

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 2081 - HB 2226

March 3, 2022

SUMMARY OF BILL: Increases, from \$1,250 to \$1,625, the amount awarded for a Tennessee Middle College Scholarship (TMCS) for each semester of full-time attendance.

FISCAL IMPACT:

Increase State Expenditures –

\$321,800/FY22-23/Lottery for Education Account

Exceeds \$321,800/FY23-24 and Subsequent Years/

Lottery for Education Account

Other Fiscal Impact – Funding in an amount of \$321,800 in FY22-23 and recurring funding exceeding \$321,800 in FY23-24 and subsequent years will not be available for transfer from the Lottery for Education Account to the Tennessee Promise Scholarship Special Reserve Account.

Assumptions:

- Pursuant to Tenn. Code Ann. § 49-4-909(d), the current TMCS award is \$1,250 for full-time attendance each semester for a total of \$2,500 each year.
- Passage of this legislation will increase an eligible student's award amount from \$1,250 to \$1,625 per semester for a total of \$3,250 each year.
- The increase in state expenditures from the Lottery for Education Account (LFEA) for each respective student will be \$750 (\$3,250 new award - \$2,500 current award) per year.
- The current number of participants is 403. Based on information provided by the Tennessee Student Assistants Corporation, it is estimated that for FY22-23 there would be an increase of 6.5 percent students who will receive the TMCS for an approximate total of 429 students (403 current students x 106.5%).
- The increase in state expenditures from the LFEA is estimated to be \$321,750 (\$750 x 429) in FY22-23.
- It is estimated that the number of students who will receive the TMCS will increase each year; therefore, the recurring increase in state expenditures from the LFEA is estimated to exceed \$321,750 in FY23-24 and subsequent years.

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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

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