



SUMMARY

The General Assembly returned to normal business after a week of weather delays. Bills are beginning to be discussed in committees and budget and department hearings continue.

In anticipation of the release of Governor Lee's proposed budget at the State of State address on February 5th, Department of Finance and Administration Commissioner Jim Bryson presented an overview of the State's current financial outlook to the House Finance, Ways, and Means Committee. He explained that tax revenue for the current budget year was initially estimated to top \$19.8 billion. However, that number was revised in November to \$19.1 billion. The estimated tax revenue for the upcoming fiscal year is \$19.2 billion.

The House Finance, Ways, and Means will start conducting budget hearings on February 6th and will continue through March 11th. These hearings will assist members in determining how to best meet the needs of Tennesseans amid significantly slower revenue growth.

According to a new report by the Tennessee Advisory Commission on Intergovernmental Relations (TACIR), Tennessee needs at least \$62.9 billion worth of public infrastructure improvements during the five-year period of July 2021 to June 2026, a \$1.2 billion (2.0%) increase from the year before. Information about funding for public infrastructure needs reported by officials indicates that 67.8% of the funds required to meet those needs was not available at the time the inventory was conducted. Only \$15.4 billion in funding is available for the remaining \$47.6 billion in needs. A link to the report can be found [here](#).

Total estimated costs for current infrastructure needs fall into six general categories:

- Transportation and Utilities: \$35.2 billion
- Education: \$14.8 billion
- Health, Safety, and Welfare: \$8.9 billion
- Recreation and Culture: \$2.3 billion
- General Government: \$1.3 billion
- Economic Development: \$246 million
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The Tennessee Department of Transportation also presented this week on infrastructure needs and road project spending in light of the legislation and funding that passed last year. Their presentation can be found [here](#), and a recording of the hearing can be found [here](#).

The Tennessee Department of Labor and Workforce Development reported the seasonally adjusted unemployment rate for the state remained unchanged in December at 3.5%.

- The unemployment rate decreased in 92 counties, increased in two counties and remained the same in 1 county.
- Moore County reported the lowest unemployment rate at 2.1%.
- Bledsoe County had the highest rate at 4.8%.
- The seasonally adjusted unemployment rate for the U.S. decreased from 4.2% to 3.9% during the same time period.

Several dates of importance were not delayed or changed due to the weather, including:

- House Bill Filing Deadline: Wednesday, Jan. 31st
- Senate Bill Filing Deadline: Thursday, Feb. 1st
- Governor Lee's State of the State Address: Monday, February 5th