

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**CORRECTED  
FISCAL NOTE**

**HB 707 - SB 775**

April 8, 2019

**SUMMARY OF BILL:** Requires the boards of each state institution of higher education to create and approve a policy requiring all public institutions of higher education to compensate adjunct professors employed or contracted to teach a course at the institution at least \$1,000 per credit hour taught.

**ESTIMATED FISCAL IMPACT:**

On March 12, 2019, a fiscal note was issued for this legislation with the following estimated fiscal impact:

*Increase State Expenditures –*  
*Exceeds \$5,503,600/Locally-Governed Institutions*  
*Exceeds \$17,584,000/Community College System*  
*Exceeds \$1,452,800/University of Tennessee*

Based on additional information provided by the University of Memphis, the fiscal impact for this legislation has been corrected as follows:

**(CORRECTED)**  
**Increase State Expenditures –**  
**Exceeds \$6,009,600/Locally-Governed Institutions**  
**Exceeds \$17,584,000/Community College System**  
**Exceeds \$1,452,800/University of Tennessee**

Corrected Assumptions:

- Currently adjunct professors are paid at a rate ranging from \$400 to over \$1,000 per credit hour depending on the university and the qualifications of the adjunct professor.
- Based on information provided by each of the institutions an increase in salary will also increase benefits ranging from 7.5 to 8.5 percent.

*Assumptions relative to the Locally-Governed Institutions:*

- Based on information provided by the locally-governed institutions (LGIs) the table below shows an average of the total credit hours taught by an adjunct professor at each institution and the average amount each adjunct professor is currently paid per credit hour.

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- The recurring increase in state expenditures for LGIs is estimated to exceed \$6,009,566.

*Assumptions relative to the Tennessee Board of Regents - Community Colleges:*

- Based on information provided by the Tennessee Board of Regents (TBR), currently there is an approximately 40,836 credit hours taught by an adjunct professor at an average of \$600 per credit hour across all campuses.
- The recurring increase in state expenditures for the TBR is estimated to exceed \$17,583,982 as shown in the table below.

*Assumptions relative to the University of Tennessee System:*

- Based on information provided by the University of Tennessee the table below shows an average of the total credit hours taught by an adjunct professor at each institution and the average amount each adjunct professor is currently paid per credit hours.
- The recurring increase in state expenditures for the University of Tennessee system is estimated to be \$1,452,777.

Higher Education Institutions	Credit Hours Taught	Average amount per credit hour	Proposed amount per credit hour	Increase	Increase to Benefits	Increase to state expenditures
Austin Peay	4,273	\$750	\$1,000	\$250	7.65%	\$1,149,971
East Tennessee State University	4,203	\$750	\$1,000	\$250	7.65%	\$1,131,132
Middle Tennessee State University	3,950	\$700	\$1,000	\$300	7.65%	\$1,275,653
Tennessee State University	1,170	\$624	\$1,000	\$376	7.65%	\$473,574
Tennessee Tech University	2,200	\$600	\$1,000	\$400	7.65%	\$947,320
University of Memphis	3,631	\$736	\$1,000	\$264	7.65%	\$1,031,916
<b>Total Increase for Locally Governed Institutions :</b>						<b>\$6,009,566</b>
UT Knoxville Coll. of Social Work	300	\$833	\$1,000	\$167	7.65%	\$53,933
UT Chattanooga	1,239	\$739	\$1,000	\$261	7.65%	\$348,117
UT Martin	2,940	\$670	\$1,000	\$330	8.30%	\$1,050,727
<b>Total Increase for University of Tennessee System:</b>						<b>\$1,452,777</b>
<b>Tennessee Board of Regents</b>	40,836	\$600	\$1,000	\$400	7.65%	<b>\$17,583,982</b>
<b>Total increase to state Expenditures:</b>						<b>\$25,046,325</b>

**CERTIFICATION:**

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



Krista Lee Carsner, Executive Director

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