



STATE OF TENNESSEE  
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November 13, 2015

**MEMORANDUM**

TO: Bill Haslam, Governor  
Lieutenant Governor Ron Ramsey, Speaker of the Senate  
Beth Harwell, Speaker of the House  
Randy McNally, Senate Finance, Ways, and Means Committee  
Charles Sargent, House Finance, Ways, and Means Committee

FROM: Tim Phelps, Tennessee Student Assistance Corporation

SUBJECT: Tennessee Education Lottery Scholarship Program Projections

Pursuant to T.C.A 4-51-111(c)(2)(A), the Tennessee Higher Education Commission (THEC) and Tennessee Student Assistance Corporation (TSAC) have collaborated with the University of Tennessee Center for Business and Economic Research (CBER) to project expenditures in lottery scholarship and grant programs through the 2020-21 academic year.

The figures below incorporate data for all lottery-funded programs, including the HOPE Scholarship, General Assembly Merit Scholarship, ASPIRE award, HOPE Access Grant, Wilder-Naifeh Technical Skills Grant, Nontraditional Student Grant, Dual Enrollment Grant, Helping Heroes Grant, Foster Child Tuition Grant, STEP UP Scholarship, and the Math & Science Teacher Loan Forgiveness Program.

Fiscal Year	TELS Expenditures Low	TELS Expenditures Baseline	TELS Expenditures High	Recipients
2014-15 actual	N/A	\$304.1M	N/A	104,000
2015-16 estimated	\$301.1M	\$307.2M	\$316.4M	105,100
2016-17 estimated	\$304.1M	\$310.3M	\$319.6M	106,200
2017-18 estimated	\$307.1M	\$313.4M	\$322.8M	107,200
2018-19 estimated	\$310.2M	\$316.5M	\$326.0M	108,300
2019-20 estimated	\$313.3M	\$319.7M	\$329.3M	109,400
2020-21 estimated	\$316.4M	\$322.9M	\$332.6M	110,500

*\*Does not include supplemental funding of \$6.8M for TSAA and administrative costs of \$3.8M.*

These projections are based on the size of the annual high school graduating class, the scholarship take-up rate of eligible students, and the renewal rate of recipients.

As previously mentioned, there are changes that take effect for the current 2015-16 academic year. The HOPE Scholarship award amounts for entering freshmen have changed and the Wilder-Naifeh Reconnect program has begun.

Please let us know if you have questions or need anything further.