

TACIR

The Tennessee Advisory Commission
on Intergovernmental Relations



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226 Anne Dallas Dudley Blvd, Suite 508
Nashville, Tennessee 37243-0760
Phone: (615) 741-3012
Fax: (615) 532-2443
www.tn.gov/tacir

**MINUTES OF THE
TENNESSEE ADVISORY COMMISSION
ON INTERGOVERNMENTAL RELATIONS**

December 15, 2022

Meeting Called to Order

The Tennessee Advisory Commission on Intergovernmental Relations met in House Hearing Room III of the Cordell Hull Building at 1:16 p.m., Vice Chairman Kevin Brooks presiding.

Present 13	Absent 9
Mayor Buddy Bradshaw	Mayor Rogers Anderson
Mayor Kevin D. Brooks	Councilman Chase Carlisle
Senator Heidi Campbell	Mayor Terry Frank
Mr. Calvin Clifton	County Clerk Mary Gaither
Representative John Crawford	Representative Patsy Hazlewood
County Executive Jeff Huffman	Representative Harold Love, Jr.
Senator Jon Lundberg	Comptroller Jason Mumpower
Mr. Jeff Peach	Representative Antonio Parkinson
Commissioner Deniece Thomas	Senator Ken Yager
Mayor Larry Waters	
Senator Bo Watson	
Representative Ryan Williams	
Senator Jeff Yarbro	

1. Call to Order and Approval of the Minutes

Vice Chairman Kevin BROOKS called the meeting to order at 1:16 p.m., passing along greetings from the vacationing Chairman Yager and noting that the chair had successfully completed his medical treatments. Vice Chairman BROOKS then requested and received approval of the September 2022 meeting minutes.

2. Commission and Staff Update

Executive Director LIPPARD began the update by asking the members to join him in congratulating Commissioner Deniece Thomas, who was recently appointed to the position of Commissioner of the Tennessee Department of Labor and Workforce Development. Dr. LIPPARD then asked the members to join him in thanking Mayor Tom Bickers and Mayor Jill Holland for their service on the Commission. Vice Chairman Kevin BROOKS and Dr. LIPPARD presented Mayor Holland, who was present, with a certificate of appreciation and noted that Mayor Bicker's certificate was being mailed to him. Mayor HOLLAND addressed the commission, offering her thanks and good wishes to the members and staff.

Following Mayor Holland's remarks, Dr. LIPPARD provided the staff update, saying that Research Manager Jennifer Barrie recently graduated from the Tennessee Government Management Institute, and that Web Development and Publications Manager Teresa Gibson recently graduated from LEAD Tennessee.

3. Post-Award and Implementation Process for State Grants—Final Report for Approval

Research Associate Chris BELDEN presented the final report on the post-award and implementation process for state grants for the Commission's approval. The report was prepared in response to a request from Chairman Ken YAGER, who directed staff to review the post-award and implementation phase for state-administered grants to local governments and identify any changes warranted to streamline these processes.

Mr. BELDEN said that in response to concerns raised by commission members at the September meeting, staff included additional information in the report regarding issues that would need to be considered before transitioning to a single, statewide grant management system, or GMS. He also said that in response to a member request, staff contacted nonprofits to understand their experiences with state grants; these nonprofits reported experiences similar to those of local governments. Mr. BELDEN said that staff also strengthened the language of the report's four recommendations based on feedback from commission members.

Senator Jeff YARBRO proposed that the first recommendation be amended by adding the word software after grant management system to clarify that a GMS is a software system. He moved approval of the report with this amendment. The motion was seconded by Representative Ryan WILLIAMS, and the report was approved unanimously as amended.

4. Public Chapter 503, Acts of 2021 (Childhood Obesity)—Final Report for Approval

Research Director David LEWIS presented the final report on Public Chapter 503, Acts of 2021, for Commission approval. Mr. LEWIS said the report's recommendations remain unchanged from the draft report.

Representative John CRAWFORD asked whether there was more recent data available from Coordinated School Health regarding BMIs and if not, whether COVID was the reason. Mr. LEWIS said he didn't know. [Subsequent to the meeting, this explanation was found on the Coordinated School Health website: "As a result of prolonged absences of students from public schools due to the COVID-19 pandemic during the 2020-21 school year, the number of health screening submissions by the schools was very low. After careful analysis of the data, the Tennessee Department of Health determined that due to the inadequate representation of students, it would not be possible to produce a school BMI status report for 2020-21 that would be truly representative of students in Tennessee. Therefore, none will be issued."]

Representative CRAWFORD asked whether the recommendation regarding the Tennessee Livability Collaborative would lead to the creation of an additional office or layer of government. Mr. LEWIS said that the recommendation would not and that the Collaborative is a voluntary organization made up of state employees who want to work together in an interdisciplinary and interdepartmental fashion to solve difficult problems. Mayor Buddy BRADSHAW asked whether the indicators from the Tennessee Livability Collaborative could be shared with Commission members. Mr. LEWIS said that they could. [The indicators were emailed to members on 12/21/2022.] Senator Bo WATSON made a motion to adopt the report. It was seconded by Senator LUNDBERG, and the report was unanimously approved.

5. Electric Vehicles and Other Issues Affecting Road and Highway Funding—Final Report for Approval

Research Manager Bob MOREO presented for approval the final report on the effect of electric vehicles and other issues on road and highway funding. The report was prepared in response to concerns raised by Commission members about the growing market for electric vehicles (EVs) in Tennessee.

Mr. MOREO said changes were made to the final report in response to feedback from members at the September Commission meeting. In response to Mayor BICKERS saying that staff projections of EV adoption in Tennessee may be too low, staff added an additional projection based on the rate of EV adoption nationally. In response to Mayor FRANK asking about existing taxes on electricity, staff added information about taxation of electricity in Tennessee and information about the three states that have enacted taxes on EV charging. Given concerns expressed by multiple members about whether the electric grid can handle the projected increase in EVs, staff added information about TVA's plans to accommodate this and other growth. In response to concerns expressed by multiple members about electrification of agricultural, industrial, and other types of equipment, staff added information on these types of vehicles and equipment. Mr. MOREO said that the report acknowledges that the Tennessee Department of Transportation and the Governor's Office have publicly stated that the state might consider increasing the EV registration fee to \$300. Mr. MOREO presented the report's recommendations. Representative Ryan WILLIAMS made the motion to approve the report

with the addition of an estimated range of what the EV fee should be set to, plus or minus 5%. Representative CRAWFORD seconded the motion, and the report was approved unanimously.

6. Public Chapter 497, Acts of 2021 (Water Recreation Resources) – Final Report for Approval

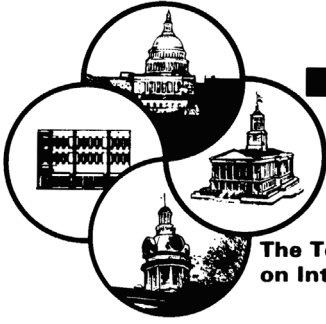
Research Manager Jennifer BARRIE presented the final report on water recreation resource management for the Commission’s approval. The report was prepared in response to Public Chapter 497, Acts of 2021, which directs the Commission to study ten questions addressing the procedural and financial measures necessary to accommodate the evolving recreational use of the state’s waterways. Ms. BARRIE said staff added information about private accesses used by commercial outfitters to the report at the request of Vice Chairman Kevin BROOKS. She also explained revisions to the recommendations that were made after considering input from several stakeholders.

At the request of the Tennessee Paddlesports Association, one recommendation was revised from saying the existing paddlecraft advisory committee could be transitioned to a statewide boating advisory board or office of outdoor recreation to say the committee could be augmented by one of these entities. The last recommendation was revised based on concerns expressed by the Tennessee Wildlife Resources Agency (TWRA). The recommendation originally said the Tennessee Fish and Wildlife Commission—the governing body of TWRA—should include a member of the commercial paddlecraft vessel outfitter community. It was revised to say “Additionally, the General Assembly should add motorized and non-motorized boating to the list of subjects of which a Tennessee Fish and Wildlife Commission member should be well informed.” Finally, based on feedback from a coalition of several groups organized by the American Canoe Association, staff changed language in the recommendations that “state agencies with jurisdiction over public waterways in Tennessee” implement these changes to “the state” in order to include any state entity that could potentially be involved in the enactment of these changes.

Senator Heidi CAMPBELL asked whether a coalition representative could speak to the members about whether the changes to the recommendations captured the essence of what they were requesting. Ms. Andrea WHITE, Southeast Regional Chair of the American Canoe Association, spoke on behalf of the coalition. She explained that the coalition would like a state office of outdoor recreation to be housed in the Department of Tourist Development and that the office would be a hub for implementing the other recommendations in the report.

Representative Ryan WILLIAMS moved approval of the final report with Senator Jon LUNDBERG seconding the motion. The report was approved unanimously.

Vice Chairman BROOKS adjourned the meeting at 2:08 p.m.



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**MINUTES OF THE
TENNESSEE ADVISORY COMMISSION
ON INTERGOVERNMENTAL RELATIONS**

December 16, 2022

Meeting Called to Order

The Tennessee Advisory Commission on Intergovernmental Relations met in House Hearing Room III of the Cordell Hull Building 8:41 a.m., Vice Chairman Kevin Brooks, presiding. The commission took a recess at 9:30 a.m. and resumed at 9:44 a.m.

Present 12	Absent 10
Mayor Buddy Bradshaw	Mayor Rogers Anderson
Mayor Kevin D. Brooks	Senator Heidi Campbell
Mr. Calvin Clifton	Councilman Chase Carlisle
Representative John Crawford	Mayor Terry Frank
County Executive Jeff Huffman	County Clerk Mary Gaither
Representative Harold Love, Jr.	Representative Patsy Hazlewood
Senator Jon Lundberg	Representative Antonio Parkinson
Comptroller Jason Mumpower ¹	Senator Bo Watson
Mr. Jeff Peach	Representative Ryan Williams
Commissioner Deniece Thomas	Senator Ken Yager
Mayor Larry Waters	
Senator Jeff Yarbro	

¹Dana Spoonmore represented Jason Mumpower.

7. Tangible Personal Property Tax In Tennessee—Final Report for Approval

Research Director Michael MOUNT presented the final report on tangible personal property for the Commission's approval. He said the report was prepared in response to Senator Lundberg's request at the January 2022 Commission meeting that the Commission study the personal property tax in Tennessee.

Mr. MOUNT said that, since the draft report was presented at the last meeting, staff added information regarding the cost to administer and collect the tax and the cost of compliance for small businesses. He said that the changes are highlighted in yellow in the report, and that the report's recommendations remain unchanged.

Senator Jon LUNDBERG thanked the Commission and staff and said that some recommendations regarding websites have already been implemented. Senator LUNDBERG moved approval of the report with County Executive Jeff HUFFMAN seconding the motion. The report was approved unanimously.

8. Biennial Report for Fiscal Years 2020-21 and 2021-22—Final Report for Approval

Research Associate Michael STRICKLAND presented the biennial report for fiscal years 2020-21 and 2021-22, making brief note of its contents, including an overview of topics studied by the Commission in the last two fiscal years. Commissioner Deniece THOMAS moved for approval of the report with Mayor Buddy BRADSHAW seconding the motion. The report was approved unanimously.

9. Reference -Based Pricing—Draft Report for Review and Comment

Research Associate Michael STRICKLAND presented the draft report on reference-based pricing in healthcare. The report was prepared in response to Senate Bill 2330 by Senator Hensley and House Bill 2456 by Representative Sparks, introduced in 2022, which directed the Commission to study the effects of reference-based pricing on health insurance prices. Dr. STRICKLAND noted that the report contained no recommendations, only the staff's findings, and then he proceeded to give some background on healthcare costs and spending. He said the study had found that reference-based pricing would likely help insurers save on costs and might do the same for patients or consumers. However, healthcare providers had expressed opposition to reference-based pricing, and some stakeholders were concerned that this might lead to erosion of provider networks in health plans.

10. Comprehensive Litter Review—Draft Report for Review and Comment

Research Manager Jennifer BARRIE presented the draft report addressing litter and illegal dumping in the state for review and comment. The report was prepared in response to members' concerns and direction at the June 2021 meeting, to conduct a comprehensive study to include research on the effects of littering and illegal waste dumping on the environment, economy, and overall quality of life in the state. The Commission also clarified that the study would not focus on a bottle deposit or plastic bags because the General Assembly has already considered those issues.

Ms. BARRIE said litter and illegal dumping continue to be major concerns identified by Tennessee local officials. National experts agree on several best practices to address litter issues, and multiple approaches should be used at the same time. In Tennessee, the state, local governments, and communities have been using best practices and working together, and the three main components of the state's efforts are 1) the Tennessee Department of Transportation's (TDOT) data collection, litter prevention, pickup, and education programs including the litter grant program, adopt-a-highway, Nobody Trashes Tennessee, the litter hotline, and Keep Tennessee Beautiful; 2) enforcement of the state's criminal littering and covered load laws; and 3) the Solid Waste Management Act. Ms. BARRIE said that although these programs are considered best practices and key to addressing litter based on the literature, surveys of local officials, and interviews with stakeholders, the report makes five recommendations to improve and strengthen the state's efforts. She then presented the recommendations.

Senator Jon LUNDBERG said he has heard from municipalities that they would like to apply for the special litter grant, but the application process is difficult, especially for smaller municipalities that don't have as many resources as larger ones do. He asked whether staff had looked at the grant application process. Vice Chairman Kevin BROOKS mentioned that cities don't receive the litter grants and agreed that smaller municipalities need help. Ms. BARRIE responded that staff had reviewed the application process but will review again to determine whether it could be simplified and will include information about it in the final report.

Vice Chairman BROOKS asked about legislation that would have implemented the tire report recommendations and requested that the final report include what happened to those bills during the legislative process. Ms. BARRIE said that information will be added to the final report.

11. Passenger Rail and Mobility—Update

Research Associate Chris BELDEN presented an update on the passenger rail and mobility study. The report is being prepared in response to Public Chapter 1114, Acts of 2022, and Public Chapter 1124, Acts of 2022, which directs the commission to study passenger rail and other alternatives to improve mobility in Tennessee. He explained that there are two different types of passenger rail, intercity, which provides regularly scheduled service with two or more distant stops, and transit, which provides more extensive service within a local area. Mr. BELDEN said that, unlike most modes of transportation, passenger rail is mostly operated on privately-owned tracks. He said that any state-supported Amtrak route established in Tennessee would most likely need to be subsidized by the state. He said that various transportation alternatives are being explored, including sleeper buses, regional airplanes, and autonomous vehicles.

Mr. BELDEN said that there will be a panel discussion at the January 2023 commission meeting, with representatives from Virginia, North Carolina, Tennessee, Amtrak, and freight railroads invited to participate. He said that a draft report will be presented at the June 2023 meeting.

Following a decision to set the next meeting date for January 26 and 27, 2023, Vice Chairman Kevin BROOKS adjourned the meeting at 9:47 a.m.