Governor Bill Lee

TENNESSEE FY23 PROPOSED BUDGET: $52.6B

Where Each Tax Dollar Goes

- EDUCATION - 41¢
- HEALTH & SOCIAL SERVICES - 24¢
- LAW, SAFETY, & CORRECTION - 9¢
- GENERAL GOVERNMENT - 8¢
- TRANSPORTATION - 7¢
- CITIES & COUNTIES - 5¢
- RESOURCES & REGULATION - 4¢
- BUSINESS & ECONOMIC DEVELOPMENT - 2¢

New Allocations - $8.085B

- K-12 EDUCATION & CTE - 13% - $1B
- HIGHER EDUCATION & CTE - 24% - $1.9B
- HEALTH & SOCIAL SERVICES - 7% - $545M
- LAW & SAFETY - 7% - $602M
- TRANSPORTATION & INFRASTRUCTURE - 8% - $627M
- RAINY DAY FUND & DEBT & LIABILITY REDUCTIONS - 11% - $922M
- CAPITAL IMPROVEMENTS - 20% - $1.6B
- OTHER - 10% - $795M

INVESTING TODAY & SAVING FOR TOMORROW

- TN has one of the strongest budgetary positions in history from a growing economy and prudent financial actions
- We are strengthening our fiscal position & preparing for upcoming opportunities
- We are deliberately ensuring more than $1.3B of recurring revenue is allocated to one-time expenditures, allowing the return of these resources for review and budgeting next fiscal year

Key Highlights

$125M – Increase State Funding of Teacher Salaries
Provides an increase to the teacher salary pool

$200M – TCAT Infrastructure
Doubles the skilled workforce by 2026

$90M - Higher Education Outcomes-Based Formula
Enables 0% tuition increase for public universities

$356M – Law Enforcement Training Academy
Funds a new multi-agency law enforcement training academy

$150M – Violent Crime Intervention Fund
Provides grant funding to local communities to improve public safety

$623M – Road Infrastructure
Accelerates projects listed in the IMPROVE Act and invests in transportation projects to ensure economic opportunity

$82M – Public Hospitals
Provides reimbursement for uncompensated care to public hospitals

$250M – Tennessee State University
Improves physical infrastructure at University

$2.75B – Capital Improvements & Maintenance
Addresses deferred maintenance within current capital assets (General Government and Higher Education)

$922M – Fiscal Responsibility
Eliminates authorized but unissued debt, reduces state employee pension and healthcare liabilities, and invests in Rainy Day-Fund