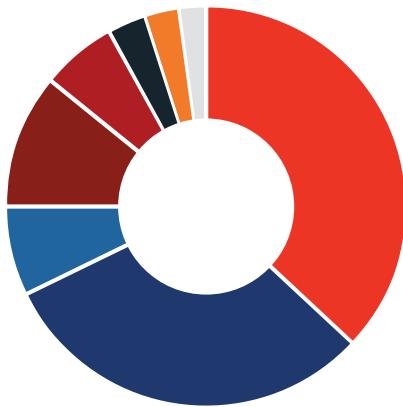


Governor Bill Lee

TENNESSEE'S FY27 PROPOSED BUDGET: **\$57.9B**

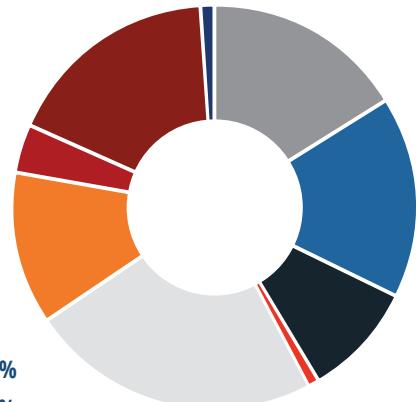
Where Each Tax Dollar Goes

- EDUCATION – 37¢
- HEALTH & SOCIAL SERVICES – 31¢
- TRANSPORTATION – 7¢
- LAW, SAFETY, & CORRECTION – 11¢
- CITIES & COUNTIES – 6¢
- GENERAL GOVERNMENT – 3¢
- RESOURCES & REGULATION – 3¢
- BUSINESS & ECONOMIC DEVELOPMENT – 2¢



New Allocations - \$2.714B

- EDUCATION – \$443.6M – 16%
- HEALTH & SOCIAL SERVICES – \$443.4M – 16%
- LAW, SAFETY, & CORRECTION – \$273.3M – 9%
- RESOURCES & REGULATION – \$34.4M – 1%
- TRANSPORTATION, BUSINESS & ECONOMIC DEVELOPMENT – \$631.9M – 23%
- GENERAL GOVERNMENT – \$332.5M – 12%
- STATE EMPLOYEES – \$114.5M – 4%
- CAPITAL OUTLAY – \$456.6M – 17%
- RAINY DAY FUND – \$20.0M – 1%



FISCAL STEWARDSHIP FOR A BRIGHT FUTURE

Tennessee's legacy of fiscal responsibility has ensured our state can flourish.

As Tennessee continues to experience rapid growth, we remain committed to keeping the Volunteer State in a strong financial position by maintaining a healthy savings account & continuing to invest in our state's Rainy Day Fund - bringing totals to nearly \$2.2 billion.

PARENTS KNOW BEST: DELIVERING CHOICES FOR TENNESSEE PARENTS

Education Freedom Scholarships - \$155M

In 2026, we will double Education Freedom Scholarships to 40,000, delivering school choice to even more Tennessee students across the state for the 2026-27 school year.

This builds upon last year's work to empower Tennessee parents to pick the right school for their child & have a say where their tax dollars are spent.

Key Budget & Legislative Highlights

Strengthening Public Schools – \$339M

 Delivers strong funding for Tennessee public schools, including significant TISA formula funding, summer learning camps & raising starting teacher pay to \$50,000

Growing Tennessee's Trooper Force – \$38M

 Adds 50 additional positions to the Tennessee Highway Patrol force and delivers salary increases for troopers

Safe Neighborhoods – \$80M

 Funds early crime intervention and downtown safety grants in Memphis

Conserving Tennessee's Outdoor Heritage – \$81M

 Brings the total number of Tennessee State Parks to 70 to continue preserving the state's natural beauty & rich resources

Transportation Modernization – \$425M

 Builds upon Tennessee's work to address roads & bridge infrastructure needs across rural & urban Tennessee

Nuclear Energy Innovation – \$25M

 Invests in the Nuclear Energy Fund to recruit nuclear energy companies to TN & develop the nuclear workforce

Accelerating Quantum Computing – \$20M

 Funds the Tennessee Quantum Initiative to accelerate quantum computing across Tennessee

Delivering the American Dream with Affordability for Tennesseans – \$30M

 Creates the Starter Home Revolving Loan Fund to increase availability of starter homes across the state, particularly in rural areas