

SENATE BILL 460

By Yager

AN ACT to amend Tennessee Code Annotated, Title 4, Chapter 5, Part 2 and Title 9, Chapter 4, Part 53, relative to state mandates to local governments.

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

SECTION 1. Tennessee Code Annotated, Title 9, Chapter 4, Part 53, is amended by adding the following language as a new, appropriately designated section:

9-4-53__.

(a)

(1) Where an enacted law of general application whose accompanying fiscal note, required pursuant to § 3-2-107, indicates that the fiscal impact of the law on local governments exceeds one hundred thousand dollars (\$100,000); or where any laws of general application enacted during a single calendar year whose cumulative fiscal notes, required pursuant to § 3-2-107, indicate that the combined fiscal impacts of the laws on local governments exceed one million dollars (\$1,000,000); and such law or laws are not fully funded by either a dedicated state appropriation; a dedicated funding source provided for within the legislation; or a dedication of the increase in state shared revenues from the previous year adjusted for inflation until such funds have been expended, then such law or laws shall cease to be mandatory in their effect.

(2) No agency, department or other entity of state government may deny funds to, fine or otherwise penalize a local government solely on the basis that the local government opted not to comply with legislation that is not mandatory in its effect pursuant to subdivision (a)(1).

(b) The provisions of subsection (a) shall not apply to the following categories of laws:

(1) Those which are required to comply with federal laws or rules or to meet eligibility standards for federal entitlements;

(2) Those which repeal, revise or lessen an existing requirement or mandate or which reapportion the costs of activities between local governments;
and

(3) Those which implement mandatory duties of the Tennessee Constitution.

SECTION 2. Tennessee Code Annotated Title 4, Chapter 5, Part 2, is amended by adding the following language as a new, appropriately designated section:

4-5-___. No agency shall adopt any rule increasing any fee or creating a new fee in any year where general state revenues appropriated to the agency have decreased from the previous year.

SECTION 3. This act shall take effect January 1, 2014, the public welfare requiring it.