

TICUA Policy Update

June 4, 2010

State Budget Passes with Student Aid Intact

The Senate and House reached a budget agreement which included TICUA student aid provisions. The Tennessee Student Assistance Award will receive a \$3.2 million non-recurring improvement for the 2010-11 academic year. This will keep the funding point equal to the current appropriation.

The Senate's proposal to move 50% of the contract education funding into the non-recurring column was reversed in the budget compromise. The final budget kept the program's entire funding in the recurring column, thus improving its position for future funding.

Lottery Expands to More Institutions

The only bill passing the House and Senate which impacts lottery expenditures does so by expanding institutional eligibility. Senator Randy McNally and Representative Jimmy Matlock introduced a bill which allows Hiwassee College to remain eligible for lottery funding even though they have lost their accreditation. The bill was then amended to include Tennessee Temple University and Knoxville College. The bill was also amended to phase-in the impact by only making incoming freshmen eligible beginning fall 2010. Once amended, the bill's fiscal note was just over \$100,000. This was the only lottery bill containing a fiscal note that was not referred to the Lottery Stabilization Committee which will begin meeting this summer.