

CMFO AND CCFO TRAINING

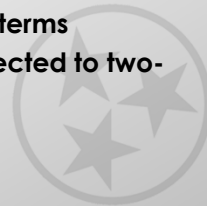
Legislative Update



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THE TENNESSEE GENERAL ASSEMBLY

- ✦ **Created under Article II, Section 3 of the TN State Constitution**
 - Legislative authority is vested in the General Assembly, which consists of a Senate and a House of Representatives (both are popularly elected)
 - Constitution requires an election for Senators & Representatives to be held once every two years in November of even-numbered years
- ✦ **The Members**
 - Senate has 33 Members, elected to four-year terms
 - House of Representatives has 99 members, elected to two-year terms



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THE TENNESSEE GENERAL ASSEMBLY

- ✦ Convenes at noon on the second Tuesday of January each year
- ✦ There are two legislative sessions in each General Assembly

JANUARY 2024						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

Printable Calendars From [123Calendars.Com](https://www.123calendars.com)



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THE TENNESSEE GENERAL ASSEMBLY

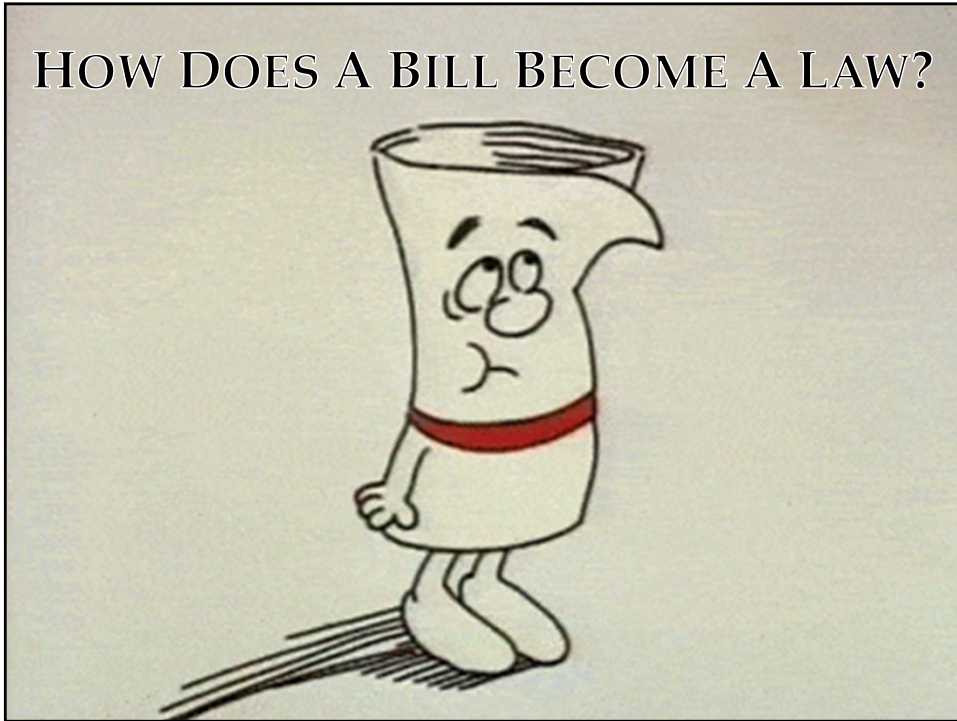
Function of the Legislature

- ✦ Legislature's Function: enact, amend, and repeal laws of Tennessee
 - Specific powers: appropriation of all money to be paid out of the treasury (general fund), levy & collect taxes, right to authorize counties, towns to levy.
- ✦ The one thing the legislature must do every year is pass a balanced budget.



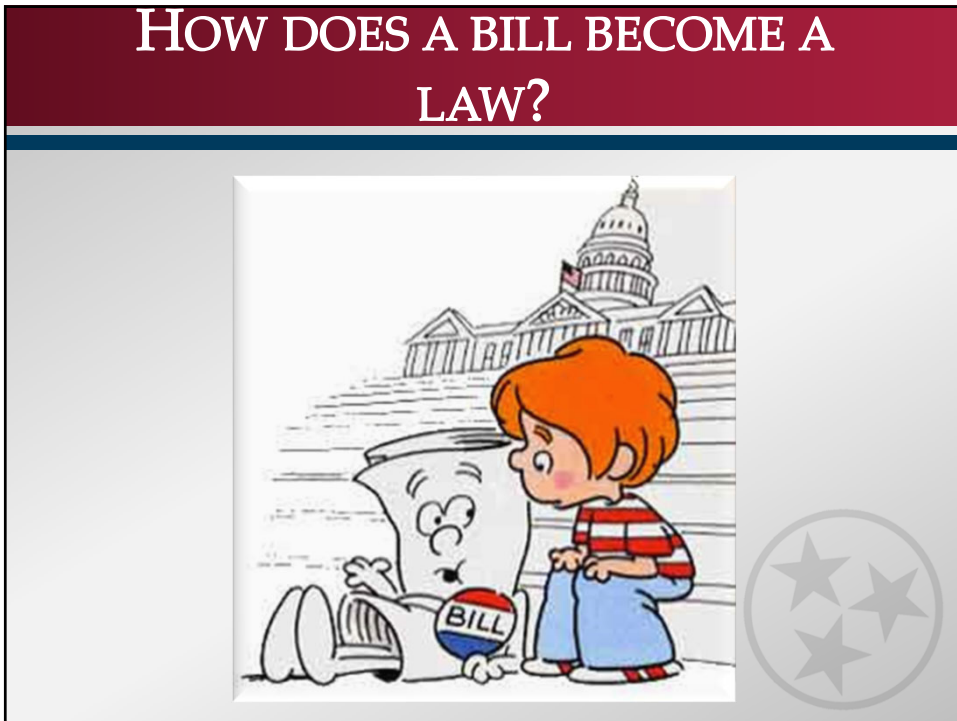
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HOW DOES A BILL BECOME A LAW?



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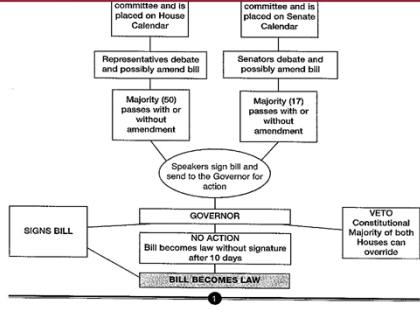
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THE BILL PROCESS

How a Bill Becomes a Law in Tennessee

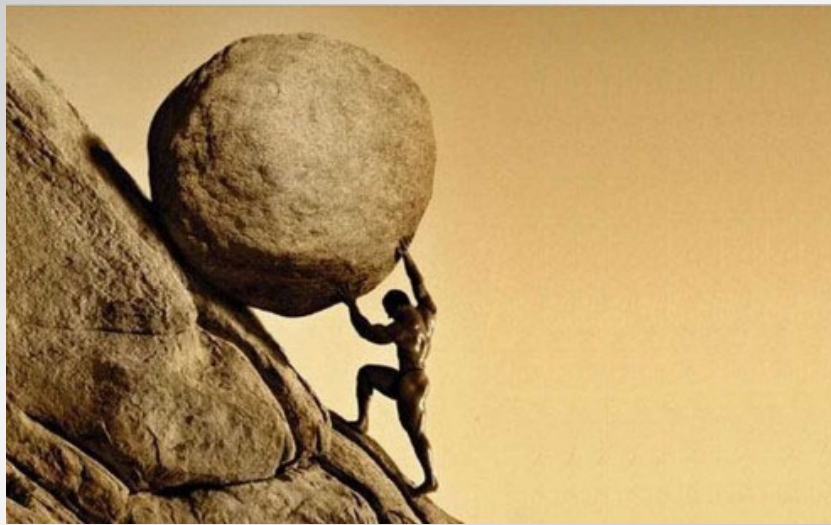


The Golden Rule:
 For a bill to become a law, it must pass both the House and Senate in the SAME EXACT FORM!



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THE BILL PROCESS



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THE BILL PROCESS

SENATE RESOLUTION 26
By McNulty

-Bill#- -Sponsor-

A RESOLUTION to congratulate Alan Benton upon his receipt of the Tennessee Arts Commission's Governor's Arts Awards Folklife Heritage Award.

WHEREAS, it is fitting that the members of the General Assembly recognize those citizens who devote themselves to their craft, honing their skills in their quest for excellence and setting a standard to which others aspire; and

WHEREAS, one such individual is Alan Benton, owner of Benton's Smoky Mountain Country Home, who has been honored with the Tennessee Arts Commission's Governor's Arts Awards Folklife Heritage Award, having the distinction of being the first foodways awardee; Mr. Benton will be acknowledged in March during a private ceremony at the governor's residence in Nashville; and

WHEREAS, the biennial Governor's Arts Awards were established in 1971 to recognize individuals and organizations that have made significant contributions to the cultural life of Tennessee; these awards are the State's highest arts honor; and

WHEREAS, the Folklife Heritage Award is presented to folk artists or organizations that have made outstanding contributions to Tennessee's traditional arts; the award honors significant achievements within art forms that are rooted in the traditional or ethnic cultures of Tennessee; and

SENATE JOINT RESOLUTION 371
By Johnson

-Bill#- -Sponsor-

A RESOLUTION to honor the Division of Property Assessments on the occasion of its 50th anniversary.

WHEREAS, the Division of Property Assessments (the Division) is celebrating a milestone this year as it observes its 50th anniversary as a vital component of State government; and

WHEREAS, the Division of Property Assessments was created in the Office of the Comptroller of the Treasury by the 57th General Assembly in May 1967, in response to a 1966 legislative study that found outdated levels of valuation for real property in Tennessee, ranging from a low of seven percent to a high of forty percent; some fifty years later, the level of valuation has reached 87.5 percent due to the hard work and professionalism of the Division's staff; and

WHEREAS, one of the major charges of the Division of Property Assessments was the oversight of the mapping and appraisal of all parcels of real property in Tennessee; and

WHEREAS, the Division assists counties, as needed, with respondents and provides a state of the art data processing service for valuation and taxation of property; and

WHEREAS, the Division is responsible for the administration of the State's property tax relief program for the low-income elderly, disabled homeowners, and disabled veteran homeowners or their surviving spouses; and

WHEREAS, the Division administers the professional education and assessment

HOUSE BILL 51
By Crawford

-Bill#- -Sponsor-

AN ACT to amend Tennessee Code Annotated, Section 5-9-101 and Section 5-52-111, relative to the appointment of bills to nonprofit organizations by local governments.

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

SECTION 1. Tennessee Code Annotated, Section 5-9-101, is amended by deleting subsection (2)(3) and by substituting instead the following:

(3) Any nonprofit organization that desires such financial assistance may file, in lieu of the annual audit, an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury.

SECTION 2. Tennessee Code Annotated, Section 5-52-111(c), is amended by deleting the subsection in its entirety and by substituting instead the following language:

(c)

(1) Any nonprofit organization that desires financial assistance from a municipality shall file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:

(A) Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and verified by the chief financial

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THE BILL PROCESS

Senate Sponsor

House Sponsor

Companion Bills

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THE BILL PROCESS

- ⊕ For a new law to be made, it must be considered and passed on three separate days (considerations) by both the House and Senate.
- ⊕ After second consideration, bills are referred to committee.



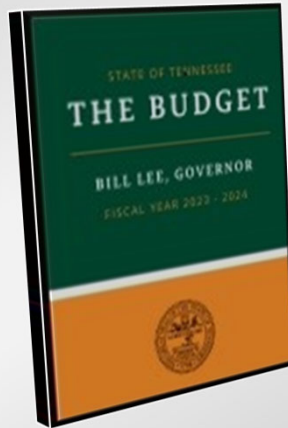
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THE BILL PROCESS



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THE BILL PROCESS



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THE BILL PROCESS

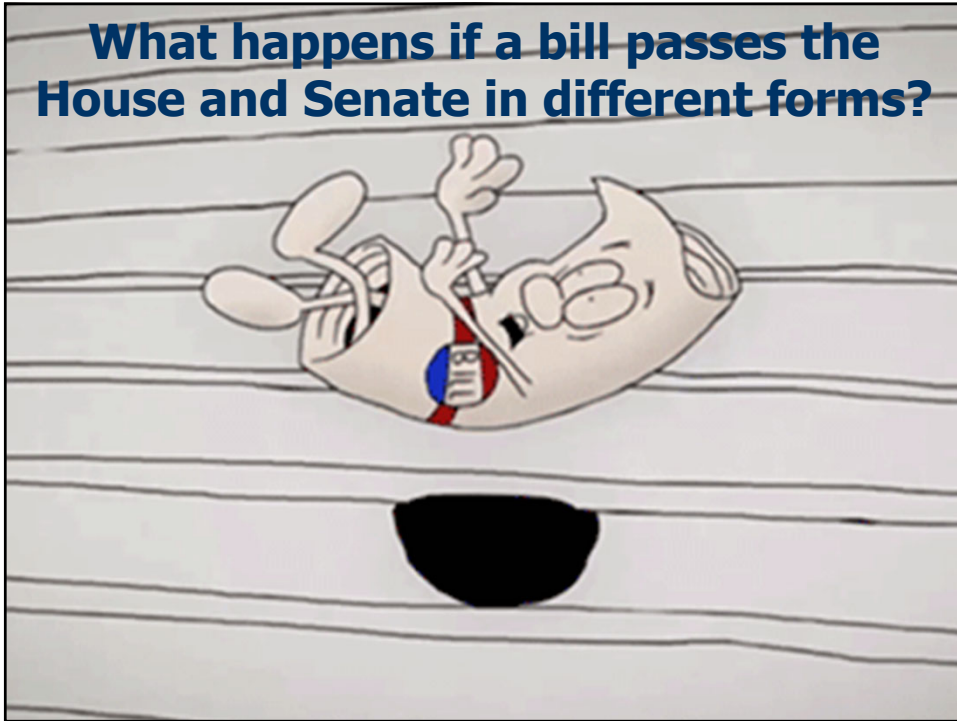
- ⊕ Floor Session – the full House or Senate meets on the Floor to hear the bills that have passed out of the committees
 - At least 50 favorable votes in the House
 - At least 17 favorable votes in the Senate

- ⊕ After a bill passes one chamber, its companion must pass the other chamber in the same exact form before becoming law



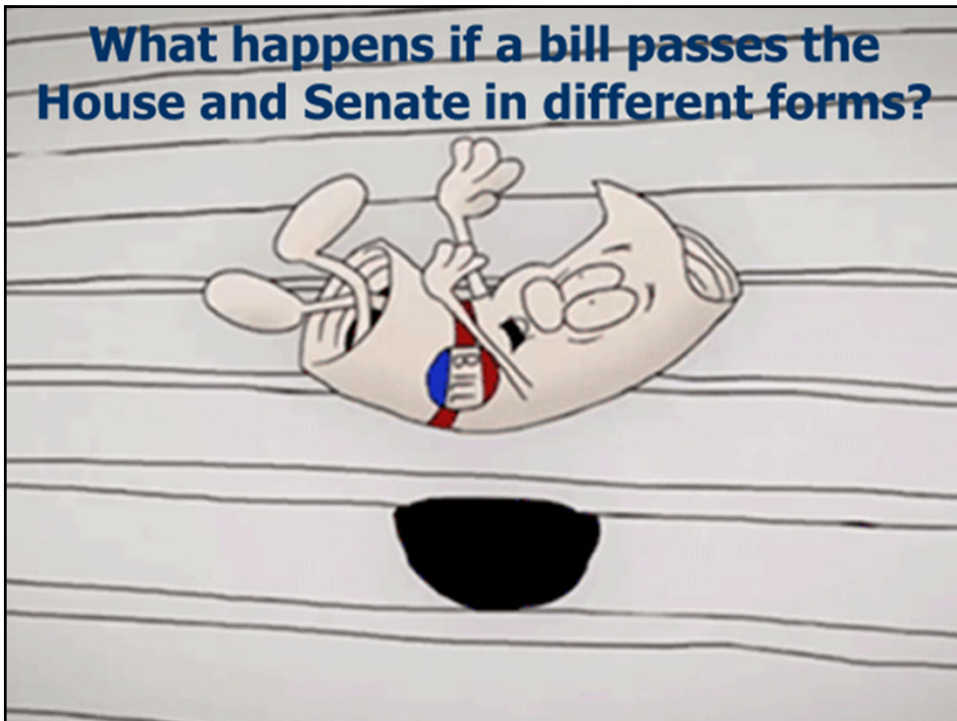
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What happens if a bill passes the House and Senate in different forms?



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What happens if a bill passes the House and Senate in different forms?

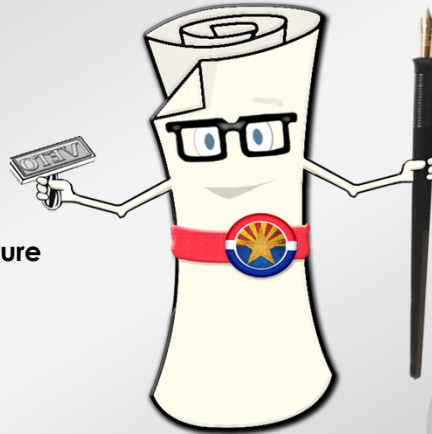


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THE BILL HAS PASSED THROUGH THE LEGISLATURE...NOW WHAT HAPPENS?

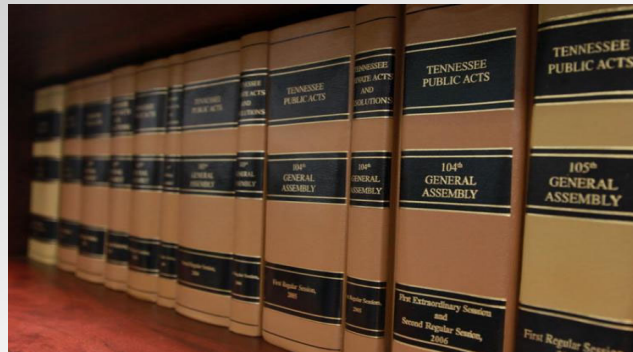
⊕ Governor's Options:

- Sign,
- Veto, or
- Become law without signature

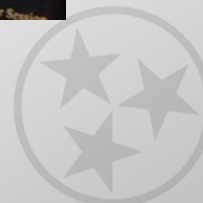


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THE BILL HAS PASSED THROUGH THE LEGISLATURE...NOW WHAT HAPPENS?



Tennessee Public Acts



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THE BILL HAS PASSED THROUGH THE LEGISLATURE...NOW WHAT HAPPENS?



Tennessee Code Annotated



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LEGISLATION OF INTEREST

4th Extraordinary Session



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4TH EXTRAORDINARY SESSION

Public Safety Special Session

- ⊕ SB 7085 – Free firearm locks to Tennessee residents upon request.

- ⊕ SB 7086 – Shortens the time frame within which a circuit court clerk or general sessions court must notify the TBI of the final disposition of criminal proceedings.

- ⊕ SB 7088 – Requires the TBI to submit a report on child and human trafficking crimes and trends in this state to the governor and legislature.

- ⊕ SB 7089 – Appropriations Bill:
 - Mental Health Professional Bonuses
 - Behavioral Health Safety Net Grants
 - School Safety Upgrades



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LEGISLATION OF INTEREST

Regular Session



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LEGISLATION OF INTEREST


Regular Session Highlights

- ✦ Convened on January 10, 2023

- ✦ 521 Effective Public and Private Acts

- ✦ 56.2B Budget

- ✦ Major Topics
 - Transportation
 - School Safety
 - Foster Care and Adoption
 - Metro Council and Boards

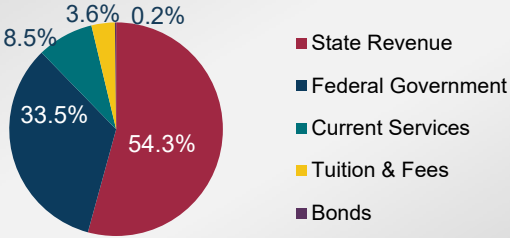


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LEGISLATION OF INTEREST


\$56.2 Billion

Where does the money come from?



Source	Percentage
State Revenue	54.3%
Federal Government	33.5%
Current Services	8.5%
Tuition & Fees	3.6%
Bonds	0.2%

- State Revenue - \$30.5 billion
- Federal Government - \$18.8 billion
- Current Services – \$4.8 billion
- Tuition and Student Fees – \$2.0 billion
- Bonds – \$0.1 billion



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LEGISLATION OF INTEREST

Where does the money go?

- ⊕ The largest portion of the state budget is spent in three areas:

- ⊕ 1) Health and Social Services
- ⊕ 2) Education
- ⊕ 3) Transportation

Top 5 Expenses	FY 2023-24
Education	\$14.7 billion
TennCare	14.5 Billion
Social Services	8.0 Billion
Transportation	6.1 Billion
Corrections	1.4 Billion
TOTAL – Top 5 Expenses	44.7 Billion

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LEGISLATION OF INTEREST

Budget Accomplishments

- ⊕ 3.3B to bolster road construction
- ⊕ \$231.7M to enhance school safety
- ⊕ \$125M for K-12 teacher pay raises
- ⊕ Continues building the Rainy Day Fund (\$2.05B)

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LEGISLATION OF INTEREST

Tax Cuts

- ⊕ \$273M for a three-month sales tax holiday on grocery items.
- ⊕ \$150M in annual small business tax relief.



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LEGISLATION OF INTEREST

Comptroller Bills

- ⊕ Pub. Ch. 22 – Increases the statute of limitation for prosecution of official misconduct and destruction of and tampering with governmental records to six years from the date of the offense.
- ⊕ Pub. Ch. 83 – Deauthorizes the use of promissory notes secured by a first mortgage or a first deed of trust upon residential real property as collateral by banks in which public funds are invested or deposited by a governmental entity for investments or deposits above the insurance limitations provided by the FDIC.



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LEGISLATION OF INTEREST

Comptroller Bills continued

- ✦ **Pub. Ch. 184** – Removes the authority of the state board of equalization to create an assessment appeals commission to hear property tax appeals.

- ✦ **Pub. Ch. 463** – Merges the Utility Management Review Board and the Water and Wastewater Financing Board into the newly created Tennessee Board of Utility Regulation (TBOUR).



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LEGISLATION OF INTEREST

Transportation

- ✦ **Pub. Ch. 159** – Enacts the Transportation Modernization Act of 2023.
 - Authorizes TDOT to enter into agreements with a private company to build choice lanes.
 - Establishes the Transportation Modernization Fund to be used for funding transportation initiatives and improvements.
 - \$3.3B
 - \$300M to be distributed to local governments as grants.



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LEGISLATION OF INTEREST

Education

- ⊕ Pub. Ch. 367 – LEAs to develop a district-wide safety plan. Annual safety drills.
- ⊕ Pub. Ch. 437 – Increases the base salaries for K-12 teachers; eliminates option to have automatic payroll deduction for professional employee organization dues.



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LEGISLATION OF INTEREST

Metro Bills

- ⊕ Pub. Ch. 21 – Caps at 20 the number of members that may be elected to the Metro Council
- ⊕ Pub. Ch. 410 – Reconstitutes the Metro Sports Authority
- ⊕ Pub. Ch. 430 – Changes to the Convention Center TDZ
- ⊕ Pub. Ch. 454 – Replaces the Community Oversight Board with the Police Advisory and Review Committee
- ⊕ Pub. Ch. 488 – Reconstitutes the Metro Airport Authority



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LEGISLATION OF INTEREST

Open Meetings Act

- ⊕ Pub. Ch. 213 – Requires a local legislative body to make available to the public, at no charge and at least 48 hours prior to a meeting, the agenda for the upcoming meeting in a place accessible to the public; authorizes such body to deliberate or act upon matters not listed on the agenda if the body follows its bylaws or properly adopted rules and procedures and complies with all other applicable state laws.
- ⊕ Pub. Ch. 300 – Requires governmental entities to provide a period of public comment for public meetings; authorizes the governmental entities to place reasonable restrictions on the period for public comment.

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Questions

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