



TENNESSEE COUNTY SERVICES ASSOCIATION

Capitol Update - Week of February 21st

County Government Day Sees Nearly 300 Officials and Staff Visit with State Leaders

At the start of this week, county officials and staff from across the state traveled to Nashville to be briefed on legislative issues that could impact county government. Boards, committees, and affiliate membership groups met throughout the day on Monday. During a general session lunch, association directors discussed significant pieces of legislation that could help or hurt county government.

In particular, there was an emphasis this year on a proposal to remit a portion of the state's real estate transfer tax back to the county where it was collected. Under [HB649/SB1080](#), half of the tax would remain with the county to be used for infrastructure needs, debt service, matching funds, and other non-recurring expenses. The bill provides that not less than 50% of the funds received by a county would need to be spent on transportation infrastructure. Given the rising costs facing county highway departments, county associations agreed to this condition as a part of the proposal.

On Monday afternoon, following affiliate membership meetings, Director David Connor met with the TCSA Education Committee to outline the provisions of Governor Lee's Education Freedom Act that was enacted during the special session at the end of January. The act, which provides scholarships for private school tuition and expenses to up to 20,000 students, generated a great deal of questions and discussion.

On Tuesday morning, there was a change to the format of County Government Day, with county officials taking their breakfast to the 8th floor of the Cordell Hull Building, which is the home of the General Assembly. The associations provided biscuits and coffee and an opportunity for county officials to fellowship and discuss their priorities with State Representatives and Senators. Many legislators stopped by the event and spent time in conversation with folks from back in their districts. Throughout Tuesday morning, county officials walked the halls of the legislative office building, sitting in on committee meetings and sitting down with their legislators. For those looking for training and education, two classes were offered back at the hotel that morning - one focused on managing funds from opioid settlement agreements and another focused on solid waste management for Tennessee counties.

For more information or to view the legislative handouts shared at the conference, please visit the [TCSA County Government Day conference webpage](#).



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Committee Work Ramping Up - Departmental Budgets Heard

Despite weather-related cancellations of some meetings Wednesday morning, the General Assembly mostly got down to business this week. Subcommittee and Committee calendars were more extensive, and numerous state departments and agencies presented their budget to various committees of the House and Senate. Some departments present their budgets to various standing committees. Others go directly to the Finance Committees in both chambers. This is a necessary part of the process for the legislature to accomplish its one constitutionally mandated duty - passing the nearly \$60 billion state budget. Despite this session beginning with both an organizational week (which occurs after every election) and a special session, the leadership of both chambers continues to target an April adjournment.

Individual Bills of Interest

The House K-12 Subcommittee approved [HB224](#) by Representative Haston and sent the bill to the full Education Committee, where it will be heard next week. The bill authorizes school boards to create a School District Capital Improvement Investment Trust into which reserve funds can be deposited. Once in the trust, the funds and their interest must be used only for school capital improvements. The bill **requires** the school board to maintain an operational reserve equal to two months of expenditures, and it requires the board to adopt a capital improvements plan for **at least five years of planned improvements**.

A bill ([HB357](#)) by Representative Powers to create a process for approval and recognition of rescue squads was approved by the Departments and Agencies Subcommittee and then sent to the House State and Local Government Committee. The legislation requires the State Fire Marshal to develop standards and regulations governing entities wanting to be recognized as rescue squads.

In the Senate State and Local Government Committee, [SB15](#) by Senator Walley was approved. The bill requires the state to assume responsibility of paying for autopsies and transportation costs related to autopsies for inmates who die in custody. The bill is expected to reduce local government expenses by \$156,000.

Governor Lee's proposal to fund conservation easements to help preserve farmland was narrowly approved by the Senate Energy, Agriculture and Natural Resources Committee on a 5-4 vote. The bill ([SB207](#)) was unable to make it out of this committee last year. It creates a \$25 million program that the Department of Agriculture will oversee to enroll farmland in conservation easements.

[HB76](#), which prohibits the abandonment of animals near an animal shelter or veterinary facility without making arrangements for the care of the animal, was approved by the House Judiciary Committee and moved to the Finance Subcommittee. The bill is being brought on behalf of Rutherford County, but it applies statewide.



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The House State and Local Government Committee approved [HB56](#) by Rep. Lamberth as amended. The legislation creates a process for the removal of individuals appointed to boards or commissions by the county legislative body. If the county commission was not the original appointing authority, it must first receive a recommendation from the appointing authority (likely the county mayor or executive) before removing the individual. It requires a $\frac{2}{3}$ vote of the county commission for the removal to take effect.

[HB 618](#) by Rep. Wright prevents an individual holding a local elected office from another elected office at the same time. It grandfathers in individuals currently serving in more than one elected office, but only until the end of their term. The bill was approved by the full House State and Local Government Committee and has been placed on the consent calendar for Monday night for a floor vote of the entire House. The bill has not yet been scheduled for a hearing in the Senate State and Local Government Committee.

[HB546](#) by Rep. Cochran was approved by the Cities and Counties subcommittee and sent to the full State and Local Government Committee. It authorizes the use of cooperative purchasing agreements for materials, labor and services used for the maintenance and repair of existing facilities and grounds owned and operated by a local government agency or school board.

The Cities and Counties Subcommittee also approved HB 695 by Rep. Baum, which raises the cap on mineral severance tax by \$0.15 over a ten-year period. The current cap is \$0.15, so the bill effectively doubles the maximum rate of the tax. It would take a vote of the county commission to increase their current mineral severance tax to the new cap limits.

[SB679](#) by Senator White was approved by the Senate Education Committee and sent to Senate Finance. The bill would add pre-k students with special needs to the TISA funding formula. LEAs across the state are already serving many students who fall into this classification, primarily using local and available federal funds. The fiscal note on the bill estimates that it would generate over \$160 million in state funds to help support the services delivered to these students.