



This week, the Tennessee Senate reviewed key budget allocations, including a proposed \$30 million extension for the Violent Crime Intervention Fund (VCIF), which has already distributed \$150 million to 267 law enforcement agencies for investigations, equipment, and personnel. The Senate Finance Committee also discussed a \$16 million budget increase for the Department of Treasury, mainly due to federal American Rescue Plan funds earmarked for modernization and operational improvements.

Legislators have debated major tax policy changes, particularly the proposed elimination of the state's grocery tax, which has bipartisan support but faces budget challenges. Scrutiny over unspent federal funds and technology investments has also been a focal point. Additionally, infrastructure funding remains a hot topic, with discussions on redirecting all \$80 million in tire tax revenue exclusively toward transportation instead of the general fund.

Tennessee lawmakers have also engaged in discussions over hemp regulations, focusing on THC limits, product safety, and consumer protections amid a growing market for hemp-derived products. Proposed regulations aim to clarify legal gray areas and establish oversight for hemp-based consumables. Meanwhile, nuclear energy has gained traction as a potential solution for Tennessee's long-term energy needs, with lawmakers considering policies to encourage small modular reactor (SMR) development and streamline regulations to attract investment in nuclear infrastructure.

Governor Bill Lee has prioritized farmland preservation in budget talks, pushing initiatives to curb the rapid loss of agricultural land, especially in Middle Tennessee, due to urban expansion. Lawmakers are also exploring ways to attract more international flights to Tennessee, particularly at Nashville International Airport, to boost tourism and economic growth.

Additionally, discussions on modernizing the state's vehicle fleet include transitioning to fuel-efficient and electric vehicles, aiming to cut long-term costs and environmental impact. The Tennessee General Assembly is expected to adjourn around Easter, with legislative committees beginning to close in late March. As the session progresses, lawmakers are working hard to finalize key budgetary and policy decisions before the session wraps up.