

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 1306 - HB 1507**

March 31, 2021

**SUMMARY OF BILL:** Creates the Tennessee Infrastructure Bank (TIB) to oversee infrastructure projects throughout the state and facilitate sustainable infrastructure investment and economic growth through the issuances of bonds and leveraging state, federal, and other funds.

**ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – A precise increase in state expenditures cannot be determined but is reasonably estimated to exceed \$100,000,000.**

Assumptions:

- The proposed language establishes:
  - An Executive Director position;
  - A five-member Board of Directors of the TIB, appointed by the Governor;
  - A nine-member Executive Committee, appointed by the Executive Director;
  - Criteria to serve on the Board of Directors; and
  - The TIB may be funded from state funds as appropriated by the General Assembly.
- The TIB is required to establish criteria for determining project eligibility for financial assistance and conduct assessments of the criteria.
- Tennessee Code Annotated § 68-221-1004 creates the Wastewater Facility Revolving Loan Fund, which offers low-cost loans to local governments for wastewater facilities, utilizing federal funding from the Clean Water Act.
- The current total valuation of the Fund, including loans which are outstanding, is \$1,146,245,174, with an unobligated balance of \$82,416,529.
- The precise impact to state government cannot reasonably be determined due to multiple unknown factors; however, given that current loan funds exist which provide loans for certain wastewater infrastructure, it is reasonable to assume a similar appropriation would be needed to start the operations of the TIB.
- The proposed language is estimated to require an appropriation of at least \$100,000,000.

**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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