FISCAL NOTE

HB 364 - SB 348

March 10, 2023

SUMMARY OF BILL: Requires the Tennessee Investment in Student Achievement (TISA) formula to provide funding for one full-time, licensed professional school counselor position for each 250 students or one full-time position for each Local Education Agency (LEA), whichever is greater.

FISCAL IMPACT:

Other Fiscal Impact - For local education agencies who are required to hire additional school counselors, a mandatory shift in funding will occur. However, due to multiple unknown variables, a precise fiscal impact cannot reasonably be determined.

Assumptions:

- There are currently 1,854 schools in Tennessee and the minimum number of counselors to be funded by the proposed legislation would be 1,854.
- TISA is a student-based funding formula and does not contain a salary component.
- While funding for counselors is included in current TISA estimates, the exact dollar amount cannot be determined.
- The average position cost is estimated to be $68,939.
- It is estimated that the total cost to fund the number of proposed counselors would be $127,812,906 in FY23-24 and subsequent years.
- The state share would be $89,469,034 ($127,812,906 x 70%) and the aggregate local share would be $38,343,872 ($127,812,906 x 30%) in FY23-24 and subsequent years.
- Due to TISA's funding structure, the fiscal impact of the proposed legislation cannot be determined.
- LEA's have broad discretion on how these funds are expended, and it is unknown how many LEAs currently have a sufficient number of school counselors to meet the requirements of the proposed legislation.
- For LEAs who are required to hire additional school counselors, a mandatory shift in funding will occur. However, due to multiple unknown variables, a precise fiscal impact cannot reasonably be determined.

CERTIFICATION:

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

Krista Lee Carsner, Executive Director

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