

TICUA Policy Update

March 4, 2010

Senate Completes its Work on TICUA Bills

The Tennessee State Senate has unanimously passed all three bills initiated by TICUA. The data protection, UPMIFA, and procurement bills all passed the chamber without opposition. The House companion procurement bill is on next week's calendar in the State and Local Committee. The full House chamber, however, passed the UPMIFA bill on Thursday which sends it to Governor Bredesen's desk for his signature. The House chamber is scheduled to take action on the data protection bill Monday evening March 8.

Lottery Corporation Reports Modest Increased Earnings

The Tennessee Lottery Corporation reported to the House Education Committee that they expect a modest 1% increase in revenue for the lottery scholarship earnings. To date, they have transferred \$177.1 million into the scholarship program and anticipate an annual total transfer somewhere near \$272 million. This represents 26% of the gross revenue from all lottery sales. This slight increase will do very little to narrow the increasing gap between the revenues and program requirements.

Senator Kyle Introduces Bill to Bolster Lottery Scholarship

Senator Jim Kyle has introduced a bill that would reallocate funds from the K-12 Energy Efficiency initiative back into the lottery scholarship reserve. The Energy Efficiency program was established by setting aside \$90 million in lottery reserve funds to provide capital for improvements in the K-12 public school system. Kyle noted that only \$400,000 has been used since the fund's inception two years ago and that the federal stimulus funds also support these types of improvements. Consequently, he is recommending that the unobligated funds be moved back into the scholarship program to offset the current program deficit.