



FISCAL YEAR 2021 RECOMMENDED BUDGET

FY21 Budget Highlights

- **Revenue Reserve Investments and Local Government Support**
- **Investing in Our Teachers**
- **Expanding Access to Mental Health Services**
- **Improving Access to Healthcare**
- **Supporting Safe Communities**
- **Supporting Rural Communities**
- **Capital and Deferred Maintenance**

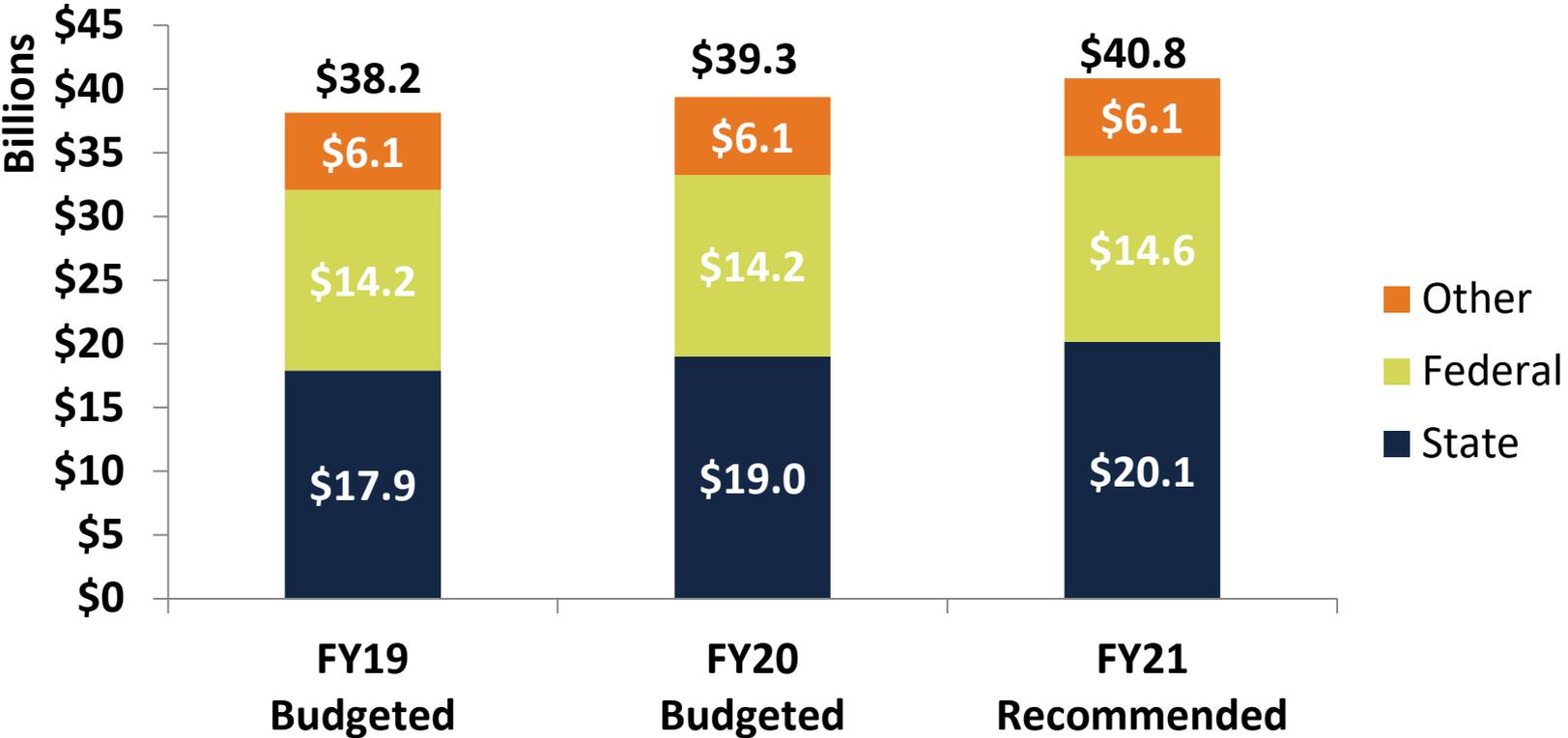
\$40 Billion Milestone

- **Strong revenues from a favorable economy.**
- **Reductions in professional privilege tax.**
- **Efficiencies from a review of current operations.**
- **Use of existing state positions.**
- **Strategic investments.**
- **Savings in the Rainy Day Fund.**

FY21 Budget Overview

Revenues & Expenditures	Recurring	Non-Recurring
Available Revenues	\$917,383,200	\$1,238,159,800
Cost Increases	(\$1,007,394,700)	(\$1,242,617,100)
Budget Reductions	\$91,520,000	\$5,325,500
Balance	\$1,508,500	\$868,200

Comparison of Funding (billions)



Reserve Revenues and Local Investments

K-12 Mental Health Trust Fund	\$250,000,000
Local Government Grants – Counties	\$50,000,000
Local Government Grants – Cities & Towns	\$50,000,000
Rainy Day Fund	\$50,000,000
Transportation Equity Fund	\$30,000,000
Volunteer Public Education Trust Fund	\$15,000,000
Total	\$445,000,000

K-12 Education

Teacher Compensation	\$117,360,000
Literacy Initiatives	\$70,550,000
BEP Full Funding	\$65,881,000
Student Choice Initiatives	\$64,380,100
Leadership Initiatives	\$46,669,200
Other Education Investments	\$34,116,500
Education Total	\$398,956,800

Higher Education

Salary Funding	\$39,318,000
Outcome Funding Formula – Fully Funded	\$38,000,000
TSAA Awards	\$9,600,000
Campus Security	\$7,000,000
Veteran Reconnect Grants	\$1,000,000
Mechatronics	\$1,000,000
Other Higher Education Investments	\$43,399,600
Higher Education Total	\$139,317,600

Mental Health & Substance Abuse Services

Children's Behavioral Health Safety Net	\$7,571,800
School Based Behavioral Health Liaison	\$3,014,300
Substance Abuse Treatment Services	\$6,000,000
Statewide Residential Recovery Court	\$4,687,500
Addiction Recovery Program Enhancement	\$4,000,000
Creating Homes Initiative	\$3,583,400
Other Mental Health & Substance Abuse Services	\$4,002,200
Mental Health & Substance Abuse Services Total	\$32,859,200

Health and Social Services

TennCare – Medical Inflation	\$90,847,800
TennCare - ECF CHOICES – 2,400 New Enrollees	\$35,575,700
TennCare – Postpartum Extension Pilot	\$6,644,700
DCS – Custody Services Growth	\$16,779,700
DCS – Multi-Systemic Therapy for Juvenile Justice	\$1,500,000
Health – Safety Net Expansion	\$6,500,000
Health – Project Access	\$1,000,000
Other Health & Social Services Investments	\$73,874,800
Health & Social Services Total	\$265,581,900

Department of Correction

Private Contract Services	\$28,034,800
Hepatitis C Treatment	\$10,000,000
Salaries for Probation & Parole Officers	\$9,995,100
Correctional Education Investment (with TCAT's)	\$8,998,000
Mandatory Re-Entry Supervision	\$4,644,000
Day Reporting & Community Resource Centers	\$4,601,400
Other Department of Correction Investments	\$48,842,300
Department of Correction	\$115,115,600

Judicial Support & Public Safety

TBI – 25 Additional Field Agents	\$5,565,100
Safety – 10 Additional Troopers	\$1,514,000
Safety – New Emergency Dispatch System	\$3,575,000
TEMA – Information System & IT Infrastructure	\$1,561,500
TEMA – New Chattanooga-based Region	\$1,550,500
Other Judicial Support & Public Safety Investments	\$38,955,900
Judicial Support & Public Safety Total	\$167,194,100

Business and Rural Development

ECD – FastTrack	\$90,000,000
ECD - Broadband	\$25,000,000
ECD – Rural Opportunity Fund	\$20,568,200
ECD – Launch TN Grants	\$3,000,000
Agriculture – TAEP & AEF Grant Programs	\$9,000,000
Tourism – Marketing Initiatives	\$8,000,000
Other Business and Rural Development Investments	\$55,406,300
Business & Rural Initiatives Total	\$210,974,500

Information Technology and Security

Labor – Unemployment Benefits & Tax System	\$41,795,000
Environment – Modernization & Upgrades	\$15,000,000
Health – EPI Phase II	\$15,000,000
Revenue – TR3	\$10,000,000
TBI – AFIS Upgrade	\$6,000,000
Statewide - Security Enhancements	\$5,763,600
Statewide - Cloud Enablement & Management	\$3,300,000
Other Information Technology Investments	\$6,941,400
Information Technology Total	\$103,800,000

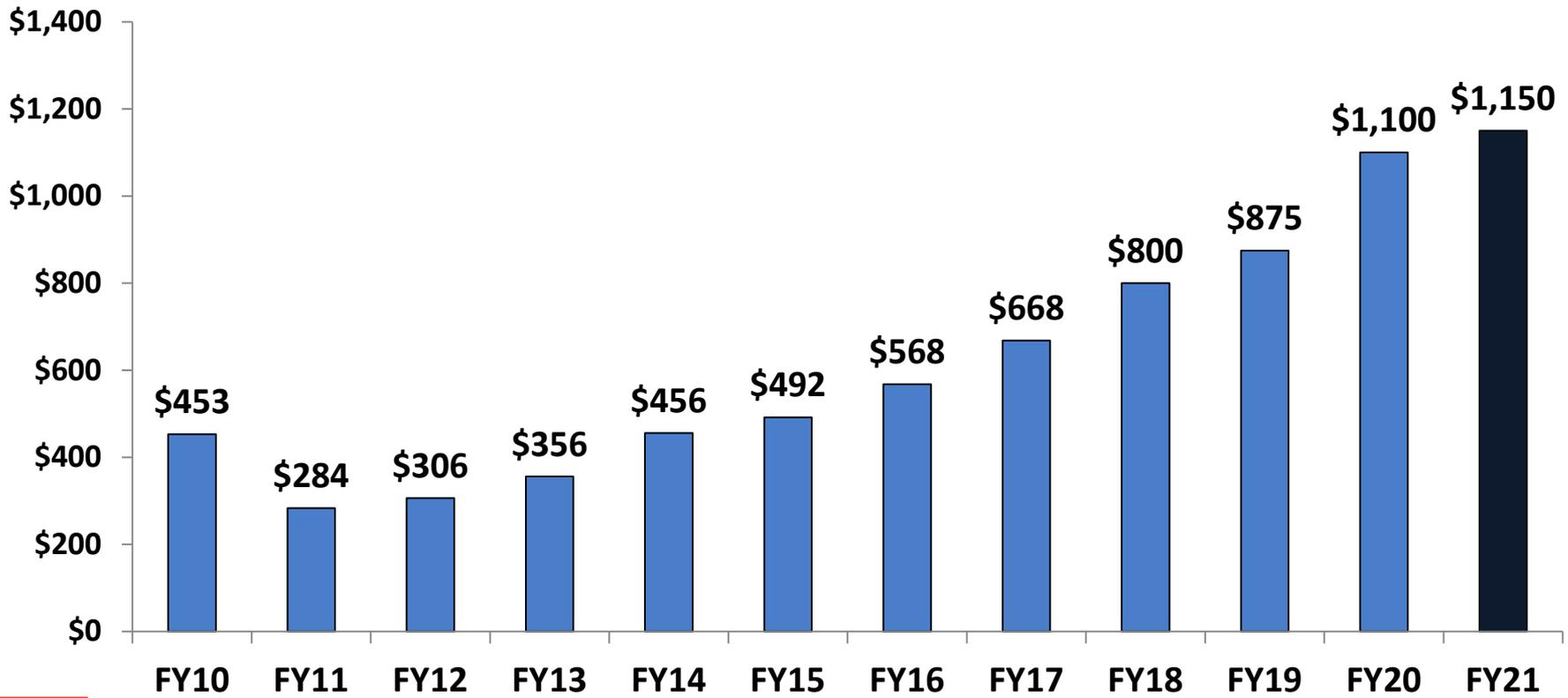
Capital Investments

	Improvement	Maintenance
State Buildings – 11 Projects	\$27,470,000	\$0
Higher Education – 4 Projects	\$159,072,500	\$0
Emergency & Contingency Funds	\$5,000,000	\$0
AWS Project Funding	\$5,000,000	\$0
State Buildings – 51 Projects	\$0	\$38,671,400
Higher Education – 46 Projects	\$0	\$59,075,900
Capital Investments Total	\$196,542,500	\$97,747,300

Agency Maintenance Funds: Projects <\$100,000

State Parks	\$18,000,000
Higher Education	\$10,000,000
General Services – Statewide	\$10,000,000
Military Armories Maintenance	\$1,000,000
Mental Health & Substance Abuse Services	\$250,000
Intellectual & Developmental Disabilities	\$210,900
Agency Maintenance Funds Total	\$39,460,900

Record Rainy Day Fund (millions)



FY20 Supplemental Appropriations

Correction – State Prosecutions	\$33,244,500
Special Litigation	\$10,900,000
Health – Ryan White HIV/AIDS Program	\$8,000,000
Agriculture – Agriculture Enhancement Fund	\$7,500,000
Bethel University	\$5,000,000
TBI – Operational Support	\$4,100,000
Environment – Clean Water	\$3,242,300
Highway Patrol & TLETA – Operational & Training Vehicles	\$1,468,200
Treasury – Electronic Indigency	\$500,000
General Services – Facility Assessment for TSU	\$228,300
Total Supplementals	\$74,183,300

In Conclusion ...

- **3.7% growth in budget.**
- **K-12 Mental Health Trust for long term sustainability.**
- **Strategic reductions totaling \$91.5 million recurring.**
- **Professional privilege tax reduced by 50%.**
- **No new debt.**