

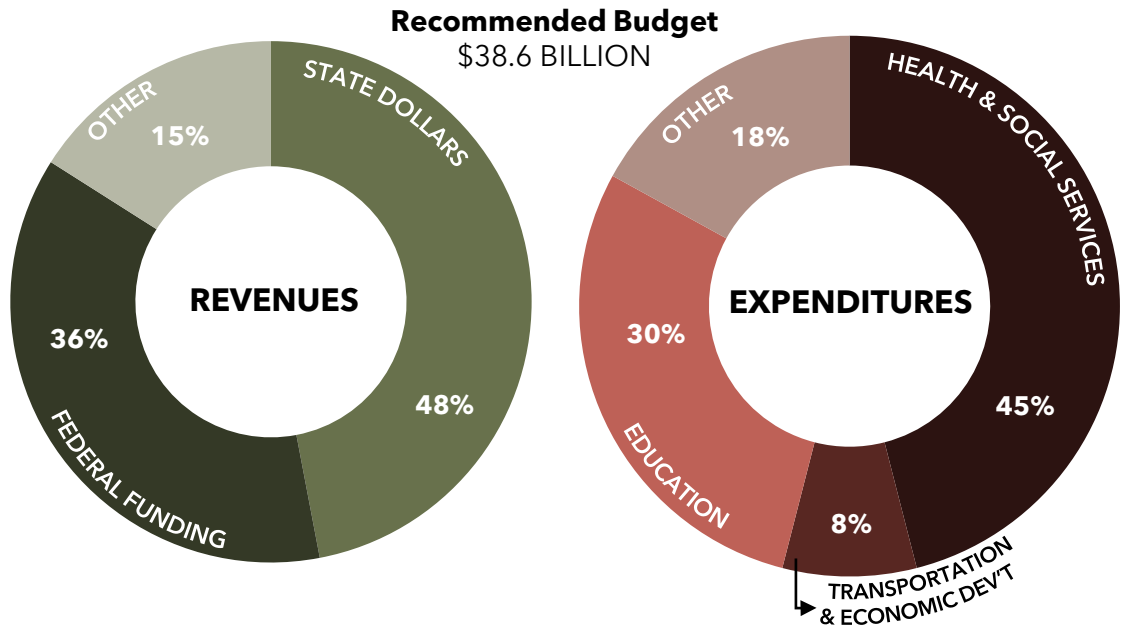
TENNESSEE STATE BUDGET

Governor's FY 2020 Recommendation

TOTAL BUDGET

Gov. Bill Lee's recommended budget for FY 2020 is **1.1% (or \$424M) higher** than current estimated spending.

Spending from state revenues is **4.1% (or \$737M) higher**.



TOP INVESTMENTS & INCREASES

Recurring:

- +\$210M** for personnel costs like salaries and benefits
- +\$152M** for TennCare
- +\$89M** for K-12 Education

Non-Recurring:

- \$338M** for capital outlays
- \$225M** to the rainy day fund
- \$114M** for Economic & Community Development

TOP REDUCTIONS

Recurring:

- \$24M** from TennCare
- \$6M** from K-12 Education
- \$4M** from Corrections

Non-Recurring:

- \$24M** from CoverKids offset by federal increases

SAVINGS



33 DAYS

period TN could operate with expected **Rainy Day Fund & TennCare Reserve** balances in FY 2020

+4 DAYS vs. FY 2019
-9 DAYS vs. FY 2007

STATE TAX REVENUES

+\$463 MILLION

or **3.1% higher** than estimated revenues for the current year

4.1%
avg. annual growth since FY 2011

10 years
consecutive growth since Great Recession

SELECT POLICY INITIATIVES

SCHOOL CHOICE



+\$37M
for education savings accounts and charter schools

VOCATIONAL EDUCATION



+\$29M
for the proposed Governor's Investment in Vocational Education (GIVE) Act to expand job skills training

SCHOOL SAFETY



+\$30M
for school safety grants