

SENATE BILL 1783

By Lundberg

AN ACT to amend Tennessee Code Annotated, Title 4, Chapter 49; Title 49, Chapter 4 and Title 49, Chapter 7, relative to Tennessee Promise scholarship students.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 4-49-104(e), is amended by deleting the language "Eighty percent (80%)" in subdivision (1) and substituting instead the language "Seventy-five percent (75%)", and by adding the following as a new subdivision:

(4) Five percent (5%) of the privilege tax collected under this section must be distributed by the council to the state treasurer for deposit into the Tennessee Promise completion grant special account created under § 49-7-178.

SECTION 2. Tennessee Code Annotated, Section 49-7-178, is amended by deleting the language "four-year pilot" in subsection (b); by deleting subsection (c); by deleting the word "pilot" wherever it appears in subsections (d)-(g); by deleting the word "remaining" in subsection (g) and substituting instead the word "subsequent"; by deleting subsection (h); by redesignating subsection (d) as subsection (c); by redesignating subsection (e) as subsection (d); and by adding the following as a new subsection (e):

(e)

(1) There is created a special account in the state treasury to be known as the "Tennessee Promise completion grant special account," hereinafter referred to as the "account," to be administered by the commission. In accordance with § 4-49-104(e)(4), five percent (5%) of the privilege tax collected

from licensees offering sports wagering in this state must be deposited into the account for purposes of awarding completion grants pursuant to this section.

(2) Moneys in the account must be used exclusively to award completion grants pursuant to this section.

(3) Any balance remaining unexpended at the end of a fiscal year in the account does not revert to the general fund, but must be carried forward into the subsequent fiscal year.

(4) Moneys in the account may be invested by the state treasurer in accordance with § 9-4-602.

(5) Interest accruing on investments and deposits of the account must be credited to the account, must not revert to the general fund, and must be carried forward into the subsequent fiscal year for purposes of this section.

SECTION 3. Tennessee Code Annotated, Section 49-7-178, is amended by deleting subsection (f) and substituting instead the following:

(f) Subject to appropriation in the general appropriations act:

(1) The commission:

(A) Shall not use net proceeds of the state lottery to fund completion grants awarded pursuant to this section; and

(B) May award completion grants pursuant to this section using any funds available to the commission:

(i) In the Tennessee Promise completion grant special account established pursuant to subsection (e); provided, that the commission shall not award completion grants from any funds available in the account until July 1, 2027, for the 2027-2028 academic year and for each academic year thereafter; and

(ii) From the unexpended balance of the qualified work-based learning grant fund established pursuant to § 49-11-903. Any funds available to the commission from the unexpended balance of the qualified work-based learning grant fund that remain unexpended at the end of a fiscal year do not revert to the general fund, but must be carried forward into subsequent fiscal years to effectuate the purposes of this section; and

(2)

(A) Funds allocated to the commission from the qualified work-based learning grant fund for purposes of this section for each fiscal year must provide the commission with sufficient funds to ensure that the minimum balance of funds available to the commission on July 1 of each fiscal year is not less than two hundred fifty thousand dollars (\$250,000), including any funds that may have been carried forward from preceding fiscal years. The commission shall not award more than two hundred fifty thousand dollars (\$250,000) in completion grants from the funds allocated to the commission from the qualified work-based learning grant fund in any fiscal year; and

(B) Beginning with the 2027-2028 fiscal year, the commission shall ensure that each college coaching initiative student who is eligible for a completion grant under this section, and who is eligible for financial aid received from the federal Pell grant, is assigned a coach through the program created in this section and has access to a completion grant amount of no more than one thousand dollars (\$1,000) each semester.

SECTION 4. This act takes effect upon becoming a law, the public welfare requiring it.