



**Presentation to Senate  
Finance, Ways & Means  
Committee**

**Re: State Funding Board  
Lottery and Revenue Estimates  
Justin P. Wilson, *Comptroller*  
*February 15, 2011***



# Members of Funding Board

- Bill Haslam, Governor, *Chairman*
- Justin P. Wilson, Comptroller of the Treasury, *Secretary*
- Tre Hargett, Secretary of State
- David H. Lillard, Jr., State Treasurer
- Mark A. Emkes, Commissioner of Finance & Administration



# TCA Section 9-4-5202(e)

- The state funding board conducts public hearings to develop consensus estimates of state revenue for the upcoming fiscal year, as well as any revisions to the current fiscal year estimates.
- The state funding board requests economic forecasts and revenue estimates from representatives of the state's higher education institution business centers and other groups or persons as deemed appropriate.



# TCA Section 9-4-5202(e)

- The state funding board presents its state revenue estimates to the Governor and to the General Assembly.
- The state funding board may review state revenue estimates prior to adoption of the budget.



# Role of Funding Board

- Responsible for development of consensus ranges in revenue growth
- Is not to consider budgetary needs



# State Funding Board

## State Revenue Growth Ranges

	FY 2010-11		FY 2011-12	
	Low	High	Low	High
Total State Taxes	3.60%	4.00%	2.65%	3.35%
General Fund Only	3.95%	4.45%	2.90%	3.65%



# State Funding Board

## Estimated Revenues Based on Growth Ranges

	Actual 2009-2010	Growth Rate	FY 2010-2011	Growth Rate	FY 2011-2012
<b>Total Taxes</b>	\$10,023,508,800	3.60%	\$10,384,400,000	2.65%	\$10,659,600,000
				3.35%	\$10,732,300,000
		4.00%	\$10,424,400,000	2.65%	\$10,700,600,000
				3.35%	\$10,773,600,000
<b>General Fund</b>	\$8,186,717,500	3.95%	\$8,510,100,000	2.90%	\$8,756,900,000
				3.65%	\$8,820,700,000
		4.45%	\$8,551,000,000	2.90%	\$8,799,000,000
				3.65%	\$8,863,100,000



# TCA Section 4-51-111(c)

- The state funding board projects the revenue for net lottery proceeds for the remainder of current fiscal year and the next succeeding four (4) fiscal years.
- The Tennessee student assistance corporation prepares a report estimating the total cost of lottery related financial assistance to be provided to Tennessee citizens during the same time periods.



# Role of Funding Board

- Is responsible for estimating revenue ranges for “Net Lottery Proceeds”
- Assumes no new legislative changes
- Projects, but does not establish, scholarship needs



# State Funding Board

## Net Lottery Proceeds Ranges

Fiscal Year 2009-10 actual Net Lottery Proceeds were \$275,978,000.

<b>Net Lottery Proceeds</b>	<b>FY2010-11</b>	<b>FY2011-12</b>	<b>FY2012-13</b>	<b>FY2013-14</b>	<b>FY2014-15</b>
Low	\$275,000,000	\$275,600,000	\$276,200,000	\$276,800,000	\$277,400,000
High	\$280,000,000	\$282,200,000	\$284,500,000	\$286,700,000	\$289,000,000



# Scholarship Program

## TSAC/THEC Projection of Total TELS Expenditures

<b>FY2009-10 actual</b>	<b>FY2010-11 estimated</b>	<b>FY2011-12 projected</b>	<b>FY2012-13 projected</b>	<b>FY2013-14 projected</b>	<b>FY2014-15 projected</b>
\$290,600,000	\$308,700,000	\$315,900,000	\$316,100,000	\$316,500,000	\$316,500,000



# Contact

**Justin P. Wilson, *Comptroller***

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<http://www.tn.gov/comptroller/bf/bfsfb.htm>

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