

HOUSE BILL 1462

By Williams

AN ACT to amend Tennessee Code Annotated, Title 3;
Title 4; Title 9 and Title 67, relative to the state
budget.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 9-4-5202(e), is amended by deleting subdivision (1) in its entirety and substituting instead the following:

(1) In November of each year, the state funding board shall conduct public hearings to develop estimates of state revenue for the upcoming fiscal year, as well as any revisions to the current fiscal year estimates, as the board deems appropriate. All estimates shall be adopted by a majority vote of the entire board.

SECTION 2. Tennessee Code Annotated, Title 9, Chapter 4, Part 51, is amended by adding the following language as a new section:

(a) Beginning with the budget prepared for fiscal year 2018-2019 and in each subsequent fiscal year, the governor's recommendation must be based on a projected growth rate not to exceed the midpoint within the revenue range for total taxes estimated by the state funding board for that year.

(b) Beginning with the budget prepared for fiscal year 2018-2019 and in each subsequent fiscal year, the governor's recommendation must reserve an amount equal to two-tenths percent (0.2%) of the total taxes estimated by the state funding board, using the midpoint within the revenue range, for legislative priorities.

(c) This section shall not apply to any fiscal year in which the midpoint within the revenue range for total taxes is one and one-half percent (1.5%) or less.

SECTION 3. Tennessee Code Annotated, Title 3, Chapter 1, Part 1, is amended by adding the following language as a new section:

(a) Beginning with the general appropriations bill for fiscal year 2018-2019 and in each subsequent fiscal year, funds reserved for legislative priorities pursuant to Section 2 of this act shall be allocated one-third ($1/3$) for appropriation amendments and two-thirds ($2/3$) for legislation.

(b) Notwithstanding subsection (a), the general assembly may deposit any funds reserved for legislative priorities pursuant to Section 2 of this act into the reserve for revenue fluctuations.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.