

HB 919 - SB 933

FISCAL MEMORANDUM



Fiscal Review Committee
Tennessee General Assembly

April 2, 2025

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SUMMARY OF BILL AS AMENDED (006151): Increases the board members of each of the public institutions of higher education. Revises the appointing process for each board. Includes appointments to be made by the Speaker of the Senate and the Speaker of the House of Representatives.

FISCAL IMPACT OF BILL AS AMENDED:

STATE GOVERNMENT			
REVENUE	Tennessee Board of Regents	University of Tennessee	Locally Governed Institutions
FY25-26 & Subsequent Years	\$3,500	\$6,000	>\$2,300

Assumptions for the bill as amended:

Tennessee Board of Regents:

- Currently the Tennessee Board of Regents (TBR) consists of 19 members, the board meets four times per year. The legislation increases the board to 21 members, for a total of two additional members.
- TBR provides that each board member receives an average of \$1,765 each year in reimbursement for travel, lodging, and incidentals related to attending meetings.
- The increase in state expenditures to TBR is estimated to be \$3,530 (\$1,765 x 2 new members) in FY25-26 and subsequent years.

Locally Governed Institutions:

- The Locally Governed Institutions' (LGIs) boards consist of 10 members; the boards meet four times per year. The legislation increases the boards to 12 members.
- The board members are entitled to receive travel reimbursements such as mileage, hotel, and food costs.
- Each board's related expenditures are relative to the members for each LGI based on distance traveled and other costs at the time of each meeting.
- Based on each of the LGI's average board member reimbursements, as provided by the LGI's, increased expenditures to the boards are estimated to be as follows:
 - Austin Peay State University: \$2,176 (\$1,088 x 2 new members);
 - East Tennessee State University: \$1,100 (\$550 x 2 new members);

- Middle Tennessee State University: \$92 (\$46 x 2 new members); and
- University of Memphis states that their board does not receive travel compensation.
- The known increase in state expenditures to LGIs is estimated to be at least \$2,280 (\$1,088 APSU + \$1,100 ETSU + \$92 MTSU).
- At the time of drafting, no information was provided by Tennessee Technological University or Tennessee State University.
- It is assumed the legislation will increase expenditures for the board of at least one of those universities.
- Therefore, the increase in state expenditures to the LGIs is estimated to exceed \$2,280 in FY25-26 and subsequent years.

University of Tennessee Institutions:

- The University of Tennessee Institutions (UT) board consists of 10 members; the board meets four times per year. The legislation increases the board to 14 members, for a total of four additional members.
- UT provides that each board member receives an average of \$1,500 each year in reimbursement for meals, lodging, and incidentals related to attending meetings.
- The increase in state expenditures to UT is estimated to be \$6,000 (\$1,500 x 4 UT Board members) in FY25-26 and subsequent years.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Bojan Savic, Executive Director