the coverage assessment for the purpose of hospital payments for unreimbursed costs.

(c) To the extent that revenue collected from the coverage assessment is less than \$449,800,000, the appropriation in this item in (a)(iii), Other Appropriations, Hospital Payments – Unreimbursed Costs, hereby is reduced in the amount of the undercollection.

(d) From the funds available in TennCare maintenance of coverage trust fund at June 30, 2012, there hereby is appropriated to the TennCare program a

sum sufficient for the purposes authorized in law. The Commissioner of Finance and Administration is authorized to adjust federal and other departmental revenue accordingly. The allotment of funds under this item is subject to approval of the Commissioner of Finance and Administration.

SECTION 62. To the extent permissible under federal law, upon completion of all transportation projects funded by federal transportation grants provided under U.S. Public Law 111-5, American Recovery and Reinvestment Act, the combined unexpended balance of the federal funds for all such projects shall be reserved for bridge repair and replacement, and such funds are hereby appropriated. In addition, any federal transportation grants arising from any subsequent and similar U.S. economic recovery act shall be appropriated and used for bridge repair and replacement, to the extent permissible under federal law. Provided, further, to the extent permissible under federal law, any such appropriation or reappropriation shall be used in lieu of bonds to fund projects funded by the bonds authorized in Chapter 552, Public Acts of 2009, in Chapter 1109, Public Acts of 2010, and in Chapter 470, Public Acts of 2011, and the State Funding Board is directed to cancel bonds in permissible amounts.

#### SECTION 63.

Item 1. From the appropriations to the Environmental Protection Fund in Section 1, Title III-5 the sum of \$5,280,000 is from revenues available to the Environmental Protection Fund pursuant to Tennessee Code Annotated, Title 68, Chapter 203, from funds paid by the Tennessee Valley Authority (TVA) pursuant to a Consent Decree regarding air emissions in Tennessee. Departmental revenues shall be adjusted accordingly. These funds shall be exempt from and shall not be considered in the calculations required by § 68-203-104(b), (c), or (d). These funds shall be available for the purpose of funding energy conservation, alternative energy and/or pollution prevention projects and any other projects authorized by the Consent Decree.

Item 2. From the appropriation to UT Martin in Section 1, Title III-10, the sum of \$200,000 is for the purpose of making a grant to the Parsons-Decatur County Higher Education Foundation for the Parsons Center.

Item 3.

(a) From appropriations in Public Acts of 2011, Chapter 473, Section 72, Item 20, and in Section 1, Title III-32, Item 7, of this act, it is the legislative intent that the Commissioner of Finance and Administration, in consultation with a task force that he shall appoint, develop a comprehensive, statewide capital improvements master plan that encompasses the needs of state facilities and programs throughout Tennessee, including facilities managed in the state office buildings and support facilities revolving fund, other state facilities and properties, and the facilities and properties of the University of Tennessee and the State University and Community College System. The plan should assess current facilities, including capital maintenance and renovation; the need for additional or expanded facilities to accommodate state programs and service delivery; efficiencies that may be achieved by consolidation of facilities; and the potential use or disposition of any properties that may be surplus or available to the state. The plan should include site and facilities analysis, review of existing space uses, and future needs. In the recommendations, the plan also shall include a timetable of priority listings of capital improvement and capital maintenance

projects for fiscal year 2013-2014 and for the four (4) subsequent fiscal years and priority listings for capital improvements and capital maintenance for the longer range. The plan should explain the general bases of facilities assessment and for setting of priorities.

(b) The higher education component of the master plan shall be developed by the Tennessee Higher Education Commission, in consultation with the University of Tennessee and the State University and Community College System and shall be integrated into the comprehensive, statewide master plan by the task force and the commissioner. The commissioner shall submit to the Governor and the State Building Commission by June 30, 2013, the comprehensive capital improvements master plan.

(c) The commissioner, or in his absence his designee, shall chair the task force. The commissioner, in consultation with affected department heads, may appoint such task force members as he deems appropriate, including staff of the Department of Finance and Administration, Department of General Services, and other departments and agencies that maintain, manage, or operate numerous facilities or real property; and, in consultation with the President of the University of Tennessee, the Chancellor of the State University and Community College System, and the Executive Director of the Tennessee Higher Education Commission (THEC), staff representing each of the higher education systems and THEC; and such other persons as the Commissioner of Finance and Administration deems appropriate, including private sector representatives.

(d) From the appropriation in this item, the commissioner may expend funds for consulting services, task force expenses, and reimbursement of travel and lodging expenses of private-sector representatives under the provisions of the state comprehensive travel regulations, provided, however, that state agency and higher education personnel shall be reimbursed for travel expenses by their own agencies.

Item 4. From the appropriation to the Arts Commission in Section 1, Title III-2, Item 2.8, an amount of \$100,000 is for the purpose of a grant to the Tennessee Performing Arts Center Management Corporation for educational activities.

Item 5. From the appropriation to the Arts Commission in Section 1, Title III-2, Item 2.8, an amount of \$45,000 is for the purpose of a grant to Africa in April Cultural Awareness Festival, Inc., to support the Africa in April Cultural Awareness Festival.

SECTION 64. Legislation. In addition to the appropriations in Section 1 and 4 of this act, the following amounts hereby are appropriated, and such additional or lesser amounts indicated in fiscal notes on cited legislation hereby are appropriated, for the purpose of funding the costs of implementing the cited legislation. The Commissioner of Finance and Administration is authorized to allocate the appropriations to the appropriate organizational units and to adjust federal and other departmental revenues and authorized positions accordingly. The appropriation in each item of this section is subject to the bill cited in that item becoming a law, except as otherwise provided.

SECTION 65. The Tennessee Code Commission is requested to place an appropriate, permanent note following the codification of any public act which is codified and which has not received constitutionally required first year's funding through the provisions of this act.

SECTION 66. The commissioner of finance and administration is requested to make all necessary adjustments to revenues, authorized positions and totals as necessary to effectuate the provisions of this act as amended by the General Assembly.

SECTION 67. If any provisions of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 68. No expenditure of public funds pursuant to this act shall be made in violation of the provisions of Title VI of the Civil Rights Act of 1964, as codified in 42 United States Code, 2000(d).

SECTION 69. This act shall take effect July 1, 2012, the public welfare requiring it; provided, however, that any provision of this act which authorizes prior or immediate expenditures and any section or item which specifies an immediate effective date shall take effect upon becoming a law, the public welfare requiring it.