

**Budget Overview
2020-2021**

	Recurring	Non-Recurring	Earmarked
I. Available Revenues 2020-2021:			
1. Revenue Base Increase - FY 2019-2020 Revised Recurring Estimate @ 3.75% Growth	\$ 499,600,000	\$ -	\$ -
2. FY 2020-2021 Department of Revenue Growth @ 3.1%	408,300,000	-	-
3. FY 2020-2021 - Gatlinburg/Sevier County - Adjustment to Sales Tax - Year 4 of 4	-	(3,400,000)	-
4. 2020 Legislation - Department of Revenue Taxes	4,820,500	-	-
5. Other State Revenue - Insurance Premium Tax and Other Taxes and Fees	3,366,100	-	-
5a. Revenue Continuation - Hospital Coverage Assessment, Nursing Home Assessment, and Ambulance Service Assessment	-	-	708,482,100
6. Tobacco MSA Adjustment @ \$150.0M	(10,600,000)	-	-
7. Available Funds @ June 30, 2020:			
a. Budget Surplus - From FY 2018-2019 Closing - Available @ June 30, 2019	-	776,697,300	-
b. Less: FY 2019-2020 Supplemental Appropriations	-	(74,183,300)	-
c. FY 2019-2020 Tax Revenue Base Increase @ 3.75% - Unbudgeted FY 2019-2020 Revenue Growth Available @ June 30, 2020	-	499,600,000	-
d. FY 2018-2019 Debt Service Fund Transfer @ June 30, 2020	-	22,000,000	-
8. Reduction of Recurring Debt Service Requirements	9,200,000	-	-
9. FY 2019-2020 Enacted Budget Available Funds	17,696,600	17,445,800	-
10. Reserved for Future Tax Relief (2019 PC 405 Section 61, Item 15)	(15,000,000)	-	-
11. Dedicated Revenue	-	-	1,791,000
Total Revenue	\$ 917,383,200	\$ 1,238,159,800	\$ 710,273,100
II. Cost Increases:			
1. Children's Services - Less Teacher Training and Experience	\$ 29,924,800	\$ 100,000	\$ -
2. Correction	97,734,400	16,737,700	-
3. Economic and Community Development	13,598,200	148,000,000	-
4. Education - Less Teacher Training and Experience and Salary Pool	147,157,900	119,458,600	-
5. Environment and Conservation	4,664,800	34,250,000	1,145,900
6. Health	13,211,300	17,400,000	79,600
7. Higher Education - Less Salary Pool	79,998,500	12,284,600	-
8. Labor and Workforce Development	-	43,095,000	961,500
9. Mental Health and Substance Abuse Services	29,859,200	3,000,000	-
10. TennCare	164,975,300	6,399,800	-
11. Transportation	-	30,000,000	-
12. Other Agencies - Less Salary and Benefits Increases, Capital Outlay, and Rainy Day Fund Deposit	110,667,000	221,731,600	(1,858,000)
Sub-Total Agency Cost Increases	\$ 691,791,400	\$ 652,457,300	\$ 329,000
13. Salary and Benefits:			
a. Mandated Salary Increases - AG, DAs, Judges, PDs, Governor, Troopers, Wildlife Officers, Teacher Training & Experience	\$ 4,212,400	\$ -	\$ 656,500
b. Salary Pool - State Employees:			
1. 2.5% Pool - Pay for Performance - TEAM Act Agencies	38,260,000	(19,130,000)	-
2. 2.5% Pool - Across the Board - Non-TEAM Act Agencies	8,932,000	-	-
3. Market Rate Adjustment	40,000,000	-	-
4. Safety, Commerce & Insurance, and Wildlife Commissioned Officers @ 2.5%	1,811,300	-	1,005,500
c. Salary Policy - Higher Education - 2.5% Pool	39,318,000	-	-
d. Education - BEP - Salary Pool	117,360,000	-	-
e. Group Health Insurance Rate Increase - State Agencies, Higher Education, K-12 BEP, Retirees	45,709,600	-	-
f. TCRS Retirement Rate Increase	20,000,000	-	-
Sub-Total Salary and Benefits	\$ 315,603,300	\$ (19,130,000)	\$ 1,662,000
14. Capital Outlay:			
a. Capital Outlay - Improvements	\$ -	\$ 196,542,500	\$ -
b. Capital Outlay - Maintenance	-	97,747,300	-
Sub-Total Capital Outlay	\$ -	\$ 294,289,800	\$ -
15. Rainy Day/Other Fund:			
a. Rainy Day Fund Deposit	\$ -	\$ 50,000,000	\$ -
b. Reserve for Future Investments	-	250,000,000	-
c. Volunteer Public Education Trust Fund Deposit	-	15,000,000	-
Sub-Total Rainy Day/Other Fund	\$ -	\$ 315,000,000	\$ -
Total Cost Increases	\$ 1,007,394,700	\$ 1,242,617,100	\$ 1,991,000
III. Preliminary Base Budget Adjustments	-	-	708,482,100
IV. Total Cost Increases and Preliminary Base Budget Adjustments	\$ 1,007,394,700	\$ 1,242,617,100	\$ 710,473,100
V. Balance Before Reductions	\$ (90,011,500)	\$ (4,457,300)	\$ (200,000)
VI. Base Budget Reductions and Reallocations	(91,520,000)	(5,325,500)	(200,000)
VII. Balance	\$ 1,508,500	\$ 868,200	\$ -

**Budget Overview
2020-2021**

**Statement of Adjustments to Tax Estimates,
Department of Revenue Taxes
2018-2019 Through 2020-2021
General Fund and Education Fund**

Increase / (Decrease)

	<u>Total</u>	<u>Recurring</u>	<u>Non-Recurring</u>
I. <u>FY 2018-2019</u>			
a. Actual Collections	\$ 12,693,873,200	\$ 12,695,051,900	\$ (1,178,700)
b. Revised Estimate	12,243,800,000	12,247,200,000	(3,400,000)
Sub-Total Revised Estimate	<u>\$ 12,243,800,000</u>	<u>\$ 12,247,200,000</u>	<u>\$ (3,400,000)</u>
II. <u>FY 2019-2020</u>			
March 1, 2019 Budget Document Estimate	\$ 12,668,100,000	\$ 12,671,500,000	\$ (3,400,000)
Plus / (Less): Tax Acts	-	-	-
Budgeted Estimate @ July 1, 2019	<u>\$ 12,668,100,000</u>	<u>\$ 12,671,500,000</u>	<u>\$ (3,400,000)</u>
Revenue Base Increase @ 3.75% Recurring Growth Rate over FY 2018-2019 Actual	\$ 499,600,000	\$ 499,600,000	\$ -
Total FY 2019-2020 Revised Estimate	<u>\$ 13,167,700,000</u>	<u>\$ 13,171,100,000</u>	<u>\$ (3,400,000)</u>
III. <u>FY 2020-2021</u>			
Revenue Base (2019-2020 Revised Recurring Estimate)	\$ 13,171,100,000	\$ 13,171,100,000	\$ -
Revenue Growth from Revised Recurring Estimate @ 3.1%	408,300,000	408,300,000	-
Gatlinburg/Sevier County - Adjustment to Sales Tax - Year 4 of 4	(3,400,000)	-	(3,400,000)
Total FY 2020-2021 Estimate	<u>\$ 13,576,000,000</u>	<u>\$ 13,579,400,000</u>	<u>\$ (3,400,000)</u>

**Selected State Revenue Adjustments
Fiscal Year 2020-2021**

**Increase / (Decrease)
from July 1, 2019, Budgeted Estimates**

	<u>Recurring</u>	<u>Non-Recurring</u>	<u>Earmarked</u>
I. Tax Legislation: *			
1. Dept. of Revenue Taxes:			
a. Professional Privilege Tax	\$ (40,000,000)	\$ -	\$ -
b. Sales & Use Tax - Marketplace Faciliator	44,820,500	-	-
Total Tax Legislation	\$ 4,820,500	\$ -	\$ -
II. Other State Revenue:			
1. Other State Revenue Estimate Increase	\$ 3,366,100	\$ -	\$ -
2. Hospital Coverage Assessment @ \$446.8 M	-	-	568,600,800
3. Nursing Home Bed Assessment @ \$130.0 M	-	-	128,171,600
4. Ambulance Service Provider Assessment @ \$10.8 M	-	-	11,709,700
Total Other State Revenue	\$ 3,366,100	\$ -	\$ 708,482,100

* 2019 and 2020 Tax Legislation - Adjustments are included in 2020-2021 Budget Overview, entitled "General Fund and Education Fund, Comparison of Appropriation Requirements and State Revenues."

Budget Overview
2020-2021

2019-2020 Available Funds

2018-2019 Closing
Unappropriated Budget Surplus
(Reserved for Future Requirements @ June 30, 2019)

I. Dept. of Revenue Taxes - Net of Estimate @ \$12,635,796,400 Reported Collection (August - July)	\$ 461,331,000
Plus / (Less): Accruals and Adjustments	(11,257,800)
Total Dept. of Revenue Taxes - Net of Estimate (Revised Est. \$11,734,600,000)	<u>\$ 450,073,200</u>
II. Other State Revenue - Over / (Under) Collection	
Dept. of Commerce and Insurance @ \$1,063.9 M (Revised Estimate \$950.8 M)	\$ 76,575,800
Other Agencies	35,777,900
Sub-Total Other State Revenue - Net Over / (Under) Collection	<u>\$ 112,353,700</u>
III. Miscellaneous Revenue - Over / (Under) Collection	3,070,500
IV. Debt Service Fund Transfer @ June 30, 2019 @ \$43 M (\$45.2 M Estimated)	(2,200,000)
V. Tobacco Master Settlement Agreement @ \$161,500,000 Collection (Budgeted Estimate \$160.6 M)	(1,242,400)
VI. All Other Net Revenue Adjustments in Accounts	<u>8,486,900</u>
VII. Net Over / (Under) Collection (I + II + III + IV + V + VI = VII)	<u>\$ 570,541,900</u>
VIII. Reversion Excess / (Deficiency)	<u>206,155,400</u>
IX. Total Over / (Under) Collection (VII + VIII = IX)	<u>\$ 776,697,300</u>

Available Funds Fiscal Year 2019-2020

I. Unappropriated Budget Surplus / (Deficit) @ June 30, 2019	\$ 776,697,300
II. Revenue Adjustments and Other Available Funds:	
1. Dept. of Revenue Tax Base Increase @ 3.75% Growth over FY 2018-2019 Actual	\$ 499,600,000
2. Debt Service Fund Transfer @ June 30, 2020	22,000,000
3. 2019-2020 Enacted Budget Available Funds	17,445,800
Sub-Total Revenue Adjustments and Other Available Funds	<u>\$ 539,045,800</u>
III. Total Budget Surplus and Adjustments (I + II)	<u>\$ 1,315,743,100</u>
IV. Appropriation and Transfer Requirements:	
1. Less: 2019-2020 Supplemental Appropriations	\$ (74,183,300)
Sub-Total Appropriation and Transfer Requirements	<u>\$ (74,183,300)</u>
V. Total Available Funds at June 30, 2020 (III + IV)	<u>\$ 1,241,559,800</u>

**Supplemental Appropriations
General Fund
Fiscal Year 2019-2020**

	2019-2020	Recurring 2020-2021
I. State Operations		
Attorney General		
303.08 Special Litigation - Operating Supplement - Mississippi Lawsuit	\$ 1,300,000	\$ -
303.08 Special Litigation - Operating Supplement - Opioid Lawsuit	3,500,000	
Sub-Total Attorney General	\$ 4,800,000	\$ -
Treasury Department		
309.10 Electronic Monitoring Indigency Fund - Operating Supplement	500,000	-
Department of General Services		
321.07 Facility Assessment - TSU	228,300	-
Agriculture		
325.01 Agricultural Enhancement Fund	7,500,000	7,000,000
Environment and Conservation		
327.33 Clean Water and Drinking Water State Revolving Fund - Federal Grant Match	\$ 2,640,100	\$ -
327.33 Clean Water and Drinking Water State Revolving Fund - Federal Grant Match	602,200	-
Sub-Total Environment and Conservation	\$ 3,242,300	\$ -
Correction		
329.04 State Prosecutions - Local Jail Payments	33,244,500	44,578,100
Commerce and Insurance		
335.11 TLETA - Purchase Seven Police Training Vehicles	189,900	-
Health		
343.49 Ryan White HIV/AIDS Program	8,000,000	-
Tennessee Bureau of Investigation		
348.00 TBI - Operational Support	4,100,000	4,466,600
Safety		
349.03 Highway Patrol - Helicopter	1,278,300	-
Miscellaneous Appropriations		
351.00 Bethel University - Grant	\$ 5,000,000	\$ -
351.00 Special Litigation	6,100,000	-
Sub-Total Miscellaneous Appropriations	\$ 11,100,000	\$ -
Sub-Total State Operations	\$ 74,183,300	\$ 56,044,700
Grand Total Supplemental Appropriations	\$ 74,183,300	\$ 56,044,700

Budget Overview
2020-2021 Funded Agency Cost Increases

	General Fund		
	Recurring	Non-Recurring	Dedicated
1. Agriculture	8,000,000	1,000,000	0
1. Tennessee Agricultural Enhancement Program (TAEP) - increase	7,000,000		
2. Agriculture Enterprise Fund (AEF) - increase	1,000,000	1,000,000	
2. Attorney General and Reporter	854,500	2,000,000	0
1. AG's Salary Increase @ 1.8% CPI Inflation Rate	4,500		
2. Information System - Matter Management and Document Management	150,000	2,000,000	
3. Attorney Positions - Cybersecurity and Data Privacy (5 FT)	700,000		
3. Board of Parole	144,300	3,300	0
1. Additional Hearing Officer Positions (2 FT)	128,300	3,300	
2. Board Member Training Funding	16,000		
4. Children's Services - See also TennCare for DCS	29,942,800	100,000	0
1. Custody Placement - Increase	16,779,700		
2. Foster Care Rate Adjustment	610,400		
3. Specialized Drug Teams - Three New Teams (23 FT)	628,600		
4. Child Protective Services - Response - Additional Positions (23 FT)	610,000		
5. Sim Labs - Additional Positions (6 FT)	271,800		
6. Adoption Assistance Subsidy - Growth	892,300		
7. Extension of Electronic Monitoring to Aftercare Juvenile Justice Youth	262,800		
8. Subsidized Permanent Guardianship - Growth	717,400		
9. Juvenile Justice - Multisystemic Therapy (MST)	1,500,000		
10. Case Manager Salary Adjustment - Average of Southeastern States	3,639,200		
11. Teacher Training and Experience	18,000		
12. TEIS Program Growth - DCS for Education	3,737,600		
13. Safe Baby Courts	175,000		
14. Transportation Officers and Vehicles (2 FT)	100,000	100,000	
5. Commerce and Insurance	248,500	750,000	0
1. Fire Service and Codes Enforcement Academy - Operational Costs of New Conference Center at TFACA	95,300		
2. TFACA - Provide Free Basic Training for Volunteer Firefighters (9 FT)	110,500		
3. TLETA - Step Raises for Commissioned Officers	42,700		
4. Insurance Consultant		750,000	
6. Commission on Children and Youth	87,000	15,000	0
1. Information System - Grants Management System	15,000	15,000	
2. CASA Expansion and Tennessee CASA Association Quality Assurance	72,000		
7. Comptroller	0	100,000	0
1. AGA National Conference - Hosting - July 2021		100,000	
2. Investigations - Additional Positions (5 FT) - Positions Only, No Funding Requested			
3. Local Government Audit - Additional positions (4 FT) - Positions Only, No Funding Requested			
8. Correction	97,734,400	16,737,700	0
1. State Prosecutions Account	44,578,100		
2. Sex Offender Treatment Program - Increase	627,400		
3. Radio Communications Replacements (650 radios)		3,200,000	
4. Telehealth Equipment	37,500	331,000	
5. Operating Cost for New Bledsoe Correctional Complex Waste Water Treatment Plant	120,000		
6. Operating Costs for Northwest Correctional Complex Vocational Building (8 FT)	633,400	178,200	
7. Davidson County Drug Court - grant	180,000		
8. Hepatitis C - Treatment		10,000,000	
9. Correctional Education Investment	1,108,900	2,468,500	
10. Medical Contract Inflater	5,398,900		
11. Behavioral Health Contract	5,000,000		
12. Private Prisons Contract Inflaters	8,279,500		
13. DeBerry - Funding for Nursing Contract	9,356,400		
14. Salary Increases for Probation/Parole Officer Series	9,995,100		
15. Day Reporting/Community Resource Centers (52 FT)	4,541,400	60,000	
16. Community Supervision Offices - Leases	1,456,300		
17. Electronic Monitoring of Offenders/Global Positioning System	334,700		
18. Technology Replacement Fund for Community Supervision (PCs, video conferencing, fingerprints)	442,000		
19. Offender Transportation for Community Supervision	600,800		
20. Re-Entry Preparedness Packets	400,000		
21. Project Return		500,000	
22. Mandatory Re-Entry Supervision (63 FT)	4,644,000		
9. Court System	5,990,800	27,000	0
1. Judges' Salary Increase @ 1.8% CPI Inflation Rate	794,900		
2. Indigent Representation Task Force - Raise Hourly Indigent Defense Rate	5,000,000		
3. Board of Judicial Conduct	195,900	27,000	

Budget Overview
2020-2021 Funded Agency Cost Increases

	General Fund		
	Recurring	Non-Recurring	Dedicated
10. District Attorneys General Conference	2,873,800	69,400	0
1. Statutory Salary Increase - Assistant District Attorneys and Criminal Investigators	1,313,200		
2. Prosecution Staffing Resources (9 FT)	671,900	41,400	
3. IT Operational Costs	486,700		
4. Legislation - New 32nd Judicial District - Staffing (6 FT)	402,000	28,000	
11. District Public Defenders Conference	2,239,200	115,400	0
1. Statutory Salary Increase - Assistant Public Defenders and Criminal Investigators	718,300		
2. Davidson County and Shelby County 1.8% CPI Adjustment (Shelby Co. \$101,500; Davidson Co. \$44,300)	145,800		
3. District Public Defender - Attorneys and Support Staff (9 FT)	616,300	59,400	
4. Social Workers in District Public Defenders Offices (4 FT)	260,700	28,000	
5. Information Technology Position (1 FT)	96,100		
6. Legislation - New 32nd Judicial District - Staffing (6 FT)	402,000	28,000	
12. Economic and Community Development	13,598,200	148,000,000	0
1. FastTrack Job Development		90,000,000	
2. Broadband Accessibility Grants		25,000,000	
3. Rural Opportunity Fund (1 FT)	10,568,200	10,000,000	
4. LaunchTN - Operational and Programmatic Increases and Grants (SBIR/STTR)	3,000,000		
5. Entertainment Commission - Grants		2,000,000	
6. Rural Hospital Transformation Program - Year 3 of 3		1,000,000	
7. Development District Grants	30,000		
8. Economic Development Grant - City of Jackson Industrial Development Board		20,000,000	
13. Education	264,635,200	119,458,600	0
1. BEP Growth and Inflationary Cost Increase	65,881,000		
2. K-12 BEP Salary Pool	117,360,000		
3. Tennessee Early Intervention Services - Transfer to DIDD	7,307,700		
4. Non-Public Education Choice Programs (20 FT)	2,271,500	12,858,600	
5. Charter Schools Facilities Funding		12,000,000	
6. ASD Oversight	25,000,000		
7. Governor's Fellowship Initiative (2 FT)	8,500,000		
8. School Leaders - Professional Development (2 FT)	3,000,000		
9. Teacher and Leader Institute (1 FT)	5,000,000	20,000,000	
10. EPP & LPP Innovation (2 FT)		3,000,000	
11. Teacher Articulated Pathways (1 FT)	200,000	1,000,000	
12. AP Course for Teaching	150,000		
13. Rural Principal Development - Year 2 of 3		500,000	
14. Literacy Initiatives (3 FT)	11,250,000	39,300,000	
15. Grow-Your-Own (3 FT)	319,200	5,000,000	
16. High Quality Materials		20,000,000	
17. Increase Assessment Support to Districts (7 FT)	2,762,000		
18. Office of General Counsel - Additional Positions (2 FT)	222,000		
19. Charter School Commission - Start-up Support		250,000	
20. CORE Staffing (16 FT)	1,932,800		
21. State Board of Education - Rent for New Space	73,900		
22. State Board of Education - Educational Licensure - Additional Legal Team Positions (5 FT)	413,900		
23. Citizenship Education (1 FT)	200,000	1,000,000	
24. Special Schools Teacher Training and Experience	117,300		
25. Future Workforce Initiative Phase 2 - STEM K-12		1,800,000	
26. State Board of Education - Staff Salary Equity	130,000		
27. Governor's Civic Seal - Continuation		500,000	
28. Teach for America		2,250,000	
29. YouScience	543,900		
14. Environment and Conservation	4,664,800	34,250,000	1,145,900
1. Clean Water and Drinking Water SRF - State Match on Federal Grants		1,000,000	
2. Non-Title V Program Funding - Air Pollution	3,000,000		
3. Realty Tax Growth for Historic Property Land Fund			412,500
4. Realty Tax Growth for Civil War Fund			733,400
5. Historic Preservation Specialist - Additional Position (1 FT)	69,300		
6. State Parks - Federal Mandated Hourly Salary Change	1,380,600		
7. Cummins Falls - Additional Positions (5 FT)	214,900		
8. State Parks Maintenance		18,000,000	
9. West TN River Basin Authority Maintenance - Equipment & Supplies		250,000	
10. Information System - IT Systems Modernization		15,000,000	
15. Finance and Administration	3,553,400	8,000,000	0
1. Office of Evidence and Impact (OEI) (5 FT)	825,000		
2. STS - Enterprise Data Analytics	1,100,000	1,000,000	
3. STS - Cloud Enablement/Management	918,400	1,750,000	
4. Information System - BEARS System Support	710,000		
5. OCJP - Grants to Locals for Education/Workforce Development Programs in Jails		5,000,000	
6. Services Integration System		250,000	

Budget Overview
2020-2021 Funded Agency Cost Increases

	General Fund		
	Recurring	Non-Recurring	Dedicated
16. Financial Institutions	0	0	2,100,000
1. Restructuring Bank Division Supervision and Salary Structure			2,100,000
17. General Services	10,913,800	2,000,000	0
1. Operational Increase State Facilities Pre-Planning - Raise to \$2M	913,800		
2. Facilities Maintenance		2,000,000	
3. Statewide Capital Maintenance	10,000,000		
18. Governor's Office	4,600	0	0
1. Governor's Salary Increase @ 1.8% CPI Inflation Rate	4,600		
19. Health	13,211,300	17,400,000	79,600
1. Tobacco Prevention - Grants	4,000,000		
2. Uninsured Adult Health Care Safety-Net Program Expansion	6,500,000		
3. Tennessee State Loan Repayment Program - Increase	928,800		
4. Dental Pilot Program	637,000	100,000	
5. Equipment Replacement Funding for Public Health Laboratory	500,000		
6. Smile TN		1,280,000	
7. Project Access		1,000,000	
8. Information System - Office of Informatics Integrated Data System	250,000		
9. Information System - Tennessee Birth Defects Surveillance System	395,500	20,000	
10. Information System - Electronic Public Health Records		15,000,000	
11. Health Related Boards - Disciplinary Coordinator Position (1 FT) (\$4,300 NR)			79,600
20. Higher Education	119,316,500	12,284,600	0
1. Academic Formula Units			
a. Outcomes-Based Funding	38,000,000		
b. Salary Pool	28,364,700		
2. Non-Formula Units			
a. Salary Pool	10,953,300		
b. Operational Increase	6,514,000		
3. UT Extension Agents for Distressed Rural Counties	2,190,000		
4. Statewide Security Grants		2,000,000	
5. ETSU Pediatric Surgeon and Specialists	495,500		
6. ETSU Pediatric and Children Services	600,000		
7. Tennessee Tech - Cyber Security/NSF Grant - Year 4 of 4		500,000	
8. MTSU/Meharry - Joint Medical Education Program		1,200,000	
9. Memphis - Carnegie Designation		5,000,000	
10. TSU Agricultural Extension	2,000,000		
11. Competency-Based Education Capacity	400,000	350,000	
12. System-Wide TCAT Security	5,000,000		
13. TBR - Mechatronics		1,000,000	
14. Correctional Education Investment	4,436,000	984,600	
15. TN Student Assistance Corp. - TSAA Grants	9,600,000		
16. Veterans Reconnect Grants		1,000,000	
17. Training Alignment Grant		250,000	
18. THEC Grant - Southern College of Optometry	363,000		
19. Summer Bridge Program - HBCUs	400,000		
20. Higher Education Capital Maintenance	10,000,000		
21. Human Rights Commission	44,600	0	0
1. Additional Human Rights Representative/Admin Services (1 FT)	44,600		
22. Human Services	42,300	0	0
1. Child Support Assistant District Attorneys - Step Raises	42,300		
23. Intellectual and Developmental Disabilities Services	469,600	0	0
1. Major Maintenance Increase for Community Homes	210,900		
2. Increase Behavioral Health Services - Positions and Operations (26 FT)	258,700		
24. Labor and Workforce Development	0	43,095,000	961,500
1. Information System - Unemployment Benefits and Tax System (NR)		41,795,000	
2. Information System - Workers' Compensation IT Modernization (Phase 2)		1,300,000	
3. TOSHA - Additional Consultant Positions (2 FT) (\$5,500 NR)			214,300
4. Boilers & Elevators - Additional Inspector Positions (9 FT) (\$17,700 NR)			747,200

Budget Overview
2020-2021 Funded Agency Cost Increases

	General Fund		
	Recurring	Non-Recurring	Dedicated
25. Mental Health and Substance Abuse Services	29,859,200	3,000,000	0
1. Substance Abuse Clinical Treatment Services Enhancement	6,000,000		
2. Create Children's Behavioral Health Safety Net	7,571,800		
3. Mobile Crisis Services - Expansion	354,300		
4. Creating Jobs Initiative - Expansion	900,000		
5. Addiction Recovery Program (ARP) - Expansion	4,000,000		
6. Criminal Justice Liaison - Expand to All 95 Counties	625,000		
7. School Based Behavioral Health Liaison (SBBHL) - Expansion (1 FT)	3,014,300		
8. System of Care Across Tennessee (SOCAT) - Expansion (3 FT)	330,700		
9. Expand Residential Recovery Courts (2 FT)	2,687,500	2,000,000	
10. Expand Creating Homes Initiative to Re-Entry (2 FT)	3,583,400		
11. Director of School Engagement (1 FT)	119,000		
12. Office of Housing & Homeless Services - Additional Position (1 FT)	83,200		
13. Suicide Prevention Programs - Additional Position (1 FT)	101,300		
14. Juvenile Justice Reform Program (1 FT) - Position Only, No Funding			
15. Naltrexone (Vivitrol) for Recovery Courts		1,000,000	
16. Regional Intervention Program Building - FRF Rent	238,700		
17. Major Maintenance Increase at RMHIs	250,000		
26. Military	2,362,600	1,749,400	0
1. TEMA Position Request to Establish Chattanooga Regional Office (19 FT)	1,265,500	285,000	
2. TEMA Infrastructure Improvement	63,500	1,272,400	
3. TEMA Information System Improvement	33,600	192,000	
4. Armory Maintenance Expenditure Increase	1,000,000		
27. Post-Conviction Defender	25,000	0	0
1. Statutory Salary Increase - Assistant Post-Conviction Defenders	25,000		
28. Revenue	10,140,800	7,000,000	0
1. Revenue and Tax Collection System - Operations, Vendor Contract and STS Billings	9,972,000		
2. Replacement of Vehicle Services Positions (3 FT)	168,800		
3. New License Plates		7,000,000	
29. Safety	9,399,200	12,350,800	0
1. Step Raises - Commissioned Officers	1,174,300		
2. Driver Services Division - Additional Positions (80 FT)	4,838,900	2,872,900	
3. Communications System Maintenance - TACN System	1,512,000		
4. Dispatch System Replacement - TACN System	975,000	2,600,000	
5. Highway Patrol - Trooper Positions (10 FT)	899,000	615,000	
6. Helicopter Fleet Modernization		6,262,900	
30. Secretary of State	3,757,900	1,305,300	0
1. Metro Library Grant	1,500,000	1,500,000	
2. New Library and Archives Building - FRF Rent (Opening: October 2020)	2,257,900	(194,700)	
31. State Museum	0	3,600,000	0
1. Artifact Relocation Costs		3,600,000	
32. Tennessee Bureau of Investigation	12,423,000	2,268,800	(3,958,000)
1. Funding for Current Level Operations	4,466,600	56,900	
2. Additional Positions - Field Agents (25 FT)	3,387,400	2,177,700	
3. Administration - Additional Positions (6 FT)	411,000	34,200	
4. Additional Office Space - Morristown & Columbia	200,000		
5. Redirect Fee Revenue to General Fund - Replace with State Appropriation	3,958,000		(3,958,000)
33. TennCare (FY 20-21 Match Rate - 34.122% Recurring)	155,787,300	6,399,800	0
1. Medical Inflation and Utilization (3.49% Growth Rate)	90,847,800		
2. Rural Health Clinics - Supplemental Payment Increase	4,094,600		
3. ECF CHOICES - Crisis Population (300 Additional Slots), Groups 7 & 8 (100), and Waiting List (2,000)	45,594,100	(10,018,400)	
4. Family and Child Crisis Services - Additional Therapists in Comprehensive Child & Family Treatment	1,068,500		
5. Extend Postpartum Coverage for All Women - NR (from 60 days to 12 mos.) - Pilot - Year 1 of 3		6,644,700	
6. Dental Pregnancy Coverage - Additional Coverage	2,023,500		
7. Medication Therapy Management - Pilot - Year 4 of 3 (1 FT)		1,723,500	
8. Data Informatics Positions (2 FT)	109,200		
9. Workforce Development - Incentives for Direct Service Workers	745,900		
10. Project IRIS (7 FT)	8,303,700	3,000,000	
11. Eligibility Systems (\$46,950,000 Federal Match)	3,000,000	5,050,000	
34. TennCare Waiver Payments - DIDD Recommendation	2,956,400	0	0
1. Direct Support Personnel - Continue @ \$10/hr.	2,956,400		

Budget Overview
2020-2021 Funded Agency Cost Increases

	General Fund		
	Recurring	Non-Recurring	Dedicated
<u>35. TennCare for Children's Services</u>	6,231,600	0	0
1. Custody Placement - Increase	3,684,800		
2. Drug Teams - Additional Positions	241,300		
3. Child Protective Services - Rapid Response - Additional Positions	234,200		
4. Sim Labs - Additional Positions	84,900		
5. Case Manager Salary Adjustment - Average of Southeastern States	1,136,100		
6. TEIS Program Growth	850,300		
<u>36. Tourist Development</u>	7,876,300	2,500,000	0
1. Marketing Initiatives	5,500,000	2,500,000	
2. Rural Tourism Programs (2 FT)	2,376,300		
<u>37. Transportation</u>	0	30,000,000	0
1. Transportation Equity Fund		30,000,000	
<u>38. Treasury</u>	0	3,250,000	0
1. TNStars College Savings 529 Program - Operations		500,000	
2. Electronic Monitoring Indigency Fund - Operating Supplement		2,750,000	
<u>39. Veterans Services</u>	567,600	6,000	0
1. West Tennessee State Veterans Cemetery - Additional Caretaker (1 FT)	45,400		
2. Dependent Burial Fee Reduction (Foregone Departmental Revenue)	405,600		
3. Board of Veterans' Appeals - Additional Positions (2 FT)	116,600	6,000	
<u>40. Wildlife Resources Agency</u>	0	0	656,500
1. Statutory Step Raises - Wildlife Officers and Biologists			656,500
<u>41. TCRS - Retirement Contribution Rate Increase</u>	20,000,000	0	0
1. Retirement Contribution Increase - State Employees & Higher Education	20,000,000		
<u>42. Group Health Insurance</u>	30,709,600	0	0
1. State Agencies @ 6.0%	8,130,100		
2. Higher Education @ 6.0%	7,716,500		
3. K-12 BEP @ 7.0%	14,863,000		
<u>43. Group Health Insurance - Retirees</u>	15,000,000	0	0
1. Other Post-Employment Benefits (OPEB)	15,000,000		
<u>44. Salary Increase</u>	89,003,300	(19,130,000)	1,005,500
1. State Employees Salary Pool			
a. Salary Pool - Pay for Performance - TEAM Act agencies - Effective 1/1/2021	38,260,000	(19,130,000)	
b. Salary Pool - Across the Board - Non-TEAM Act agencies - Effective 7/1/2020	8,932,000		
c. Market Rate Adjustment	40,000,000		
2. Safety - Commissioned Officers Salary Survey Raise	1,783,500		
3. Commerce & Insurance - Commissioned Officers Salary Survey Raise	27,800		
4. Wildlife Salary Survey Raise			1,005,500

Budget Overview
2020-2021 Funded Agency Cost Increases

	General Fund		
	Recurring	Non-Recurring	Dedicated
45. Miscellaneous Appropriations	32,725,300	173,621,200	0
1. Administration Amendment	15,000,000	15,000,000	
2. Legislative Initiatives	10,000,000	10,000,000	
3. STS - Enterprise Security Enhancements	1,668,600	4,095,000	
4. STS - Application/Portfolio Project Management Tool	506,600		
5. STS - Statewide e-Filing System for Courts		1,500,000	
6. STS - Cloud Enablement/Management	1,175,100		
7. FRF Rent Increase	1,900,000		
8. HR - State Cost of DOHR "other" funded cost increases	475,000		
9. TBI - Information System - AFIS Upgrade - Year 1 of 2		6,000,000	
10. Radioactive Material Training Center & Education Center		9,750,000	
11. Juvenile Justice Case Management System	1,500,000		
12. Governor's Efficiency Initiatives		3,000,000	
13. UT - Oak Ridge Institute		10,000,000	
14. Van Buren County - Grant		200,000	
15. Henry County - Grant		200,000	
16. Local Government Grant - Cities & Towns		50,000,000	
17. Local Government Grant - Counties		50,000,000	
18. City of Johnson City Courthouse Renovation - Grant		5,000,000	
19. Rural Hospital Services Center		2,500,000	
20. TN Serves	500,000		
21. Legislative Conference		1,000,000	
22. Wine and Grape Board - Grant		150,000	
23. TN CAPS - Grant		700,000	
24. Niswonger Foundation - CARE - Grant		700,000	
25. Carroll Academy - Grant		414,300	
26. Families Free - Grant		150,000	
27. YWCA of Knoxville - Grant		250,000	
28. Men of Valor - Grant		200,000	
29. Beck Cultural Exchange Center - Grant		325,500	
30. National Foundation of Women Legislators Conference - Grant		150,000	
31. TN Wildlife Federation - Grant		100,000	
32. Center for Employment Opportunities - Grant		150,000	
33. Girl Scouts of Middle TN - Grant		186,400	
34. Gospel Music Association - Grant		1,000,000	
35. Helen Ross McNabb Veteran's Center - Grant		150,000	
36. Smile 180 Foundation - Grant		750,000	
Sub-Total Cost Increases	1,007,394,700	633,327,300	1,991,000
46. Capital Outlay Budget	0	294,289,800	0
1. Capital Improvements:			
a. State Buildings - 11 Projects		27,470,000	
b. Higher Education - 4 Projects		159,072,500	
c. Emergency and Contingency Funds		5,000,000	
d. AWS Project Funding		5,000,000	
2. Capital Maintenance Projects			
a. State Buildings - 51 Projects		38,671,400	
b. Higher Education - 46 Projects		59,075,900	
3. Capital Maintenance - Recurring Increase (See Higher Education and General Services)			
47. Rainy Day/Other Fund - Deposits and Transfers	0	315,000,000	0
1. Rainy Day Fund Deposit		50,000,000	
2. K-12 Mental Health Trust Fund Deposit		250,000,000	
3. Volunteer Public Education Trust Fund Deposit		15,000,000	
Total Cost Increases	\$ 1,007,394,700	\$ 1,242,617,100	\$ 1,991,000

**2020 Administration Legislation with Fiscal Impact
General Fund and Education Fund
Fiscal Year 2020-2021**

Description	General Fund		Dedicated Funds	
	Recurring	Non-Recurring	Recurring	Non-Recurring
I. Tax/Fee Adjustments - (Decrease) / Increase:				
1. Professional Privilege Tax - Reduction	\$ (40,000,000)	\$ -	\$ -	\$ -
2. Sales & Use Taxes - Marketplace Facilitator	44,820,500	-	-	-
Total Tax/Fee Adjustments - (Decrease) / Increase	\$ 4,820,500	\$ -	\$ -	\$ -
II. Cost Increase - (Cost) / Savings:				
1. Correction - Mandatory Re-Entry Supervision (63 FT)	\$ (4,644,000)	\$ -	\$ -	\$ -
2. District Attorneys - New 32nd Judicial District (6 FT)	(402,000)	(28,000)	-	-
3. District Public Defenders - New 32nd Judicial District (6 FT)	(402,000)	(28,000)	-	-
4. TBI - Redirect Fee Revenue to General Fund - Replace with State Appropriation	(3,958,000)	-	3,958,000	-
Total Cost Increase - (Cost) / Savings	\$ (9,406,000)	\$ (56,000)	\$ 3,958,000	\$ -

**Preliminary Base Budget Adjustments
Fiscal Year 2020-2021
(Savings) / Cost**

	General Fund		Dedicated / Other	Total
	Recurring	Non-Recurring	Funds	
TennCare				
318.00 Hospital Coverage Assessment	\$ -	\$ -	\$ 568,600,800	\$ 568,600,800
318.00 Nursing Home Bed Assessment	-	-	128,171,600	128,171,600
318.00 Ambulance Service Assessment	-	-	11,709,700	11,709,700
Sub-Total TennCare	\$ -	\$ -	\$ 708,482,100	\$ 708,482,100
 Total - Budget File	 \$ -	 \$ -	 \$ 708,482,100	 \$ 708,482,100

**Base Budget Reduction Plans
State Appropriations
Fiscal Year 2020-2021**

Program	a. General Fund			c. Non-Recurring	d. (b + c) Total	e. Dedicated Funds	f. (b + c + e) Net	
	Discretionary	Recurring	Pct.				Reduction	Pct.
	Base	Reduction						
301.00 Legislature	\$ 44,945,800	\$ -	0.0%	\$ -	\$ -	\$ -	\$ -	0.0%
301.50 Fiscal Review Committee	1,741,300	-	0.0%	-	-	-	-	0.0%
302.00 Court System	38,548,700	-	0.0%	-	-	-	-	0.0%
303.00 Attorney General and Reporter	28,189,500	-	0.0%	-	-	-	-	0.0%
304.00 District Attorneys General	97,042,300	-	0.0%	-	-	-	-	0.0%
305.00 Secretary of State	33,651,400	-	0.0%	-	-	-	-	0.0%
306.00 District Public Defenders	55,881,400	-	0.0%	-	-	-	-	0.0%
307.00 Comptroller of the Treasury	57,765,600	-	0.0%	-	-	-	-	0.0%
309.00 Treasury Department	3,105,500	-	0.0%	-	-	-	-	0.0%
Sub-Total Non-Executive	\$ 360,871,500	\$ -	0.0%	\$ -	\$ -	\$ -	\$ -	0.0%
315.00 Executive Department	\$ 5,384,900	\$ -	0.0%	\$ -	\$ -	\$ -	\$ -	0.0%
316.01 Children and Youth Commission	3,611,000	-	0.0%	-	-	-	-	0.0%
316.02 Aging and Disability Commission	15,890,200	-	0.0%	-	-	-	-	0.0%
316.03 Alcoholic Beverage Commission	-	-	0.0%	-	-	-	-	0.0%
316.04 Human Rights Commission	1,899,900	-	0.0%	-	-	-	-	0.0%
316.07 Health Services and Development Agency	-	-	0.0%	-	-	-	-	0.0%
316.09 Corrections Institute	1,053,300	-	0.0%	-	-	-	-	0.0%
316.11 Tennessee Public Utility Commission	-	-	0.0%	-	-	-	-	0.0%
316.12 TACIR	192,700	(1,900)	-1.0%	-	(1,900)	-	(1,900)	-1.0%
316.14 Council on Developmental Disabilities	216,300	-	0.0%	-	-	-	-	0.0%
316.25 Arts Commission	1,953,500	-	0.0%	-	-	-	-	0.0%
316.27 State Museum	8,635,900	-	0.0%	-	-	-	-	0.0%
317.00 Finance and Administration	11,826,500	(82,500)	-0.7%	-	(82,500)	-	(82,500)	-0.7%
318.00 TennCare Programs	\$2,906,637,600	\$ (56,937,600)	-2.0%	\$ -	\$ (56,937,600)	\$ -	\$ (56,937,600)	-2.0%
TennCare Waiver Payments	240,060,900	(13,102,400)	-5.5%	-	(13,102,400)	-	(13,102,400)	-5.5%
TennCare for Children's Services	129,214,900	(1,732,400)	-1.3%	-	(1,732,400)	-	(1,732,400)	-1.3%
TennCare for Intellectual & Developmental Disabilities	58,309,300	(387,100)	-0.7%	-	(387,100)	-	(387,100)	-0.7%
TennCare for Human Services	6,698,800	-	0.0%	-	-	-	-	0.0%
TennCare for Commerce and Insurance	1,333,200	-	0.0%	-	-	-	-	0.0%
TennCare for F&A Office of Inspector General	2,549,100	-	0.0%	-	-	-	-	0.0%
Sub-total TennCare Programs	\$3,344,803,800	\$ (72,159,500)	-2.2%	\$ -	\$ (72,159,500)	\$ -	\$ (72,159,500)	-2.2%
319.00 Human Resources	-	-	0.0%	-	-	-	-	0.0%
321.00 General Services	8,442,100	(39,200)	-0.5%	-	(39,200)	-	(39,200)	-0.5%
323.00 Veterans Services	6,986,100	-	0.0%	-	-	-	-	0.0%
324.00 Board of Parole	8,680,900	-	0.0%	-	-	-	-	0.0%
325.00 Agriculture	40,314,700	(403,100)	-1.0%	-	(403,100)	300,000	(103,100)	-0.3%
326.00 Tourist Development	16,405,100	-	0.0%	-	-	-	-	0.0%
327.00 Environment and Conservation	105,379,200	(410,000)	-0.4%	-	(410,000)	-	(410,000)	-0.4%
328.00 Tennessee Wildlife Resources Agency	435,400	-	0.0%	-	-	-	-	0.0%
329.00 Correction	336,432,200	-	0.0%	-	-	-	-	0.0%
330.00 Economic and Community Development	26,325,800	(50,000)	-0.2%	-	(50,000)	-	(50,000)	-0.2%
331.00 Education (K-12)	196,397,300	(1,964,000)	-1.0%	-	(1,964,000)	-	(1,964,000)	-1.0%
332.00 Higher Ed. State-Administered Programs	\$ 11,000,000	\$ (110,000)	-1.0%	\$ -	\$ (110,000)	\$ -	\$ (110,000)	-1.0%
332.10 University of Tennessee System	-	-	0.0%	-	-	-	-	0.0%
332.60 State Univ. and Comm. College System	-	-	0.0%	-	-	-	-	0.0%
Sub-Total Higher Education	\$ 11,000,000	\$ (110,000)	-1.0%	\$ -	\$ (110,000)	\$ -	\$ (110,000)	-1.0%
335.00 Commerce and Insurance	9,589,200	(53,900)	-0.6%	-	(53,900)	-	(53,900)	-0.6%
336.00 Financial Institutions	-	-	0.0%	-	-	(500,000)	(500,000)	0.0%
337.00 Labor and Workforce Development	22,902,900	(229,000)	-1.0%	-	(229,000)	-	(229,000)	-1.0%
339.00 Mental Health & Substance Abuse Services	82,995,200	(235,000)	-0.3%	-	(235,000)	-	(235,000)	-0.3%
341.00 Military	15,509,000	(77,400)	-0.5%	-	(77,400)	-	(77,400)	-0.5%
343.00 Health	172,893,600	(1,103,700)	-0.6%	-	(1,103,700)	-	(1,103,700)	-0.6%
344.00 Intellectual and Developmental Disabilities	24,926,700	-	0.0%	-	-	-	-	0.0%
345.00 Human Services	110,386,600	(1,103,900)	-1.0%	-	(1,103,900)	-	(1,103,900)	-1.0%
347.00 Revenue	77,745,000	(6,217,100)	-8.0%	-	(6,217,100)	-	(6,217,100)	-8.0%
348.00 Tennessee Bureau of Investigation	49,745,000	-	0.0%	-	-	-	-	0.0%
349.00 Safety	171,709,700	(30,500)	0.0%	-	(30,500)	-	(30,500)	0.0%
350.00 Strategic Health-Care Programs	61,559,200	(5,417,900)	-8.8%	(5,325,500)	(10,743,400)	-	(10,743,400)	-17.5%
351.00 Miscellaneous Appropriations	-	-	0.0%	-	-	-	-	0.0%
352.00 Other Post-Employment Benefits Liability	-	-	0.0%	-	-	-	-	0.0%
353.00 Emergency and Contingency Fund	-	-	0.0%	-	-	-	-	0.0%
355.00 State Building Commission	-	-	0.0%	-	-	-	-	0.0%
359.00 Children's Services	115,279,500	(1,831,400)	-1.6%	-	(1,831,400)	-	(1,831,400)	-1.6%
Sub-Total Executive	\$5,067,508,400	\$ (91,520,000)	-1.8%	\$ (5,325,500)	\$ (96,845,500)	\$ (200,000)	\$ (97,045,500)	-1.9%
Total Reductions - Budget File	\$5,428,379,900	\$ (91,520,000)	-1.7%	\$ (5,325,500)	\$ (96,845,500)	\$ (200,000)	\$ (97,045,500)	-1.8%

Base Appropriations Preserved by Proposed Assessment Legislation

Fiscal Year 2020-2021

Legislation is proposed to continue the hospital, nursing home, and ambulance service assessments for one year. The following base appropriations are preserved by this revenue proposal. Failure to enact this legislation will result in the following base budget reductions.

Description	State	Federal	Total
I. Hospital Assessment			
Uncompensated Charity and Self-Pay Sub Pool	\$ 49,176,300	\$ 94,942,700	\$ 144,119,000
Virtual Disproportionate Share Hospital Payments	67,126,100	129,597,600	196,723,700
Graduate Medical Education	17,061,000	32,939,000	50,000,000
Charity Care Fund	8,871,700	17,128,300	26,000,000
Medicare Part A Reimbursement	12,130,500	23,419,900	35,550,400
Provider Reimbursement and Co-Pay	67,585,100	130,484,000	198,069,100
Hospital Reimbursement Ceiling	8,050,100	15,541,900	23,592,000
In-Patient Services	46,481,800	89,740,500	136,222,300
Lab and X-Ray Procedures	14,352,400	27,709,700	42,062,100
Therapies	9,637,900	18,607,500	28,245,400
Out-Patient Services	36,399,100	70,274,400	106,673,500
Office Visits	20,462,200	39,505,500	59,967,700
Match for Admissions Data Contract Payments	275,000	275,000	550,000
Directed Hospital Payments	207,632,400	400,867,600	608,500,000
Non-Emergent Care at Hospitals	572,800	1,106,000	1,678,800
340B Pricing Provision of MCO Contractor Agreement	2,047,300	3,952,700	6,000,000
Match for TN Center for Health Workforce Development	739,100	1,427,000	2,166,100
Total Hospital Assessment	\$ 568,600,800	\$ 1,097,519,300	\$ 1,666,120,100
II. Nursing Home Assessment	\$ 128,171,600	\$ 247,455,800	\$ 375,627,400
III. Ambulance Service Assessment	\$ 11,709,700	\$ 22,535,400	\$ 34,245,100
IV. Total Proposed Assessments	\$ 708,482,100	\$ 1,367,510,500	\$ 2,075,992,600

**Salary Policy Recommendation
Fiscal Year 2020-2021**

	<u>General Fund</u>	<u>Dedicated</u>
I. Discretionary Raises:		
1. State Employees Salary Pool:		
a. 2.5% Salary Pool - Pay for Performance - TEAM Act agencies - Effective 1/1/2021	\$ 38,260,000	\$ -
b. 2.5% Salary Pool - Across the Board - Non-TEAM Act agencies - Effective 7/1/2020	8,932,000	-
c. Market Rate Adjustment	40,000,000	-
2. Higher Education - Included in Funding Formula		
a. 2.5% Salary Pool - Formula Units	28,364,700	-
b. 2.5% Salary Pool - Non-Formula Units	10,953,300	-
3. K-12 Basic Education Program (BEP) - Teachers and Other Certified Staff	117,360,000	-
4. Safety - Commissioned Officers (Troopers) - Salary Survey Raise at 2.5%	1,783,500	-
5. Commerce and Insurance - TLETA Commissioned Officers - Salary Survey Raise at 2.5%	27,800	-
6. TWRA - Wildlife Officers - Salary Survey Raise at 2.5%	-	1,005,500
Sub-Total Discretionary Raises	\$ 245,681,300	\$ 1,005,500
II. Mandated Salary Increases:		
A. Statutory Step Raises:		
1. District Attorneys General - Assistant District Attorneys and Criminal Investigators (Includes Human Services: \$42,300 State)	\$ 1,355,500	\$ -
2. District Public Defenders - Assistant Public Defenders and Investigators	718,300	-
3. District Public Defenders - Davidson County and Shelby County Adjustment	145,800	-
4. Post-Conviction Defender - Assistant Post-Conviction Defenders	25,000	-
5. Commerce and Insurance - TLETA Commissioned Officers	42,700	-
6. Safety - Commissioned Officers (Troopers)	1,174,300	-
7. TWRA - Wildlife Officers, Biologists, and Unique Positions	-	656,500
Sub-Total Statutory Step Raises	\$ 3,461,600	\$ 656,500
B. Cost of Living Adjustments:		
1. Court System - Judges salary increase - CPI Adjustment	\$ 794,900	\$ -
2. Attorney General and Reporter statutory salary increase - CPI Adjustment	4,500	-
3. Governor's statutory salary increase - CPI Adjustment	4,600	-
Sub-Total Cost of Living Adjustments	\$ 804,000	\$ -
Sub-Total Mandated Salary Increases	\$ 4,265,600	\$ 656,500
III. Other Salary Increases:		
1. Probation/Parole Officer Series Salary Adjustment	\$ 9,995,100	\$ -
2. Children's Services - Teacher Training and Experience	18,000	-
3. Education - Teacher Training and Experience - State Special Schools	117,300	-
4. Environment - State Parks Federally Mandated Hourly Salary Change	1,380,600	-
Sub-Total Other Salary Increases	\$ 11,511,000	\$ -
Total Recommended Salary Policy	\$ 261,457,900	\$ 1,662,000

**Rainy Day Fund and Unobligated TennCare Reserve
Fiscal Years 2016-2017 Through 2020-2021**

	<u>Rainy Day Fund</u>	<u>TennCare Reserve</u>	<u>Total</u>
1. 2016-2017:			
Total Reserve at June 30, 2017	\$ 668,000,000	\$ 242,493,900	\$ 910,493,900
2. 2017-2018:			
Plus: Deposit at June 30, 2018	132,000,000	-	132,000,000
Less: Expenditures for Eligibility Determination System	-	(21,709,200)	(21,709,200)
Plus: Program Savings	-	90,480,400	90,480,400
Total Reserve at June 30, 2018	\$ 800,000,000	\$ 311,265,100	\$ 1,111,265,100
3. 2018-2019:			
Plus: Deposit at June 30, 2019	50,000,000	79,153,200	129,153,200
Plus: Additional Deposit at June 30, 2019 - Balance at \$861 Million	11,000,000	-	11,000,000
Plus: Additional Deposit at June 30, 2019 - Balance at \$875 Million	14,000,000	-	14,000,000
Total Reserve at June 30, 2019	\$ 875,000,000	\$ 390,418,300	\$ 1,265,418,300
4. 2019-2020:			
Plus: Deposit at June 30, 2020	43,400,000	-	43,400,000
Plus: Additional Deposit at June 30, 2020 - Balance at \$1.1 Billion	181,600,000	-	181,600,000
Total Reserve at June 30, 2020	\$ 1,100,000,000	\$ 390,418,300	\$ 1,490,418,300
5. 2020-2021:			
Plus: Deposit at June 30, 2021	50,000,000	-	50,000,000
Total Reserve at June 30, 2021	\$ 1,150,000,000	\$ 390,418,300	\$ 1,540,418,300