

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1948 - SB 2350

March 3, 2024

SUMMARY OF BILL: Prohibits each public institution of higher education from establishing or maintaining a diversity, equity, and inclusion office that influences the hiring or employment practices at the institution or that promotes differential treatment, policies or procedures at the institution concerning race, sex, color, or ethnicity outside of what is required by state or federal law.

Requires each institution to submit to the General Assembly, Education Committee of the Senate, and the Education Administration Committee of the House of Representatives a report certifying each institution's board's compliance with the prohibitions during the immediately preceding fiscal year. Prohibits the governing boards of the institutions in non-compliance from expending any funds until the reports are submitted beginning July 1, 2025.

Requires the Comptroller of the Treasury to conduct a compliance audit at least once every four years of each institution to determine whether the institution has expended funds before submitting the required report.

Requires the Tennessee Higher Education Commission (THEC) to annually conduct a study until September 1, 2029 to identify how the implementation of this section has affected the application rate, acceptance rate, matriculation rate, retention rate, grade point average, and graduation rate of students at public institutions of higher education, disaggregated by race, sex, ethnicity, institution, and campus. Requires THEC to report the results of the study to the General Assembly by December 1 of each year.

FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Based on the information provided by various institutions, each institution can comply with the proposed legislation within existing resources.
- The Comptroller of the Treasury can determine each institution's compliance with submitting the required report before expending funds during the normal course of business within the existing Comptroller's four-year audit schedule.
- THEC can accomplish the provisions of the proposed legislation within existing resources.
- Any fiscal impact is estimated to be not significant.

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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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