

TICUA Policy Update
March 9, 2007

Lottery Bills Put on Hold

Neither the Senate nor the House plan on taking up any bills related to the Tennessee Education Lottery Scholarship programs until the end of March or early April. House Education Chairman Les Winningham announced that the bills will be grouped together and will be the “last thing” heard by the committee this session. Senate Chair Woodson has hinted at a similar strategy.

Increase for the TSAA is Gaining Momentum

This past Tuesday the Senate Education Committee passed SB2050 which eliminates reversion of the Tennessee Student Assistance Award back to the general fund. Each year higher education administrative units are requested to return a portion of their budgets to the State’s general fund. This results in a \$1.3 million reversion that is typically taken from the TSAA. This bill protects the TSAA from reversion thus allowing all appropriated funds to be used to fund needy students. The \$1.3 million could fund an additional 650 students. The bill has yet to move in the House.

TICUA has been invited to present its proposal on the use of the excess lottery revenue to supplement the TSAA before a special committee of the Tennessee Higher Education Commission. The proposal calls for taking a large portion of the current lottery excess funds and setting them aside as a dedicated reserve corpus for the lottery scholarships while using the interest income off the corpus to supplement the TSAA. There is currently over \$320 million in excess funds available. At a very conservative interest rate of 5%, a \$200 million corpus would provide an additional \$10 million annually for the need-based aid program. This presentation will take place on March 16, 2007.

Student Thank You’s Impact Legislators

In just over a week more than 100 students have sent over 300 messages to Governor Bredesen and members of the Tennessee General Assembly thanking them for the Tennessee Student Assistance Award. Many students have also taking a moment to thank legislators for the Hope Scholarship program.

During recent visits to the Legislative Plaza, TICUA presidents heard how important student emails are to legislators. It is not unusual for legislators to mention how these notes provide them resolve to improve the TSAA program. In many cases these are the only positive emails they receive all year.

Please continue to encourage your students to keep the messages coming! Simply go to <http://capwiz.com/ticua/state/main/?state=TN> and click on Take Action!