

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 952 - SB 808

March 19, 2019

SUMMARY OF ORIGINAL BILL: Transfers, from the State Board of Education (SBE) to the Department of Education (DOE), authority and responsibility to accept and administer federal funds for the purpose of promoting public education and for federal appropriations made for career and technical education. Updates and deletes language related to the administration of state rehabilitation services and transfers responsibility from SBE to DOE.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (006167): Deletes and replaces language in the original bill such that the substantive changes are as follows: (1) requires the Board of Regents (TBR) to be responsible for administering career and technical programs in the colleges governed by TBR; (2) authorizes TBR to make agreements with the federal government and local government units that may be deemed necessary to participate in career and technical funding programs for which DOE has not been designated as the sole state agency authorized to receive federal funds; (3) requires DOE, subject to available funds, to administer an Occupational Educator Scholarship Program for prospective educators seeking a Tennessee occupational teaching license; (4) establishes eligibility requirements for the participation in the scholarship program; and (5) requires rules to set the maximum aggregate amount of the scholarship and set eligibility requirements for receiving and maintaining a scholarship in the program.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

**Increase State Expenditures – \$1,500,000/One-Time
\$100,000/Recurring**

**The Governor's proposed budget document for FY19-20, on page B-79,
includes one-time funding of \$1,500,000 and recurring funding of \$100,000.**

Assumptions for the bill as amended:

- The Governor's FY19-20 proposed budget document (page B-79) includes \$1,500,000 in one-time funds and \$100,000 in recurring funds to assist in recruitment and retention

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efforts for occupational licensed teachers including loan forgiveness and technical assistance.

- DOE will require one Education Consultant 2 position at a midrange salary point to administer the program; this position is estimated to result in a recurring increase in state expenditures of \$84,697 (\$67,008 salary + \$17,689 benefits).
- All remaining funds will be used for grant awards to eligible students.
- Including position costs and other administration costs, the total one-time increase in state expenditures is estimated to be \$1,500,000; the total recurring increase in state expenditures is estimated to be \$100,000.

CERTIFICATION:

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



Krista Lee Carsner, Executive Director

/alh