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Gov. Bill Lee Delivers 2022 State of the State Address

Tennessee: 'America at Its Best'

NASHVILLE, Tenn. – Today, Tennessee Governor Bill Lee delivered his fourth State of the State address and presented budget and legislative priorities to a joint session of the General Assembly.

Key highlights are noted below, and the full speech as prepared for delivery and a budget overview are attached.

Due to Tennessee's conservative fiscal management, the state has one of the strongest budgetary positions in history. The proposed \$52.6 billion budget includes strategic investments in K-12 education, higher education, improving transportation infrastructure and more.

"Tennessee stands as a beacon to the rest of the country for how we can change lives when we control the size of government, prioritize efficiency, and make smart and responsible investments. I am proud to propose a budget and America at Its Best policies that reinforce freedom, innovation, exceptionalism and optimism," said Gov. Lee.

Gov. Lee's address included a bold vision for updating K-12 education funding. This new approach will set aside dollars for each student, based on their individual needs, paying particular attention to students with disabilities, rural students, low income-students, and students with other priority needs. Gov. Lee's FY23 budget proposes more than \$1 billion in new, recurring education spending for public schools across Tennessee.

Additional notable highlights from Gov. Lee's FY22-23 agenda include:

K-12 Education

- Committing to crafting an updated K-12 education funding formula
- \$750M recurring increase for new K-12 education funding formula

- Since new formula will not commence until FY24, these funds will be utilized in FY23 for: CTE improvements in all high schools and middle schools(\$500M), moving all 14 public schools out of flood plains (\$200M) and GIVE and SPARC grants (\$50M)
- Proposing a new law that will ensure parents know what materials are available to students in their libraries
- Proposing new legislation to make computer science and coding available to every high school student in Tennessee.
- \$2.5M to expand the Future Workforce Initiative
- Formalizing a partnership with Hillsdale College to expand their approach to civics education and K-12 education in Tennessee
- \$124.7M to provide a well-deserved increase into the teacher salary pool
- \$25.5M in recurring funding to continue successful summer learning camps
- \$16M recurring and \$16M nonrecurring to the Charter Schools Facility Fund to increase the number of high-quality Charter Schools

Higher Education

- \$90M to fully-fund the outcomes-based formula, enabling a zero percent tuition increase for public universities
- \$200M for TCAT infrastructure investments to help double the skilled workforce by 2026
- \$72M to complete the Oak Ridge Innovation Institute, a partnership with the University of Tennessee to invest in data science and technology, advanced materials, and outcomes-based applications
- \$6M to establish the Institute of American Civics at the University of Tennessee
- \$50M to a Carnegie R1 research fund at the University of Memphis, matched by private donors, to sustain the University's R1 designation
- \$250M in infrastructure improvements at Tennessee State University to mitigate lifesafety issues and help improve academic and student campus buildings
- \$170M to invest in a statewide Enterprise Resource System for the University of Tennessee and the Locally Governed Institutions, permitting more streamlined access to information aimed at better serving students in 21st century educational settings
- \$75.2M to increase the 4-year HOPE Award to \$5,100 per student, per year, and the 2-year HOPE Award to \$3,200 per student, per year
- Four percent salary pool increase for higher education employees to ensure they attract and retain the best employee base possible

Safe and Secure Tennessee

- Adding 100 Highway Patrol Troopers, 20 Tennessee Bureau of Investigation Agents, and 25 Tennessee Bureau of Investigation Forensic Science Personnel
- Directing the Department of Safety and Homeland Security to create a plan so every house of worship in Tennessee can receive high-quality safety training
- \$355.6M in a Multi-Agency Law Enforcement Training Academy
- \$28.4M to fully fund the Correctional Officer salary changes
- \$66M for the TN Law Enforcement Hiring, Training, and Recruitment program
- \$179M to complete full construction of Tennessee Advanced Communications Network coverage, ensuring full mobile connectivity across all Tennessee for emergency communications and law enforcement
- \$150 million to create the Violent Crime Intervention Grant Fund

Rural Tennessee

- \$82M to reimburse public hospitals for uncompensated care, primarily in rural communities
- \$26M for Rural Opportunity Grants, helping to get communities ready for corporate investment
- \$55M to increase access to services across each of the Medicaid Pathways to Independence programs

Healthy Tennessee

- \$25.5M to provide adult dental benefits for 610,000 Tennesseans eligible for TennCare
- \$11.8M toward a multiyear commitment to recruit and retain dental providers, as well as provide much-needed dental care for prosthodontic services
- \$18.6M to attract over 150 new primary care residents
- \$7M for substance abuse clinical treatment and addiction recovery programs

Supporting Families

- Expanding TennCare's Health Starts Initiative to put an even greater emphasis on maternal health and holistic care for mothers and children
- Expanding funding for relative caregiver placements for children in foster care
- Establishing a childcare support program for all foster families, regardless of their DHS eligibility

Infrastructure Modernization

- \$619M to accelerate projects listed in the IMPROVE Act and invest in transportation projects to ensure economic opportunity
- \$3.5M to support the Transportation Equity Fund
- \$4M to enhance litter cleanup on Tennessee highways

Growing Tennessee

- \$103M for the FastTrack program, ensuring the Tennessee Department of Economic and Community Development has the tools to recruit and retain top companies to call Tennessee home
- Formalizing a long-term strategy to develop the Clinch River Nuclear Site

Beautiful Tennessee

- \$40M to invest in environmental cleanup, including National Priority List sites
- \$28M to eliminate the deferred maintenance backlog at State Parks
- \$25M for West TN River Basin projects

Asset Management

- \$2.541B for higher education and general government capital improvements over the next several years
- \$214.8M for capital maintenance, ensuring deferred maintenance is addressed within current capital assets

Good Government

- Developing the State of Tennessee Excess Property Strategy (STEPS) to eliminate excess state real property and reduce the costs associated with owning unneeded real estate
- Reducing employee headcount at departments by five percent without making layoffs