

TICUA Policy Update January 18, 2008

Senate Education Moves on Lottery

The Senate Education Committee began deliberation on possible changes to the Tennessee Education Lottery Scholarship programs this week. The committee heard testimony from Robert Curry indicating an available renewing cash flow of up to \$27 million. David Wright from THEC then outlined possible changes to the program that would utilize those funds. The centerpiece of his presentation was to utilize the interest income off of the lottery reserve to supplement the State's need-based aid program (TSAA). He also noted a number of other possible changes that would utilize the nearly \$27 million noted by Mr. Curry.

Senate Chair Jamie Woodson urged the committee to agree upon the amount of renewing funds available for changes to the program. Once the amount is agreed upon they will work toward that number in recommending changes to the program. The Senators discussed the potential target number for some time before agreeing to table the discussion until this next week.

Governor Contemplates Changes to the Lottery

Governor Phil Bredesen let it be known that he plans on recommending changes to the lottery scholarship program during his State of the State address on Monday, January 28, 2008. His ideas range from raising the amounts, helping low-income families, making it easier for non-traditional students to qualify, to seeking ways to assist with the retention of the program. The Governor has voiced the possibility of spending down the one-time reserves to make some of these changes.

State Budget Woes Avoid Education...For Now

State Finance and Administration Commissioner Dave Goetz reported to the Senate Finance Committee that the State's revenue is trailing behind expectations by about \$120 million. Commissioner Goetz stated that he hopes to recover the shortfall by asking department heads to revert funds back from their operations. Education funds, such as the BEP and higher education, have been exempted from the reversion request for now. If the picture worsens education will be asked to do their part in helping cover the shortfall. For now, however, higher education, including the TSAA grant, can operate as usual.

US Senator Lamar Alexander to Attend TICUA Annual Meeting

The TICUA Board of Directors has chosen to honor US Senator Lamar Alexander during the upcoming 52nd TICUA Annual Meeting. Alexander will be honored for his work on behalf of independent higher education in drafting the Senate version of the reauthorization of the Higher Education Act. Alexander introduced key provisions of the act which limits the Secretary of Education's regulatory authority and seeks to help more students afford a college education. The Senator will be present at the TICUA Gala Reception which will be held on the evening of Tuesday, February 19, 2008.

Register by going to: www.ticua.org/annual_meeting