
Notes on Comptroller's Pre-Session Legislative Review

January 7, 2014

The purpose of the meeting was for the comptroller's office to determine pieces of legislation that may be introduced from the various groups. Also, it was the comptroller's intent to disclose legislation that they intended to file/support. Below is a summary of the discussion points.

TCSA – Tennessee County Services Association (David Conner) – they will be in the defense position with focus on education and teacher funding and mixed drink tax.

TN County Commission Association (Charlie Curtis) – No initiatives planned.

Association of County Mayors (Fred ?) – Streamlining delinquent taxes

TN County Highway Officials Association (Rodney Carmichael) – They may have some generic clean-up of existing legislation

COAT – County Officials Association of Tennessee (Jay West) – Most of their legislation will revolve around the **County Court Clerks** related to 1) charging fines/costs to fund collections; 2) the ability to negotiate uncollected fines/costs down to 50% off existing charges; 3) the ability to charge \$5 for a record check for a commercial business; 4) exempt from jury duties citizens who are at least 70 years of age; 5) enact a \$100 expungement fee; 6) deputy court clerks will be covered from retaliation (court clerk already covered).

For **Register of Deeds** – legislation for penalties to companies who charge individuals \$85 to obtain copies of deeds; also to increase awareness of people wanting to file documents related to a “sovereign state”

For **County Clerks** – legislation to move driver's license renewals away from their responsibilities in those counties in which they do the renewals.

TATPP – Tennessee Association of Property Tax Professionals – legislation to 1) improve the delinquent tax process; 2) streamline the automatic dismissal of court proceeding upon payment of delinquent tax; 3) provide a remedy for homeowners association fees; 4) cleanup legislation recognizing interest rate at 18% (there is confusion with the interest rate and penalty rate); 5) consider penalties same as interest for collection purposes in bankruptcy cases and 6) change the 30 day delinquency delay timing of collecting personal property tax for businesses who go out of business. They will be following further results of the “Travis vs. Coffee County” case.

TCTA – Tennessee County Trustee Association (Teb Batey) - No initiatives planned.

TML – Tennessee Municipal League (Chad Jenkins) – they will be in defense position, but items they are interested in include 1) state rules requiring a fiscal note for small businesses when considering potential legislation and state-imposed regulations; 2) investment of idle funds for cities with a CMFO; 3) mixed drink tax negotiations with cities, counties, and school boards; and 4) fine limits for codes violations.

TAUD – Tennessee Association of Utility Districts - No initiatives planned. They will follow “carryover” issues.

TNAAO – Tennessee Association of Assessing Officers – No one represented

UT-IPS – University of Tennessee Institute of Public Service (Steve Thompson) - No initiatives planned.

MTAS – Municipal Technical Advisory Service (Jim Thomas) - No initiatives planned, but will be monitoring legislative effects on local governments.

CTAS – County Technical Advisory Service (Robin Roberts & Mike Garland) - No initiatives planned, but will be monitoring legislative effects on local governments – their focus will be newly elected county officials.

TAPP – Tennessee Association of Purchasing Professionals (Pamela Cotham & Boyce Evans) – Clean up legislation planned regarding electronic bidding with invitation to bid and acceptance of bids; legislation to allow required information that currently must be on the outside of the envelope to be allowed to be included within the envelope and that typos to be corrected within 24 hours – related to the contractor and subcontractor license number.

TSBA – Tennessee School Board Association – They will be monitoring legislative effects on vouchers and charter schools. They will be supporting legislation for exceptions to open records and open meeting requirements when it relates to school security plans. They will introduce legislation to allow the continued use of school buses that exceed current limits of mileage requirements, but dependent upon inspection. They will float legislation requesting fiscal independence.

TGFOA – (Russ Truell & Lisa Nolen) As an organization, we will be monitoring legislation that affect our offices and the finances of the related governments..

TN Sheriffs’ Association (Terry Ashe) – They plan to introduce legislation to 1) deal with the meth problem in Tennessee; 2) cost of rape kits. They plan to support other pieces of legislation related to school security.

Jason Mumpower spoke on behalf of the Comptroller, apologizing for Comptroller Wilson’s absence and stressing that the meeting was being held as a result of their focus on transparency. He also noted that State budget reductions are on the horizon. It will be one of the toughest budgets ever due to increased TennCare costs, which appear to exceed the forecast for new revenues. “Revenue growth will not meet the natural demands of expenditures.” He shared a story about the State’s latest rating review by Fitch, Moody’s, and Standards and Poor in which the first question asked of them was related to the “health of the State’s local governments”. Most of the Comptroller’s concern will be with the State’s budget. However, the following pieces of legislation will be introduced:

- 1) TDOT – expand utility relocation programs, to allow loans to local government to help in the cost.
- 2) Wastewater Utility Districts – technical cleanup of language to reflect requirements of GASB statement 63 and allow operations of utility districts to be accounted for as an enterprise fund.

- 3) Secretary of State – allow direct appeal of commercial property to the state equalization board to free up demands on local equalization boards; called it a “fast pass” system
- 4) Property Assessments – to set new source of data to compute greenbelt capitalization rate (the source of data previously used is no longer available) County commissions and mayor can appoint members of local Equalization Boards instead of Property Assessments Division
- 5) For State debt, the use of premiums must be approved by the state funding board; after sale resolution will be required.
- 6) River Basin Authorities will now be considered entities of the State for liability purposes.
- 7) Disallow the back loading of debt or certain governments (rating level is still being determined, but assumption is BBB or lower.)
- 8) Low income tax credit calculation will continue to be reviewed – discussed by Kelsey Jones.