

Jim Hackworth State Representative



Meet the Hackworth Family

Rep. Jim Hackworth - House District 33 **2006 Accomplishments**

IMMEDIATE RELEASE

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House Members Approve State Budget Plan; Education, Tax Relief, Health Care Top Priorities *Session's Final Days See State-Shared Taxes Returned to Localities*

NASHVILLE (May 27) – With adjournment looming, legislators asserted their control over the government's purse strings by approving a balanced state budget with no new taxes. The House of Representatives approved the \$26.1 billion appropriations bill for 2006-2007 by a 95-2 vote. The Senate also approved the budget measure.

The bill featured larger-than-expected appropriations for education and health care. Senior citizens and disabled military veterans will also find relief from escalating property taxes, thanks to \$7.7 million contained in a companion budget bill.

“This budget shows the strength of Tennessee's current economy. It is a balanced budget with recurring and non-recurring funding balanced appropriately. Just a few years ago, our state was in financial trouble. Now we can make substantial investments in the future of the Volunteer State,” said **Jim Hackworth D-Anderson County.**”

Appropriations for the Rainy Day Fund stand at \$172.2 million. This is more than ever before, and increases the total of the Rainy Day Fund to \$496.9 million by June 2007. As a result, state government will meet its five percent requirement for savings, continued **Hackworth.**

Education

Education, with more than \$232.8 million appropriated, represents one-third of the state budget. Among the education provisions is full funding for the Basic Education Program at \$95.2 million. Another provision transfers unused state lottery scholarship money to after-school programs.

The bill adds \$45 million of new funding to the Pre-K program, which is earmarked for 250 new

classrooms. At-Risk children's programs were allocated \$35 million in new money. This is equivalent to an 8 percent increase in funds for such programs. For fiscal year 2006-2007, Anderson County is expected to receive an estimated **\$95,000**, **Oak Ridge an estimated \$37,000** and **Clinton City an estimated \$12,000 in additional funding.**

In addition, \$39 million restored to higher education translates into limited tuition increases for students and their families, from about 8 percent to 4 percent. Thirteen capital projects for state colleges and universities are funded at \$146.1 million including a new University of Memphis law school. A new Math and Science High School in Middle Tennessee has been allocated \$1 million in start-up costs.

Tax Relief

The approved budget bill returns some money to the state's taxpayers. Residents will benefit from a second sales tax holiday in April 2007 for school supplies, personal computers and clothing items for students and some skilled workers. The first sales tax holiday is set for Friday, Aug. 4, until Sunday, Aug. 6, for a full 72-hour period.

Low-income elderly homeowners and disabled veterans will see property tax relief because of a measure that raises the eligibility ceiling for household income to \$20,000 a year. Plus, the first \$25,000 in assessed home value will be exempt from taxation, according to **Hackworth.**

Most important, about \$24 million was restored to local governments in shared taxes. These are used to supplement a local government's income, which is mostly raised from property taxes, fees, and fines. Since 2003, the state government withheld about \$100 million in shared-tax revenue from the counties and cities because of financial exigencies. **Anderson County** is slated to receive approximately **\$218,400** said **Hackworth.**

"A few years ago, cities and counties shared the burden of spending cuts along with state programs. Now that our financial house is back in order, I am proud that we have restored the final portion of state shared taxes to local governments," said **Hackworth.**

Health Care

The budget bill's health care provisions include the new Cover Tennessee program at \$64.9 million, funded totally by recurring state revenues. This initiative is designed to provide affordable and portable medical insurance to uninsured adults and children.

At least \$5 million will be directed to premium assistance for uninsured low-income residents previously deemed uninsurable by insurance companies, said **Hackworth.**

Other budget highlights include:

- \$32.8 million to restore the highway fund;
- \$26.8 million for a jobs package;
- \$4 million to implement a statewide emergency preparedness system;
- \$3.5 million to fund existing and new drug courts for non-violent offenders;
- \$1.7 million for child advocacy centers.