

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 2207 - SB 2728**

March 3, 2024

**SUMMARY OF BILL:** Creates the *Menstrual Hygiene Products Accessibility Act*. Requires each local education agency (LEA) and public charter school to provide feminine hygiene products to students, at no charge, in all women's and girls' bathrooms, locker rooms, and with the school nurse in each eligible high school building where instruction is provided, excluding bathrooms and locker rooms that are specifically designated for teacher or staff use.

Creates the Menstrual Hygiene Products Accessibility Account (Account) within the State Treasury, which the Department of Education (DOE) must administer. Requires the Commissioner of Finance and Administration to deposit 20 percent of the state sales tax collected on feminine hygiene products into the Account. Authorizes moneys in the Account to be invested by the State Treasurer.

**FISCAL IMPACT:**

**Increase State Revenue –**

**\$3,968,300/FY24-25 and Subsequent Years/  
Menstrual Hygiene Products Accessibility Account**

**Increase State Expenditures –**

**\$3,968,300/FY24-25 and Subsequent Years/General Fund  
\$3,968,300/FY24-25 and Subsequent Years/  
Menstrual Hygiene Products Accessibility Account**

**Increase Local Revenue –**

**\$3,968,300/FY24-25 and Subsequent Years**

**Increase Local Expenditures –**

**\$5,734,500/FY24-25 and Subsequent Years\***

Assumptions:

- The DOE provides resources where schools may receive free feminine hygiene products and supports districts by providing education resources for Health Education standards related to personal hygiene; however, the DOE does not incur any expenditures for this as no financial resources are provided.

- The proposed legislation requires 20 percent of the state sales tax collected on feminine hygiene products to be deposited into the Account. Funds from the Account will be used to provide feminine hygiene products to eligible high schools.
- The current state sales tax rate is 7.0 percent.
- According to the U.S. Census Bureau, Population Division (Annual Estimates of the Resident Population for Selected Age Groups by Sex for the United States, July 2021), there are 74,986,186 women in the United States between the age of 15 and 49.
- According to 2021 Census data, Tennessee represents approximately 2.1 percent (6,968,351 / 332,031,554) of the U.S. population; therefore, the number of women in the state of Tennessee between the ages of 15 and 49 is estimated to be 1,574,710 (74,986,186 x 2.1%) as of July 2021.
- Assuming the average woman in Tennessee spends approximately \$180 each year on feminine hygiene products, total annual sales of such products are estimated to be \$283,447,800 (1,574,710 x \$180).
- The total amount of state sales tax collected on such products is estimated to be \$19,841,346 (\$283,447,800 x .07) each year.
- The amount of state sales tax collected on feminine hygiene products to be deposited from the General Fund into the Account is estimated to be \$3,968,269 (\$19,841,346 x .20) in FY24-25 and subsequent years; there will be an equal, corresponding increase in state revenue to the Account.
- There are 162,863 female students in grades nine through twelve (9-12) in Tennessee.
- Female students have one cycle per month and the average cost of feminine hygiene products per cycle is \$15.00.
- Public schools are required to provide 180 days of instruction.
- Due to the limited hours and days of the week that students are in school and the variation in menstrual hygiene product preferences and usage amounts among students, it is estimated that the average cost per student will be \$33 per year.
- Providing an adequate supply of menstrual hygiene products to eligible public high schools is estimated to cost \$5,374,479 (162,863 x \$33) in FY24-25 and subsequent years.
- Because the sales tax collected on feminine hygiene products to be deposited into the Account is estimated to be less than the cost to supply female students in grades 9-12 with menstrual hygiene products, a mandatory increase in local expenditures will occur.
- There will be an increase in state expenditures of \$3,968,269 from the Account in FY24-25 and subsequent years; there will be an equal, corresponding increase in local revenue in FY24-25 and subsequent years.
- The mandatory net increase in local expenditures, in addition to the revenue received from the Account, is estimated to be \$1,406,210 (\$5,374,479 - \$3,968,269) in FY24-25 and subsequent years.
- It is assumed that for any high schools already providing free feminine hygiene products to students, those schools will accept the state funds and any cost savings will be directed elsewhere; the net impact to local government is estimated to be not significant.

\*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

**CERTIFICATION:**

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

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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