



BILL HASLAM
GOVERNOR
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HASLAM UNVEILS VISIONARY ‘TENNESSEE PROMISE’
Proposes free community and technology college education to every graduating senior

NASHVILLE – During his fourth annual State of the State address before the General Assembly, Tennessee Gov. Bill Haslam tonight introduced the “Tennessee Promise.”

The historic proposal commits to providing on a continuing basis two years of community college or a college of applied technology (TCAT) absolutely free of tuition and fees to graduating high school seniors.

“Through the Tennessee Promise, we are fighting the rising cost of higher education, and we are raising our expectations as a state,” Haslam said. “We are committed to making a clear statement to families that education beyond high school is a priority in the state of Tennessee.”

After graduating from a community college, if students choose to attend a four-year school, the state’s transfer pathways program makes it possible for those students to start as a junior. By getting their first two years free, the cost of a four-year degree would be cut in half.

“This is a bold promise,” Haslam continued. “It is a promise that will speak volumes to current and prospective employers. It is a promise that will make a real difference for generations of Tennesseans, and it is a promise that we have the ability to make. Net cost to the state, zero. Net impact on our future, priceless.”

To make the Tennessee Promise sustainable over time, the governor proposed transferring lottery reserve funds to create an endowment, with the goal of strategically redirecting existing resources. He recommended leaving \$110 million in the lottery reserve fund to ensure there is a healthy balance moving forward.

The Tennessee Promise is part of Haslam’s “Drive to 55” initiative aimed at increasing the number of Tennesseans with a certificate or degree beyond high school. In 11 years, 55 percent of Tennesseans will need a certificate or degree to get a job, but today, only 32 percent of Tennesseans qualify.

Other Drive to 55 efforts this year include:



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- Statewide expansion of the Seamless Alignment of Integrated Learning (SAILS) program to eliminate the need for remedial math courses for students entering college with \$2.6 million in the proposed budget. Currently, 70 percent of high school graduates need remedial classes before they are able to take a college level course.
- Offering one dual enrollment course to high school students at no cost with discounted courses available after that. Dual enrollment allows high school students to take college credit courses, and there is a 94 percent probability that those students will go on to college.
- Expansion of the Degree Compass program that predicts the subjects and majors in which students will be most successful with \$300,000 in the proposed budget. The program was pioneered at Austin Peay University and is modeled after companies like Netflix, Amazon and Pandora that tailor their recommendations to what their customers are looking for.
- Creation of an Adult Student Data System to help state colleges and universities – both public and private – do a better job of identifying and recruiting adults that are most likely to return to college and complete their degree with \$300,000 in the proposed budget. There are nearly one million Tennesseans that have some college credit but haven't earned a certificate or degree.
- Appointment of a new Director of Workforce Alignment that will work with state departments and local officials.
- Workforce alignment grants to local communities that have strategic plans in place to connect education institutions with employers with a focus on closing the skills gaps in their area with \$10 million in the proposed budget.
- Changing the Tennessee Education Lottery Scholarship allotment to incentivize completion by raising the scholarship for two-year schools from \$2,000 to \$3,000 and shifting the scholarship for four-year schools from \$4,000 to \$3,000 the first two years and \$5,000 the last two years.

As part of the address, the governor also discussed his budget proposal for FY 2014-2015. “This year’s budget is a conservative one,” Haslam said. “Revenue collections over the past several months have not met projections, and our budget reflects that reality... In Tennessee, education is a top priority, and this budget reflects that.”

Highlights of capital investments to support higher education include:

- \$13 million to fund the Complete College Outcomes Formula;
- \$63 million to fund capital maintenance projects at institutions across the state;
- \$36.7 million to fund a new Williamson County campus for Columbia State Community College;



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- \$28.7 million to fund a new classroom building at Volunteer State Community College.

Notable K-12 investments include:

- \$63 million to increase teacher salaries as part of the governor's ongoing effort to make Tennessee the fastest improving state in terms of paying teachers more;
- \$48.6 million dollars to fully fund the BEP formula.

Other budget highlights include:

- \$1.7 million to fund a new statewide residential drug court in Middle Tennessee;
- \$6.4 million to fund new child protective services and case manager positions as well as other critical children's services including foster care and adoption assistance;
- \$7 million increase for the Department of Intellectual and Developmental Disabilities to care for some of the state's most vulnerable citizens;
- A one percent pay raise for state employees;
- \$40.3 million to the Rainy Day Fund bringing it to \$496 million on June 30, 2015;
- \$61 million in Fast Track Infrastructure and Job Training assistance;
- \$6 million for a statewide tourism fund to support the work of the tourism commission.

The complete text of the governor's speech and an archived video of his speech will be available at www.tn.gov/stateofthestate.

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