



**BILL HASLAM**  
GOVERNOR  
STATE OF TENNESSEE

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**HASLAM: 'FULL SPEED AHEAD' ON WORK LEFT TO DO**  
*Governor's budget proposal prioritizes K-12 and higher education, jobs*

NASHVILLE – Tennessee Gov. Bill Haslam tonight delivered his 2015 State of the State and Budget address before a joint session of the 109<sup>th</sup> General Assembly in the House Chamber.

During the speech, he promised to move “full speed ahead” in serving Tennessee taxpayers and highlighted many of the state’s successes.

“I stand here tonight to tell you that the state of our state is enviable in many ways,” Haslam said. “There are a lot of good things happening in Tennessee, and they’re being recognized in significant ways across the country.”

Haslam noted several of the state’s accomplishments, including:

- Nearly 225,000 new private sector jobs have been created in Tennessee since 2011, and Tennessee holds the designation of “State of the Year” in economic development for an unprecedented second year in a row.
- Tennessee leads the country in academic achievement gains and through the Tennessee Promise is the first state ever to promise high school graduates two years at a community or technical college free of tuition and fees.
- This year, out of 65,000 high school seniors, 58,000 applied for the Tennessee Promise and 9,200 adult Tennesseans signed up to be volunteer mentors for these students.
- Tennessee has the lowest debt per capita of any state and among the lowest tax rates.

Haslam also emphasized the importance of education in Tennessee – both K-12 and higher ed.

“I truly believe that getting education right is critical to the well-being of our state – today and in the future,” Haslam said. “We have to keep going full speed ahead. We can’t afford to go backwards. We’ve come too far to sell ourselves short. It would be an injustice to our students, to our teachers, to Tennessee families, and to ourselves.”

He underscored the state’s efforts to ensure a strong workforce through a focus on workforce development and his Drive to 55 initiative that aims to raise the percentage of Tennesseans with a certificate or degree beyond high school from 32 to 55 by the year 2025. Part of that effort is the Tennessee Promise.



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“For the last 30 years, Tennessee’s greatest need has been for better trained workers who can fill the jobs that companies want to bring here. We think the Tennessee Promise is a game changer.

“But the reality is that just reaching high school graduates won’t be enough to reach our goal,” he continued. “In Tennessee, there are nearly one million adults with some post-secondary credit but without a degree. We have to figure out ways to reconnect those adults and remove the barriers that are preventing so many Tennesseans from earning their certificate or degree, which will lead to a better job and future.”

As part of the address, the governor outlined his budget proposal for Fiscal Year 2015-2016 which reflects \$300 million in revenue growth, \$500 million in cost increases and \$200 million in reductions.

“Every year we have a limited amount of new money that is available from our revenue growth,” Haslam said. “That new money rarely keeps pace with our budget obligations and growing costs for education and health care. That’s why it is so important that our state has built a track record of fiscal restraint.

“That’s why we have to try different approaches that will help us keep costs down while increasing quality and outcomes in health care.”

The governor’s budget proposal includes nearly \$170 million for K-12 education, including:

- \$100 million dollars for increasing teacher salaries, which amounts to a four percent pool that local education associations (LEAs) will have available as they make local decisions to increase teacher pay;
- Nearly \$44 million to fully fund the Basic Education Program; and
- \$5 million to create the Educators’ Liability Trust Fund to offer liability insurance to Tennessee teachers at no cost to them.

Notable higher education investments include:

- \$260 million for capital projects, including new science facilities at Jackson State Community College and the University of Tennessee, nearly \$25 million for improvements to colleges of applied technology across the state and funding for a fine arts classroom building at East Tennessee State University;
- \$25 million to fully fund the Complete College Act formula; and
- \$10 million for need-based scholarships for students;

The budget also includes specific workforce development investments geared to the governor’s Drive to 55 effort including:



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- \$2.5 million for statewide outreach efforts geared toward adult students, technical assistance to local communities that are finding ways to support adult learners, and a one-stop portal for adults;
- \$2.5 million to support the success of the SAILS (Seamless Alignment and Integrated Learning Support) program which address remediation in high school;
- \$1.5 million to provide last dollar scholarships to adults with some post-secondary credit to attend community college;
- \$1 million to establish competitive grants to 2-year and 4-year institutions to develop initiatives specifically designed for veterans; and
- \$400,000 to establish the Tennessee Promise Bridge Program, which will bring first-generation college students to campus prior to fall enrollment, which is one more step in making sure they have the best chance possible to succeed.

Other highlights of the budget include:

- \$48 million for state employee pay raises and compensation tied to performance and ongoing market adjustments; and
- \$36.5 million dollars for the Rainy Day Fund to bring it to \$528 million.

The governor's legislative agenda will be announced Tuesday.

The complete text of the governor's speech and an archived video of his speech will be available at [www.tn.gov/stateofthestate](http://www.tn.gov/stateofthestate).

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