TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2890 - SB 2798

February 9, 2024

SUMMARY OF BILL: Creates specific notice requirements for governmental bodies holding public meetings to be used in addition to and not in lieu of other notices required by law.

FISCAL IMPACT:

Decrease Local Expenditures -

Exceeds \$141,800/FY24-25 and Subsequent Years/Permissive

Other Fiscal Impact – The extent of any decrease in state expenditures beginning in FY24-25 cannot be estimated with certainty.

Assumptions:

- Tennessee Code Annotated § 8-44-103 requires governmental bodies to give adequate public notice of regularly scheduled and special meetings of that body.
- The proposed legislation would require governmental bodies to post notice of a meeting at least five days prior to the meeting:
 - o In a newspaper of general circulation;
 - o On the governing body's website;
 - o On social media; or
 - On a frequently trafficked medium where a member of the public could receive notice of the meeting.
- The notice requirements of the proposed legislation are in addition to other notices required by law and may not be substituted for such other notices.
- For any governmental body that is already required by another statute to publish public notice of a meeting in a newspaper, the proposed legislation would have no significant impact on state or local expenditures.
- For any governmental body that is not required by another statute to publish public notices in a newspaper, there may be a decrease in expenditures as that governmental body could fulfill public notice requirements by utilizing one of the proposed public notice options.
- Pursuant to Tenn. Code Ann. §§ 5-5-104 and 5-5-105:
 - A county legislative body (CLB) must have at least four regular meetings each year, set by resolution; and

- Special meetings require a newspaper notice at least five days prior to the meeting.
- Under the proposed legislation, CLBs would not be required to publish a public notice for regular meetings, but would still be required to publish a notice for special meetings.
- Based on responses to the 2017 Local Government Survey conducted by the Fiscal Review Committee staff, participating local government officials reported the average cost for a newspaper notification is \$114.
- It can be reasonably assumed that at least 50 counties will eliminate newspaper notices and switch to providing notices on their website or social media.
- The permissive, recurring decrease in local government expenditures is estimated to exceed \$22,800 (4 notices x \$114 per notification x 50 counties) beginning in FY24-25.
- Based on information provided by the Municipal Technical Advisory Service, there is no requirement for municipalities to post in a newspaper, though some do publish such notices.
- Municipal governing bodies meet approximately once a month. It can be reasonably assumed that 50 percent, or 173 (345 municipalities x 50%), of municipalities publish notices in a newspaper.
- It is assumed that, as a result of the proposed legislation, 50 percent of those 173 municipalities, or 87 (173 x 50%), will cease publishing meeting notices in a newspaper.
- Municipalities will see a permissive decrease in local expenditures estimated to exceed \$119,016 (12 notices x \$114 per notification x 87 municipalities) in FY24-25 and subsequent years.
- The precise number of governmental bodies that may experience a decrease in state or local expenditures upon passage of the proposed legislation is not known.
- The extent of any decrease in state expenditures beginning in FY24-25 cannot be estimated with certainty.
- The total permissive decrease in local expenditures is estimated to exceed \$141,816 (\$22,800 + \$119,016) in FY24-25 and subsequent years.

CERTIFICATION:

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

Krista Lee Carsner, Executive Director

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