

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 1309 - HB 1358**

March 7, 2021

**SUMMARY OF BILL:** Deletes eligibility requirements for continuing and additional community corrections grant funding. Beginning July 1, 2021, requires grant funding by the Department of Correction (DOC), to be equal to the funding for community corrections in FY20-21 based on the DOC's budget. Beginning July 1, 2022, and for each fiscal year thereafter, requires grant funding by the DOC for community corrections grants to increase from the previous fiscal year by five percent.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures – \$691,200/FY22-23**  
**Exceeds \$725,700/FY23-24 and Subsequent Years**

**Increase Local Revenue – \$497,600/FY22-23**  
**Exceeds \$522,500/FY23-24 and Subsequent Years**

Assumptions:

- The operating budget for the Community Corrections program in FY20-21 is \$14,795,500. The FY20-21 recurring state appropriation for grant funding in the Community Corrections program is \$13,823,300.
- This analysis assumes current grant recipients will continue to receive Community Corrections grants in future fiscal years and the combined amount of grant funding distributed to recipients will increase by five percent in FY22-23 and each subsequent fiscal year.
- Any fiscal impact resulting from requiring grant funding to remain constant in FY21-22 is estimated to be not significant.
- The proposed legislation will lead to a one-time increase in state expenditures estimated to be \$691,165 ( $\$13,823,300 \times 5\%$ ) in FY22-23 and estimated to exceed \$725,723 ( $\$691,165 \times 105\%$ ) in FY23-24 and subsequent fiscal years.
- Approximately 72 percent of such grants will be grants to local governments. Therefore, the one-time increase in local revenue is estimated to be \$497,639 ( $\$691,165 \times 72\%$ ) in FY22-23; the recurring increase in local revenue is estimated to exceed \$522,521 ( $\$497,639 \times 105\%$ ) in FY23-24 and subsequent years.
- The estimated increases in state expenditures and local revenue will continue to increase by five percent per year.

- According to the Governor’s proposed budget, the recommended FY21-22 budget for the Community Corrections Program is \$5,795,500, recognizing a decrease in the operating budget of \$9,000,000 (\$14,795,500 - \$5,795,500). However, such decrease in contingent upon passage of HB0784 – SB0767 and is not accounted for in this analysis as fiscal note analyses estimate fiscal impacts relative to current law.

**CERTIFICATION:**

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

A handwritten signature in black ink that reads "Bojan Savic". The signature is written in a cursive, slightly slanted style.

Bojan Savic, Interim Executive Director

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