

TICUA Policy Update

May 28, 2010

Senate Committee Passes State Budget

The Senate Finance, Ways and Means Committee passed their version of the State's budget late Thursday night. The budget will go to the Senate floor for a vote after the Memorial Day Holiday. The House will also reconvene next week to take up budget matters at the committee level.

The Senate committee's version of the budget keeps the Tennessee Student Assistance Award's improvement at the \$3.2 million level but places it in the "non-recurring" column for the next two years. They will partially fund the program through general appropriations and through the Federal Medical Assistance Programs/ Federal Financial Participation in State Assistance Expenditures (FMAP). It is anticipated that Tennessee may receive as much as \$341.6 million through this one-time program.

The Contract Education program has been in and out of the Senate's proposed budget plan. The Governor's budget calls for keeping program flat funded in the recurring funding column while the Senate's final committee version splits the funding between recurring and one-time funds. This move jeopardizes future funding for the program. Through Contract Education the state is able to work with TICUA members to offer unique high quality academic programs to students at a fraction of what it would cost to educate them at a public university. Currently, the House's version of the budget mirrors the Governor's proposal by keeping Contract Education whole. Next week's work by the House will shed light on how their final budget document will treat the program. Students who benefit from Contract Education are being asked to email their legislators to keep the program in the recurring funding column. <http://capwiz.com/naicu/tn/issues/alert/?alertid=15083211>