

**FISCAL MEMORANDUM  
SB 2809 – HB 2975**

February 29, 2008

**SUMMARY OF AMENDMENT (014531):** Deletes the language of the original bill. Creates the Lottery for Education After-School Programs Grant Fund, or the LEAP Grant Fund, for the purpose of making competitive and technical assistance grants to eligible institutions that provide after-school educational programs. Requires the Department of Education (DOE) to administer and monitor grant program. Authorizes the General Assembly to appropriate funds to DOE for deposit into the LEAP Grant Fund in any fiscal year in which the lottery scholarship program is fully funded and there are excess funds available in the After-School Programs Special Account (ASPSA). Requires grants to be for a period of three years.

**FISCAL IMPACT OF ORIGINAL BILL:**

Other Fiscal Impact – Based on current revenue and expenditure estimates for the Tennessee Education Lottery program, approximately \$5,000,000 in excess lottery funds is anticipated for FY08-09. If the General Assembly appropriates 100% of this excess for after-school programs, it will increase the expenditure of lottery proceeds earmarked for scholarships and grants by \$5,000,000 for FY08-09. Additional funding in subsequent years would be dependent upon the extent of excess lottery revenue, and whether the General Assembly appropriates such excess revenue, or portions thereof, for after-school programs.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**


**Other Fiscal Impact – Any shift of funds from the After-School Special Programs Account to the LEAP Grant Fund is dependent upon action taken by the General Assembly in the appropriations bill. The amount of excess funds estimated to be in the After-School Programs Special Account at the end of FY07-08 is approximately \$6,569,300. Therefore, the General Assembly could appropriate this amount, or any portion thereof, from the After-School Special Programs Account to the LEAP Grant Fund for the purposes identified by the bill.**

Assumptions applied to amendment:

- The balance in the ASPSA as of June 30, 2007 was \$8,803,117.
- Approximately \$12,500,000 is currently estimated for allocation to the ASPSA (from unclaimed lottery prizes) for FY07-08.
- Actual expenditures from the ASPSA for existing after-school programs were \$14,733,804.65 in FY06-07.
- Estimated expenditures from the ASPSA for existing after-school programs is \$14,733,800 in FY07-08.
- The balance of the ASPSA is estimated to be approximately \$6,569,300 ( $\$8,803,117 + \$12,500,000 - \$14,733,800 = \$6,569,317$ ) on June 30, 2008. Therefore, an amount up to \$6,569,300 could be appropriated by the General Assembly from the ASPSA to the LEAP Grant Fund for FY08-09.

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

/rnc