

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 1580 – HB 1834**

January 29, 2020

**SUMMARY OF BILL:** Deletes the requirement that a student must be a Tennessee resident for at least one year in order to be eligible for a Dual Enrollment Grant (DEG).

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures – Exceeds \$245,100/FY20-21 and Subsequent Years  
/Lottery for Education Account**

**Other Fiscal Impact – Recurring funding in an amount exceeding \$245,100 in  
FY20-21 and subsequent years will not be available for transfer from the Lottery  
for Education Account to the Tennessee Promise Special Reserve Account.**

Assumptions:

- Pursuant to Tenn. Code Ann. § 49-4-930(b)(2), students applying for a DEG must meet the requirement of being a Tennessee resident for at least one year immediately preceding the date of application for a DEG or for the renewal of a DEG.
- Passage of the proposed legislation would eliminate the requirement in which a student must be a Tennessee resident for one year to be eligible for a DEG.
- Students are currently awarded \$500 per course for the first two courses and \$200 for the third course. The DEG award must not exceed \$1,200 per academic year for each DEG student.
- Based on information provided by the Tennessee Student's Assistance Corporation, the number of additional students that will qualify annually for DEG awards is estimated to be at least 329.
- The average award amount is estimated to be \$745 per student.
- The recurring increase in state expenditures from the Lottery for Education Account as a result of eliminating the one-year residency requirement is estimated to exceed \$245,105 (329 minimum students x \$745) in FY20-21 and subsequent years.

**CERTIFICATION:**

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

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/jjj