

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 886 - SB 1084**

March 24, 2011

**SUMMARY OF BILL:** Authorizes the Department of Education to establish a three-year pilot project of competitive grants to be used for middle school after school and summer school programs. Grants shall be awarded for a period of three years to public and non-profit organizations that provide or propose to provide after school and summer educational programs targeted toward students in middle school who are enrolled in public schools. Amounts remaining in the competitive grant fund shall not revert to the General Fund but shall be carried forward each fiscal year. Priority in grant awards shall be given to community-based organizations who partner with one or more local education agencies (LEAs). Sets forth organization eligibility and program requirements and what groups of students shall be specifically targeted. Grant recipients shall give matching dollars at a 2:1 ratio to grant money received. Caps the total amount of grants awarded at \$5,000,000 annually or \$15,000,000 over the three-year period. The State Board of Education is authorized to promulgate rules and regulations as needed.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$15,000,000/FY11-12 through FY13-14**

**Increase Local Expenditures – Exceeds \$1,000,000/Permissive/FY11-12 to FY13-14**

Assumptions:

- Grant awards in the amount of \$5,000,000 will be awarded in FY11-12, FY12-13, and FY13-14; a total of \$15,000,000.
- Local organizations that apply and receive the grants are required to match the state grant dollars at a 2:1 ratio. Local organizations may include public organizations. It is assumed that these organizations are at least partially funded by local government. The exact amount of any increase in permissive local government expenditures is unknown but is estimated to exceed \$1,000,000 in FY11-12, FY12-13, and FY13-14.
- It is unknown if federal funds will be used for the pilot program. For the purposes of this fiscal note, it is assumed that the state will appropriate the full \$15,000,000 over the course of three years. Any federal funds that are used for competitive pilot program grants will reduce the amount of state appropriations that will be made.

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- The State Board of Education will make rules and regulations within the normal course of business without an increase in staff or the assembly of a work group.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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