

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 34

January 30, 2019

SUMMARY OF BILL: Authorizes a local board of education to allow certain employees of an LEA to raise funds for noneducational purposes. Requires a local board of education to develop policies and procedures related to the acquisition and use of noneducational funds and provide the documents to local education agencies (LEAs). Requires such funds to be subject to audit by the Comptroller of the Treasury.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Local boards of education and LEAs will be able to amend their policies in accordance with the provisions of this legislation during the normal course of business without any significant fiscal impact.
- Funds raised for noneducational purposes, pursuant to this legislation, would be subject to audit by the Comptroller of the Treasury or the Comptroller's designee.
- Based on information from the Comptroller of the Treasury, audits related to this legislation could be completed using existing resources in the course of normal audits and would not require any new audit fees.
- Based on information from DOE, there will be no significant impact on state or local educational funding.
- This legislation may result in a local board of education expanding or limiting the sources, including vending machine revenue, donations, and other approved sources and the acceptable usage of funds raised for noneducational purposes including bereavement, awards, employee morale, or banquets.
- In the event a local board of education adopts a policy governing the usage of such noneducational funds, there may be a recurring shift in the usage of these funds, any such shift is considered permissive.
- While the precise amount and timing of any permissive shift in the use of noneducational funds is dependent on multiple unknown factors, it is assumed that the fiscal impact to any specific LEA is not significant.

HB 34

CERTIFICATION:

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

Handwritten signature of Krista Lee Carsner in black ink.

Krista Lee Carsner, Executive Director

/alh