

**Fiscal Year 2026-2027
Administration Budget Amendment Overview**

	2026-2027			
	2025-2026	Recurring	Non-Recurring	Earmarked / Dedicated
I. Budget Document Overview - Beginning Balance	\$ -	\$ 6,585,500	\$ (5,086,700)	\$ -
II. Available Funds:				
1. Amendment Overview - June 30, 2026 Balance	-	-	256,852,600	-
2. Dedicated Funds	-	-	-	-
Total Beg. Balance and Available Funds - Surplus / (Deficit)	\$ -	\$ 6,585,500	\$ 251,765,900	\$ -
III. Revenues and Reserves - Increase / (Decrease):				
3. Additional Agency Reversion	\$ 129,000,000	\$ -	\$ -	\$ -
4. Additional Base Reductions				
1. Comptroller - Abolish State Board of Equalization Positions (6 FT)	-	-	-	-
5. Treasury Earnings	140,800,000	-	-	-
6. Other Legislation				
1. SB 1656 / HB 1649 - Matthew Davenport's Law	-	(1,288,700)	-	-
2. SB 1939 / HB 1867 - Hospital Assessment	-	-	-	(121,058,600)
3. SB 2023 / HB 1864 - Nursing Home Assessment	-	-	-	13,621,700
4. SB 2221 / HB 2097 - Ambulance Assessment	-	-	-	2,982,900
Total Revenues and Reserves - Surplus / (Deficit)	\$ 269,800,000	\$ (1,288,700)	\$ -	\$ (104,454,000)
IV. Adjustments to Budget Document Recommendations - Savings / (Cost):				
7. Miscellaneous Appropriations - Administration Amendment - Delete Cost Increase	\$ -	\$ 3,000,000	\$ 5,000,000	\$ -
8. Administration Legislation - Fiscal Note Reconciliation				
1. SB 1868 / HB 2526 - Safe Environments for Children	-	6,044,600	(6,500)	-
2. SB 1882 / HB 1643 - Insurance Minimum	-	-	38,000	-
3. SB 2232 / HB 2543 - Disaster Relief	-	(11,300)	-	-
4. SB 2238 / HB 2550 - TWRA Licenses for TN National Guard	-	1,713,800	-	-
5. SB 2248 / HB 2560 - TEMA Legislation (12 FT)	-	102,400	-	-
9. Other Legislation				
1. SB 1939 / HB 1867 - Hospital Assessment	-	-	-	121,058,600
2. SB 2023 / HB 1864 - Nursing Home Assessment	-	-	-	(13,621,700)
3. SB 2221 / HB 2097 - Ambulance Assessment	-	-	-	(2,982,900)
10. Restore Carryforwards That Inadvertently Reverted				
1. F&A - Crisis Pregnancy Grants	(1,717,800)	-	-	-
11. District Attorneys General Conference - Sexual Assault Kit Initiative Grant - Delete \$1.5M Federal Funding	-	-	-	-
12. Economic and Community Development - Quantum Infrastructure - Increase	-	-	(23,000,000)	-
13. Education - TISA - Reconcile to Updated Enrollment	-	24,500,000	-	-
14. Health - Shared Savings Initiative for Rural Health Transformation Resiliency Grants - Reduce by \$20,572,500	-	-	-	-
Subtotal Adjustments to Recommended Budget - Savings / (Cost)	\$ (1,717,800)	\$ 35,349,500	\$ (17,968,500)	\$ 104,454,000
V. Cost Increases - New - Savings / (Cost):				
<u>Health, Community Services, Mental Health, and Disability Services</u>				
15. Disability and Aging - Housing Assistance Pilot Grant - \$1M from Real Estate Trust Fund	\$ -	\$ -	\$ -	\$ -
16. Disability and Aging - Transitional Funding for Regional Office Buildings Coming Offline	-	-	(1,000,000)	-
17. Disability and Aging - TN Believes	-	-	(1,000,000)	-
18. Disability and Aging - Special Olympics	-	-	(100,000)	-
19. Health - Lab Services Information Management System	-	-	(2,190,000)	-
20. Health - TN Poison Center	-	-	(500,000)	-
21. Health - Clinica Medicos	-	-	(1,000,000)	-
22. Health - Geriatric Center of Excellence at Methodist South Hospital	-	-	(1,000,000)	-
23. Health - Siloam Health	-	-	(500,000)	-
24. Health Facilities Commission - Staffing Campaign - \$5.7M from Civil Penalties Fund	-	-	-	-
25. Human Services - Technology Enhancements and User Acceptance Testing - \$6M Federal Funding	-	-	(13,700,000)	-
26. Human Services - Customer-Facing and Operational Support Artificial Intelligence - \$3.4M Federal Funding	-	-	(5,620,000)	-
27. Human Services - Human Coalition	-	-	(1,000,000)	-
28. Human Services - 211 TN Collaborative - Community Services Help Line	-	-	(500,000)	-
29. Mental Health - 21st Judicial District Recovery Court	-	-	(400,000)	-
30. Mental Health - Northeast TN Regional Recovery Center	-	-	(500,000)	-
31. Miscellaneous Appropriations - Child Care Funding Replacement	(5,000,000)	-	-	-
32. Miscellaneous Appropriations - Grant to Hardin Co. - Medical Center Grant	-	-	(1,000,000)	-
33. Miscellaneous Appropriations - Grant to City of Kingsport - Dental Clinic Expansion	-	-	(500,000)	-
34. TennCare - Intermediate Care Facilities for Individuals with IDD - \$43M Federal Funding	-	(24,618,500)	-	-
35. TennCare - Rural Health Clinics - \$20,572,500 from Shared Savings and \$36M Federal Funding	-	-	-	-
36. TennCare - Rate Increase for Home-Delivered Meals - \$793,900 Federal Funding	-	(445,500)	-	-

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Administration Budget Amendment Overview**

	2026-2027			
	2025-2026	Recurring	Non-Recurring	Earmarked / Dedicated
<u>Children and Families</u>				
37. Children's Services - Viable, Inc.	\$ -	\$ -	\$ (500,000)	\$ -
38. Children's Services - Lambi Learns	-	-	(250,000)	-
39. Children's Services - Coalition 4 Kids	-	-	(500,000)	-
40. Children's Services - Agape	-	-	(3,000,000)	-
41. Children's Services - Wendy's Wonderful Kids	-	-	(540,000)	-
42. F&A - TN Strong Families - Pregnancy Center Grants	-	-	(10,000,000)	-
43. Health - Funding for Funerals for Stillborn Children	-	-	(500,000)	-
44. Human Services - Big Brothers Big Sisters	-	-	(500,000)	-
45. Human Services - Boys and Girls Club	-	-	(5,000,000)	-
46. Human Services - Family Justice Center	-	-	(160,000)	-
47. Miscellaneous Appropriations - East Knoxville Area Ministry Complex	-	-	(9,000,000)	-
<u>K-12 Education</u>				
48. Arts Commission - Contemporary Arts Memphis (CAM)	\$ -	\$ -	\$ (25,000)	\$ -
49. Education - School Safety Grants	-	-	(10,000,000)	-
50. Education - Niswonger Foundation	-	-	(1,000,000)	-
51. Higher Education - TN Achieves	-	-	(1,000,000)	-
52. Education - Code Crew	-	-	(500,000)	-
53. Education - Teach for America	-	-	(1,000,000)	-
54. Education - Memphis Teacher Residency	-	-	(1,000,000)	-
55. Education - Star Academy	-	-	(1,000,000)	-
56. Education - Milk Dispensers in Schools	-	-	(325,000)	-
57. General Services - Gov. Early Literacy Foundation - Imagination Library	-	(456,500)	-	-
<u>Higher Education and Workforce Development</u>				
58. Agriculture - Urban Roots of TN	\$ -	\$ -	\$ (250,000)	\$ -
59. ECD - Stax Music Academy	-	-	(150,000)	-
60. ECD - Choose 901 Alumni Initiative	-	-	(1,000,000)	-
61. ECD - SME PRIME Program	-	-	(1,200,000)	-
62. Higher Education - Moore Tech	-	-	(2,882,000)	-
63. Higher Education - MTSU Cybersecurity and Cyber Range	-	-	(5,000,000)	-
64. Labor - Flight Foundation	-	-	(40,000)	-
65. Labor - The Forge	-	-	(200,000)	-
<u>Criminal Justice, Public Safety, and Re-Entry Services</u>				
66. Commerce & Insurance - POST Commission Law Enforcement Officer Pay Supplements	\$ (1,529,600)	\$ (1,529,600)	\$ -	\$ -
67. Correction - Dismas House	-	-	(1,000,000)	-
68. Corrections Institute - Training Positions (3 FT) - Funded from Existing Budget	-	-	-	-
69. Court System - TN Juvenile Court Services Training Program	-	-	(95,000)	-
70. F&A - Evidence-Based Programming in OCJP	-	-	(6,000,000)	-
71. Safety - Houses of Worship Security Grants	-	-	(1,250,000)	-
72. TN Bureau of Investigation - Memphis Safe Task Force	(3,000,000)	-	-	-
73. TN Bureau of Investigation - TN Safe Initiative (32 FT)	-	(6,244,500)	(3,473,000)	-
74. Other Legislation				
1. SB 671 / HB 555 - Burglary of a Conveyance - Incarceration Costs	-	(670,600)	-	-
2. SB 1656 / HB 1649 - Matthew Davenport's Law - Incarceration Costs	-	(34,300)	-	-
3. SB 1900 / HB 2428 - Assault on First Responders - Incarceration Costs	-	(2,685,200)	-	-
<u>Infrastructure</u>				
75. Miscellaneous Appropriations - Grant to Cumberland Co. - Water and Infrastructure Grant	\$ -	\$ -	\$ (9,750,000)	\$ -
76. Miscellaneous Appropriations - Grant to Smith Co. - Relocation of Emergency Response Facilities	-	-	(1,000,000)	-
77. Transportation - Bridge Reconstruction - Montgomery County	-	-	(40,000,000)	-
78. Other Legislation				
1. SB 2205 / HB 2450 - Subterranean Transportation Infrastructure Coordination Authority (3 FT)	-	(887,300)	383,100	-
<u>Environment, Conservation, and Parks</u>				
79. Environment - Outdoor Recreation - Operational Costs	\$ -	\$ (50,000)	\$ -	\$ -
80. Environment - Office of Energy Programs - Operational Costs	-	(450,000)	-	-
81. Historical Commission - Milo Lemert Statue and War Memorial Park	-	-	(300,000)	-
82. Historical Commission - Staffing Reclassifications	-	(250,000)	-	-
83. Other Legislation				
1. SB 520 / HB 220 - West TN River Basin Authority (2 FT)	-	(206,900)	(106,000)	-

**Fiscal Year 2026-2027
Administration Budget Amendment Overview**

	<u>2026-2027</u>			
	<u>2025-2026</u>	<u>Recurring</u>	<u>Non-Recurring</u>	<u>Earmarked / Dedicated</u>
<u>Tourism, Museums, and Zoos</u>				
84. ECD - MUSE Knoxville	\$ -	\$ -	\$ (1,000,000)	\$ -
85. ECD - Pigeon River Adventure Park	-	-	(1,500,000)	-
86. Historical Commission - East TN Historical Society	-	-	(3,000,000)	-
87. Historical Commission - Andrew Jackson Foundation / The Hermitage	-	-	(1,000,000)	-
88. Tourist Development - Knoxville Zoo	-	-	(5,000,000)	-
89. Tourist Development - Nashville Zoo	-	-	(20,000,000)	-
<u>Local Investment</u>				
90. ECD - John Sevier Center Development	\$ -	\$ -	\$ (2,500,000)	\$ -
91. Disability and Aging - Cookeville Inclusive Youth Soccer Facility	-	-	(500,000)	-
92. Disability and Aging - Crossville Inclusive Playground	-	-	(500,000)	-
93. Miscellaneous Appropriations - Grant to Hawkins Co. - Community Facility / Farmer's Market	-	-	(3,500,000)	-
<u>Veterans Services</u>				
94. Veterans Services - The Honor Foundation - Grant	\$ -	\$ -	\$ (500,000)	\$ -
<u>Other</u>				
95. Comptroller - Shelby County Schools Audit	\$ (1,700,000)	\$ -	\$ -	\$ -
96. Military - Armories Maintenance	-	-	(250,000)	-
97. Miscellaneous Appropriations - Human Resources - Recruiting Software - \$1.6M Other Funding	-	(351,000)	(995,700)	-
98. Miscellaneous Appropriations - STS - Enterprise Customer Relationship Management - \$2M Other Funding	-	(1,300,000)	-	-
99. Treasury - Electronic Monitoring Indigency Fund	-	-	(600,000)	-
Subtotal Cost Increases - New - Savings / (Cost)	\$ (11,229,600)	\$ (40,179,900)	\$ (190,468,600)	\$ -
VI. Capital Outlay and Debt Service - Savings / (Cost):				
100. Environment - Bicentennial Capitol Mall State Park - History Wall	\$ -	\$ -	\$ (12,500,000)	\$ -
101. Environment - David Crockett Birthplace State Park - Reconstruction Phase 1 - Funding Swap	-	-	(26,700,000)	-
102. Facilities Revolving Fund - National Civil Rights Museum Expansion Design	-	-	(3,748,400)	-
Subtotal Capital Outlay - New - Savings / (Cost)	\$ -	\$ -	\$ (42,948,400)	\$ -
VII. Total Adjustments, Cost Increases, and Capital Outlay (IV + V + VI) - Savings / (Cost)	\$ (12,947,400)	\$ (4,830,400)	\$ (251,385,500)	\$ 104,454,000
VIII. Ending Balance - Surplus / (Deficit)	\$ 256,852,600	\$ 466,400	\$ 380,400	\$ -

**Proposed Revisions to Capital Outlay Maintenance and Improvements
Fiscal Year 2026-2027**

	<u>TOTAL</u>	<u>STATE</u>	<u>BONDS</u>	<u>FEDERAL</u>	<u>OTHER</u>
CAPITAL IMPROVEMENTS					
<u>Proposed Adjustments to Capital Improvement Projects</u>					
Environment and Conservation					
David Crockett Birthplace SP Reconstruction Phase 1 - Funding Swap	\$ (300,000)	\$ 26,700,000	\$ 0	\$ (27,000,000)	\$ 0
Total Proposed Adjustments to Capital Improvement Projects	\$ (300,000)	\$ 26,700,000	\$ 0	\$ (27,000,000)	\$ 0
<u>Proposed Additional Capital Improvement Projects</u>					
Environment and Conservation					
Bicentennial Capital Mall State Park History Wall	\$ 12,500,000	\$ 12,500,000	\$ 0	\$ 0	\$ 0
Facilities Revolving Fund					
National Civil Rights Museum Expansion Design	\$ 3,748,400	\$ 3,748,400	\$ 0	\$ 0	\$ 0
Total Proposed Additional Capital Improvement Projects	\$ 16,248,400	\$ 16,248,400	\$ 0	\$ 0	\$ 0
Total Net Revisions to Capital Improvements	\$ 15,948,400	\$ 42,948,400	\$ 0	\$ (27,000,000)	\$ 0

**Additional Proposed Capital Projects from School Bonds and Other Sources
Fiscal Year 2026-2027**

	<u>TOTAL</u>	<u>TSSBA</u>	<u>Plant Funds</u>	<u>Gifts & Grants</u>	<u>P3 Financing</u>
Total Proposed Capital Projects: 2027 Budget Document Page A-141	\$ 383,800,000	\$ 260,800,000	\$ 70,200,000	\$ 4,800,000	\$ 48,000,000
Locally Governed Institutions					
Tennessee Technological University					
Parking Garage	\$ 38,840,000	\$ 36,840,000	\$ 2,000,000	\$ 0	\$ 0
University of Memphis					
Wilson Hospitality Improvements - P3	\$ 18,000,000	\$ 0	\$ 0	\$ 0	\$ 18,000,000
Total Locally Governed Institutions	\$ 56,840,000	\$ 36,840,000	\$ 2,000,000	\$ 0	\$ 18,000,000
University of Tennessee					
UTHSC Energy and Utility Systems Modernization - P3	\$ 70,000,000	\$ 0	\$ 0	\$ 0	\$ 70,000,000
UTIA College of Veterinary Medicine Renovation & Additior	72,000,000	0	50,400,000	21,600,000	0
UTK Housing Redevelopment	253,380,000	253,380,000	0	0	0
UTM Housing Project	58,800,000	58,800,000	0	0	0
UTS New Student Housing	15,000,000	15,000,000	0	0	0
UTC South Campus Housing Acquisition - Delete Request	(108,000,000)	(105,300,000)	(2,700,000)	0	0
Total University of Tennessee	\$ 361,180,000	\$ 221,880,000	\$ 47,700,000	\$ 21,600,000	\$ 70,000,000
 Total Additional Proposed Capital Projects	 \$ 418,020,000	 \$ 258,720,000	 \$ 49,700,000	 \$ 21,600,000	 \$ 88,000,000
 Total Proposed Capital Projects: Revised Grand Total	 \$ 801,820,000	 \$ 519,520,000	 \$ 119,900,000	 \$ 26,400,000	 \$ 136,000,000

**TennCare Shared Savings
Non-Recurring Funding from the TennCare Reserve**

		<u>FY27 Cost Increases</u>
Continuation of FY 2024 Initiatives:		
1. TennCare	Tennessee Strong Families Buyback	\$ 30,642,800
2. TennCare	Diapers for Kids Program	11,537,800
Continuation of FY 2025 Initiatives:		
1. Labor	Apprenticeship Programs	\$ 8,259,700
2. Health	Rural Healthcare Training Programs	4,398,300
3. THEC	Pathways Program	13,750,000
4. Health	Specialty Care	1,050,000
5. Health	Center of Excellence	1,006,000
6. Health	Center of Excellence Grants	1,400,000
7. TennCare	Community Mental Health Center Quality Payments	7,000,000
8. Mental Health	Community Mental Health Center Workforce Development	1,000,000
9. Mental Health	Substance Use Disorder Treatment	2,000,000
10. TennCare	In-Home Child and Adolescent Behavioral Health Supports	1,000,000
11. TennCare	Primary Care Behavioral Health Training	400,000
12. TennCare	Infant and Early Childhood Mental Health Training	166,000
13. TennCare	Value-Based Payment Initiative	4,000,000
Continuation of FY 2026 Initiatives:		
1. TennCare	ECF CHOICES Wait List	\$ 20,049,400
2. TennCare	CHOICES 3	11,392,200
3. TennCare	Workforce Development for Long-Term Services and Supports	10,000,000
4. TennCare	Workforce Development - E-Badge Program	3,000,000
5. TennCare	Inpatient Psychiatric Care for Children	3,750,000
FY 2027 Initiatives:		
1. TennCare	Pathway to Independence	\$ 18,000,000
2. TennCare	Community Engagement	3,000,000
3. TennCare	Rural Health Clinics	20,572,500
4. Health	Rural Health Transformation Resiliency Grants	104,427,500
Total FY 2027 Shared Savings Cost Increases		\$ 281,802,200

**Rainy Day Fund and TennCare Reserve
Fiscal Year 2022-2023 through Fiscal Year 2026-2027**

	<u>Rainy Day Fund</u>	<u>TennCare Reserve</u>	<u>Total</u>
I. FY 2022-2023			
Beginning Balance	\$ 1,550,000,000	\$ 1,113,552,174	\$ 2,663,552,174
Deposit at June 30, 2023	250,000,000	394,504,287	644,504,287
Total Reserves at June 30, 2023	\$ 1,800,000,000	\$ 1,508,056,461	\$ 3,308,056,461
II. FY 2023-2024			
Beginning Balance	\$ 1,800,000,000	\$ 1,508,056,461	\$ 3,308,056,461
Deposit / (Reduction) at June 30, 2024	250,000,000	(109,265,540)	140,734,460
Total Reserves at June 30, 2024	\$ 2,050,000,000	\$ 1,398,790,921	\$ 3,448,790,921
III. FY 2024-2025			
Beginning Balance	\$ 2,050,000,000	\$ 1,398,790,921	\$ 3,448,790,921
Deposit / (Reduction) at June 30, 2025	100,000,000	(4,332,847)	95,667,153
Total Reserves at June 30, 2025	\$ 2,150,000,000	\$ 1,394,458,074	\$ 3,544,458,074
IV. FY 2025-2026			
Beginning Balance	\$ 2,150,000,000	\$ 1,394,458,074	\$ 3,544,458,074
Deposit at June 30, 2026	35,600,000	-	35,600,000
Total Reserves at June 30, 2026	\$ 2,185,600,000	\$ 1,394,458,074	\$ 3,580,058,074
V. FY 2026-2027			
Beginning Balance	\$ 2,185,600,000	\$ 1,394,458,074	\$ 3,580,058,074
Deposit at June 30, 2027	20,000,000	-	20,000,000
Total Reserves at June 30, 2027	\$ 2,205,600,000	\$ 1,394,458,074	\$ 3,600,058,074

**TennCare Reserve Obligations
Fiscal Year 2024-2025 Closing**

Bureau of TennCare Reserve Obligations:

Information Technology Non-Recurring Costs	\$ 69,798,975
Health Starts Initiative Non-Recurring Costs	14,450,000
2023 Shared Savings	276,651,376
2024 Shared Savings	274,794,132
2025 Shared Savings	245,744,375
2026 Shared Savings	323,019,216
General Carryforward	190,000,000
Total Reserve Balance at June 30, 2025	<u>\$ 1,394,458,074</u>