

SENATE BILL 1179

By Yarbrow

AN ACT to amend Tennessee Code Annotated, Title 4;  
Title 8; Title 9, Chapter 4, Part 53; Title 10; Title  
12; Title 41 and Title 50, relative to state  
government.

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 new section:

(a)

(1) A law or laws of general application cease to be mandatory in effect

if:

(A)

(i) A law has a fiscal note, required pursuant to § 3-2-107,  
indicating that the fiscal impact of the law exceeds one hundred  
thousand dollars (\$100,000) in direct expenditures by local  
governments; or

(ii) Multiple laws enacted during a single calendar year  
have fiscal notes, required pursuant to § 3-2-107, indicating that  
the combined fiscal impacts of the laws exceed one million dollars  
(\$1,000,000) in direct expenditures by local governments; and

(B) Such law or laws are not fully funded by:

(i) A dedicated state appropriation;

(ii) A dedicated funding source provided for within the  
legislation; or

(iii) A dedication of the increase in state-shared revenues from the previous year adjusted for inflation until such funds have been expended.

(2) An agency, department, or other entity of state government shall not deny funds to, fine, or otherwise penalize a local government solely on the basis that the local government opted to not comply with legislation that is not mandatory in its effect pursuant to subdivision (a)(1).

(b) Subsection (a) does not apply to the following categories of laws:

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

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

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

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

An agency shall not adopt a rule increasing any fee, or creating a new fee, that will impact local government programs and activities 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, 2020, the public welfare requiring it.