

Senate Finance, Ways and Means Committee 2

Amendment No. 2 to SB0483

Watson
Signature of Sponsor

AMEND Senate Bill No. 483

House Bill No. 511*

ADMINISTRATION AMENDMENT

by adding the following Sections between Sections 56 and 57 and renumbering the subsequent Sections accordingly:

ADDITIONAL 2017-2018 APPROPRIATIONS

SECTION 57. Other Additions to Budget. In addition to the amounts appropriated in Sections 1 and 4 of this act, the following amounts are appropriated, and the Commissioner of Finance and Administration is authorized to allocate the appropriations to the appropriate organizational units and to adjust federal aid and other departmental revenues and position authorizations accordingly. Full-time (FT) and part-time (PT) position authorizations are estimated in the text of the following line items.

Item 1. General Fund and Education Fund Appropriations. The following appropriations are from the general fund and education fund, as applicable.

	<u>Recurring</u>	<u>Non-Recurring</u>
1. Court System – Reconcile CPI Salary Increase for Judges	\$ 11,900	\$ 0
2. Attorney General and Reporter – Reconcile CPI Salary Increase for Attorney General	100	0
3. District Public Defenders Conference – Reconcile CPI Increase for Shelby and Davidson County Public Defenders	2,200	0
4. Governor’s Office – Reconcile CPI Salary Increase for Governor	100	0
5. Comptroller of the Treasury – Certified County Financial Officers – Reallocated Funds from UT-CTAS	0	1,575,600

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AMEND Senate Bill No. 483	House Bill No. 511*	
6. UT-County Technical Assistance Service – Certified County Financial Officers – Reallocated Funds to Comptroller	0	(1,575,600)
7. TennCare – Medicaid Management Information System – Contract Costs	0	11,060,200
8. TennCare – 4.8% Provider Rate Increase – Intellectual and Developmental Disabilities Providers	8,000,000	0
9. Tourism – Tennessee Music Pathway – Operational Funding	0	600,000
10. Environment – Pikeville Area Water Shortage – Planning Funds for Long-Term Solution	0	500,000
11. Economic and Community Development – Film and TV Incentive Fund – Grants	0	11,000,000
12. Economic and Community Development – Launch TN – Increase	1,000,000	1,500,000
13. Economic and Community Development – London Direct Flights – Grant	0	1,000,000
14. Education – Dual Credit Program	0	660,000
15. Education – Priority Schools Improvement Grants	0	10,000,000
16. Education – State Board of Education – State Report Card (1 FT)	100,000	0
17. Tennessee Higher Education Commission – College Completion Initiatives for Minority Students (1 FT)	105,000	0
18. Board of Regents and Locally Governed Institutions – Management Support Services	0	1,500,000
19. Tennessee Technological University – Carnegie Classification	500,000	0
20. Mental Health and Substance Abuse Services – Prevention, Education, Treatment and Recovery	2,000,000	0
21. Health – Meharry Wellness Program – Grant	500,000	0
22. Health – Families Free – Grant	0	100,000
23. Revenue – Sales Tax Disaster Relief – Gatlinburg/Sevier County	0	3,350,000
24. Tennessee Bureau of Investigation – Operational Increase	1,000,000	0
25. Miscellaneous Appropriations – Legislative Initiatives – Increase	1,000,000	0

26. Miscellaneous Appropriations – TCRS – Increase	10,100,000	0
27. Miscellaneous Appropriations – Risk Management – Increase	500,000	0
28. Miscellaneous Appropriations – Aeronautic Economic Development Fund – Increase	0	15,000,000
29. Miscellaneous Appropriations – TVA / Ocoee River Agreement	0	11,800,000
30. Miscellaneous Appropriations – African American Museum – Grants	0	500,000
31. Miscellaneous Appropriations – NAACP 100 th Anniversary and MLK 50 th Anniversary – Grants	0	150,000
32. Miscellaneous Appropriations – Rhea County Courthouse Renovation – Grant	0	200,000
33. Miscellaneous Appropriations – Oliver Springs Historical Society – Grant	0	100,000
34. Miscellaneous Appropriations – Teach for America – Grant	0	1,000,000
35. Miscellaneous Appropriations – Johnson City Veterans Memorial – Grant	0	50,000
36. Miscellaneous Appropriations – Memphis Research Consortium – Grant	0	2,500,000
37. Children’s Services – Mountain View YDC Reorganization – Staff Reductions (-127 FT)	(8,213,400)	0
38. Children’s Services – Mountain View YDC Reorganization – Prevention Services	3,000,000	0
39. Children’s Services – Mountain View YDC Reorganization – Private Provider Network – Level Three Placements	492,700	0
40. Children’s Services – Mountain View YDC Reorganization – Private Provider Network – Hardware Secure	3,467,500	0
41. TennCare for Children’s Services – Mountain View YDC Reorganization	364,100	0
Total	\$ 23,930,200	\$ 72,570,200

Item 2. Dedicated Source Appropriations. The following appropriations are from dedicated state revenue sources and departmental revenues.

	<u>Recurring</u>	<u>Non-Recurring</u>
1. Treasury – Investment Positions – Salaries and Benefits	\$ 600,000	\$ 0
Total	\$ 600,000	\$ 0

SECTION 58. Legislation. In addition to the appropriations in Sections 1 and 4 of this act, the following amounts hereby are appropriated for the purpose of implementing the cited bills, and such additional or lesser amounts indicated in the final fiscal note on the bills as enacted are hereby appropriated. The Commissioner of Finance and Administration is authorized to allocate the appropriations to the appropriate organizational units and to adjust federal aid and other departmental revenues and authorized positions accordingly. Federal and other departmental revenue adjustments may be made in reconciliation to said fiscal notes and to available federal aid and other departmental revenue. Adjustments to the number of authorized positions indicated in the line items as full-time (FT), part-time (PT), and seasonal shall be reconciled to the fiscal notes. The negative amounts in line-items of this section are appropriation reductions, and the positive amounts are appropriation increases. The appropriation in each item of this section is subject to the bill cited in that item becoming a law, except as otherwise provided.

Item 1. General Fund and Education Fund Appropriations. The following appropriations are from the general fund and education fund, as applicable.

	<u>Recurring</u>	<u>Non-Recurring</u>
1. SB 1221 / HB 534 – Comptroller of the Treasury – Property Tax Relief	\$ 5,000,000	\$ 0
2. SB 214 / HB 647 – TennCare – Hospital Assessment – Fiscal Note Reconciliation	0	(21,640,500)
3. SB 1206 / HB 317 – Mental Health and Substance Abuse Services – Not Guilty by Reason of Insanity	18,300	0
4. SB 484 / HB 512 - Budget Implementation - General Law Changes - Sum Sufficient Estimated @ \$0	0	0
5. SB 1210 / HB 322 – Safety – School Bus Safety – Fiscal Note Reconciliation (-2 FT)	(350,000)	0
6. SB 1210 / HB 322 – Education – School Bus Safety – Fiscal Note Reconciliation (2 FT)	350,000	0
7. SB 584 / HB 63 –Education – Individualized Education Accounts – Fiscal Note Reconciliation	8,700	0
8. SB 161 / HB 126 – Miscellaneous Appropriations – Opportunity Scholarship	(169,600)	100,000

	Pilot Program – Fiscal Note Reconciliation	
9.	SB 1209 / HB 319 – Labor – Background Checks – Fiscal Note Reconciliation	100 400
10.	SB 1209 / HB 319 – Human Services – Background Checks – Fiscal Note Reconciliation	(100) 39,800
11.	SB 1209 / HB 319 – Revenue – Background Checks – Fiscal Note Reconciliation	1,200 0
12.	SB 763 / HB 604 – Emergency Responder Death Benefit – Fiscal Note Reconciliation	25,000 0
13.	SB 398 / HB 628 – Medication Therapy Management – Fiscal Note Reconciliation	0 1,874,400
14.	SB 1250 / HB 438 – Tennessee Energy Policy Council – Fiscal Note Reconciliation	72,200 0
	Total	\$ 4,955,800 \$ (19,625,900)

Item 2. Dedicated Source and Earmarked Appropriations. The following appropriations are from dedicated state revenue sources and departmental revenues.

	<u>Recurring</u>	<u>Non-Recurring</u>
1. SB 1192 / HB 304 – Commerce and Insurance – Securities Industry – Fiscal Note Reconciliation	\$ (22,200)	\$ 0
2. SB 1193 / HB 305 – Commerce and Insurance – Healthcare Providers Model Act – Off Notice (-2 FT)	(148,000)	0
3. SB 1221 / HB 534 – Transportation – IMPROVE Act – Fiscal Note Reconciliation	(127,910,000)	0
4. SB 1209 / HB 319 – Transportation – Background Checks – Fiscal Note Reconciliation	0	(900)
5. SB 17 / HB 21 – DUI Memorial Signs – Highway Fund Earmark	0	200
	\$ (128,080,200)	\$ (700)

SECTION 59. Cost Increase Reductions. The appropriations in Section 1 of this act, except as otherwise provided herein, hereby are reduced in the following amounts for the purpose of deleting cost increase appropriations and positions that had been recommended in the 2017-2018 Budget Document, and the Commissioner of Finance and Administration is

authorized to allocate the appropriation reductions to the appropriate organizational units and to adjust federal aid and other departmental revenues and authorized positions accordingly.

Item 1. The appropriation in Section 1, Title III-9, Item 1.1, Administration, hereby is reduced in the amount of \$150,000 recurring for the P20 Data System.

Item 2. The appropriation in Section 1, Title III-9, Item 2.1c, Basic Education Program, hereby is reduced in the amount of \$4,953,000 to reconcile TCRS funding in the BEP.

Item 3. The appropriation in Section 1, Title III-9, Item 2.1c, Basic Education Program, hereby is reduced in the amount of \$20,000,000 recurring.

Item 4. The appropriation in Section 1, Title III-22, Item 3.4, Other Post Employment Benefits Liability, hereby is reduced in the amount of \$19,300,000 non-recurring.

Item 5. The appropriation in Section 1, Title III-22, Item 11.1, Administration Amendment, hereby is reduced in the amount of \$17,500,000, with \$7,500,000 being recurring and \$10,000,000 being non-recurring.

Item 6. The appropriation in Section 1, Title III-23, Item 1, Administration, hereby is reduced in the amount of \$2,619,000 to reconcile the private provider rate increase.

SECTION 60. Additional Base Reductions. The appropriations in Section 1 of this act, except as otherwise provided herein, hereby are reduced in the following amounts in addition to the base reductions and positions that had been recommended in Volume 2 of the 2017-2018 Budget Document, and the Commissioner of Finance and Administration is authorized to allocate the appropriation reductions to the appropriate organizational units and to adjust federal aid and other departmental revenues and authorized positions accordingly.

Item 1. The appropriation in Section 1, Title III-22, Item 2.3, Retired Teachers Insurance, is hereby reduced by \$6,460,000 recurring.

Item 2. The appropriation in Section 1, Title III-9, Item 2.1b, Career Ladder, is hereby reduced by \$2,100,000 recurring.

Item 3. The appropriation in Section 1, Title III-22, Item 9.7, Postage Rate Increase – State Agencies, is hereby reduced by \$500,000 recurring.

ADDITIONAL 2016-2017 SUPPLEMENTAL APPROPRIATIONS

SECTION 61. Other 2016-2017 Supplemental Appropriations. 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 758, Public Acts of 2016, and in Section 38 of this act.

Item 1. To the Department of Correction, the amount in Section 38 of this act for Water Shortage – Pikeville Area is hereby reduced in the amount of \$884,700.

Item 2. To the Department of Economic and Community Development, the amount in Section 38 of this act is hereby reduced in the amount of \$20,000,000.

Item 3. To the Department of Tourist Development, the amount of \$4,100,000 for direct appropriation marketing grants to the Convention and Visitors Bureaus of Gatlinburg (\$2,050,000), Pigeon Forge (\$1,435,000), and Sevierville (\$615,000) for the Sevier County wildfires.

CAPITAL OUTLAY – ADDITIONAL PROVISIONS

SECTION 62. Capital Outlay Additional Provisions. The following provisions are in addition to other provisions of this act concerning the capital outlay budget and the facilities revolving fund capital outlay budget.

Item 1. The provisions of this item shall take effect upon becoming law, the public welfare requiring it. There is hereby appropriated the following amounts, which shall be in addition to the appropriations provided in Public Chapter 758 of 2016, and in Section 38 of this act.

(a). Department of Economic and Community Development – LG Electronics U.S.A., Inc., in the amount of \$22,300,000.

Said funds herein appropriated to the Department of Economic and Community Development shall be expended for the purpose of making a grant to The Industrial Development Board of the County of Montgomery, Tennessee for the LG Electronics U.S.A., Inc. project to begin on March 1, 2017 and expended for the purpose of acquisition of equipment and acquisition, site preparation, erection, construction and equipment of sites and buildings, and infrastructure improvements and development, including, but not limited to, sewer, water, utility, and rail infrastructure, whether or not such infrastructure is owned by The Industrial Development Board of the County of Montgomery, Tennessee.

(b). Department of General Services – Facilities Revolving Fund – Tennessee Tower 3rd Floor Renovations (Secretary of State), in the amount of \$315,000.

Item 2. In addition to the Facilities Revolving Fund capital outlay projects listed on page A-157 of the 2017-2018 Budget Document and in Section 1, Title III-29, and Section 4, Title III-27 of this act, the following amounts hereby are funded.

(a). Department of General Services – State Museum Storage – Building Renovation, in the amount of \$3,750,000.

(b). Department of General Services – New State Library and Archives, in the amount of \$40,000,000.

The Commissioner of Finance and Administration is further authorized to transfer, in the fiscal year ended June 30, 2017, the amount of \$10,000,000 from the reserves of the Secretary of State to provide additional funds for this project. The provisions of this item shall take effect upon becoming a law, the public welfare requiring it.

It is the legislative intent to fund the balance of the total cost of the project in fiscal year 2018-2019; that total cost estimated to be \$98,000,000. The appropriation and reserves provided in this item amount to \$50,000,000 of that \$98,000,000 total cost.

Item 3. Of the Facilities Revolving Fund capital outlay projects listed on page A-157 of the 2017-2018 Budget Document and in Section 1, Title III-29, and Section 4, Title III-27 of this act, the following amounts hereby are reduced.

(a). Department of General Services – Statewide Security Upgrades Phase II, in the amount of \$3,040,000.

Item 4. Of the Facilities Revolving Fund capital maintenance projects listed on page A-157 of the 2017-2018 Budget Document and in Section 4, Title III-27 of this act, the following hereby are reduced.

(a). Department of General Services – East Tennessee Regional Health Office Lab Renovations, in the amount of \$400,000 from other funds.

Item 5. Of the capital outlay projects listed on pages A-133 through A-134 of the 2017-2018 Budget Document and in Section 1, Title III-32 of this act, the following hereby are reduced.

(a). Tourist Development – Tennessee Music Pathway Phase I, in the amount of \$600,000.

Item 6. In addition to the capital outlay projects listed on pages A-133 through A-134 of the 2017-2018 Budget Document and in Section 1, Title III-32 of this act, the following hereby are funded.

(a). Department of Veterans Services – East Tennessee Veterans Cemetery – Additional Columbariums, in the amount of \$625,000.

(b). Tennessee Board of Regents – Columbia State Community College – Parking Garage, in the amount of \$1,250,000.

Item 7. Of the capital maintenance projects listed on pages A-135 through A-137 of the 2017-2018 Budget Document and Section 1, Title III-32 of this act, the following hereby are funded.

(a). Tennessee Board of Regents and the boards of locally governed institutions – Campus Security Task Force Recommendations, in the amount of \$3,950,000.

(b). Department of General Services – Sullivan County Agricultural Center – Grant, in the amount of \$750,000.

(c). Department of General Services – AgriCenter International – Grant, in the amount of \$1,000,000.

Item 8. Of the capital outlay projects funded from dedicated revenues listed on page A-138 of the 2017-2018 Budget Document, the following hereby are reduced.

(a). Tennessee Wildlife Resources Agency, Region 3 – ADA Facility Compliance, in the amount of \$500,000 (\$375,000 from federal funds and \$125,000 from other funds).

(b). Tennessee Wildlife Resources Agency, Region 4 – ADA Facility Compliance, in the amount of \$350,000 (\$262,500 from federal funds and \$87,500 from other funds).

Item 9. The appropriation for the capital outlay project identified on pages A-133 and A-141 of the 2017-2018 Budget Document as “Tennessee School for the Deaf Student Cottage Renovations” hereby shall be provided for the renovation or replacement of said cottages at the Tennessee School for the Deaf.

Item 10. The appropriation for the capital outlay project identified on pages A-133 and A-141 of the 2017-2018 Budget Document as “Henry Horton State Park Inn, Restaurant, and Visitor Center” hereby shall support the demolition of the visitor center

and restaurant, construction of a new visitor center and restaurant, road reconfiguration, required site work, and planning funds for the park, which may include additional cabins.

SECTION 7 – EARMARKED APPROPRIATIONS

AND FURTHER AMEND in Section 7 by inserting the following new item at the end of the Section:

Item 52. Finance and Administration in Section 4, Title III-2, Item 2.3, pursuant to Tennessee Code Annotated, Section 8-25-401, for administering the “Cafeteria Benefits Plan” for state employees.

AND FURTHER AMEND in Section 7, Item 5 by deleting the language “; and Tennessee Code Annotated, Section 8-25-401, the same being a “Cafeteria Benefits Plan” for state employees”.

AND FURTHER AMEND in Section 7, Item 7 by deleting the item in its entirety and substituting instead the following:

Item 7. Commission on Children and Youth, in Section 1, Title III-2, Item 2.1, the sum of \$565,000 for the sole purpose of making grants to each of the 53 established Court-Appointed Special Advocate programs (CASA) and to establish 3 additional CASA programs. It is the legislative intent that 56 CASA programs receive total grant funding of \$20,000 each.

AND FURTHER AMEND in Section 7, Item 15 by deleting the language “associated” and substituting instead the language “wildland firefighting”.

AND FURTHER AMEND in Section 7, Item 44 by deleting the language “\$1,415,600” and substituting instead the language “\$1,613,600”.

AND FURTHER AMEND in Section 7 by inserting the following new item at the end of the Section:

Item 51. Department of Environment and Conservation, Tennessee State Parks, in Section 1, Title III-5, Item 5, the amount of \$165,000 (non-recurring) to the city of

Parkers Crossroads for grant matching funds to connect the Parkers Crossroads Battlefield walking trail to the Veterans Cemetery.

SECTION 9 – SUM SUFFICIENT FROM DEPARTMENTAL REVENUES

AND FURTHER AMEND in Section 9 by inserting the following new item 42:

Item 42. To the Department of Environment and Conservation, Office of Energy Programs, from the revenues and reserves of the Volkswagen Environmental Mitigation Trust Fund.

HIGHER EDUCATION DISCLOSED CAPITAL OUTLAY FROM SCHOOL BONDS AND INSTITUTIONAL SOURCES

AND FURTHER AMEND in Section 29 of the bill by inserting the following new item 28:

Item 28. The capital outlay projects listed in the 2017-2018 Budget Document and which are identified with the heading “Proposed Capital Projects from School Bonds and Other Sources, Fiscal Year 2017-2018,” 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.

The following proposed capital outlay projects, to be funded from school bonds, institutional/auxiliary and other funds, are in addition to those projects listed on page A-140 in the 2017-2018 Budget Document:

**State University and Community College System
(Tennessee Board of Regents and Locally Governed Institutions):**

East Tennessee State University:

Baseball Hitting Facility	\$	150,000
Solar Panel System		200,000
Total ETSU	<u>\$</u>	<u>350,000</u>

Middle Tennessee State University:

College Heights Renovations	\$	1,000,000
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Cope Interior Renovations	200,000
Facilities Storage Sheds	280,000
Floyd Stadium Video Board Upgrades	600,000
Floyd Stadium Visitors Training Area	530,000
Football Operations Facility	30,000,000
Greenhouse Construction	300,000
Parking Services Facility	3,500,000
Photography Archive Facility	425,000
Tennis Facilities	5,000,000
Women's Athletics Complex	5,000,000
Women's Softball Locker Facilities	875,000
Total MTSU	<u>\$ 47,710,000</u>

Tennessee State University:

Agriculture Facilities Improvements	\$ 3,500,000
Food Service Facilities Improvements	3,500,000
Gateway Entrance	225,000
Road and Parking Improvements	1,450,000
Hale Stadium Modernization	18,000,000
New Student Housing	75,200,000
Total TSU	<u>\$ 101,875,000</u>

Tennessee Technological University:

Athletics Facilities Improvements	\$ 56,750,000
Capitol Quad Steam Line Replacement	1,980,000
Resident Hall/Living and Learning Community	29,500,000
Total TTU	<u>\$ 88,230,000</u>

Nashville State Community College:

Main Campus Improvements	\$ 550,000
Southeast Center Renovations	7,400,000
Total NASCC	<u>\$ 7,950,000</u>

Pellissippi State Community College:

Hardin Valley Parking	\$ 900,000
Strawberry Plains Parking Expansion	1,000,000
Total PSCC	<u>\$ 1,900,000</u>

Tennessee Colleges of Applied Technology:

TCAT Chattanooga Industrial Electricity Building	\$ 75,000
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Total Tennessee Board of Regents and Locally Governed Institutions:

\$ 248,090,000

University of Tennessee:

UT Knoxville:

Band Observation Tower	\$	400,000
Conference Center Renovations		4,000,000
Fred Brown Renovations		1,000,000
Hodges Library Sprinkler Heads Replacement		1,000,000
Hoskins Library Kefauver Wing Demolition		700,000
Student Services Renovations		300,000
Total UTK	\$	<u>7,400,000</u>
UT Chattanooga:		
Chattanooga State Office Building	\$	2,530,000
Dining Improvements		10,400,000
Parking Lot 34		625,000
Total UTC	\$	<u>13,555,000</u>
UT Martin		
Beef Cattle Teaching and Demonstration Facility	\$	1,500,000
UT Health Science Center:		
Gross Anatomy Lab Renovation (Programming)	\$	250,000
Campus Police Building Renovation		3,200,000
Total UTHSC	\$	<u>3,450,000</u>
Total University of Tennessee:	\$	<u>25,905,000</u>
Grand Total:	\$	<u>273,995,000</u>

The request for the UTM Beef Cattle Teaching and Demonstration Facility in the amount of \$860,000, as identified on page A-140 of the 2017-2018 Budget Document, is to be cancelled.

SECTION 35 – TRANSFERS OF APPROPRIATIONS IN FY 2017-2018

AND FURTHER AMEND in Section 35 by inserting the following new item:

Item 28. In Section 1 for the SNAP Employment and Training Program, a reallocation of appropriations between the Department of Labor and Workforce Development and the Department of Human Services is authorized. The Commissioner of Finance and Administration is further authorized to adjust federal aid, other departmental revenues and positions as may be required.

This item is subject to Senate Bill No. 484 / House Bill No. 512 becoming a law, the public welfare requiring it.

SECTION 36 – CARRYFORWARD OF APPROPRIATIONS AT JUNE 30, 2017

AND FURTHER AMEND in Section 36 by inserting the following new items to the end of the Section:

Item 102. To the Department of Education, Early Childhood Education, the unexpended balance of appropriations for the Kindergarten Entry Screener program.

Item 103. To the Department of Revenue, Insurance Verification, for the uninsured motorist identification restricted fund pursuant to Tennessee Code Annotated, Section 55-12-213.

Item 104. To the Comptroller of the Treasury, the unexpended balance of the non-recurring appropriation in Section 57 of this act for the Certified County Financial Officers training program.

**SECTION 39 – PROGRAM EXPANSIONS
FROM FEDERAL AND OTHER DEPARTMENTAL REVENUE**

AND FURTHER AMEND by deleting Section 39 in its entirety and inserting the following as a new Section 39:

SECTION 39. Program Expansions from Federal and Other Departmental Revenue. The provisions of this section shall take effect upon becoming law, the public welfare requiring it. At June 30, 2017, any unexpended balances of departmental revenues and federal aid funds appropriated in this section are hereby reappropriated in the fiscal year beginning July 1, 2017.

There is hereby appropriated from departmental revenues and federal aid funds the amounts hereinafter set out:

	<u>2016-2017</u>	<u>2017-2018</u>
Tennessee Housing and Development Agency 1. Tennessee Housing and Development Agency	\$ 0	\$ 3,000,000
Education		

1. Early Childhood Education	\$ 132,400	\$ 308,700
2. Centers of Regional Excellence (CORE)	7,287,000	10,000,000
Sub-Total Education	\$ 7,419,400	\$ 10,308,700
Mental Health and Substance Abuse Services		
1. Administrative Services Division	\$ 0	\$ 437,600
2. Community Substance Abuse Services	0	13,377,500
Sub-Total Mental Health and Substance Abuse Services	\$ 0	\$ 13,815,100
Total	\$ 7,419,400	\$ 27,123,800

The Commissioner of Finance and Administration is authorized to establish four full-time positions and to allocate them to the appropriate organizational units, including two positions in the Department of Education, and two in the Department of Mental Health and Substance Abuse Services.

SECTION 41 – PROVISIONS CONCERNING CERTAIN APPROPRIATIONS

AND FURTHER AMEND in Section 41, Item 1(1)(a) by deleting the sub-item in its entirety and substituting instead the following language:

(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 Commissioner of Finance and Administration is authorized to establish positions and funding for such positions 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

SECTION 43 – OVER-APPROPRIATION – ESTIMATED REVERSION TO GENERAL FUND

AND FURTHER AMEND in Section 43 by deleting Item 1(a) in its entirety and substituting instead the following:

(a). In fiscal year 2016-2017 to recognize an over-appropriation of \$149,838,100, including a base recurring over-appropriation of \$89,838,100 and a non-recurring over-appropriation of \$60,000,000.

AND FURTHER AMEND in Section 43 by deleting Item 1(b) in its entirety and substituting instead the following:

(b). In fiscal year 2017-2018 to recognize an over-appropriation of \$74,188,100, Including a base recurring over-appropriation of \$74,188,100 and a non-recurring over-appropriation of \$0.

AND FURTHER AMEND in Section 43, Item 7, by deleting the item in its entirety and substituting instead the following new item:

Item 7. In the fiscal year ending June 30, 2017, the Commissioner of Finance and Administration is hereby authorized to transfer the sum of \$120,635,900 from the general fund to the highway fund.

AND FURTHER AMEND in Section 43 by the following new items to the end of the Section:

Item 10. In the fiscal year ending June 30, 2017, the Commissioner of Finance and Administration is hereby authorized to transfer the amount of \$11,060,200 from the TennCare Reserve to the general fund to fund costs of the Medicaid Management Information System.

Item 11. At July 1, 2017, the Commissioner of Finance and Administration is hereby authorized to transfer the sum of \$55,000,000 from the general fund to the highway fund.

SECTION 50 – LOTTERY FOR EDUCATION ACCOUNT

AND FURTHER AMEND in Section 50 by inserting the following new item to the end of the Section:

Item 6. From the funds appropriated to the Lottery for Education Account, there is appropriated a sum sufficient for the sole purpose of implementing Senate Bill No. 720 / House Bill No. 980, relative to the Tennessee middle college scholarship, if such bill becomes a law.

SECTION 55 – HOSPITAL COVERAGE ASSESSMENT

AND FURTHER AMEND in Section 55, Item 1, by deleting the item in its entirety and substituting instead the following:

Item 1.

(a) If Senate Bill No. 214 / House Bill No. 647, the annual coverage assessment act, becomes a law, there hereby is appropriated from the appropriations in Section 1, Title III-26, of this act, the sum of \$424,950,100 (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 the cited bill does not become a law, the appropriations in Section 1, Title III-26 of this act, are hereby reduced in the amount of \$424,950,100.

<u>Description</u>	<u>Amount</u>
Essential Access Hospital Payments	\$ 34,395,000
Disproportionate Share Hospital Payments	27,839,000
Graduate Medical Education	17,197,500
Critical Access Hospital Payments	3,439,500
Medicare Part A Reimbursement	12,227,600
Provider Reimbursement and Co-Pay	54,265,400
Hospital Reimbursement Ceiling	14,781,300
In-Patient Services	35,923,700
Lab and X-Ray Procedures	14,850,100
Therapies	6,029,800
Out-Patient Services	25,154,900

Office Visits	19,613,000
Match for ADT Contract Payments.....	95,000
Directed Hospital Payments....	156,497,200
Non-Emergent Care at Hospitals	577,400
340B Pricing Provision – MCO Contractor Agreement	<u>2,063,700</u>
 Total	 \$ <u>424,950,100</u>

(b) There is further appropriated to the TennCare Program, in addition to the appropriation, Hospital Payments – Unreimbursed Costs, a sum sufficient from any amount in excess of \$424,950,100 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 \$424,950,100, the appropriation, Directed Hospital Payments, hereby is reduced in the amount of the under-collection.

(d) From the funds available in TennCare maintenance of coverage trust fund at June 30, 2017, 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.

**HOUSEKEEPING –
TYPOGRAPHICAL, NAME, DATE, AND CITATION CORRECTIONS**

AND FURTHER AMEND in Section 2, Item 13 (d) by deleting the language “and to the Chairs of the State and Local Government Committee of the Senate and State Government Committee of the House of Representatives” and inserting “to the Chairs of the State and Local Government Committee of the Senate and State Government Committee of the House of Representatives, and to the directors of the Office of Legislative Budget Analysis”;

AND FURTHER AMEND in Section 8, Item 5 (b) by deleting the language “June 30, 2015” and inserting “June 30, 2016”;

AND FURTHER AMEND in Section 36 by deleting the language “beginning July 1, 2016” and inserting “beginning July 1, 2017”;

AND FURTHER AMEND in Section 55, Item 2 by deleting the language “Senate Bill No. ____ / House Bill No. ____” and inserting “Senate Bill No. 0185 / House Bill No. 0142”;

AND FURTHER AMEND in Section 43, Item 2 by deleting the language “June 30, 2016” and inserting “June 30, 2017”;

AND FURTHER AMEND by requesting the Engrossing Clerk to:

- (1) Delete the bold underlined explanatory headings in this amendment; and
- (2) Exclude this paragraph from the engrossed bill.