



TACIR

The Tennessee Advisory Commission
on Intergovernmental Relations



5

226 Capitol Boulevard Bldg., Suite 508
Nashville, Tennessee 37243-0760
Phone: (615) 741-3012
Fax: (615) 532-2443
www.tn.gov/tacir

MEMORANDUM

TO: Commission Members

FROM: Cliff Lippard *Cliff*
Executive Director

DATE: 3 May 2018

SUBJECT: Work Program Amendment and New Research Plans

The amendments to the Commission's work program listed below will add studies directed by legislation passed or referred by the 110th General Assembly. Research plans for each study are attached and include copies of the legislation. Members will be asked to consider each amendment for approval. Existing projects are recapped below.

Status of Existing Work Program Projects:

- Annual Public Infrastructure Needs Inventory Report. Approved at your January 2018 meeting. We are simultaneously gathering and checking survey data for next year's report.
- TVA PILOT Annual Report. The 2018 update was approved at your January 2018 meeting. We will present the annual update for your approval at the January 2019 meeting in order to meet the legislature's reporting deadline of February 28, 2019.
- Fiscal Capacity Index. We have submitted this year's index to the Department of Education and State Board of Education and will provide a recap of this year's results at this meeting. The next index will be due to the department by May 1, 2019.
- Cord Cutting and Local Government Revenues requested by Commission members at its January 2018 meeting. Draft report to be presented for your review and comment at the May 2019 meeting and a final report at our fall 2019 meeting.

- Public Chapter 228, Acts of 2017, directs the commission to study and prepare a report updating its January 2017 report on broadband internet deployment, availability, and adoption in Tennessee. Final report due January 15, 2021.

Three amendments are submitted for your consideration:

Amendment 1

Adds seven studies directed by legislation passed by the 110th General Assembly:

- Senate Bill 2538 by Ketron and House Bill 2536 by Sparks, which was passed by the General Assembly and sent to the governor for signature, direct the Commission to study the effectiveness of Tennessee’s statutes of limitation on the prosecution of criminal offenses. It must include, but not be limited to, information on the effectiveness of statutes of limitations on the prosecution of sexual offenses.

Due Date: January 15, 2019

- Public Chapter 795, Acts of 2018, directs the Commission to study the potential overall effects of creating a grant and loan program administered by the department of economic and community development to encourage the financing and development of food desert relief enterprises that sell fresh food in low income, underserved areas of Tennessee.

Due Date: February 1, 2019

- Public Chapter 693, Acts of 2018, directs the Commission to determine the amounts of non-tax producing property that exists in the state and make recommendations on how this property can be better used.

Due Date: March 1, 2019

- Senate Bill 1133 by Kyle and House Bill 849 by Hardaway, which passed and has been signed by the governor but not yet chaptered, directs the Commission to study the implementation and effects of global position monitoring as a condition of bail for defendants accused of stalking, aggravated stalking, especially aggravated stalking, domestic abuse, sexual assault, or a violation of an order of protection.

Due Date: January 1, 2020.

- Senate Bill 1277 by Norris and House Bill 1345 by Camper, which was passed by the General Assembly and sent to the governor for signature, directs the Commission to study the potential, overall effects of creating a franchise and

excise tax credit for shippers with pickups or deliveries originating in, or destined to, any county having a population over nine hundred thousand (900,000) according to the 2010 federal census or any subsequent census. The legislation specifies the criteria that any potential franchise and excise tax credit must meet.

Due Date: February 1, 2020

- Senate Bill 2504 by Ketron and House Bill 2279 by Lamberth, which passed and has been signed by the governor but not yet chaptered, makes changes to the laws governing the deployment of facilities for providing wireless telecommunications and broadband internet services in Tennessee. It directs the Commission to
 - study the Act's effect on the deployment of broadband and the Act's fiscal effect on local governments;
 - identify best practices both from the perspective of stakeholders and from a review of other states;
 - identify opportunities to advance other policy goals supported by the deployment of facilities for providing wireless broadband, specifically opportunities to advance the quality of transportation in Tennessee by utilizing technological applications, sometimes referred to as "smart transportation applications"; and
 - recommend any changes to the law based on the findings of the Commission's study.

Due Date: January 1, 2021

- Senate Joint Resolution 593, which was passed by the General Assembly and signed by the governor, directs the Commission to study the overall effects on public education relative to the laws and regulations related to the sharing of resources among school districts located in the same county and the effect of the operation within a county of municipal or special school districts in addition to the county system.

Due Date: No date specified.

Amendment 2

Adds a study of House Bill 2265 by Sexton and its companion, Senate Bill 2146 by Gardenhire:

- Elections: As introduced, extends from January 16 to January 31 the date by which the registry of election finance must submit an annual report to the governor and the general assembly concerning the administration and enforcement of disclosure laws. As amended, would require legislative bodies of municipalities to change the date of municipal elections to coincide with the August or November general election beginning in 2022. Ordinances that change the election date must provide for the extension of the terms of elected official of the municipality, but no term may be extended for more than two years beyond its regular expiration date. House Bill 2265 was referred by the House Local Government Subcommittee to the Commission for study. Its companion, Senate Bill 2146, was deferred to summer study; however, the chair of the Senate State and Local Government Committee has indicated the Committee is requesting the Commission to conduct this study.

Due Date: No date specified.

Adds a study of Senate Bill 1989 by Stevens and House Bill 2154 by Hawk:

- Cigarette Sales: Senate Bill 1989 by Senator Stevens, which passed the Senate Finance, Ways and Means Committee but remains in the Calendar Committee, as amended, directs the Commission to study the Tennessee Department of Revenue's use of state law to exclude an escrow compliant NPM or brand family, or both, owned by the NPM from the director of approved tobacco manufacturers in Tennessee based on the failure of unrelated, third-party NPM to make required escrow payments on prior sales of the brand family by the unrelated NPM in Tennessee. The Commission is also required to determine the necessity for any such enforcement action by the DOR either under the provisions of the MSA or for the purpose of limiting an adverse impact to state revenues.

Due Date: Senate Bill 1989, as amended, requires the Commission to report its findings and recommendations to the Senate and House Finance, Ways, and Means Committees, the General Assembly's Fiscal Review Committee, and the Office of Legislative Budget Analysis by March 1, 2019. It's companion, House Bill 2154 by Representative Hawk, was referred to the Commission by the House Finance, Ways and Means Committee, but with a requested due date of 2020.

Amendment 3

Adds a study of House Bill 971 by Sargent and Senate Bill 1075 by Watson:

- State-shared Taxes and Local Services: As amended by the House Finance, Ways and Means Subcommittee, the bill would revise the distribution of local government revenue generation by the 2.25 percent local sales tax imposed on the sales price on the sales made in this state by dealers with no location in Tennessee. The Commission was directed by the House Finance, Ways and Means Committee to address the following questions:
 - What are the duties of cities?
 - What are the duties of counties?
 - What funds go from the state to cities to comply with the law?
 - What funds go from the state to counties to comply with the law?

Referred by the House Finance, Ways and Means Committee.

Due Date: No due date specified.