



This week on Capitol Hill, Governor Lee’s administration released its FY 23-24 budget amendment which detailed an additional \$462 million in proposed expenditures, including an expanded investment in measures to enhance school safety. Please find the budget amendment line item overview and the Department of Finance & Administration’s presentation attached. The three key pieces of the administration’s proposed funding for enhanced school safety are below:

- A \$140 million recurring appropriation for a grant program to fund the place of Student Resource Officers in every public school;
- A \$7 million non-recurring appropriation for a grant program to fund the implementation of school safety measures at non-public schools; and
- An \$8 million recurring appropriation to fund 114 new mental health liaisons in K-12 schools.

Now that the Governor has released his budget amendment, the Senate and House Finance, Ways and Means Committees will begin reviewing the FY 23-24 budget, the legislative appropriation requests submitted by members, and legislation that requires state or local funding. Other committees continue to work through their final calendars. Please find attached both the House and Senate weekly calendars, as well as the list of appropriation requests for your review.

On Monday, House Republicans introduced motions to expel Representatives Gloria Johnson, Justin Jones, and Justin Pearson; on Thursday, the House voted to adopt the resolutions expelling Representatives Jones and Pearson but failed to reach the necessary vote threshold to expel Representative Johnson. It now falls to their respective county governments – Davidson and Shelby – to appoint interim representatives to serve until they can schedule special elections.

**BELOW IS A LIST OF YOUR 2023 TRACKED LEGISLATION AS OF THE TIME OF THIS REPORT:**

<b>SB2</b>	<b>Limitation on claims against a person for loss, damage, injury, or death arising from COVID-19.</b>
Sponsors	Sen. Johnson, Jack
Category	COVID-19
Summary	Makes permanent limitations on claims against a person for loss, damage, injury, or death arising from COVID-19 and the prohibition on COVID-19 vaccine mandates.
Fiscal Note	(Dated January 23, 2023) NOT SIGNIFICANT
Senate Status	01/20/23 - Referred to Senate Health & Welfare Committee.
Caption	AN ACT to amend Tennessee Code Annotated, Section 9- 8-307; Title 14; Title 29, Chapter 20; Section 49-7- 159 and Chapter 896 of the Public Acts of 2022, relative to COVID-19.
<b>SB11/HB2</b>	<b>Makes permanent various provisions regarding COVID-19.</b>
Sponsors	Sen. Johnson, Jack; Rep. Zachary, Jason
Category	COVID-19
Summary	Makes permanent various provisions regarding COVID-19.

Fiscal Note (Dated January 22, 2023) NOT SIGNIFICANT  
Senate Status 02/13/23 - Senate passed.  
House Status 03/06/23 - House passed.  
Executive Status 03/27/23 - Enacted as Public Chapter 0048 effective March 21, 2023.  
Caption AN ACT to amend Tennessee Code Annotated, Title 9; Title 14; Title 29, Chapter 20 and Section 49-7- 159, and Chapter 896 of the Public Acts of 2022, relative to COVID-19.

**SB25/HB12 County Powers Relief Act tax rate for residential development increased.**

Sponsors Sen. Hensley, Joey; Rep. Cepicky, Scott  
Category Taxes Property  
Summary Raises the initial tax rate authorized by the County Powers Relief Act for residential development from \$1 per square foot to \$3 per square foot. Prohibits a county from increasing the tax rate within a 4-year period of the last tax raise. Allows a county to raise the tax rate to a maximum of 10% following the 4-year period.  
Senate Status 01/20/23 - Referred to Senate State & Local Government Committee.  
House Status 01/20/23 - Withdrawn in House.  
Caption AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 4, Part 29, relative to the County Powers Relief Act.

**SB73/HB1181 Tennessee Information Protection Act.**

Sponsors Sen. Watson, Bo; Rep. Garrett, Johnny  
Category Commercial Law  
Summary Enacts the "Tennessee Information Protection Act," which establishes personal information rights for consumers and responsibilities for data controllers. Defines "controller" to mean the natural or legal person that, alone or jointly with others, determines the purpose and means of processing personal information. Requires controllers to limit the collection of personal information to what is adequate, relevant, and reasonably necessary in relation to the purposes for which the data is processed, as disclosed to the consumer. Requires controllers to establish, implement, and maintain reasonable data security practices to protect the confidentiality, integrity, and accessibility of personal information. Prohibits a controller from processing sensitive data concerning a consumer without obtaining the consumer's consent. Requires controller to conduct and document a data protection assessment of certain processing activities involving personal information, including the processing of personal information for purposes of targeted advertising and the sale of personal information. Requires data protection assessments conducted to identify and weigh the benefits that may flow, directly and indirectly, from the processing to the controller, the consumer, other stakeholders, and the public against the potential risks to the rights of the consumer associated with the processing, as mitigated by safeguards that can be employed by the controller to reduce the risks. Specifies for requirements of processing de-identified data by controllers. Requires a controller or processor to create, maintain, and comply with a written privacy program that reasonably conforms to the National Institute of Standards and Technology (NIST) privacy framework entitled "A Tool for Improving Privacy through Enterprise Risk Management Version 1.0." Gives the attorney general investigative authority over this part and exclusive authority for enforcement of provisions (32 pp.).  
Amendment Summary Senate Commerce & Labor Committee amendment 1 (006458) requires a company that controls, processes or sells personal information to adhere to outlined requirements.

Establishes personal information rights for consumers and requires applicable controllers to comply with consumer requests regarding personal information rights. Applies to a company that exceeds \$25,000,000 in revenue and that controls or processes personal information of at least 25,000 consumers and derives more than 50 percent of gross revenue from the sale of personal information or controls or processes personal information of at least 175,000 consumers during a calendar year. Provides exemptions to various organizations, agencies, institutions, and entities. Establishes that the Attorney General and Reporter (AG) has exclusive authority to bring actions for an alleged violation. Authorizes the court to impose a civil penalty up to \$7,500 per violation as well as other relief the court determines appropriate. Establishes that a controller or processor that complies with a privacy program that reasonably conforms to the National Institute of Standards of Technology (NIST) or other documented policies, standards, and procedures designed to safeguard consumer privacy, has an affirmative defense to a cause of action for a violation of this part. Establishes a violation of such is an unfair and deceptive act or practice under the Consumer Protection Act of 1977. Establishes that a consumer is not entitled to a private right of action upon such violation. Effective July 1, 2025. House Commerce Committee amendment 1 (006596) requires a company that controls, processes or sells personal information to adhere to outlined requirements. Establishes personal information rights for consumers and requires applicable controllers to comply with consumer requests regarding personal information rights. Applies to a company that exceeds \$25,000,000 in revenue and that controls or processes personal information of at least 25,000 consumers and derives more than 50 percent of gross revenue from the sale of personal information or controls or processes personal information of at least 175,000 consumers during a calendar year. Provides exemptions to various organizations, agencies, institutions, and entities. Establishes that the Attorney General and Reporter (AG) has exclusive authority to bring actions for an alleged violation. Authorizes the court to impose a civil penalty up to \$7,500 per violation as well as other relief the court determines appropriate. Establishes that a controller or processor that complies with a privacy program that reasonably conforms to the National Institute of Standards of Technology (NIST) or other documented policies, standards, and procedures designed to safeguard consumer privacy, has an affirmative defense to a cause of action for a violation of this part. Establishes a violation of such is an unfair and deceptive act or practice under the Consumer Protection Act of 1977. Establishes that a consumer is not entitled to a private right of action upon such violation. Effective July 1, 2025.

Fiscal Note (Dated January 28, 2023) NOT SIGNIFICANT  
 Senate Status 04/06/23 - Senate deferred to 04/13/23.  
 House Status 04/07/23 - Set for House Floor 04/10/23.  
 Caption AN ACT to amend Tennessee Code Annotated, Title 4; Title 12; Title 43; Title 45; Title 47; Title 48; Title 50; Title 61; Title 66 and Title 67, relative to commerce.

**SB78/HB141 Transportation project completion dates to be included in commissioner's report.**

Sponsors Sen. Massey, Becky; Rep. Howell, Dan  
 Category Transportation General  
 Summary Authorizes the commissioner of transportation to include the anticipated completion dates for projects under construction in the commissioner's quarterly report to the state building commission on the status of road projects. Broadly captioned.

Fiscal Note (Dated January 17, 2023) NOT SIGNIFICANT  
 Senate Status 01/20/23 - Referred to Senate Transportation & Safety Committee.

House Status 03/15/23 - House Finance, Ways & Means Subcommittee deferred to 03/22/23.  
Caption AN ACT to amend Tennessee Code Annotated, Title 4; Title 5; Title 6; Title 7; Title 8; Title 54; Title 55; Title 65 and Title 67, relative to transportation.

**SB79/HB142 Motor vehicle titling or registration - notice of change of address.**

Sponsors Sen. Massey, Becky; Rep. Howell, Dan  
Category Transportation Vehicles  
Summary Authorizes a person who, after applying for or receiving a motor vehicle title or registration, moves from the address named in the application or title or registration, or changes names, to submit the required notice to the department in writing or electronically. Broadly captioned.  
Amendment Summary Senate amendment 1, House Transportation Committee amendment 1 (003596) establishes that a commercial driver's license issued with a hazardous materials endorsement expires on the date the hazardous materials endorsement authorization expires. Effective January 1, 2024.  
Fiscal Note (Dated January 19, 2023) NOT SIGNIFICANT  
Senate Status 02/23/23 - Senate passed with amendment 1 (003596).  
House Status 03/22/23 - House Finance, Ways & Means Subcommittee deferred to Special Calendar on Driver Licenses.  
Caption AN ACT to amend Tennessee Code Annotated, Title 54; Title 55; Title 65 and Title 67, relative to transportation.

**SB80/HB140 Precious Cargo Act provisions revised.**

Sponsors Sen. Massey, Becky; Rep. Howell, Dan  
Category Transportation Vehicles  
Summary Authorizes the department of revenue, in cooperation with other governmental agencies or interested nonprofit organizations, to publicize to potential participants the availability, under the Precious Cargo Act of 2021, of a designation within the Tennessee Vehicle Title and Registration System (VTRS) database of a need for assistance with expressive language or communicating needs to first responders. Broadly captioned.  
Fiscal Note (Dated January 23, 2023) NOT SIGNIFICANT  
Senate Status 01/20/23 - Referred to Senate Transportation & Safety Committee.  
House Status 01/20/23 - Caption bill held on House clerk's desk.  
Caption AN ACT to amend Tennessee Code Annotated, Title 4; Title 54; Title 55; Title 65 and Title 67, relative to transportation.

**SB83/HB139 Driver of lead commercial motor vehicle traveling in a platoon.**

Sponsors Sen. Massey, Becky; Rep. Howell, Dan  
Category Transportation Vehicles  
Summary Requires a driver who holds a valid commercial driver license to be present behind the wheel of the lead commercial motor vehicle traveling in a platoon, rather than behind the wheel of each commercial motor vehicle traveling in that platoon. Broadly captioned.  
Fiscal Note (Dated March 3, 2023) Other Fiscal Impact Passage of the proposed legislation could jeopardize federal highway and grant funding to the Department of Transportation.  
Senate Status 03/08/23 - Taken off notice in Senate Transportation & Safety Committee.  
House Status 01/24/23 - Referred to House Transportation Subcommittee.

Caption AN ACT to amend Tennessee Code Annotated, Title 39; Title 54 and Title 55, relative to vehicles operating as part of a platoon.

**SB84 Commercial driver license issued with hazardous materials endorsement - expiration.**

Sponsors Sen. Massey, Becky  
Category Transportation Vehicles  
Summary Establishes that a commercial driver license issued with a hazardous materials endorsement expires on the date the hazardous materials endorsement authorization expires.  
Senate Status 02/03/23 - Withdrawn in Senate.  
Caption AN ACT to amend Tennessee Code Annotated, Title 55, Chapter 50, Part 3, relative to commercial driver licenses.

**SB95 Vehicle registrations by businesses that register at least 15,000 vehicles annually.**

Sponsors Sen. Johnson, Jack  
Category Transportation Vehicles  
Summary Increases the period for which vehicle registrations by businesses that register at least 15,000 vehicles annually from 24 months to 36 months. States that the fees must be in an amount to offset the revenue that would otherwise be generated by 12-month registration fees in effect prior to July 1, 2023, instead of July 1, 2017.  
Senate Status 01/20/23 - Referred to Senate Transportation & Safety Committee.  
Caption AN ACT to amend Tennessee Code Annotated, Section 55-4-104, relative to vehicle registrations.

**SB105/HB88 Military waivers for commercial driver licenses.**

Sponsors Sen. Watson, Bo; Rep. Marsh, Pat  
Category Transportation Vehicles  
Summary Requires the department of safety to waive the knowledge test and accept alternative requirements for active duty and honorably discharged service members applying for temporary commercial learner's permits. Requires the applicant to certify that the applicant has not had a driver license suspended, revoked, or canceled in this state or another state during the one year preceding the application. Requires the application to be accompanied by documentation establishing the applicant's military occupational specialty and driving experience, including military orders or other documentation acceptable to the department establishing the applicant's military occupational specialty and current duty station assignment and a valid military identification card, if the applicant is on active duty. Requires an applicant who obtains the knowledge test waiver to successfully complete any applicable vision and skills tests, and pay the appropriate fees, other than the skills testing fee.  
Amendment Summary Senate amendment 1, House Transportation Committee amendment 1 (003622) revises the bill to include a member of the national guard or the armed forces reserves as those eligible for the waiver of the knowledge test. This amendment clarifies that if the applicant has been honorably discharged, they must provide, with their application, their certificate of release or discharge, including, but not limited to a department of defense form 214, that shows date of service and that the applicant received an honorable discharge or release. This amendment

removes the provision that makes the bill inapplicable to a United States reserve technician. This amendment changes the effective date of this bill from July 1, 2023, to January 1, 2024.

**Fiscal Note** (Dated February 3, 2023) Other Fiscal Impact To the extent that the required modifications to the Department of Safety's A-List system can be accomplished within available resources provided under the current vendor contract, the proposed legislation will not result in a significant increase in state expenditures. Otherwise, those modifications could result in a one-time increase in state expenditures of up to \$20,000 in FY23-24.

**Senate Status** 03/02/23 - Senate passed with amendment 1 (003622).

**House Status** 02/22/23 - House Finance, Ways & Means Subcommittee deferred to Special Calendar to be published with Final Calendar in House Finance, Ways & Means Subcommittee.

**Caption** AN ACT to amend Tennessee Code Annotated, Title 55, Chapter 50, relative to military waivers for commercial driver licenses.

**SB114/HB153 Grant payments for nursing home care.**

**Sponsors** Sen. Watson, Bo; Rep. Hazlewood, Patsy

**Category** Public Finance

**Summary** Authorizes grant payments under the grant assistance program for nursing home care to be made either monthly or quarterly. Payments are payable only to the individual or the individual's legally authorized representative. Broadly captioned.

**Fiscal Note** (Dated January 12, 2023) NOT SIGNIFICANT

**Senate Status** 01/20/23 - Referred to Senate Finance, Ways & Means Committee.

**House Status** 01/24/23 - Referred to House Finance, Ways & Means Subcommittee.

**Caption** AN ACT to amend Tennessee Code Annotated, Title 3; Title 4; Title 5; Title 6; Title 7; Title 8; Title 9; Title 10; Title 11; Title 12; Title 13; Title 16; Title 17; Title 18; Title 29; Title 33; Title 36; Title 37; Title 38; Title 39; Title 40; Title 41; Title 42; Title 43; Title 44; Title 45; Title 47; Title 48; Title 49; Title 50; Title 53; Title 54; Title 55; Title 56; Title 57; Title 58; Title 59; Title 60; Title 61; Title 62; Title 63; Title 64; Title 65; Title 66; Title 67; Title 68; Title 69; Title 70 and Title 71, relative to statutory revisions required for implementation of the annual appropriations act.

**SB115/HB148 Budget - estimated growth in state economy.**

**Sponsors** Sen. Watson, Bo; Rep. Hazlewood, Patsy

**Category** Public Finance

**Summary** Provides for the dollar amount and rate by which the growth of appropriations from state tax revenues will exceed the estimated growth in the state's economy.

**Fiscal Note** (Dated January 12, 2023) NOT SIGNIFICANT

**Senate Status** 01/20/23 - Referred to Senate Finance, Ways & Means Committee.

**House Status** 01/24/23 - Referred to House Finance, Ways & Means Subcommittee.

**Caption** AN ACT pursuant to Article II, Section 24, of the Tennessee Constitution providing for the dollar amount and rate by which the growth of appropriations from state tax revenues will exceed the estimated growth in the state's economy and to amend Tennessee Code Annotated, Title 9, Chapter 4, Part 52.

**SB116/HB149 Appropriations - defraying expenses of legislative enactments passed during 2023 session.**

**Sponsors** Sen. Watson, Bo; Rep. Hazlewood, Patsy

Category Public Finance  
 Summary Makes appropriations for the purpose of defraying the expenses of certain legislative enactments passed during the 2023 session of the 113th General Assembly. Earmarks sufficient state funds for the purpose of funding any bill naming a highway or bridge in honor of a service member killed in action.  
 Senate Status 01/20/23 - Referred to Senate Finance, Ways & Means Committee.  
 House Status 01/24/23 - Referred to House Finance, Ways & Means Subcommittee.  
 Caption AN ACT to make appropriations for the purpose of defraying the expenses of the state government for the fiscal years beginning July 1, 2022, and July 1, 2023, in the administration, operation, and maintenance of the legislative, executive, and judicial branches of the various departments, institutions, offices, and agencies of the state; for certain state aid and obligations; for capital outlay, for the service of the public debt, for emergency and contingency; to repeal certain appropriations and any acts inconsistent herewith; to provide provisional continuing appropriations; and to establish certain provisions, limitations, and restrictions under which appropriations may be obligated and expended. This act makes appropriations for the purposes described above for the fiscal years beginning July 1, 2022, and July 1, 2023.

**SB117/HB147**

**Bond issuance.**

Sponsors Sen. Watson, Bo; Rep. Hazlewood, Patsy  
 Category Public Finance  
 Summary Authorizes the state, acting by resolution of its funding board, to issue and sell its bonds and bond anticipation notes for certain purposes not exceeding \$30,000,000 and must mature 20 years from the date of their issuance. Allows the bonds and interest payable thereon to be exempt from taxation by the state of Tennessee or by any county, municipality, or taxing district of the state except inheritance, transfer, and estate taxes.  
 Fiscal Note (Dated January 20, 2023) Increase State Expenditures - \$3,300,000 - First-Year Debt Service \$48,900,000 Over the life of the bonds \$30,000,000 Principal \$18,900,000 Interest  
 Senate Status 01/20/23 - Referred to Senate Finance, Ways & Means Committee.  
 House Status 01/24/23 - Referred to House Finance, Ways & Means Subcommittee.  
 Caption AN ACT to authorize the state of Tennessee, acting by resolutions of its funding board, to issue and sell its bonds and bond anticipation notes to provide for acquisition of equipment and sites, and erection, construction, and equipment of sites and buildings, expressly including the acquisition of existing structures for expansion, improvements, betterments, and extraordinary repairs to existing structures, for construction of highways, and repair, replacement, or rehabilitation of bridges, and for grants to any county, metropolitan government, incorporated town, city, special district of the state, or any governmental agency or instrumentality of any of them; to make grants to industrial development corporations to provide for acquisition of equipment and acquisition, site preparation, erection, construction, and equipment of sites and buildings; and infrastructure improvements and development; and to provide for the expenditure of said funds; to issue its debt in excess of the authorized amount to fund discount and costs of issuance; and to provide for the expenditure of said funds. This act makes appropriations for an indefinite period of time for the purpose of allocating the proceeds of the bonds and notes authorized by this act.

**SB118/HB156**

**Extension for business tax returns.**

Sponsors Sen. Watson, Bo; Rep. Boyd, Clark

Category Taxes Business  
 Summary Allows for an authorized representative to also sign and apply for an extension for the business tax return deadline.  
 Fiscal Note (Dated January 17, 2023) NOT SIGNIFICANT  
 Senate Status 03/14/23 - Senate Finance Revenue Subcommittee returned to full committee with a negative recommendation.  
 House Status 04/05/23 - Set for House Finance, Ways & Means Subcommittee 04/12/23.  
 Caption AN ACT to amend Tennessee Code Annotated, Title 67, relative to taxation.

**SB121 Tax exemptions for tree canopy cover.**

Sponsors Sen. Niceley, Frank  
 Category Taxes Property  
 Summary Creates tax exemption for portions of property that provide tree canopy cover in certain counties, subject to the approval of the local governing body in such counties.  
 Fiscal Note (Dated March 30, 2023) Other Fiscal Impact The fiscal impact of the proposed legislation is dependent upon whether Davidson County elects to come under its provisions. If Davidson County does elect to, there will be a one-time increase to state expenditures of \$10,000 for modifications to the online exemption application; any subsequent recurring increase to state revenue cannot be estimated. The proposed legislation would also result in a recurring decrease to local revenue and increase to local expenditures, both of which cannot be quantified but are considered permissive.  
 Senate Status 01/20/23 - Referred to Senate State & Local Government Committee.  
 Caption AN ACT to amend Tennessee Code Annotated, Title 5; Title 6 and Title 67, Chapter 5, relative to property tax exemptions.

**SB122/HB40 Prohibits foreign ownership of real property in state by nonresident aliens under certain conditions.**

Sponsors Sen. Niceley, Frank; Rep. Reedy, Jay  
 Category Property & Housing  
 Summary Prohibits a nonresident alien, foreign business, or foreign government, or an agent, trustee, or fiduciary thereof, from purchasing or otherwise acquiring real property in this state if the laws of the country where the nonresident alien resides, the foreign business is located, or the official foreign government representing the country, or agents, trustees, or fiduciaries thereof, prohibit citizens of the United States or its territories or possessions from purchasing real property located within that country. Specifies instances in which such restriction does not apply, including property acquired by devise or descent. Broadly captioned.  
 Amendment Summary House Local Government Committee amendment 1 (004608) prohibits sanctioned nonresidential aliens, sanctioned foreign businesses, sanctioned foreign governments, or their agents, trustees, or fiduciaries, from acquiring real property in Tennessee if their respective country is on the office of foreign assets control of the U.S. Department of the Treasury's sanctions programs and country information list. Requires all of the prohibited parties to divest all rights, titles, and interests in property acquired by devise or descent within two years. Requires any sanctioned nonresident alien, sanctioned foreign business, sanctioned foreign government, or their agent, trustee, or fiduciary, to register their property with the Secretary of State (SOS) within 60 days after July 1, 2023 or within 60 days after acquiring the real property or the interest in real property. Requires the SOS to report to the Attorney



General and Reporter (AG) if it finds any party in violation of this requirement. Requires the AG to initiate action in the circuit court for the county in which the real property is located. Exempts from liability any attorney licensed in this state or title insurance company and agent licensed in this state in the performance of the transfer of real property. Senate Commerce & Labor Committee amendment 1 (005183) prohibits sanctioned nonresidential aliens, sanctioned foreign businesses, sanctioned foreign governments, or their agents, trustees, or fiduciaries, from acquiring real property in Tennessee if their respective country is on the office of foreign assets control of the U.S. Department of the Treasury's sanctions programs and country information list. Requires all of the prohibited parties to divest all rights, titles, and interests in property acquired by devise or descent within two years. Requires any sanctioned nonresident alien, sanctioned foreign business, sanctioned foreign government, or their agent, trustee, or fiduciary, to register their property with the Secretary of State (SOS) within 60 days after July 1, 2023 or within 60 days after acquiring the real property or the interest in real property. Requires the SOS to report to the Attorney General and Reporter (AG) if it finds any party in violation of this requirement. Requires the AG to initiate action in the circuit court for the county in which the real property is located. Exempts from liability any attorney licensed in this state or title insurance company and agent licensed in this state involved in applicable real estate transactions.

Fiscal Note (Dated February 3, 2023) Increase State Expenditures \$80,000/FY23-24 \$2,000/FY24-25 and Subsequent Years

Senate Status 03/21/23 - Senate Commerce & Labor Committee recommended with amendment 1 (005183). Sent to Senate Finance.

House Status 03/08/23 - House Finance Subcommittee placed behind the budget.

Caption AN ACT to amend Tennessee Code Annotated, Title 43; Title 44; Title 47; Title 48 and Title 66, relative to property.

**SB130/HB406 Requirements for statements mailed or emailed by finance companies.**

Sponsors Sen. Walley, Page; Rep. Reedy, Jay

Category Banking & Credit

Summary Requires a financing company doing business in this state to provide on its mailed or emailed statements to a consumer a conspicuously displayed telephone number that a consumer may contact for service. Specifies that failure to provide a conspicuously displayed telephone number as required is an unfair or deceptive act or practice under the Tennessee Consumer Protection Act of 1977.

Amendment Summary House amendment 1 (005567) redefines a "financing company," for purposes of this bill, as an entity that provides loans, loan extensions, or lines of credit to finance the purchase of a good or service. This amendment also clarifies that a "financing company" does not include a financial institution subject to federal law relative to electronic fund transfers. House amendment 2 (004612) makes a technical correction to this bill.

Fiscal Note (Dated January 28, 2023) NOT SIGNIFICANT

Senate Status 04/06/23 - Set for Senate Message 04/10/23.

House Status 03/30/23 - House passed with amendment 1 (005670) and amendment 2 (004612).

Caption AN ACT to amend Tennessee Code Annotated, Title 45 and Title 47, relative to financing services.

**SB131/HB639 Joint report on transportation equity fund.**

Sponsors Sen. Stevens, John; Rep. Bricken, Rush

Category Taxes General  
 Summary Adds the legislative librarian to the list of persons to whom the commissioners of revenue and transportation must provide a copy of their joint annual report summarizing the amount and source of tax revenues received and deposited during the preceding fiscal year in the transportation equity fund. Broadly captioned.

Amendment Summary Senate Finance Revenue Subcommittee amendment 1 (004141) clarifies that the amount of any qualified charitable contribution of food by an excise taxpayer be equal to the amount deducted for the qualified contribution of food, in accordance with 26 U.S.C. Â§ 170(e)(3), when computing federal taxable income for an excise taxpayer for the tax year. Specifies that food is defined as either articles used for food or drink for humans or other animals, chewing gum, or articles used for components of any food, drink, or chewing gum.

Fiscal Note (Dated January 17, 2023) NOT SIGNIFICANT  
 Senate Status 03/07/23 - Senate Finance Revenue Subcommittee returned to full committee with a negative recommendation after adopting 1 (004141).  
 House Status 02/28/23 - Referred to House Finance, Ways & Means Subcommittee.  
 Caption AN ACT to amend Tennessee Code Annotated, Title 67, relative to taxation.

**SB132/HB615 State and local taxes to be excluded from calculation of interchange fees.**

Sponsors Sen. Stevens, John; Rep. Hawk, David  
 Category Taxes Sales  
 Summary Specifies that state and local taxes and fees are to be excluded from the calculation of interchange fees by payment card networks for electronic payment transactions. Specifies that such fees and taxes include sales and use taxes, hotel occupancy taxes, alcoholic beverage taxes, and rental vehicle surcharge taxes.

Fiscal Note (Dated February 2, 2023) NOT SIGNIFICANT  
 Senate Status 03/14/23 - Senate Commerce & Labor Committee deferred to first calendar of 2024.  
 House Status 02/01/23 - Referred to House Banking & Consumer Affairs Subcommittee.  
 Caption AN ACT to amend Tennessee Code Annotated, Title 67, relative to taxes and fees collected by merchants and sellers.

**SB139/HB49 Extension to time to file franchise and excise tax return.**

Sponsors Sen. Hensley, Joey; Rep. Cepicky, Scott  
 Category Taxes Business  
 Summary Limits the commissioner of revenue to granting only one extension of time for a taxpayer to file a franchise and excise tax return. Broadly captioned.

Fiscal Note (Dated January 29, 2023) NOT SIGNIFICANT  
 Senate Status 01/20/23 - Referred to Senate Finance, Ways & Means Committee.  
 House Status 01/30/23 - Withdrawn in House.  
 Caption AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 4, relative to taxation.

**SB143/HB132 Commissioner of revenue's report on state board of equalization.**

Sponsors Sen. Briggs, Richard; Rep. Keisling, Kelly  
 Category Taxes General  
 Summary Removes the requirement for the commissioner of revenue to provide a report to the general assembly that details the work of the state board of equalization. Broadly captioned.

Fiscal Note (Dated January 17, 2023) NOT SIGNIFICANT

Senate Status 01/20/23 - Referred to Senate State & Local Government Committee.  
House Status 01/20/23 - Caption bill held on House clerk's desk.  
Caption AN ACT to amend Tennessee Code Annotated, Title 67, relative to property taxes.

**SB144/HB138 Redesignates two bridges in state.**

Sponsors Sen. Massey, Becky; Rep. Howell, Dan  
Category Transportation General  
Summary Redesignates the SGT Michael P. Oliver Memorial Bridge to span Doe River in Carter County instead of a location in Franklin County. Redesignates the PFC Forrest Wells Memorial Bridge to span Hurricane Creek in Bedford County instead of Little Hurricane Creek. Broadly captioned.  
Amendment Summary Senate amendment 2, House Transportation Committee amendment 1 (006011) rewrites the bill to provide for the naming of certain roads and bridges in honor of certain specified persons. House Finance amendment 1 (006615) designates a segment of State Route 96 as the Carter Boys Memorial Highway and directs TDOT to erect suitable signage.  
Fiscal Note (Dated March 5, 2023) Increase State Expenditures - \$200/FY23-24/Highway Fund  
Senate Status 03/23/23 - Senate passed with amendment 2 (006011).  
House Status 04/06/23 - Set for House Floor on 04/13/23.  
Caption AN ACT to amend Tennessee Code Annotated, Title 54, relative to transportation infrastructure.

**SB155/HB1483 Addition of legislative librarian to annual report by comptroller.**

Sponsors Sen. Niceley, Frank; Rep. Hulsey, Bud  
Category Public Finance  
Summary Adds the legislative librarian to list of persons to whom the comptroller must provide the annual report on state lending programs and state credit support programs.  
Fiscal Note (Dated January 17, 2023) NOT SIGNIFICANT  
Senate Status 03/28/23 - Taken off notice in Senate State & Local Government Committee.  
House Status 03/21/23 - Referred to House Banking & Consumer Affairs Subcommittee.  
Caption AN ACT to amend Tennessee Code Annotated, Title 9 and Title 45, relative to finance.

**SB159/HB184 Bureau of ethics and campaign finance - employment of assistant director and general counsel.**

Sponsors Sen. Briggs, Richard; Rep. Whitson, Sam  
Category Campaigns & Lobbying  
Summary Requires the board of directors of the bureau of ethics and campaign finance to appoint a full-time executive director. Provides that the executive director recommend the employment of an assistant director and general counsel with the board's approval, while all other employees of the bureau are employed by the executive director. Makes provisions for uncollected civil penalties levied against an individual or political action committee Requires persons and entities required to register with the registry of election finance or the Tennessee ethics commission to provide an email address, or a mailing address if no email address is available, for the purpose of serving notice upon the registrant. Describes the required style for registration forms and letters and requires that information must be published online.

Amendment Summary Senate amendment 1 (003470) requires the Assistant Director and General Counsel of the Bureau of Ethics and Campaign Finance (Bureau) be employed on recommendations of the Executive Director, with approval of the Board of Directors of the Bureau. Requires uncollected civil penalties assessed by either the Registry of Election Finance (Registry) or the Tennessee Ethics Commission (Commission) be marked as unable to be collected upon determination that such penalties cannot reasonably be collected. An individual or political campaign committee receiving such determination is ineligible to qualify for election or subject to limitations until the civil penalty is paid. Authorizes the Registry and the Commission to require individuals and organizations to provide a valid email address if available, or a mailing address, in order to receive notices.

Fiscal Note Dated January 26, 2023. FISCAL IMPACT: NOT SIGNIFICANT

Senate Status 02/13/23 - Senate passed with amendment 1 (003470).

House Status 02/27/23 - House passed.

Executive Status 03/20/23 - Enacted as Public Chapter 0038 effective March 14, 2023.

Caption AN ACT to amend Tennessee Code Annotated, Title 4, Chapter 55, relative to the bureau of ethics and campaign finance.

**SB160/HB183**

**Political action committees.**

Sponsors Sen. Briggs, Richard; Rep. Whitson, Sam

Category Campaigns & Lobbying

Summary Broadens the term "political action committee" to include "political campaign committees" and "multicandidate political campaign committees," which include clubs, corporations, associations or others groups that receive contributions and make expenditures, which, in the aggregate exceed \$2000, to support of oppose two or more candidates in a calendar year. Outlines expenditure reporting requirements for political action committees and updates candidate obligations regarding contributions and reporting. Provides that all sworn complaints on a report of a candidate for state public office, a political action committee contributing to such a candidate, or a political action committee registered with the registry of election finance must be filed in that office. Directs that office to conduct a preliminary review to determine if further action is warranted. Outlines requirements of a district attorney investigating sworn complaints. Changes from July 1 to January 15 the date by which the registry must provide an annual report to the govern and the general assembly. Broadly captioned.

Amendment Summary House amendment 1 (004425) incorporates the change made by Senate Amendment 1 and revises the provision of this bill prohibiting transfers of funds or assets from a candidate's campaign account or a political action committee controlled by a candidate for a federal election to a candidate's campaign account or a political campaign committee controlled by the candidate for the candidate in an election for a state or local public office in this state, such that only such transfers from a candidate's campaign account or a political action committee of or for such candidate, instead of controlled by a candidate, are prohibited.

Fiscal Note (Dated January 27, 2023) NOT SIGNIFICANT

Senate Status 03/20/23 - Senate concurred in House amendment 1 (004425).

House Status 03/13/23 - House passed with amendment 1 (004425).

Executive Status 04/04/23 - Signed by governor.

Caption AN ACT to amend Tennessee Code Annotated, Title 2, Chapter 10; Title 3, Chapter 6; Title 4, Chapter 55; Title 8, Chapter 50, Part 5 and Title 57, relative to campaign finance.

**SB173/HB247      **Business tax exemption.****

Sponsors            Sen. Hensley, Joey; Rep. Barrett, Jody

Category             Taxes Business

Summary              Exempts services or people engaged in the appraisal of real estate or real property from business tax.

Fiscal Note           (Dated January 28, 2023) Decrease State Revenue \$111,100/FY23-24 and Subsequent Years Decrease Local Revenue \$115,700/FY23-24 and Subsequent Years

Senate Status        03/14/23 - Senate Finance Revenue Subcommittee returned to full committee with a negative recommendation.

House Status        03/22/23 - House Finance Subcommittee placed behind the budget.

Caption               AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 4, Part 7, relative to business tax.

**SB175/HB162      **Report on placards issued to transporters of manufactured homes.****

Sponsors            Sen. Massey, Becky; Rep. Moon, Jerome

Category             Transportation Vehicles

Summary              Requires the department of transportation to submit a brief written summary to the transportation committee of the house of representatives and the transportation and safety committee of the senate no later than March 15 annually concerning placards issued to transporters of manufactured homes, including data on unsafe and erratic driving reported to the department using the telephone number that appears on the placards.

Fiscal Note           (Dated January 20, 2023) NOT SIGNIFICANT

Senate Status        01/21/23 - Referred to Senate Transportation & Safety Committee.

House Status        01/20/23 - Caption bill held on House clerk's desk.

Caption               AN ACT to amend Tennessee Code Annotated, Title 55; Title 62; Title 67 and Title 68, relative to manufactured homes.

**SB180               **Removal of automobile declared a total loss from repair facility's property.****

Sponsors            Sen. Massey, Becky

Category             Insurance Automobiles

Summary              Requires an insurer or insured individual to remove an automobile deemed a total loss from a repair facility's property within five business days of the date upon which the automobile is deemed a total loss. Specifies additional requirements and penalties related to the requirement. Broadly captioned.

Fiscal Note           (Dated March 23, 2023) NOT SIGNIFICANT

Senate Status        01/21/23 - Referred to Senate Commerce & Labor Committee.

Caption               AN ACT to amend Tennessee Code Annotated, Title 56 and Title 66, relative to automobiles.

**SB203/HB134      **Campaign financial disclosure exemptions - churches and other religious organizations.****

Sponsors            Sen. Walley, Page; Rep. Haston, Kirk

Category             Campaigns & Lobbying

Summary Exempts churches and other religious organizations from the Campaign Finance Disclosure Act of 1980 when expending funds in favor of or in opposition to issue measures related to questions of public or private morality, including alcohol, drugs, abortion, marriage, or gambling.

Fiscal Note (Dated February 8, 2023) NOT SIGNIFICANT

Senate Status 02/28/23 - Taken off notice in Senate State & Local Government Committee.

House Status 01/24/23 - Referred to House Elections & Campaign Finance Subcommittee.

Caption AN ACT to amend Tennessee Code Annotated, Section 2- 10-101, relative to financial disclosure.

**SB207/HB254 Tax relief for elderly, low-income homeowners.**

Sponsors Sen. Lowe, Adam; Rep. Raper, Kevin

Category Taxes Property

Summary Increases, from \$27,000 to \$50,000, the maximum market value on which property tax relief is calculated for elderly, low-income homeowners.

Amendment Summary House Local Government Committee amendment 1 (004659) increases the property value threshold for determining the extent of any property relief payments to low-income, elderly or disabled, taxpayers from \$27,000 of the full market value of the property to \$40,000 of the full market value of the property.

Fiscal Note (Dated February 2, 2023) Increase State Expenditures \$7,720,000/FY24-25 and Subsequent Years Other Fiscal Impact The extent of any permissive increase on local government expenditures cannot reasonably be determined.

Senate Status 03/07/23 - Senate Finance Revenue Subcommittee returned to full committee with a negative recommendation.

House Status 04/05/23 - House Finance Subcommittee placed behind the budget.

Caption AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 5, Part 7, relative to property tax relief.

**SB210/HB180 Exceeding vehicle weight limits - vehicles operated by electric motors.**

Sponsors Sen. Massey, Becky; Rep. Howell, Dan

Category Transportation Vehicles

Summary Adds weight limit exception criteria for vehicles operated by electric motors similar to the criteria for vehicles operated by an engine fueled primarily by natural gas. Stipulates that, to the extent required by federal law, a vehicle operated by electric motors may exceed vehicle weight limits, up to a maximum gross vehicle weight of 82,000 pounds, by an amount that is equal to the difference between the batteries used to power the electric motors.

Amendment Summary Senate amendment 1 (003467) rewrites the bill such that a vehicle operated by an engine powered primarily by means of electric battery power can exceed the vehicle weight limits, up to a maximum gross vehicle weight of 82,000 pounds, by an amount that is equal to the difference between the electric batteries used to power the vehicle and the weight of a comparable diesel tank and fueling system.

Fiscal Note (Dated January 22, 2023) NOT SIGNIFICANT

Senate Status 02/13/23 - Senate passed with amendment 1 (003467).

House Status 02/27/23 - House passed.

Executive Status 03/20/23 - Enacted as Public Chapter 0039 effective July 1, 2023.

Caption AN ACT to amend Tennessee Code Annotated, Title 55, Chapter 7, relative to electric vehicles.

**SB212/HB675**      **Businesses that register at least 15,000 motor vehicles annually.**

Sponsors            Sen. Johnson, Jack; Rep. Whitson, Sam

Category             Transportation Vehicles

Summary              Increases from 24 months to 36 months the period for which vehicle registrations by businesses that register at least 15,000 vehicles annually and that are engaged in the rental of motor vehicles, trucks, and trailers may be issued. Specifies that the fees must be in an amount to offset the revenue that would otherwise be generated by 12-month registration fees.

Fiscal Note          (Dated February 12, 2023) Increase State Revenue \$145,400/FY23-24, FY24-25, FY26-27, and FY27-28/Highway Fund \$3,000/FY23-24, FY24-25, FY26-27, and FY27-28/General Fund  
Decrease State Revenue \$290,800/FY25-26 and FY28-29/Highway Fund \$5,900/FY25-26 and FY28-29/General Fund

Senate Status        03/09/23 - Senate passed.

House Status         03/20/23 - House passed.

Executive Status    04/04/23 - Signed by governor.

Caption                AN ACT to amend Tennessee Code Annotated, Section 55-4-104, relative to vehicle registrations.

**SB232/HB25**      **TDOT to report recommendations for improvement for transportation services for passengers with disabilities.**

Sponsors            Sen. Yarbrow, Jeff; Rep. Freeman, Bob

Category             Transportation Vehicles

Summary              Requires the department of transportation to report by February 1, 2024, to the house transportation committee and the senate safety committee on recommendations for change to improve transportation services for passengers with disabilities.

Fiscal Note          (Dated January 12, 2023) NOT SIGNIFICANT

Senate Status        01/21/23 - Referred to Senate Transportation & Safety Committee.

House Status         01/12/23 - Caption bill held on House clerk's desk.

Caption                AN ACT to amend Tennessee Code Annotated, Title 7, Chapter 51, Part 10, relative to transportation services.

**SB253/HB72**      **Preservation of leases on appropriate electronic or storage media.**

Sponsors            Sen. Johnson, Jack; Rep. Lamberth, William

Category             Media & Publishing

Summary              Removes a requirement to preserve leases to which the state is a party on microfilm and instead requires preservation of such leases on appropriate electronic or other storage media. Part of Administration Package.

Fiscal Note          (Dated January 19, 2023) NOT SIGNIFICANT

Senate Status        02/13/23 - Senate passed.

House Status         02/23/23 - House passed.

Executive Status    03/20/23 - Enacted as Public Chapter 0025 effective March 10, 2023.

Caption                AN ACT to amend Tennessee Code Annotated, Section 10-7-303 and Section 12-2-108, relative to the preservation of leases.

**SB254/HB73**      **Maximum potential penalties for OSHA violations to match federal law.**

Sponsors      Sen. Johnson, Jack; Rep. Lamberth, William  
Category      Labor Law  
Summary      Updated the maximum potential penalties for violations of the Tennessee Occupational Safety and Health Act to match those allowed under federal law. Part of Administration Package.  
Senate Status      01/21/23 - Referred to Senate Commerce & Labor Committee.  
House Status      01/12/23 - Caption bill held on House clerk's desk.  
Caption      AN ACT to amend Tennessee Code Annotated, Title 50, Chapter 3, Part 4, relative to occupational safety and health penalties.

**SB259/HB78**      **Proof of financial responsibility to be maintained during suspension of license.**

Sponsors      Sen. Johnson, Jack; Rep. Lamberth, William  
Category      Transportation Vehicles  
Summary      Requires proof of financial responsibility be maintained for the period of a driver license's suspension or revocation rather than for a period of three years in order for a person's registration to not be suspended or revoked when the commissioner of safety suspends or revokes the person's license by reason of a conviction. Makes other revisions related to compliance with proof of financial responsibility requirements, including revisions to the revocation or suspension of a nonresident's operating privileges in the state. Part of Administration Package.  
Fiscal Note      (Dated January 30, 2023) Other Fiscal Impact To the extent that the required modifications to the Department of Safety's A-List system can be accomplished within available resources provided under the current vendor contract, the proposed legislation will not result in a significant increase in state expenditures. Otherwise, those modifications could result in a one-time increase in state expenditures of up to \$51,000 in FY23-24.  
Senate Status      02/16/23 - Senate passed.  
House Status      02/22/23 - House Finance, Ways & Means Subcommittee deferred to Special Calendar to be published with Final Calendar in House Finance, Ways & Means Subcommittee.  
Caption      AN ACT to amend Tennessee Code Annotated, Title 55, Chapter 12, Part 1 and Section 55-50-303, relative to driver licenses.

**SB260/HB79**      **Delinquency penalty - businesses with a motor vehicle fleet of 200 or more vehicles.**

Sponsors      Sen. Johnson, Jack; Rep. Lamberth, William  
Category      Transportation Vehicles  
Summary      Extends the delinquency penalty deadline period from 30 days to 60 days from businesses that maintain a fleet of at least 200 motor vehicles that has contracted with the department of revenue to provide proper titling and registration to comply with certification of title requirements. Broadly captioned. Part of Administration Package.  
Fiscal Note      (Dated January 20, 2023) NOT SIGNIFICANT  
Senate Status      01/21/23 - Referred to Senate Transportation & Safety Committee.  
House Status      01/12/23 - Caption bill held on House clerk's desk.  
Caption      AN ACT to amend Tennessee Code Annotated, Title 4; Title 7; Title 55; Title 57 and Title 65, relative to transportation.



<b>SB263/HB82</b>	<b>Changes to Worker's Compensation Law.</b>
Sponsors	Sen. Johnson, Jack; Rep. Lamberth, William
Category	Workers Compensation
Summary	Makes various changes to the Workers' Compensation Law including award timeframes, attorney's fees, payment of medical expenses, and benefits of settlements. Broadly captioned. Part of Administration Package.
Amendment Summary	House amendment 1 (003993) makes various changes to workers' compensation statutes. Clarifies that a judge of a court of workers' compensation may review and approve an injured employee's attorney's fee as to reasonableness up to the statutory maximum allowed for attorney's fees. Extends the timeline, from June 30, 2023 to June 30, 2025, in which injuries occur and an employer wrongfully denies an employee's claim or fails to provide certain entitled benefits, the Court of Workers' Compensation Claims may subsequently award reasonable attorneys' fees and reasonable costs, including, but not limited to, reasonable and necessary court reporter expenses and expert witness fees for depositions and trials. Authorizes the Bureau of Workers' Compensation (BWC) to utilize funds in the Uninsured Employers Fund (UEF) to provide death benefits to eligible employees who suffered an injury arising primarily within the course and scope of the employee's employment with an employer who failed to provide workers' compensation coverage at the time of the eligible employee's death. Authorizes a death benefit award of \$20,000 to an eligible employee claimant, payable from the UEF, when the employer has failed to provide workers' compensation coverage. Increases the maximum amount, from \$40,000 to \$60,000, that may be awarded from the UEF to an eligible, injured employee or the employee's dependent, having won a workers' compensation claim and subsequently requested benefits from the BWC. Clarifies that total temporary and medical benefits payable by the BWC to an injured employee cannot exceed \$40,000, exclusive of death benefits. Authorizes the Commissioner of Labor and Workforce Development (DLWD) to establish by rule a voluntary physician education program which provides additional reimbursement under the comprehensive medical fee schedule set by the BWC. Requires the Commissioner to determine in rule the education and quality improvement requirements to receive this additional reimbursement.
Fiscal Note	(Dated February 5, 2023) Increase State Expenditures \$20,000/FY23-24 and Subsequent Years/Uninsured Employers Fund
Senate Status	03/16/23 - Senate concurred in House amendment 1 (003993).
House Status	03/13/23 - House passed with amendment 1 (003993).
Executive Status	04/04/23 - Sent to governor.
Caption	AN ACT to amend Tennessee Code Annotated, Title 50, Chapter 6, relative to workers' compensation.

<b>SB272/HB320</b>	<b>Definition of industrial machinery - Megasite Authority of West TN.</b>
Sponsors	Sen. Johnson, Jack; Rep. Lamberth, William
Category	Taxes Sales
Summary	Clarifies that machinery, equipment, and associated parts used by the department of general services or a contracted entity for the Megasite Authority of West Tennessee is included in the definition of "industrial machinery" for purposes of sales and use taxes. Part of Administration Package.
Fiscal Note	(Dated February 4, 2023) Decrease State Revenue \$724,300/FY23-24 Decrease Local Revenue \$295,600/FY23-24

Senate Status 03/06/23 - Senate passed.  
 House Status 03/06/23 - House passed.  
 Executive 03/27/23 - Enacted as Public Chapter 0053 effective July 1, 2023.  
 Status  
 Caption AN ACT to amend Tennessee Code Annotated, Section 67-6-102, relative to industrial machinery.

**SB2 Composition of selection committee awarding construction manager/general contractor services contracts.**

**73/  
HB  
321**

Sponsors Sen. Johnson, Jack; Rep. Lamberth, William

Category Transportation General

Summary Decreases from eight to five, the number of members appointed by the commissioner of transportation to the selection committee that evaluates and scores requests for proposal when selecting and awarding a construction manager/general contractor services contract. Part of Administration Package.

Amendment Senate amendment 2 (005545) rewrites this bill to establish the "Transportation Modernization Act of 2023," makes numerous changes to existing law governing "design-build contracts," and adds "performance-based asset maintenance contracts" to authorize the Tennessee department of transportation to solicit proposals and award contracts. DESIGN-BUILD AND PERFORMANCE-BASED ASSET MAINTENANCE CONTRACTS. Under present law, selection criteria for a design-build contract must include the cost of the project and may include design-build firm qualifications, time of completion, innovation, design and construction quality, design innovation, or other technical or quality related criteria, as determined by the department. The department is authorized to award a stipulated fee to design-build firms that submit responsive proposals but are not awarded the design-build contract. The department must not be required to award a stipulated fee, but if it elects to award the fee, the amount of the stipend and the terms under which stipends are to be paid must be stated in the request for proposals. The department's authority to use design-build contracting procedures as provided in this section is subject to the following limitations: (1) The department may initiate up to 15 design-build contracts in any one fiscal year, if the contract has a total estimated contract amount of less than \$1 million; (2) The department may not initiate more than five design-build contracts in any one fiscal year, if the contract has a total estimated contract amount in excess \$1 million; and (3) If the proposed design-build contract has a total estimated contract amount in excess of \$70 million, the department must specifically identify the project as a proposed design-build project in the transportation improvement program submitted annually to the general assembly in support of the commissioner's annual funding recommendations. The department is required to prepare a report on the effectiveness of design-build contracts and submit it to the chairs of the transportation and safety committee of the senate and transportation committee of the house of representatives upon the completion of three design-build contracts that have a total contract amount in excess of \$1 million. The department may establish agency policy, or the department may promulgate rules in furtherance of these provisions. This amendment authorizes the department to award performance-based asset maintenance contracts in addition to design-build contracts. A performance-based asset maintenance contract is defined as an agreement, typically long-term, that provides for managing and performing the inspection and reconstruction, repair, or maintenance of multiple highway facility components for specific roadway corridors or within a geographic area, where

the contract sets specific performance standards, rather than prescriptive work tasks and deadlines, and may include incentive or disincentive provisions to promote achievement of the desired outcomes. Such contracts may also include third-party damage repair and claim management services, and may also provide for design, right-of-way acquisition, regulatory permit review and approvals, or utility relocation activities. Types of projects not suited for performance-based asset maintenance contracts include, but are not limited to, resurfacing and bridge repair projects. This amendment deletes the limitations to the department's authority to use design-build contracting procedures, and instead requires that prior to executing a design-built contract, the commissioner must send written notice to the chair of the transportation and safety committee of the senate and the chair of the transportation committee of the house of representatives. This amendment deletes the requirement that the department prepare a report on the effectiveness of design-build contracts upon the completion of three design-build contracts that have a total contract amount of more than \$1,000,000. This amendment requires instead that if a proposed design-build contract has a total estimated contract amount in excess of \$100,000,000, then the department must specifically identify the project as a design-build project in the transportation improvement program submitted annually to the general assembly in support of the commissioner's annual funding recommendations.

**USE OF CONSTRUCTION MANAGER/GENERAL CONTRACTOR AND PROGRESSIVE DESIGN-BUILD SERVICES.** Under present law, the department of transportation is authorized to use the project delivery method of construction manager/general contractor services (CM/GC). This method allows the department to engage a construction manager during the design process to provide input on the design. During the design phase, the construction manager provides advice, including, but not limited to, constructability review, scheduling, pricing, and phasing to assist the department in designing a more efficient and well-designed project. The construction manager/general contractor may subsequently construct the project if the department and the CM/GC reach agreement on a guaranteed maximum price for construction. The department will select CM/GC projects based upon generally accepted industry criteria that include factors such as fostering innovation, mitigating risk, improving design quality, improving cost control, and optimizing construction schedules. Projects suited for the CM/GC process include instances where the department needs feedback during the design phase due to complex components that require innovation. Other projects that are suited for CM/GC are projects that have public involvement, third-party considerations such as acquisition of right-of-way or utility relocation issues, or other factors that impact the overall schedule. Projects not suited for the CM/GC process include routine maintenance and resurfacing projects or other construction projects that present a low level of technical complexity, a low level of risk management, and simple traffic phasing, and that do not have any compelling need for project acceleration. Before using the CM/GC method of project delivery, the commissioner must send written notice to the chair of the transportation and safety committee of the senate and the chair of the transportation committee of the house of representatives. The written notice must identify the project and the reasons for deciding to use the CM/GC method. This amendment further authorizes the department to use the progressive design-build (PDB) method as a delivery method for procuring transportation project services. Progressive design-build method is defined as a transportation project delivery method in which the department procures a design-builder to provide pre-construction services and may subsequently complete the final design and construct the project, or part of the project, if the department and the design-builder reach agreement on a guaranteed maximum price. This amendment deletes the requirement that before using the CM/GC method the commissioner must send written notice to the chair of the transportation and safety committee of the senate and the chair of the transportation committee of the house of representatives. Under present law, the department's authority to use the CM/GC method is subject to the following limitations: (1) If a proposed CM/GC contract has a total estimated contract amount in excess of \$70 million, then the department must specifically identify the project as a proposed CM/GC project in the transportation improvement program submitted annually to the general assembly in support of the commissioner's annual funding recommendations; and (2) The cumulative cost of the CM/GC projects awarded in any single fiscal year

must not exceed 25 percent of the total amount of construction contract awards made in the previous fiscal year, except as the general assembly may otherwise approve in accordance with the annual appropriations act. This amendment deletes these provisions, instead requiring that prior to executing a contract, the commissioner must send written notice to the chair of the transportation and safety committee of the senate and of the chair of the transportation committee of the house of representatives. If a proposed CM/GC or PDB contract has a total estimated contract amount in excess of \$100 million, the department must identify the project as a CM/GC or PDB project in the transportation improvement program submitted annually to the general assembly in support of the commissioner's annual funding recommendations. Under present law, if the commissioner determines that the CM/GC method of procurement is appropriate for the project, the commission must establish a multi-phase process to select the CM/GC that is the most responsive and responsible proposer. Phase 1 of the process is the appointment of the selection committee. Phase 2 is the development and issuance of the request for proposals. Phase 3 is the CM/GC "Selection-Design Phase." Phase 4 is the "CM/GC Selection-Construction phase. The selection committee, for Phase 1, must have eight members. The commissioner must appoint five department employees to the selection committee based on their qualifications and experience, including at least one employee who is a licensed professional engineer in this state. The commissioner must also appoint three members who are not employees of the department, all of whom are residents of this state, with one member appointed from and residing in each grand division of the state. At least two of these three must have a minimum of ten years of construction or highway engineering design experience, and at least one of these two members must have a valid professional engineering license. The other one of these three members must have either a minimum of ten years of construction or highway engineering design experience or a minimum of five years of employment experience in a banking, finance, accounting, surety, or insurance position. This amendment renames Phase 3 to the evaluation and selection phase. This amendment also adds "PDB" after any reference to "CM/GC" in the four phases. This amendment also deletes the requirements for the selection committee under Phase 1. Instead, this amendment requires that the selection committee consists of five members to be appointed by the commissioner as follows: (1) Three department employees, including at least one employee who is a licensed professional engineer in this state; and (2) Two members who are not employees of the department, each of whom must be a resident of this state. At least one of the members must have a minimum of ten years of construction or highway engineering design experience, and at least one of the members must be a licensed professional engineer in this state. Under present law, Phase 3 requires that upon completion of the evaluation process, each member of the selection committee must independently review and score the proposals. Each member must score the proposals pursuant to the scoring matrix that the department provides in the RFP and based on the RFP's evaluation criteria. The scores will be tallied and averaged according to the procedure established in the RFP; provided, however, that the scores of the two selection committee members giving the highest and lowest scores on a proposal must be excluded when computing the average score for each proposal. Upon completion of the scoring, the proposals will be ranked in order of the highest aggregate score to the lowest aggregate score. The proposer whose proposal receives the highest aggregate score will be considered the best-evaluated proposer. The proposals must be submitted in rank order to the commissioner. The commissioner may either accept the selection committee's recommendation of the best-evaluated proposer, or the commissioner may reject all proposals and proceed with construction of the project through any lawful method for procuring a construction services contract. The department must send all proposers a written notice of award to the best-evaluated proposer, or a written notice that all proposals have been rejected. If the department issues a written notice of award, the notice must include a copy of the scores from each member of the selection committee for each RFP proposal. This amendment deletes the present law requirements for scoring and ranking the proposals after completion of the evaluation process under Phase 3. Instead, this amendment requires that upon completion of the evaluation process, each member of the selection committee must independently review and score the

proposals. Each member must score the proposals pursuant to the scoring matrix that the department provides in the RFP and based on the RFP's evaluation criteria. The scores must be tallied and averaged according to the procedure established in the RFP. Upon completion of the scoring, the proposals must be ranked in order of the highest aggregate score to the lowest aggregate score. The proposer whose proposal receives the highest aggregate score must be identified as a first-tier proposer. In addition, another proposer whose proposal receives an aggregate score within five percent of the proposal with the highest aggregate score, where five percent is measured as a percentage of the highest aggregate score, must also be identified as a first-tier proposer. The proposals of the first-tier proposers must be submitted in alphabetical order to the commissioner without an evaluation ranking. The commissioner may select a first-tier proposer, or the commissioner may reject all proposals and proceed with construction of the project through a lawful method for procuring a construction services contract. The department must send all proposers a written notice of award to the selected proposer, or a written notice that all proposals have been rejected. If the department issues a written notice of award, then the notice must include a copy of the scores from each member of the selection committee for each RFP proposal. Under present law, Phase 4 requires that once the design has been completed, or has been sufficiently developed to allow the CM/GC to prepare a proposed guaranteed maximum price for the construction of the project, or part of the project, the department must conduct the following steps before proceeding with any construction on the project: (1) Prepare and compile the contract plans, specifications, special provisions, and other requirements which will comprise the contract for construction of the project; (2) Prepare a detailed construction cost estimate to evaluate the appropriate price for construction of the project as designed; and (3) If directed by the commissioner, have an independent third-party estimator prepare a detailed construction cost estimate to confirm the appropriate price for construction of the project as designed. The department's detailed construction cost estimate, and any construction cost estimate prepared by an independent third-party estimator, must not be disclosed to the CM/GC, and must remain confidential and not subject to public disclosure until after award of the contract for construction of the project. The contract must require the CM/GC to self-perform a portion of the construction work comprising at least 30 percent of the total cost for construction, excluding specialty items. The cost for pre-construction services must not be considered part of the 30 percent but may be considered a specialty item. Based on the contract plans, specifications, special provisions, and other contract terms and conditions compiled by the department, the CM/GC must prepare a guaranteed maximum price (GMP), including any authorized contingency, for construction of the project. When completed, the CM/GC's proposed GMP must be submitted to the department for review. The CM/GC's proposed GMP must otherwise remain confidential and not subject to public disclosure until after award of the contract for construction of the project. The department is required to compare the CM/GC's proposed GMP with its own confidential construction estimate, and with any construction estimate prepared by an independent third-party estimator. If the GMP does not exceed the department's estimate, or the independent third-party estimate, by more than 10 percent, the commissioner may, but is not required to, award the contract for construction of the project to the CM/GC. If the commissioner rejects the proposed GMP, the department may continue to conduct contract discussions with the CM/GC to develop an acceptable GMP for the project as designed. Alternatively, the department may direct the CM/GC to provide additional pre-construction services as needed to assist in the further development of contract plans, terms, or specifications for the purpose of repeating the Phase 4 process steps. If the CM/GC and the commissioner are unable to reach agreement on the GMP, the commissioner may proceed with construction of the project through the low bid procurement process. This amendment adds to what occurs if an agreement on the GMP cannot be met, requiring that if an agreement on the GMP is unable to be reached for a PDB, then the PDB must relinquish and assign ownership of its design work product to the department, the department must take ownership of an assume liability for the design work product, and the commissioner may: (1) Employ the PDB's design consultant or another design consultant to complete the final design and proceed with

construction of the project through the low bid procurement process; or (2) Use the PDB's design consultant's work product, or a part of it, to proceed with construction of the project through a design-build procurement process and, if another design consultant or design-builder completes the final design, the other design consultant to design-builder must assume responsibility for the final design. TENNESSEE MODERNIZATION ACT. FUNDING AND REPORTING. This amendment establishes a fund to be known as the "transportation modernization fund" that is a segregated account within the state treasury. Subject to appropriation in the general appropriations act, the fund is to be composed of: (1) A sum of \$3 billion to be divided into sums of \$750 million for projects within each region of the department; (2) A sum of \$300 million to be distributed to local governments as grants, as determined by the commissioner, provided, that a local government must not use grants distributed from the sum to supplant other state or local moneys appropriated or allotted for building, maintaining, or improving county roads or bridges; (3) Other revenues or moneys that the general assembly may appropriate to the fund; and (4) Other moneys received by the department for the purposes of the fund that are not otherwise allocated to the department by law. This amendment requires that the fund be administered by the department of transportation and be kept separate and apart from all other funds, including the state highway fund. Amounts remaining in the fund at the end of each fiscal year do not revert to the general fund. This amendment authorizes that the fund can be used for the following purposes: (1) To fund strategic transportation initiatives, including, but not limited to, congestion mitigation, rural interstate widening, and the accelerated delivery of strategic transportation improvements over and above the transportation improvements program generally supported by the state highway fund; (2) To respond to a transportation system failure, an imminent threat of a failure, or other emergency, which use may be eligible for reimbursement from the federal government; and (3) Another purpose for which the state highway fund may be lawfully used. This amendment requires that prior to January 1, 2024, and prior to each January 1 after, the department of transportation must submit a report to the speakers of the senate and the house of representatives, the chair of the transportation and safety committee of the senate, and the chair of the transportation committee of the house of representatives, on the status of projects funded by the transportation modernization fund. The report must include for each project: (1) The date on which engineering activities began, or are anticipated to begin, if known; (2) The date on which right-of-way acquisition activities began, or are anticipated to begin, if known; (3) The date on which construction activities began, or are anticipated to begin, if known; and (4) The date on which construction was completed, as applicable. REPLACING TOLLWAY ACT WITH USER FEE. This amendment replaces the "Tennessee Tollway Act," which authorizes tolling as an additional and alternative method for funding or financing the development and operation of highways and appurtenant facilities or other transportation-related facilities. Instead, this amendment authorizes user fees as an additional and alternative method for funding or financing the development and operation of highways and appurtenant facilities or other transportation-related facilities. The operation of user fee facilities is limited to new facilities opened and to existing facilities where one or more new vehicle lanes is added on the facility, on or after July 1, 2023. To further effectuate this change, this amendment deletes "state tollway fund," wherever it may appear, and replaces it with "state user fund"; deletes "toll revenues," wherever it may appear, and replaces it with "user fee revenues"; deletes "tollway projects and toll facility projects" and replaces it with "user fee facility projects"; and deletes "tollway or toll facility," wherever it may appear, and replaces it with "user fee facilities." DEVELOPMENT AND OPERATION OF USER FEE FACILITY PROJECTS. This amendment authorizes the department to develop user fee facility projects and operate such user fee facilities. The department is further authorized to expend funds from the state user fee fund, the transportation modernization fund, and other funds, grants, or loans received from or made available by the federal government or another government agency that may be lawfully applied to a user fee facility project. This amendment requires that the development of a user fee facility project must be in accordance with the department's long-range statewide transportation plan. The development of a project must consider the alternatives to the project; the economic, social, and environmental effects of

the user fee facility project; and the findings of the environmental evaluation process and public comments, including comments from a metropolitan planning organization or rural planning organization, or both, in which the project is located, before developing final construction plans for the user fee facility. The department must hold the public meetings at a convenient location during the environmental evaluation of the project and prior to plans for the user fee facility project being finally adopted. If the proposed project involves federal aid funding or constitutes a major federal action, then the department's environmental evaluation process is subject, as applicable, to the federal National Environmental Policy Act of 1969. If the proposed project does not involve federal aid funding and does not otherwise constitute a major federal action, then it is subject to environmental evaluation and documentation in accordance with such policies and procedures as the department may establish. This amendment requires that to establish a new user fee facility or to add a user fee facility on an existing facility, the department must submit a proposal to the board. The proposal must include plans, feasibility analyses, and other such information as may be available to describe the proposed project and the need for such project, including: (1) Projected traffic on the user fee facility; (2) The anticipated amount of the user fee to be charged, or the method for setting variable user fees; (3) Projected user fee revenue; and (4) If applicable, the proposed use of a franchise agreement, concession agreement, or a combination of those agreements, to design, construct, finance, operate, or maintain the user fee facility. Further development of the user fee facility project must not occur until it has been approved by the board, and, if applicable, the general assembly. Prior to the board approving the proposal, the board must provide written notice of the proposed user fee facility project to the speakers of the senate and the house of representatives, the chairs of the finance, ways and means committees of the senate and the house of representatives, the chair of the transportation and safety committee of the senate, and the chair of the transportation committee of the house of representatives. If any state agency proposes to assist in funding the user fee facility project with state or federal-aid funds, then the project is subject to the approval of the general assembly pursuant to the express provisions of the general appropriations act in which the funds must be specifically appropriated by reference to the project. With board approval, the department may designate one or more lanes of a highway, or portion of a highway, within the state as a user fee facility; provided, however, that such designation must not reduce the existing number of general purpose lanes and lanes available for use without payment of a user fee. In making such designations, the department must specify the high occupancy requirement or other conditions for use of the lanes, which may include restricting vehicle types and implementing access controls. New transportation facilities constructed on or after July 1, 2023, are required to include at least one lane for use without payment of a user fee, and at least one lane for use without payment of the user fee must be operational in order to assess a user fee on any use fee lane within the transportation facility. The department is authorized, with board approval, to set user fees or establish the method for setting variable user fees for the use of managed lanes, subject to resolutions or indentures authorizing bonds. Upon or prior to the issuance of any bonds, and until such time as the bonds are no longer outstanding under the resolution or indenture providing for the issuance of the bonds, the department must collect, or cause to be collected, such user fees and must revise the user fees from time to time whenever necessary, to produce revenue, together with other moneys that may be available, sufficient to: (1) Provide for all costs of the development and operation of the user fee facility project, including reasonable reserves; and (2) Pay when due all bonds and interest on the bonds, obligations under hedging agreements and ancillary agreements, and other indebtedness incurred by the state for the payment of which the user fees have been pledged, charged, or otherwise encumbered, and interest thereon, including reasonable reserves. A user fee, allowable increases, or the method for setting variable user fees on managed lanes, imposed or collected on a user fee facility on a state highway that is the subject of a user fee development agreement must be set in the user fee facility development agreement. The board is required to obtain further approval by the board to later modify the user fee conditions set forth in the user fee facility development agreement. The department must then specifically identify a

proposed user fee facility or user fee facility project in the transportation improvement program furnished to the general assembly in support of the commissioner's annual funding recommendations. The department is required, by July 1, 2024, and by every July 1 after, to submit a report to the chairs of the finance, ways, and means committees of the house of representatives and the senate and the chairs of the transportation and safety committee of the senate and transportation committee of the house of representatives on the activities of the department involving any of the above.

**DEPARTMENT CONTRACTING AUTHORITY.** This amendment authorizes the department to enter into user fee facility development agreements with private entities, the federal government, or other government agencies for the purpose of developing or operating a user fee facility, or any part of, including, but not limited to: (1) Contracts with private entities using a project delivery method available to the department by law, pursuant to which all or part of the design, right-of-way acquisition, relocation of utilities, and construction of a user fee facility is accomplished by a private entity or entities on behalf of the department; (2) Service agreements for the operation, or the operation and maintenance, of a user fee facility, or appurtenant facility, which may be procured on the basis of competitive sealed bids or the competitive selection of proposals, including the evaluation of qualifications and cost; (3) Franchise agreements, concession agreements, or a combination of, in accordance with the following conditions: (A) The department may procure such agreements in a manner consistent with law, except, that the department may, but is not required to, accept or evaluate unsolicited proposals for projects; (B) The confidentiality provisions provided by this amendment apply to both solicited and unsolicited proposals received by the department for such agreements; provided, however, that a proposer submitting an unsolicited proposal must include an executive summary covering the major elements of the proposal and must exclude information from the executive summary that the proposer intends to be kept confidential as proprietary information, as the executive summary is a public record under, that may be used to solicit competing proposals; and (4) Agreements with the federal government or other governmental agencies for the purpose of undertaking all or part of a user fee facility project. This amendment prohibits a contract or agreement being entered into with a person or entity appearing on a sanctions list published by the United States department of the treasury, office of foreign assets control. This amendment authorizes a user facility development agreement entered into by the department and a private entity to allow the private entity to lease a lane or lanes on the state highway system; provided, that, the private entity is not allowed to own a lane or lanes on the state highway system.

**USER FEES AND RESTRICTIONS.** This amendment authorizes the commissioner, subject to approval of the board, to establish user fees, vehicle restrictions, and other fees or restrictions applicable to the operation of the user fee facilities. The commissioner may also enforce these fees and restrictions. This amendment requires that the operator of a vehicle that is driven through a user fee facility must pay the established user fee. The following vehicles are exempt from payment of the user fee: (1) Law enforcement or other authorized emergency vehicles, regardless of whether the vehicle is responding to an emergency or displaying a flashing light; (2) Multiple-passenger vehicles operated by a public transit authority; and (3) On a high occupancy user fee lane, vehicles that have been authorized to use an HOV lane free of charge during the time period specified for HOV use. This amendment authorizes the department, with approval of the board, to prohibit certain classes of vehicles from operating in a user fee facility through the posting of appropriate signage, wherever the department determines, on the basis of an engineering and traffic investigation that the presence of those vehicles impair the safe or efficient operation of the user fee facility. A person who operates a prohibited vehicle on a user fee facility, commits an offense, classified as a Class C misdemeanor. The punishment for a violation is a fine not to exceed \$50.

**TRANSPORTATION MODERNIZATION BOARD.** This amendment establishes the transportation modernization board to consist of five voting members as follows: (1) One member to be appointed by the governor, whose initial term will be six years; (2) One member to be appointed by the speaker of the house of representatives, whose initial term will be five years; (3) One member to be appointed by the speaker of the senate, whose initial term will be three years; (4) The governor, ex officio, or the



governor's designee; and (5) The commissioner of transportation, ex officio, or the commissioner's designee. Following the initial terms, the term for a board member who does not serve ex officio is four years. A board member who does not serve ex officio is eligible for reappointment and may serve a maximum of two full terms; provided, however, that an appointment to fill an unexpired term as a result of a vacancy does not count toward the term limit. At the expiration of a board member's term, the member may continue to serve until a successor is appointed or until the member is reappointed. This amendment provides that three board members constitute a quorum for the transaction of business. If a quorum is present, a vacancy on the board does not prevent the board from transacting business or otherwise taking an action authorized. The commissioner of transportation or the commissioner's designee must serve as chair. The board must meet at the call of the chair. The board may elect other officers as the board deems appropriate. The department is required to provide administrative support to the board. The board may exercise the powers and duties necessary to implement the Act.

**ENFORCEMENT OF NONPAYMENT.** This amendment provides that the operator of a vehicle that is driven through a user fee facility without payment of the user fee commits a violation, classified as a Class C misdemeanor, punishable by a fine not to exceed \$50. Each event of nonpayment is a separate violation. This amendment authorizes the department, or its contractor, to use an open road user fee system to monitor use of a user fee facility and collect payment. The state is authorized to enter into reciprocity agreements with other government entities or toll authorities for the purpose of collecting user fees and any applicable administrative fees from non-Tennessee residents for violation. The department, or department's contractor, is required to place signs on, or in advance of, a user fee facility that provide drivers with the following information: (1) Notice that the driver is approaching a facility for which a user fee is required, with signs providing this information placed in advance of the location where the user fee is required; (2) The methods by which the user fee may be paid; and (3) If applicable, directions to the nearby user fee collection facility that accepts cash payment of the user fee. This amendment requires the department to establish administrative fees for the collection of unpaid user fees as well as procedures for the collection of these fees. In the event of nonpayment of the user fee required, and of the issuance of a written notice of nonpayment by the department or its contractor, the registered owner of the vehicle is liable for the payment of the required user fee and any applicable administrative fee established. This amendment establishes an exception to the violation of driving through a user fee facility without payment of the fees if the registered owner of the vehicle was a lessor of the vehicle at the time the user fee was incurred or if the registered owner of the vehicle transferred ownership of the vehicle to another person before the event of nonpayment. Within 30 days of the department or contractor mailing notice of nonpayment to the registered owner, the registered owner provides to the department or its contractor a copy of the rental, lease, or other contract, with the name and address of the lessee at the time the user fee was incurred clearly legible; or the name and address of the person to whom the vehicle was transferred. If the lessor or former owner provides the required information, the department or the department's contractor may send a notice of nonpayment to the lessee or new owner at the address provided within 30 days of receipt of the required information from the lessor and must follow the procedures established for collection of unpaid fees and administrative fees. A lessee or subsequent owner who is mailed a written notice of nonpayment is liable for payment of the user fee and any applicable administrative fee. This amendment provides that the department has sufficient proof of nonpayment upon: (1) Proof that a vehicle was driven through a user fee collection facility without payment of the user fee, which may include, but is not limited to, testimony of a law enforcement officer, or evidence obtained through the use of an open road user fee system installed by the department or its contractor; and (2) Proof that the person was the registered owner, lessee, or subsequent owner, which may include, but is not limited to, records of the department of revenue or the analogous department of another state or country, or information provided by a lessor or previous owner. It is also an exception to a violation if the vehicle was stolen before the event of nonpayment occurred; provided, however, that the theft was reported to the appropriate law enforcement authority before the earlier of the occurrence

of nonpayment, or eight hours after the discovery of the theft. This amendment authorizes a registered owner who commits three or more violations within the same 12-month period to be determined to be a habitual violator and to be subject to suspension or non-renewal of the registered owner's vehicle registration. It is required that no later than January 1, 2025, the department must establish: (1) The criteria for a determination by the department or the department's contractor that a registered owner is a habitual violator; and (2) The process for the department or the department's contractor to notify the department of revenue of the determination that a registered owner is a habitual violator. The department must then notify the department of revenue upon establishment of the criteria and process. No later than 18 months following this notification, the department of revenue is required to promulgate rules to establish a process for suspending or non-renewing a habitual violator's vehicle registration. The rules must include, but are not limited to, a process for providing at least 60 days' written notice to the registered owner of the department of revenue's intention to suspend or non-renew the registered owner's vehicle registration, which notice must include the reason for the proposed suspension or non-renewal, an explanation of the process for a registered owner to challenge the suspension or non-renewal, which must include an opportunity for a hearing, the process by which the registered owner can avoid the suspension or non-renewal of the registered owner's vehicle registration through the payment of unpaid user fees and any applicable administrative fee, and the imposition of any administrative fees necessary to cover the department of revenue's cost in administering enforcement of nonpayment.

**PRIORITY RECORDS.** This amendment establishes that personal information or highly restricted personal information obtained in connection with a motor vehicle record, and thereafter obtained by the department or the department's contractor in connection with the collection of and enforcement of user fees on a user fee facility, is subject to disclosure limitations established in the federal Driver's Privacy Protection Act and the Uniform Motor Vehicle Records Disclosure Act and must remain confidential as required by such federal and state laws and not be open for public inspection under state law, nor discoverable in legal proceedings. However, financial information, transaction history, and information generated by an open road user fee system on a user fee facility related to the collection of a user fee from a person, and which has been obtained by the department or the department's contractor for the purposes of collecting and enforcing user fees on a user fee facility must remain confidential and not be open for public inspection or another law. The department or the department's contractor may use the account information only for purposes of collecting and enforcing user fees. Notwithstanding another law to the contrary, this information is not open to public inspection or another law; provided, however, that the user fee facility account holder may examine the account holder's own account information, and a third party by authority of a proper court order may inspect and examine confidential account information. This amendment establishes that proposals received by the department for franchise agreements, concession agreements, or some combination of those agreements, related to the design, construction, financing, operation, or maintenance of user fee facilities, and documents used by the department to evaluate and accept or reject such proposals, must remain confidential, not be subject to disclosure to another proposer, and not be open for public inspection or another law until after the department has selected a proposal and awarded a contract. Proprietary information contained in a proposal for such an agreement, whether a solicited or unsolicited proposal, must remain confidential, not be subject to disclosure to another proposer, and not be open for public inspection pursuant to or another law.

**ALTERNATE DELIVERY CONTRACTS AND LIMITATIONS.** This amendment prohibits the department from procuring more than 28 alternative delivery contracts per fiscal year. An alternative delivery contract is defined a design-build contract, contracts using the construction manager/general contractor method, and contracts using the progressive design-build method. This limit only applies to projects funded by the state highway fund and does not apply to projects funded by the transportation modernization fund, discretionary funds, or federal grant program funds.

**ELECTRIC VEHICLES.** Under present law, in addition to all other motor vehicle registration fees, for an electric vehicle, it is required that an additional registration fee of \$100 be paid to the department at the time the vehicle is registered

or renewed. This amendment deletes this provision. Instead, it requires that beginning January 1, 2024, in addition to all other vehicle registration fees, there must be paid to the department at the time the vehicle registration is renewed an additional fee according to the following schedule: (1) For all-electric vehicles: (A) On or after January 1, 2024, and prior to January 1, 2027, \$200; (B) On or after January 1, 2027, and prior to January 1, 2028, \$274; and (C) On or after January 1, 2028, and each subsequent year, the fee described in (B) adjusted by an amount each year to reflect the effect of annual inflation or deflation; (2) For hybrid electric vehicles and plug-in hybrid electric vehicles: (A) On or after January 1, 2024, and prior to January 1, 2028, \$100; and (B) On or after January 1, 2028, and each subsequent year, \$100, adjusted by an amount to reflect the annual inflation or deflation. The department is required, on January 1, 2028, and every January 1 after, for the registration fees assessed to adjust the amount of the fee to reflect the effect of annual inflation or deflation for the cost of living that consumers in this state experienced on average during the immediately preceding fiscal year, as follows: (1) If, based upon the chained consumer price index for all urban consumers rate published by the United States department of labor, bureau of labor statistics or another similar index established by the federal government for June of the previous year, the department determines that this federal index reflects the effect of inflation and deflation for the cost of living that consumers in this state experienced on average during the preceding fiscal year, and if the rate is less than three percent, then the department must adjust the amount of the fee by that rate; and (2) If, based upon the chained consumer price index for all urban consumers rate published by the United States department of labor, bureau of labor statistics or another similar index established by the federal government for June of the previous year, the department determines that this federal index reflects the effect of inflation and deflation for the cost of living that consumers in this state experienced on average during the preceding fiscal year, and the rate is equal to or more than 3 percent, then the department must adjust the amount of the fee by 3 percent. The adjustment made must be rounded to the nearest whole dollar figure and the department is required to publish each adjusted registration fee on its website. This amendment requires that the proceeds of these additional fees established must be appropriated as follows: (1) 63.4 percent to the state highway fund; (2) 11.8 percent to municipalities, in proportion as the population of each municipality bears on the aggregate population of all municipalities according the federal census; (3) 22 percent to counties, on the basis of the distribution of the county aid funds which is distributed equally among the 95 counties of the state, with 50 percent of the balance being distributed among the 95 counties based on area, and 50 percent distributed among the 95 counties based on population; and (4) 2.8 percent to the general fund. This amendment requires that, beginning January 1, 2027, if the federal government implements any taxes or fees on all-electric vehicles and allocates those taxes or fees to the federal highway trust fund, then the additional registration fee for all-electric vehicles must be adjusted so as to account for the tax or fee assessed by the federal government. The department must adjust the additional registration fee on all-electric vehicles by subtracting the sum of federal tax or fee from the sum of the additional registration fee at the time of the adjustment. An adjustment in the additional registration fee will become effective beginning January 1 of the calendar year following the implementation of the federal tax or fee on all-electric vehicle. Notwithstanding the sum of the taxes or fees imposed by the federal government, the department's adjustment of the additional registration fee must not result in an additional registration fee for all-electric vehicles of less than \$200, adjusted for inflation, on or after January 1, 2028. If the federal government subsequently elects to decrease any or all taxes or fees on all-electric vehicles after implementation, then the additional registration fee must be increased by an amount equal to the amount of the decrease by the federal government. HOV. This amendment rewrites the present law on high occupancy vehicles and lanes. This amendment requires drivers to obey the directions of every official traffic control device that is erected or placed to restrict usage of a lane designed for high-occupancy vehicles. Operation of a vehicle other than a high occupancy vehicle in an HOV lane is an offense. A violation of this section is a Class C misdemeanor, subject only to imposition of a fine, not to exceed \$50.00, and court costs, not to exceed \$10 including, but not limited to, any statutory fees of

officers. State or local litigation taxes are not applicable to a case prosecuted for a violation. Drivers of emergency vehicles are exempt from the HOV provisions. ADMINISTRATION AND DISPOSITION OF STATE PROPERTY. Under present law, the commissioner of general services, with the approval of the governor and attorney general and reporter, may sell, lease or otherwise convey any interest in surplus state real property according to the following provisions: (1) If the property was acquired by or for the use of the department of transportation for right-of-way, if its fair market value does not exceed \$75,000 or such amounts in excess of \$75,000 as may be approved by the state building commission, and if any adjoining property owner or the former owner of that property wishes to purchase the property, or if a legal governmental body wishes to acquire the property for a public use purpose, or if a legal governmental body wishes to acquire the property for fair market value,, then this subdivision must apply, notwithstanding any other provision of this section. Instead, the commissioner of transportation is authorized to declare the property surplus if the commissioner determines that the purpose of its acquisition has been completed and that the property is no longer needed by the department of transportation or another state agency, and may sell it to any adjoining property owner or the former owner of that property, for an amount representing not less than the fair market value, together with costs; provided, however, that the department of transportation may convey the property or any interest in the property by negotiated sale or disposal to any legal governmental body for a public use purpose, subject to reversion to the department of transportation for failure to continue public ownership and use. If approved by the department of transportation, and the federal highway administration where required by federal law, the department of transportation may accept real property in exchange for the surplus real property conveyed if the replacement property is at least equal in fair market value to the surplus property being replaced. The fair market value of the replacement property must be determined in accordance with the procedures for determining the fair market value of the surplus property. The commissioner of general services must concur in the fair market value amount or in the negotiated sale or disposal of the property to a legal governmental body for a public use purpose. If in the judgment of the department of transportation a survey of the property is required, the prospective purchaser must pay the department of transportation in advance for the cost of the survey; (2) The former property owner's right terminates 10 years after the date of acquisition by the department of transportation by conveyance or date of taking in condemnation of the subject property by the department. The former property owner's right must not transfer to the owner's heirs. The former property owner must have first right of refusal to purchase the right-of-way; provided, however, that the department may convey the property or any interest in the property to a legal governmental body for a public use purpose, subject to reversion to the department of transportation for failure to continue public ownership and use, without offering the former owner a first right of refusal to purchase the property. If the former property owner relinquishes the owner's right or the right has expired, the property may be conveyed to a legal governmental body or to an adjoining property owner. If more than one adjoining property owner is interested in purchasing the right-of-way, the interested adjoining property owners must submit sealed bids to the department of transportation, with the minimum bid price being the fair market value determined by appraisal, and the property may be conveyed to the adjoining property owner offering the highest responsive bid. The successful bidder must reimburse any unsuccessful prospective purchaser for survey and appraisal costs incurred; (3) The fair market value of surplus right-of-way property must be determined in accordance with the following procedures: (A) The department of transportation must make a preliminary planning estimate of the fair market value of the property in accordance with procedures that the department may establish; (B) If the department of transportation's preliminary planning estimate of the fair market value of the property is \$10,000 or less, the property must be appraised by an appraiser on staff with the department of transportation at no cost to the prospective purchaser; (C) If the department of transportation's preliminary planning estimate or subsequent staff appraisal of the fair market value of the property is greater than \$10,000, the property must be appraised by an independent appraiser whose services must be procured by the department of transportation in

accordance with state law. The independent appraiser must be licensed and certified by the Tennessee real estate appraiser commission and must be selected from a list of prequalified appraisers approved by the department of transportation. The prospective purchaser must pay the department of transportation in advance for the cost of the independent appraisal; (D) The initial appraisal must be subject to review and approval by the department of transportation in accordance with procedures that the department of transportation may establish. The appraisal review must be conducted, at the department of transportation's expense, by a review appraiser who is licensed and certified by the Tennessee real estate appraiser commission and who is either employed by or under contract with the department of transportation. The review appraiser must either approve the initial appraisal or reject the initial appraisal and reappraise the property to determine the fair market value of the property, subject to the approval of the director of the right-of-way division of the department of transportation or the director's designee. If approved by the director or the director's designee, the review appraiser's determination must be presented to a prospective purchaser as the fair market value of the property; (E) If a prospective purchaser does not accept the appraised fair market value of the property as determined by the review appraiser, the prospective purchaser may request a final review and reconsideration by the commissioner of transportation or the commissioner's designee. The commissioner or the commissioner's designee must obtain a final review of the appraisal by a review appraiser who is licensed and certified by the Tennessee real estate appraiser commission and who is either employed by or under contract with the department of transportation; provided, however, that the final review appraiser must not be the same person who previously reviewed the initial appraisal. The prospective purchaser must be given the opportunity to present information concerning the value of the property for the consideration of the final review appraiser. The final review appraiser must consider all relevant information, including any appraisal previously performed by or for the department of transportation, and must have the authority to reappraise or make adjustments in the appraised fair market value, in accordance with generally accepted professional standards and guidelines. The final review appraiser's determination of the fair market value of the property must be subject to the approval of the commissioner or the commissioner's designee; and (F) The department's final determination of the fair market value of the property is subject to the concurrence of the commissioner of general services. This amendment replaces "\$75,000," wherever it may appear, with "\$250,000," and "\$10,000," wherever it may appear, with "\$25,000."

Fiscal (Dated February 5, 2023) NOT SIGNIFICANT

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03/20/23 - Senate passed with amendment 2 (005545).

03/30/23 - House passed.

04/05/23 - Sent to governor.

AN ACT to amend Tennessee Code Annotated, Title 4, Chapter 29, Part 2; Section 12-2-112; Title 54 and Title 55, relative to transportation.

**SB2 Report concerning the review of credits allowed for certain taxes submitted by ECD.**  
**75/**  
**HB**  
**323**

Sponsors Sen. Johnson, Jack; Rep. Lamberth, William

Category Taxes Business

Summary Authorizes the commissioner of economic and community development to submit electronically the report concerning the review of credits allowed for certain taxes that is conducted every four years to the governor, the speaker of the house of representatives, the speaker of the senate, the finance, ways and means committees of both chambers, and the office of legislative budget analysis. Broadly captioned. Part of Administration Package.

Amendment Senate Finance, Ways & Means Committee amendment 1 (006897) makes various changes to the business tax law, franchise and excise tax law, and sales and use tax law. Business Tax: effective upon becoming law for tax year ending on or after December 31, 2023, increases, from \$50,000 to \$100,000, the minimum threshold of compensation earned from contracts for various types of work in a county or incorporated municipality that requires a business to file a business tax return in that location. Decreases, from three-tenths of one percent to one-tenth of one percent, the business tax rate for industrial loan and thrift companies. Extends the business tax exemption for goods sold from a manufacturing location to any goods sold from a facility within 10 miles of the manufacturing location and extends such exemption to manufacturing locations outside of this state. Increases, from \$10,000 to \$100,000 in gross receipts, the filing threshold for state and local business tax. Effective April 1, 2024, decreases, from 43 percent to 42.62 percent, the allocation of business tax collections to the General Fund that is made after allocations to county clerks and city officials. Franchise and Excise Tax: adjusts the apportionment formula for determining excise taxes to a single sales factor that will be phased in over a three-year period through December 31, 2025. Effective upon becoming law for tax year ending on or after December 31, 2023, conforms excise tax law regarding depreciation of certain assets with federal Tax Cuts and Jobs Act of 2017 for assets purchased on or after January 1, 2023. Creates a franchise and excise tax credit for tax years ending before December 31, 2025, for employers paying paid family and medical leave. Effective January 1, 2024 establishes a \$50,000 standard excise tax deduction for tax years ending on or after December 31, 2024. Effective upon becoming law, specifies for the purpose of excise tax law that "certified distribution sales" includes sales of alcoholic beverages when such sales are made in this state to an affiliate that continues the manufacturing process prior to final sale for consumption outside this state. Effective January 1, 2024, authorizes affiliates of taxpayers to qualify for application of the certified distribution sales election for excise tax purposes. Effective January 1, 2025, decreases, from 10 percent to 7.5 percent, the receipts factor threshold that a taxpayer must meet, and requires more than 50 percent of the taxpayer's sales in this state to be certified distribution sales for eligibility to apply the certified distribution sales election for excise tax purposes. Effective upon becoming law for tax years ending on or after December 31, 2024, creates a \$500,000 property exemption for franchise tax. Adjusts the apportionment formula for determining net worth for franchise taxes to a single sales factor that will be phased in over a three-year period through December 31, 2025. Sales and Use Tax: creates a sales tax holiday for the retail sale of food and food ingredients sold between 12:01 a.m. on August 1, 2023, and 11:59 p.m. on October 31, 2023. Effective January 1, 2024, imposes the sales tax on the repair of certain tangible personal property, computer software, laundering and dry-cleaning services, installation of certain personal property, and installation of computer software, when such repair, cleaning, or

installation occurs at a place of business outside Tennessee and the property is delivered within the physical limits of this state for use or consumption in this state. Specifies that such services performed within this state but the property is shipped outside this state are not considered sales sourced to this state. Removes the sales and use tax exemption for magazines and books that are sold to consumers by United States mail or common carrier for certain sellers and cooperative direct mail advertising. Specifies that the sale of advertising and direct mail that is made from a place of business within this state and delivered to a recipient within this state is sourced to the seller's place of business; exempts such mail from sales tax when being shipped outside of this state. Specifies that the lease or rental of a product that is made from a place of business within this state and delivered to a recipient within this state is sourced to the seller's place of business; exempts such lease or rental from sales tax when the product is delivered outside of this state. Defines multiple terms related to telecommunications services as it pertains to sales and use tax. House amendment 1 (004955) rewrites this bill to make various changes to present tax law, as described below.

**TAX RATES UNDER THE BUSINESS TAX ACT** Under present law, tax Classification 4 is for each person engaged in the business of contracting or performing a contract or engaging in any of the activities, or similar activities, listed below for a price, commission, fee, or wage: (1) Persons receiving compensation from rendering exterminating services, from installing personal property, from constructing, building, erecting, repairing, grading, excavating, drilling, exploring, testing, or adding to a building, highway, street, sidewalk, bridge, culvert, sewer, irrigation or water system, drainage, or dredging system, levee or levee system or any part thereof, railway, reservoir, dam, power plant, electrical system, air conditioning system, heating system, transmission line, pipeline, tower, dock, storage tank, wharf, excavation, grading, water well, or any other improvement or structure or any part thereof; and (2) Persons engaged in the business of selling livestock, poultry, or other farm products not exempted by other law. Present law provides that, during any taxable period, persons receiving more than \$50,000 of compensation from contracts under Classification 4 in a county or incorporated municipality, or both, other than the county or incorporated municipality where domiciled or located, are deemed to have a location in the county or municipality, or both, where the work was performed and a business tax return must be filed for that location for the period in question. This amendment revises this provision to apply, instead, to a person who, during any taxable period, receives more than \$100,000 of such compensation. Present law provides that an industrial loan and thrift company required by law to obtain a certificate and a license is subject to tax at the rate of three-tenths of one percent of the gross income of the business. This amendment changes that rate to one-tenth of one percent.

**EXEMPTIONS TO THE BUSINESS TAX ACT** Present law provides that the Business Tax Act does not apply to a person primarily engaged in the manufacture of goods, wares, merchandise, or other articles of value from a location or outlet subject to ad valorem taxation. This amendment revises this provision to provide, instead, that the Business Tax Act does not apply to a person primarily engaged in the fabrication or processing of tangible personal property for resale and consumption off the premises with respect to the sales of such property made from the manufacturing location or from a storage or warehouse facility that is situated within a ten-mile radius of the manufacturing location. Present law provides that a person having less than \$10,000 within a county or incorporated municipality is exempt from the tax and licensing provisions, or the tax imposed for persons with a substantial nexus in the state, for the privilege of making sales and engaging in a vocation, occupation, business, or business activity. This amendment revises these exemptions to apply, instead, to such a person having less than \$100,000.

**DISTRIBUTIONS OF TAXES UNDER THE BUSINESS TAX ACT** Present law provides that, after distributions are made to the county clerk, forty-three percent of the remaining proceeds of the tax must be earmarked and allocated specifically and exclusively to the state's general fund. This amendment lowers the forty-three percent to forty-two and sixty-two hundredths percent.

**NET EARNINGS UNDER THE EXCISE TAX LAW OF 1999** This amendment adds to present law that for assets purchased on or after January 1, 2023, for purposes of computing "net earnings" or "net loss," Â§ 168 of the Internal Revenue Code of 1986, relative to the accelerated cost recovery system, must be applied as it exists and applies under the federal Tax Cuts and

Jobs Act of 2017. Present law provides that there are certain items added to a taxpayer's net earnings or net losses. This amendment revises the current list in the following way: (1) Revises the provision that adds any depreciation that the taxpayer deducted in computing its federal taxable income in excess of that which the taxpayer could have deducted in computing such income, if the taxpayer had computed its depreciation under Â§ 168 of the Internal Revenue Code as it existed and applied immediately prior to the passage of the Job Creation and Worker Assistance Act of 2002 to, instead, provide that such provision applies to assets purchased on or before December 31, 2022; and (2) Adds to the current list that, for tax years ending on or after December 31, 2023, but before December 31, 2025, any amount deducted under a provision relative to any gross premiums tax being deducted in determining net earnings, but taken as a credit against the excise tax, relating to the federal employer tax credit in Section 45S of the Internal Revenue Code of 1986 and earned as a credit against the excise tax must be added.

Present law provides that there are certain items subtracted from a taxpayer's net earnings or net losses. This amendment revises the current list in the following way: (1) Revises the provision that subtracts any depreciation in excess of that which the taxpayer deducted in computing its federal taxable income that could have been deducted in computing such income if the taxpayer had computed its depreciation under Â§ 168 of the Internal Revenue Code as it existed and applied immediately prior to the passage the Job Creation and Worker Assistance Act of 2002; to, instead, provide that such provision applies to assets purchased on or before December 31, 2022; and (2) Adds to the current list that an amount equal to the lesser of net earnings or \$50,000 must be subtracted. However, this amount must not create or increase a net loss.

**CREDITS UNDER THE EXCISE TAX LAW OF 1999** Present law provides that the tax imposed by the Excise Tax Law of 1999 is in addition to all other taxes and there is no credit allowed upon it except as provided in law. This amendment adds to the list of current exceptions that, for tax years ending on or after December 31, 2023, but before December 31, 2025, there is allowed against the sum total of the taxes imposed by the Franchise Tax Law of 1999, and by the Excise Tax Law of 1999, a credit equal to the federal employer tax credit in Section 45S of the Internal Revenue Code of 1986, as a result of compensation paid in this state during the tax period by the taxpayer. However, such credit taken on a franchise and excise tax return must not exceed fifty percent of the combined franchise and excise tax liability shown by the return before the credit is taken. Such a credit that is unused may be carried forward in a tax period until the credit is taken. However, the credit may not be carried forward for more than 15 years.

**APPORTIONMENT FORMULA UNDER THE EXCISE TAX LAW OF 1999** Under present law, for tax years beginning prior to July 1, 2016, generally all net earnings must be apportioned to this state by multiplying the earnings by a fraction, the numerator of which must be the property factor plus the payroll factor plus twice the receipts factor, and the denominator of the fraction must be four. Additionally, for tax years beginning on or after July 1, 2016, generally all net earnings must be apportioned to this state by multiplying the earnings by a fraction, the numerator of which must be the property factor plus the payroll factor plus three times the receipts factor, and the denominator of the fraction must be five. This amendment adds the following new apportionments: (1) For tax years ending on or after December 31, 2023, but before December 31, 2024, generally net earnings must be apportioned to this state by multiplying the earnings by a fraction, the numerator of which is the property factor plus the payroll factor plus five times the receipts factor, and the denominator of the fraction is seven; (2) For tax years ending on or after December 31, 2024, but before December 31, 2025, generally net earnings must be apportioned to this state by multiplying the earnings by a fraction, the numerator of which is the property factor plus the payroll factor plus 11 times the receipts factor, and the denominator of the fraction is 13; and (3) For tax years ending on or after December 31, 2025, generally net earnings must be apportioned to this state by multiplying the earnings by the receipts factor only. This amendment provides that, if the application of (1)-(3) above to a tax year results in a lower apportionment ratio than under the current application of the apportionment method as it applied to tax years ending before December 31, 2023, then a taxpayer may annually elect to apply the current apportionment method as it applied to tax years ending before December 31, 2023. However, the election must result in a higher



apportionment factor for the tax year, and the taxpayer must have net earnings, rather than a net loss, for that tax year. Under present law, a taxpayer whose principal business in Tennessee is manufacturing may elect to apportion net earnings to this state by multiplying the earnings by a fraction, the numerator of which is the total receipts of the taxpayer in Tennessee during the taxable year and the denominator of which is the total receipts of the taxpayer from any location within or outside of the state during the taxable year. A taxpayer's principal business in Tennessee is manufacturing if more than 50 percent of the revenue derived from its activities in this state, excluding passive income, is from fabricating or processing tangible personal property for resale and consumption off the premises. Present law provides that a financial asset management company may elect to apportion net earnings by multiplying such earnings by a fraction, the numerator of which is the total receipts of the taxpayer in Tennessee during the taxable year as determined under this section and the denominator of which is the total receipts of the taxpayer everywhere during the taxable year. To elect either method of apportionment, the taxpayer must notify the department of the election, in writing, on its return for the taxable year to which the election applies. Once a taxpayer elects the method of apportionment, such election must remain in effect for a minimum of five tax years and thereafter until revoked. The taxpayer may revoke the election after the minimum period by notifying the department of the revocation, in writing, on its return for the first taxable year to which the revocation applies. A taxpayer that revokes the election must not be permitted to newly elect the method of apportionment for a period of five tax years, beginning with the tax year in which the taxpayer revoked the previous election. This amendment repeals the above methods of apportionment for tax years ending on or after December 31, 2025 for both the Excise Tax Law and Franchise Tax Law apportionments. CERTIFIED DISTRIBUTIONS Present law provides that a taxpayer that makes an election for application based on meeting certain gross sales and receipts factor thresholds must, so long as such election is in effect, apportion net earnings and net worth in the manner prescribed elsewhere in the Excise Tax Law and Franchise Tax Law. The gross sales threshold must exceed one billion dollars of sales of tangible personal property made in this state during the tax period. This amendment adds that the gross sales threshold can also be met if the taxpayer has sales of alcoholic beverages made in this state to an affiliate that continues the manufacturing process that exceeds one billion dollars. However, the total amount derived from certified distribution sales must be excluded from the numerator of the receipts factor. A taxpayer that has made such an election, so long as such election is in effect, pay to the commissioner, annually, an excise tax on the total amount of certified distribution sales excluded from the numerator of the taxpayer's receipts factor. "Certified distribution sales" is defined as sales of tangible personal property made in this state by the taxpayer to any distributor, whether or not affiliated with the taxpayer, that is resold for ultimate use or consumption outside the state; provided, that the distributor has certified that such property has been resold for ultimate use or consumption outside this state. This amendment adds that "certified distribution sales" also includes sales of alcoholic beverages when such sales are made in this state by the taxpayer to an affiliate that continues the manufacturing process, prior to the manufactured beverage being sold for ultimate use or consumption outside this state, as long as the affiliate has certified that such property has been sold for ultimate use or consumption outside this state. FRANCHISE TAX LAW OF 1999 Under present law, the measure of the tax levied by the Franchise Tax Law of 1999 must in no case be less than the actual value of the real or tangible property owned or used in Tennessee, excluding exempt inventory and exempt required capital investments. However, this amendment provides that for tax years ending on or after December 31, 2023, the measure of the tax levied applies to the actual value of the taxpayer's aggregate real or tangible property in excess of \$500,000. This amendment extends this provision out to tax years ending on or after December 31, 2024. Under present law, for tax years beginning prior to July 1, 2016, generally the net worth of a taxpayer doing business both in and outside this state must be apportioned to this state by multiplying such values by a fraction, the numerator of which must be the property factor plus the payroll factor plus twice the receipts factor, and the denominator of the fraction must be four. Additionally, for tax years beginning on or after July 1, 2016, generally the net worth of a taxpayer doing

business both in and outside this state must be apportioned to this state by multiplying such values by a fraction, the numerator of which must be the property factor plus the payroll factor plus three times the receipts factor, and the denominator of the fraction must be five. This amendment adds the following new apportionments: (1) For tax years ending on or after December 31, 2023, but before December 31, 2024, generally the net worth of a taxpayer doing business both inside and outside this state must be apportioned to this state by multiplying such values by a fraction, the numerator of which is the property factor plus the payroll factor plus five times the receipts factor, and the denominator of the fraction is seven; (2) For tax years ending on or after December 31, 2024, but before December 31, 2025, generally the net worth of a taxpayer doing business both inside and outside this state must be apportioned to this state by multiplying such values by a fraction, the numerator of which is the property factor plus the payroll factor plus 11 times the receipts factor, and the denominator of the fraction is 13; and (3) For tax years ending on or after December 31, 2025, generally the net worth of a taxpayer doing business both inside and outside this state must be apportioned to this state by multiplying such values by the receipts factor only. This amendment provides that, if the application of (1)-(3) above to a tax year results in a lower apportionment ratio than under the application of the current apportionment method as it applied to tax years ending before December 31, 2023, then a taxpayer may annually elect to apply the current apportionment method as it applied to tax years ending before December 31, 2023. However, the election must result in a higher apportionment factor for the tax year, and the taxpayer must have net earnings, rather than a net loss, for that tax year.

**SALE AND USE TAXES, GENERALLY** This amendment levies a tax at the rate of the tax levied on the sale of personal tangible property at retail on the repairing of tangible personal property or computer software, the laundering or dry cleaning of tangible personal property, the installing of tangible personal property that remains tangible personal property after installation, and the installing of computer software, when such repair, cleaning, or installation occurs at a place of business outside this state and the serviced tangible personal property or computer software is delivered by the seller to the purchaser or the purchaser's designee within the physical limits of this state or to a carrier for delivery to a place inside the physical limits of this state for use or consumption in this state. Under present law, the sale at retail, the use, the consumption, and the distribution and storage for use or consumption in the state of magazines and books that are distributed and sold to consumers by United States mail or common carrier, where the only activities of the seller or distributor in this state are those activities having to do with the printing, storage, labeling and/or delivery to the United States mail or common carrier of the magazines or books, or the maintenance of raw materials with respect to those activities, notwithstanding that the seller or distributor maintains employees in the state solely in connection with the production and quality control of the printing, storage, labeling and/or delivery, or in connection with news gathering and reporting is exempt from the sales and use taxes. Additionally, sales and use taxes do not apply to the sale or use of direct mail advertising materials that are distributed in Tennessee from outside the state by a person engaged solely and exclusively in the business of providing cooperative direct mail advertising. This amendment deletes these exemptions. This amendment establishes a sales tax holiday, exempting the retail sale of food and food ingredients, if sold between 12:01 a.m. on August 1, 2023 and 11:59 p.m. on October 2023 from the sales and use taxes. However, this provision does not exempt sales for an unattended food establishment or vending machine or device.

**TRANSACTIONS SUBJECT TO THE SALES AND USE TAXES** This amendment expands on the present law regarding transactions subject to the sales and use taxes. This amendment clarifies that these provisions apply in determining whether a transaction is sourced to this state, apply regardless of the characterization of a product as tangible personal property, a digital good, a service, or other taxable product and applies only to determine a seller's obligation to pay or collect and remit a sale and use tax with respect to the seller's retail sale of a product. However, these provisions do not impose tax on a transaction if that tax is prohibited by the United States Constitution or Constitution of Tennessee. The retail sale of a product from out of state into this state is sourced as follows: (1) When the product is received by the purchaser at a business location of the seller, the sale is sourced to that business location;

(2) When the product is not received by the purchaser at a business location of the seller, the sale is sourced to the location where receipt by the purchaser or the purchaser's donee as designated by the purchaser occurs, including the location indicated by instructions for delivery to the purchaser or the purchaser's donee, known to the seller; (3) When subdivisions (1) and (2) do not apply, the sale is sourced to the location indicated by an address for the purchaser that is available from the business records of the seller that are maintained in the ordinary course of the seller's business when use of that address does not constitute bad faith; (4) When subdivisions (1)-(3) do not apply, the sale is sourced to the location indicated by an address for the purchaser obtained during the consummation of the sale, including the address of a purchaser's payment instrument, if no other address is available, when use of that address does not constitute bad faith; and (5) When subdivisions (1)-(4) do not apply, or in the circumstance in which the seller is without sufficient information to determine which sourcing requirement applies, then the location is determined by the address from which tangible personal property was shipped, from which the digital good or the computer software delivered electronically was first available for transmission by the seller, or from which the service was provided. The lease or rental of tangible personal property imported into this state is sourced as follows: (1) For a lease or rental that does not require recurring periodic payments, the payment is sourced the same as a retail sale described above; (2)(A) For a lease or rental that requires recurring periodic payments, generally the first periodic payment is sourced the same as a retail sale in accordance with the provisions for the sale of a product from out of state into this state. Periodic payments made subsequent to the first payment are sourced to the primary property location for each period covered by the payment; (B) The primary property location is as indicated by an address for the property provided by the lessee that is available to the lessor from its records maintained in the ordinary course of business, when use of that address does not constitute bad faith; and (C) The property location must not be altered by intermittent use at different locations, such as use of business property that accompanies employees on business trips and services calls; (3) For the lease or rental of motor vehicles, trailers, semi-trailers, or aircraft that do not qualify as transportation equipment and watercraft with a displacement of under 50 tons, that requires recurring periodic payments, the first and each subsequent periodic payment is sourced to the primary property location. The primary property location is determined in accordance with (2); and (4) Notwithstanding the primary property location covered by a recurring periodic payment, the lease or rental of transportation equipment is sourced the same as a retail sale in accordance with the provisions described above for the sale from out of this state into this state. This amendment provides that the sale, including the lease or rental, or a product made from a place of business within the physical limits of this state where delivery is made by the seller or lessor to a purchaser or a lessee within the physical limits of this state or to a carrier or United States postal service location for delivery to a place within the physical limits of this state, is sourced to the seller's or lessor's place of business in this state. The location of where the purchaser may take or use the product is not determinative of where the sale is sourced. For the sale of a product made from a place of business within the physical limits of this state that is delivered by the seller to the purchaser or the purchaser's designee outside the physical limits of this state or to a carrier for delivery to a place outside the physical limits of this state, the sale is not sourced to this state. For a lease or rental of property, excluding transportation equipment, delivered to the lessee or renter in this state that requires recurring periodic payments, the periodic payments made subsequent to the first payment that cover periods where the primary property location is no longer within the physical limits of this state are not sourced to this state. The lessor is not liable for sales and use taxes on the periodic payments that cover periods where the primary property location is no longer in this state. The primary property location is determined in accordance with the rules governing the lease or rental of tangible personal property imported into this state. For the sale of repairing of tangible personal property or computer software; laundering or dry cleaning of tangible personal property; and installing of tangible personal property that remains tangible personal property after installation; and installing of computer software, made from a place of business within the physical limits of this state where the serviced tangible personal property or

computer software is delivered by the seller to the purchaser or the purchaser's designee outside the physical limits of this state or to a carrier for delivery to a place outside the physical limits of this state, the sale is not sourced to this state. This amendment provides that the sale of direct mail is sourced as follows: (1) For the sale of advertising and promotional direct mail and other direct mail made from a place of business in this state to a purchaser where delivery is made by the seller to a carrier or United States postal service location for distribution or delivery to direct mail recipients within the physical limits of this state, the sale is sourced to the seller's place of business; (2) To the extent the seller knows based on information provided by the purchaser showing the jurisdictions to which the direct mail will be delivered to recipients in another state, the portion of the sales price that equals the percentage of direct mail delivered to recipients in another state is not sourced to this state; (3) In lieu of providing the delivery information, a purchaser may provide the streamlined certificate of exemption to claim the direct mail exemption for the portion of the sales price that equals the percentage of direct mail delivered to recipients in another state; and (4) In the absence of bad faith, where the seller sourced the sale according to the delivery information provided by the purchaser in accordance with this section, the seller is not liable for tax if it is determined the purchaser provided incorrect delivery information. A sale of a prepaid calling service, or a sale of a prepaid wireless calling service, is sourced in accordance with the following: (1) The sale of a product made from a place of business within the state and delivered to a purchaser within the state, when sold from a place of business within the physical limits of this state; and (2) The retail sale of a product from out of this state into this state, when sold from out of state into this state. However, in the case of a sale of prepaid wireless calling service, the rule provided when a seller is without sufficient information to determine which sourcing requirement applies includes as an option the location associated with the mobile telephone number. House amendment 2 (006162) makes the following changes: (1) Provides that there must be allocated and distributed to the counties and municipalities an amount substantially equal to the amount that would have been allocated to the counties and municipalities but for the temporary exemption from sales tax applicable to the retail sale of food and food ingredients between 12:01 a.m. on August 1, 2023, and 11:59 p.m. on October 31, 2023. This allocation must be based on the reporting of exempt sales of food and food ingredients during the exemption period and any other data or information the commissioner deems relevant; and (2) Changes the effective date for Sections 26, 27, 28, 30, 31, and 32 of this bill to July 1, 2024. House amendment 3 (006724) clarifies that in addition to a taxpayer that meets certain gross sales threshold and receipts factor threshold being authorized to make an election concerning the apportionment of net earnings and net worth, and tax liability associated with certain certified distribution sales, under the Excise Tax Law of 1999, a taxpayer that is an affiliate of such taxpayer may also make such election. Currently, a taxpayer meets the receipts factor threshold if the taxpayer's receipts factor exceeds 10 percent. This amendment revises that provision to provide, instead, that a taxpayer meets the receipts factor threshold if the taxpayer's receipts factor exceeds 7.5 percent and more than 50 percent of the taxpayer's sales in this state are certified distribution sales. Under present law, a taxpayer making an election must annually pay the commissioner of revenue an excise tax on the total amount of certified distribution sales excluded from the numerator of the taxpayer's receipts factor. This amendment changes that to a gross receipts tax. NOTE: This amendment adds four new undesignated Sections to this bill. This amendment assigns one undesignated Section an effective date of January 1, 2025, and one or more other undesignated Sections an effective date of January 1, 2024.

Fiscal (Dated January 22, 2023) NOT SIGNIFICANT

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04/06/23 - Set for Senate Finance, Ways & Means Committee 04/11/23.

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04/03/23 - House passed with amendment 1 (004955), amendment 2 (006162), and amendment 3 (006724).

AN ACT to amend Tennessee Code Annotated, Title 67, relative to taxation.

**SB280/HB328 Biennial reports from designated state agencies regarding federal financial assistance.**

Sponsors Sen. Johnson, Jack; Rep. Lamberth, William

Category Public Finance

Summary Authorizes biennial reports from designated state agencies regarding federal financial assistance to be filed electronically with the general assembly. Broadly captioned. Part of Administration Package.

Amendment Summary House State Government Committee amendment 1 (006794) enacts the Tennessee Local Development Authority Public Safety Protection Act of 2023 (Act), which authorizes the Tennessee Local Development Authority (Authority) to issue its revenue bonds and make the bond proceeds or state appropriations available for loans to counties or volunteer fire departments for the purchase of equipment for public safety officers.

Fiscal Note (Dated January 22, 2023) NOT SIGNIFICANT

Senate Status 01/21/23 - Referred to Senate Finance, Ways & Means Committee.

House Status 04/05/23 - Set for House Finance, Ways & Means Subcommittee 04/12/23.

Caption AN ACT to amend Tennessee Code Annotated, Title 4 and Title 9, relative to funds administered by state government entities.

**SB283/HB307 Pilot program to award grants to students pursuing a quality non-degree credential.**

Sponsors Sen. Hensley, Joey; Rep. Cepicky, Scott

Category Education

Summary Requires the board of regents to develop and administer a two-year pilot program to award grants to students enrolled in an eligible program and to students pursuing a Quality non-degree credential (QNDC). Specifies student eligibility requirements for grants. Requires the board of regents to submit a report on the outcomes of the pilot program to the higher education commission, the education committee of the senate, and the education committees of the house of representatives no later than June 30, 2025. Prohibits the board of regents from using net proceeds of the state lottery to fund grants awarded pursuant to this section and requires funds to be appropriated from the general fund.

Senate Status 01/21/23 - Referred to Senate Education Committee.

House Status 01/30/23 - Withdrawn in House.

Caption AN ACT to amend Tennessee Code Annotated, Title 49, relative to workforce training programs.

**SB339/HB932 Consumer Biometric Data Protection Act.**

Sponsors Sen. Campbell, Heidi; Rep. McKenzie, Sam  
 Category Commercial Law  
 Summary Enacts the "Consumer Biometric Data Protection Act," which prohibits a private entity from collecting, capturing, purchasing, receiving through trade, or otherwise obtaining an individual's biometric identifier or biometric information unless the individual is notified. Requires permission from the individual to be granted in order to collect biometrics data. Requires the private entity to securely store the information. Specifies that a of this part constitutes a violation of the Consumer Protection Act of 1977.

Fiscal Note (Dated March 23, 2023) NOT SIGNIFICANT  
 Senate Status 01/26/23 - Referred to Senate Commerce & Labor Committee.  
 House Status 02/07/23 - Referred to House Banking & Consumer Affairs Subcommittee.  
 Caption AN ACT to amend Tennessee Code Annotated, Title 47; Title 50 and Title 61, relative to biometric data.

**SB344/HB810**

**Protection of digital information.**

Sponsors Sen. Campbell, Heidi; Rep. Hakeem, Yusuf  
 Category Commercial Law  
 Summary Reduces from 45 days to 30 days, the time within which an information holder must notify a resident of this state, or owner or licensee of the information, of a breach of system security. Broadly captioned.

Fiscal Note (Dated January 24, 2023) NOT SIGNIFICANT  
 Senate Status 01/26/23 - Referred to Senate Commerce & Labor Committee.  
 House Status 02/02/23 - Caption bill held on House clerk's desk.  
 Caption AN ACT to amend Tennessee Code Annotated, Title 10, Chapter 7, Part 5; Title 39; Title 47 and Title 49, relative to protection of digital information.

**SB373/HB598**

**Establishes the office of rail and public transportation.**

Sponsors Sen. Campbell, Heidi; Rep. Powell, Jason  
 Category Transportation General  
 Summary Establishes the office of rail and public transportation within the department of transportation. Requires, among other duties and responsibilities, the office to determine present and future needs for, and economic feasibility of providing, public transportation and the retention, improvement, and addition of passenger and freight rail transportation in this state. Broadly captioned.

Amendment House Transportation Subcommittee amendment 1 (005049) creates the Office of Rail and Public Transportation (ORPT) within the Department of Transportation (TDOT). Requires the Governor to appoint a director of the ORPT. Authorizes the ORPT to accept grants and enter into contracts. Permits the ORPT to assist entities in the implementation and improvement of passenger rail and public transportation services. Authorizes the office to acquire, lease, improve, and construct passenger rail and public transportation facilities and acquire and hold title to land necessary for implementation of such. Enables the ORPT to conduct various studies, plans, and programs concerning the needs, economic feasibility, establishment, improvement, and development of public transportation and the retention, improvement, and addition of passenger rail transportation using various methods and coordinating with varied entities. Permits the office to administer state grants for rail transportation and public transportation and to develop guidelines for the development of strategic plans for transit agencies of Davidson and Shelby counties.

Fiscal Note (Dated March 4, 2023) Increase State Expenditures - \$164,100/FY23-24 \$161,100/FY24-25 and Subsequent Years Other Fiscal Impact The costs to meet all the requirements of this legislation, including but not limited to additional staff and related resources, are unknown, but considered very significant. It is estimated that such recurring costs would exceed \$100,000,000 in state expenditures. The state would likely purchase land and/or enter into contracts with local governments as a result of this legislation. Therefore, there will be a permissive increase in local government revenue and expenditures, the extent and timing of which cannot be reasonably determined. SB 373 - HB 598

Senate Status 03/08/23 - Senate Transportation & Safety Committee deferred to the first calendar of 2024.

House Status 03/08/23 - House Transportation Subcommittee deferred to first calendar of 2024 after adopting amendment 1 (005049).

Caption AN ACT to amend Tennessee Code Annotated, Title 4; Title 54, Chapter 1; Title 64 and Title 65, relative to transportation.

**SB383/HB417 Employer asking for prospective employee to provide compensation history.**

Sponsors Sen. Oliver, Charlane; Rep. Hemmer, Caleb

Category Labor Law

Summary Prohibits an employer from asking for or requiring a prospective employee to provide the prospective employee's compensation history. Also prohibits an employer from retaliating or discriminating against a prospective employee for failing to disclose the prospective employee's compensation history. Requires an employer to provide notice to the employer's employees of employment advancement opportunities and openings, including the potential range of wage rates that the employer reasonably believes that the opening or opportunity will pay and other benefits that will be offered to the hired applicant. Requires the department of labor and workforce development to promulgate rules to effectuate this section.

Fiscal Note (Dated April 5, 2023) NOT SIGNIFICANT

Senate Status 01/26/23 - Referred to Senate Commerce & Labor Committee.

House Status 02/01/23 - Referred to House Banking & Consumer Affairs Subcommittee.

Caption AN ACT to amend Tennessee Code Annotated, Title 4; Title 5; Title 6; Title 7; Title 8 and Title 50, relative to employment.

**SB384/HB804 Electronic report on ability to maintain the property tax relief program.**

Sponsors Sen. Lundberg, Jon; Rep. Marsh, Pat

Category Taxes Property

Summary Requires the comptroller of the treasury to annually provide, in an electronic format, estimates of the cost of the tax relief program at the current income limit, and of the annual income limit for eligibility likely to maintain the property tax relief program at a constant level of expenditure, to the department of finance and administration and the members of the general assembly.

Amendment Summary Senate amendment 1, House Local Government Committee amendment 1 (004454) authorizes a taxpayer to certify to the assessor of property a depreciated value on their business tangible personal property of up to \$2,000 or up to \$10,000, in lieu of detailing acquisition costs on the reporting schedule. Requires the assessor to accept the certification and fix the value of tangible personal property assessable to the taxpayer at either \$2,000 or \$10,000 depending on the certification received. Directs the Tennessee Advisory Commission

on Intergovernmental Relations (TACIR) to monitor implementation of the act and periodically report its findings on the impact of this act on collections and administration of the business personal property tax to the General Assembly.

Fiscal Note (Dated January 26, 2023) NOT SIGNIFICANT

Senate Status 03/30/23 - Senate passed with amendment 1 (004454), which authorizes a taxpayer to certify to the assessor of property a depreciated value on their business tangible personal property of up to \$2,000 or up to \$10,000, in lieu of detailing acquisition costs on the reporting schedule. Requires the assessor to accept the certification and fix the value of tangible personal property assessable to the taxpayer at either \$2,000 or \$10,000 depending on the certification received. Directs the Tennessee Advisory Commission on Intergovernmental Relations (TACIR) to monitor implementation of the act and periodically report its findings on the impact of this act on collections and administration of the business personal property tax to the General Assembly.

House Status 03/22/23 - House Finance Subcommittee placed behind the budget.

Caption AN ACT to amend Tennessee Code Annotated, Title 67, relative to taxes.

**SB397/HB33 Proration of property taxes for property that is destroyed or damaged by a disaster.**

Sponsors Sen. Kyle, Sara; Rep. Thompson, Dwayne

Category Taxes Property

Summary Specifies that countywide emergency response frameworks must include assessors of property at the option of an assessor to monitor events related to disasters or emergencies that have affected or have the potential to affect the condition of real or personal property within assessors' jurisdictions. Requires assessors of property to be notified when county or municipal governments within their jurisdiction conduct FEMA preliminary damage assessments. Authorizes a county or municipal governing body to adopt by two-thirds vote a provision to allow proration of property taxes for tangible personal property that is destroyed, demolished, or substantially damaged as a result of a disaster.

Amendment Summary Senate State & Local Government Committee amendment 1, House Local Government Committee amendment 1 (005766) authorizes local governments to extend the availability of assessment proration for affected buildings, improvements and commercial and industrial tangible personal property destroyed, demolished, or damaged by a federally declared disaster and replaced prior to September 1 in any given year.

Fiscal Note (Dated January 22, 2023) Other Fiscal Impact Due to the extent of unknown factors a precise decrease in local property tax revenue and an increase in local expenditures cannot reasonably be determined, but any fiscal impact is considered permissive.

Senate Status 04/06/23 - Set for Senate Floor 04/10/23.

House Status 04/05/23 - Set for House Finance, Ways & Means Committee 04/11/23.

Caption AN ACT to amend Tennessee Code Annotated, Title 58, Chapter 2 and Title 67, Chapter 5, relative to property assessment.

**SB404/HB391 Grants to students enrolled in an eligible workforce training program.**

Sponsors Sen. Hensley, Joey; Rep. Cepicky, Scott

Category Education

Summary Requires the board of regents to develop and administer a two-year pilot program to award grants to students enrolled in an eligible workforce training program. Specifies that the pilot program is to be established and grants are to be awarded by the beginning of the 2023-2024



academic year. Specifies eligibility requirements for grants under this program. Requires the board of regents to submit a report on the outcomes of the pilot program to THEC, the education committee of the senate, and the education committees of the house of representatives no later than June 30, 2025.

Fiscal Note (Dated February 10, 2023) Increase State Expenditures - \$1,721,700/FY22-23 \$1,721,700/FY23-24

Senate Status 03/29/23 - Senate Education Committee recommended. Sent to Senate Finance.

House Status 03/29/23 - House Finance Subcommittee placed behind the budget.

Caption AN ACT to amend Tennessee Code Annotated, Title 49, relative to workforce training programs.

**SB461/HB902 Establishes the future of work commission.**

Sponsors Sen. Watson, Bo; Rep. Hurt, Chris

Category Education

Summary Establishes the future of work commission to govern the activities of the Tennessee Education and Workforce Data Center established in the department of finance and administration's office of evidence and impact to collect, conduct research using, respond to public records requests for, and publish reports regarding certain education and workforce data to create a web-based platform to provide an overview of progress from education into the workforce. Broadly captioned.

Amendment Summary Senate Government Operations amendment 1, House Higher Education Subcommittee amendment 1 (005205) creates the Education and Workforce Data Advisory Committee (Committee). Requires that the Office of Evidence and Impact, housed within the Department of Finance and Administration, to assist the Committee to research, develop, and implement policies relating to education and workforce development, and develop and implement a model data-sharing agreement to be used between schools and workforce entities. Requires the Office of Evidence and Impact to serve as a central repository of education and workforce data to be publicly shared, to conduct research and provide annual reports to various agencies, and to provide technical and data analysis support to agencies that contribute data. Senate Education Committee amendment 2, House Education Administration Committee amendment 1 (006418) creates the Education and Workforce Data Advisory Committee (Committee). Requires the Department of Finance and Administration to house and assist the Committee to develop education and workforce research agenda. Requires the Department of Finance and Administration to serve as a central repository of education and workforce data to be publicly shared, to create and publish an inventory and dictionary of data elements, provide technical and data analysis support to agencies that contribute data, develop and make available a model data-sharing agreement, and fulfill public information requests. Requires the Department of Finance and Administration to develop and publish feedback reports and data tools regarding the success of education and workforce development initiatives by June 30, 2024, on their website.

Fiscal Note (Dated March 10, 2023) Increase State Expenditures \$3,433,000/FY23-24 \$3,356,500/FY24-25 and Subsequent Years

Senate Status 03/22/23 - Senate Education Committee recommended with amendment 1 (006418). Sent to Senate Finance.

House Status 04/05/23 - Taken off notice in House Education Administration Committee after adopting amendment 1 (006418).

Caption AN ACT to amend Tennessee Code Annotated, Title 4 and Title 49, relative to workforce development.

**SB469/HB125 Exemption - trailers moved to another state after purchase.**

Sponsors Sen. Rose, Paul; Rep. Leatherwood, Tom

Category Taxes Sales

Summary Exempts from sales tax the retail sale of trailers that are removed for registration and use in another state within three days of purchase.

Amendment Summary Senate amendment 1, House Finance Subcommittee amendment 1 (004489) exempts the retail sale of certain trailers that are removed for registration and use in another state within three calendar days of purchase from the sales and use tax. Clarifies that use of trailer within the state subject subsequent to purchase, but prior to removal from the state, does not constitute a use subject to tax.

Fiscal Note (Dated February 17, 2023) Decrease State Revenue Exceeds \$680,200/FY23-24 and Subsequent Years Decrease Local Revenue Exceeds \$32,300/FY23-24 and Subsequent Years

Senate Status 04/03/23 - Senate passed with amendment 1 (004489).

House Status 03/22/23 - House Finance Subcommittee placed behind the budget after adopting amendment 1 (004489).

Caption AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 6, Part 3, relative to trailers.

**SB470/HB124 Personal trailer registration.**

Sponsors Sen. Rose, Paul; Rep. Leatherwood, Tom

Category Transportation Vehicles

Summary Requires the registration of personal trailers, including those used for the transportation of boats, other trailers, or semitrailer drawn by an automobile or truck.

Senate Status 01/30/23 - Referred to Senate Transportation & Safety Committee.

House Status 02/13/23 - Withdrawn in House.

Caption AN ACT to amend Tennessee Code Annotated, Title 55, relative to registration of trailers.

**SB481/HB261 Department of revenue - providing info about special license plates with a website renewal.**

Sponsors Sen. Stevens, John; Rep. Marsh, Pat

Category Transportation Vehicles

Summary Authorizes the department of revenue to provide information about special license plates with a website renewal, send other notifications about these plates by electronic means, and provide information about these plates through other web-based means.

Fiscal Note (Dated January 24, 2023) NOT SIGNIFICANT

Senate Status 01/30/23 - Referred to Senate Transportation & Safety Committee.

House Status 01/24/23 - Referred to House Transportation Subcommittee.

Caption AN ACT to amend Tennessee Code Annotated, Title 55, Chapter 4, relative to license plates.

**SB510/HB865 Rules pertaining to automobile clubs and associations.**

Sponsors Sen. Walley, Page; Rep. Keisling, Kelly

Category Transportation Vehicles

Summary Allows the commissioner of commerce and insurance to promulgate rules pertaining to automobile clubs and associations. Broadly captioned.

Fiscal Note (Dated January 28, 2023) NOT SIGNIFICANT

Senate Status 01/30/23 - Referred to Senate Transportation & Safety Committee.  
House Status 02/02/23 - Caption bill held on House clerk's desk.  
Caption AN ACT to amend Tennessee Code Annotated, Title 55, relative to motor vehicles.

**SB517/HB465 Timeframe for request for hearing regarding refusal by commissioner to issue certificate of title.**

Sponsors Sen. Niceley, Frank; Rep. Campbell, Scotty  
Category Transportation Vehicles  
Summary Increases from 10 to 20, the amount of days within the action complained of, that an aggrieved party must make a written request for a formal hearing under the Uniform Administrative Procedures Act, when the commissioner of revenue issues or refuses to issue a certificate of title, discharges or refuses to discharge a lien, or issues or refuses to issue a replacement certificate of title. Broadly captioned.  
Fiscal Note (Dated January 28, 2023) NOT SIGNIFICANT  
Senate Status 01/30/23 - Referred to Senate Transportation & Safety Committee.  
House Status 02/01/23 - Caption bill held on House clerk's desk.  
Caption AN ACT to amend Tennessee Code Annotated, Title 55, relative to motor vehicles.

**SB518/HB1052 Annual report from division of property assessment.**

Sponsors Sen. Niceley, Frank; Rep. Vaughan, Kevin  
Category Taxes Property  
Summary Allows the division of property assessment to send the annual report, with the appropriate summary of the work accomplished by the division and any appropriate recommendations, to the state board of equalization in electronic format. Broadly captioned.  
Fiscal Note (Dated January 25, 2023) NOT SIGNIFICANT  
Senate Status 03/28/23 - Senate State & Local Government Committee deferred to 03/29/23.  
House Status 02/02/23 - Caption bill held on House clerk's desk.  
Caption AN ACT to amend Tennessee Code Annotated, Title 67, relative to taxes.

**SB554/HB781 Statewide building construction standards relative to one-family and two-family dwellings.**

Sponsors Sen. Gardenhire, Todd; Rep. Butler, Ed  
Category Construction  
Summary Provides that a resolution adopted by a county or municipal legislative body on or after July 1, 2023 to exempt itself from the statewide building construction standards relative to one-family and two-family dwellings expire 150 days, instead of 180 days, following the date of the election for the local legislative body next occurring following the adoption of the resolution. Broadly captioned.  
Amendment Summary Senate Commerce & Labor Committee amendment 1, House Property & Planning Subcommittee amendment 1 (004299) requires local governments seeking to adopt mandatory sprinkler requirements for one-family and two-family dwellings to adopt the requirement by either ordinance or resolution. Authorizes instead of requires a vote for the adoption of such to be separate from any other ordinance or resolution addressing building construction safety standards. Removes requirements that such ordinance or resolution be adopted upon two-thirds vote on final reading and requirements regarding the timing of readings when multiple readings are required.

Fiscal Note (Dated March 4, 2023) NOT SIGNIFICANT  
Senate Status 03/20/23 - Failed in Senate Commerce & Labor Committee after adopting amendment 1 (004299).  
House Status 03/21/23 - Taken off notice in House Local Government Committee.  
Caption AN ACT to amend Tennessee Code Annotated, Section 68-120-101, relative to building construction safety standards.

**SB569/HB604 Brochures on interstate CDLs provided at driver license service locations.**

Sponsors Sen. Yarbrow, Jeff; Rep. Powell, Jason  
Category Transportation Vehicles  
Summary Authorizes the department of safety to prepare brochures that provide information on the opportunity for persons 18 to 20 years of age to apply for interstate CDLs and the opportunity for persons to apply to become third-party skills test examiners to perform skills tests required to obtain a CDL. Requires the department to make the brochures available at driver license service locations throughout the state.  
Fiscal Note (Dated March 30, 2023) NOT SIGNIFICANT  
Senate Status 01/30/23 - Referred to Senate Transportation & Safety Committee.  
House Status 02/01/23 - Caption bill held on House clerk's desk.  
Caption AN ACT to amend Tennessee Code Annotated, Title 55, Chapter 50, relative to driver license services.

**SB642/HB833 Manufactured home connection to septic system.**

Sponsors Sen. Powers, Bill; Rep. Burkhart, Jeff  
Category Property & Housing  
Summary Requires an affidavit of affixation for a manufactured home affixed to a parcel of real property to contain a statement that the manufactured home is permanently connected to a functioning septic system, not just a septic system. Broadly captioned.  
Fiscal Note (Dated March 8, 2023) NOT SIGNIFICANT  
Senate Status 03/20/23 - Senate Commerce & Labor Committee deferred to the first calendar of 2024.  
House Status 03/21/23 - House Agriculture & Natural Resources Subcommittee deferred to 2024.  
Caption AN ACT to amend Tennessee Code Annotated, Title 39; Title 47; Title 55; Title 66; Title 68 and Title 69, Chapter 3, relative to septic systems.

**SB647/HB596 No Quit Act.**

Sponsors Sen. Lamar, London; Rep. Powell, Jason  
Category Labor Law  
Summary Enacts the "No Quit Act"; requires an employer that is requesting an employee to voluntarily resign to provide the employee with written notice of the rights, privileges, and benefits the employee waives or loses if the employee voluntarily resigns. Broadly captioned.  
Fiscal Note (Dated March 10, 2023) NOT SIGNIFICANT  
Senate Status 03/14/23 - Taken off notice in Senate Commerce & Labor Committee.  
House Status 02/01/23 - Referred to House Banking & Consumer Affairs Subcommittee.  
Caption AN ACT to amend Tennessee Code Annotated, Title 8 and Title 50, relative to employment.

**SB681/HB774 Protecting Tennessee Businesses and Workers Act.**

Sponsors Sen. Reeves, Shane; Rep. Moon, Jerome

Category	Labor Law
Summary	Enacts the "Protecting Tennessee Businesses and Workers Act" which prohibits a local government from adopting or enforcing an ordinance, regulation, resolution, policy, or another legal requirement that regulates or imposes a requirement upon an employer pertaining to hours worked, scheduling that an employer is required to provide employees, or employee output during work hours. Prohibits a local government from imposing a wage or employment benefit mandate unless required by state or federal law. Prohibits a local government from discriminating based on a wage or employment benefits set by a private company if that company meets state and federal employment laws.
Amendment Summary	House amendment 1 (005232) deletes the provision stating that the general prohibition does not prohibit a local government entity from regulating or limiting the hours a business may operate.
Fiscal Note	(Dated March 1, 2023) NOT SIGNIFICANT
Senate Status	04/06/23 - Senate passed.
House Status	03/30/23 - House passed with amendment 1 (005232).
Executive Status	04/06/23 - Sent to the speakers for signatures.
Caption	AN ACT to amend Tennessee Code Annotated, Title 7 and Title 50, relative to employment.

<b>SB707/HB1010</b>	<b>Municipalities agreeing to jointly engage one building inspector.</b>
Sponsors	Sen. Stevens, John; Rep. Grills, Rusty
Category	Local Government
Summary	Lowers the population threshold, from 25,000 to 20,000, below which two or more cities may agree to jointly engage one building inspector.
Fiscal Note	(Dated March 1, 2023) NOT SIGNIFICANT
Senate Status	03/20/23 - Taken off notice in Senate Commerce & Labor Committee.
House Status	03/22/23 - House Property & Planning Subcommittee deferred to first calendar of 2024.
Caption	AN ACT to amend Tennessee Code Annotated, Title 5; Title 6; Title 7 and Title 68, Chapter 120, relative to governmental approval.

<b>SB717/HB988</b>	<b>Notice of termination of tenancy for the purpose of eviction.</b>
Sponsors	Sen. Oliver, Charlane; Rep. Beck, Bill
Category	Property & Housing
Summary	Makes provisions for the termination of tenancy to allow for new property development for certain situations. Requires a landlord to provide a tenant with 90 days' notice of termination of tenancy for the purpose of eviction of a residential tenant if the tenant is 62 years of age or older, has paid the tenant's due rent and is not in arrears.
Amendment Summary	House amendment 1 (005152) rewrites this bill to require a landlord to provide a tenant with 90 days' notice of termination of lease tenancy for the purpose of eviction of a residential tenant of a facility that provides housing for persons aged 55 years or older and receives federal financial assistance that subjects it to Section 504 of the Rehabilitation Act of 1973 (which generally prohibits organizations and employers from excluding or denying individuals with disabilities an equal opportunity to receive program benefits and services) if the tenant has paid the tenant's rent due and is not in arrears on rent payments and the termination and eviction are to allow for new property development. This amendment does not abrogate a landlord's right to terminate a tenancy for a violation of another law or of the lease or tenancy agreement. This bill applies to agreements entered into, amended, or renewed on or

after July 1, 2023. Senate amendment 1 (006359) allows a landlord to provide sixty (60) days' notice of termination of tenancy for the purpose of eviction of a residential tenant of a facility that provides housing for persons aged 55 years or older and receives federal financial assistance that subjects it to Section 504 of the Rehabilitation Act of 1973 (which generally prohibits organizations and employers from excluding or denying individuals with disabilities an equal opportunity to receive program benefits and services) if the tenant has paid the tenant's rent due and is not in arrears on rent payments; and the termination and eviction are to allow for new property development. Does not abrogate a landlord's right to terminate a tenancy for a violation of another law or of the lease or tenancy agreement. Applies to agreements entered into, amended, or renewed on or after July 1, 2023.

Fiscal Note (Dated February 15, 2023) NOT SIGNIFICANT  
Senate Status 04/03/23 - Senate passed with amendment 1 (006359).  
House Status 04/07/23 - Set for House Message 04/10/23.  
Caption AN ACT to amend Tennessee Code Annotated, Title 29 and Title 66, relative to landlord obligations.

**SB751/HB627 Removal of provision on benefits from the 1986 gasoline tax increases.**

Sponsors Sen. Massey, Becky; Rep. Carr, Dale  
Category Transportation General  
Summary Deletes an expired provision specifying which highway projects were to benefit from the 1986 gasoline tax increases. Broadly captioned.  
Fiscal Note (Dated January 28, 2023) NOT SIGNIFICANT  
Senate Status 02/06/23 - Referred to Senate Transportation & Safety Committee.  
House Status 02/01/23 - Caption bill held on House clerk's desk.  
Caption AN ACT to amend Tennessee Code Annotated, Title 4; Title 7; Title 9; Title 12; Title 54; Title 55; Title 64; Title 65 and Title 67, relative to transportation.

**SB752/HB1014 Railroad crossings - notification to affected railroad and governmental bodies.**

Sponsors Sen. Massey, Becky; Rep. Grills, Rusty  
Category Transportation General  
Summary Authorizes the department to notify the railroad and governmental body affected by an applicant's proposed plan to construct a railroad grade crossing or convert a private crossing to a public crossing, by mail or electronically. Broadly captioned.  
Fiscal Note (Dated January 31, 2023) NOT SIGNIFICANT  
Senate Status 02/06/23 - Referred to Senate Transportation & Safety Committee.  
House Status 02/02/23 - Caption bill held on House clerk's desk.  
Caption AN ACT to amend Tennessee Code Annotated, Title 4; Title 54; Title 55; Title 65 and Title 67, relative to transportation.

**SB770/HB989 Posting of info on board website regarding disciplining contractor, home improvement services provider.**

Sponsors Sen. Yarbrow, Jeff; Rep. Beck, Bill  
Category Professions & Licensure  
Summary Requires the state board for licensing contractors to post, within 15 days, instead of 30 days, of the board's action with regard to the board disciplining a contractor, home improvement

services provider, or home improvement contractor, on the board's website information identifying the person, the violation, and the date a penalty was imposed. Broadly captioned. (Dated February 3, 2023) NOT SIGNIFICANT

Fiscal Note

Senate Status 02/06/23 - Referred to Senate Commerce & Labor Committee.

House Status 02/02/23 - Caption bill held on House clerk's desk.

Caption AN ACT to amend Tennessee Code Annotated, Title 4; Title 5; Title 6; Title 7; Title 50; Title 62 and Title 68, relative to professions.

**SB793/HB1450 Exemption - lots purchased for construction of single family residence for low-income household.**

Sponsors Sen. Stevens, John; Rep. Faison, Jeremy

Category Taxes Property

Summary Increases from 18 to 24 months the period of exemption from real property taxes to which a charitable organization is entitled for the first lot purchased or developed by the organization for the construction of a single family residence for a low-income household. Broadly captioned.

Fiscal Note (Dated March 30, 2023) Other Fiscal Impact The extent and timing of any permissive decrease to local property tax revenue cannot be estimated.

Senate Status 02/06/23 - Referred to Senate State & Local Government Committee.

House Status 02/02/23 - Caption bill held on House clerk's desk.

Caption AN ACT to amend Tennessee Code Annotated, Title 7; Title 13; Title 48; Title 49; Title 67 and Title 68, relative to low-income housing.

**SB795/HB1259 Transfer of a possibility of reverter or right of entry by a holder other than the original grantor.**

Sponsors Sen. Gardenhire, Todd; Rep. Vital, Greg

Category Property & Housing

Summary Removes ambiguous language and clarifies that a transfer of a possibility of reverter or right of entry by a holder other than the original grantor is invalid unless the validity of the future interest was determined by a final judgment in a judicial proceeding, or by a settlement among interested persons, prior to July 1, 2015. Broadly captioned.

Amendment Summary Senate amendment 1, House Civil Justice Subcommittee amendment 1 (003741) clarifies that a tenancy by the entirety in real property cannot be assigned or severed, or a spouse's interest in a real property conveyed, to a third party without the written consent of both spouses or a court order.

Fiscal Note (Dated February 16, 2023) NOT SIGNIFICANT

Senate Status 02/27/23 - Senate passed with amendment 1 (003741).

House Status 04/05/23 - Taken off notice in House Civil Justice Committee.

Caption AN ACT to amend Tennessee Code Annotated, Title 29 and Title 66, relative to real property.

**SB800/HB858 Annual report on tolling as an alternative means of financing bridges or highways.**

Sponsors Sen. Yarbro, Jeff; Rep. Jernigan, Darren

Category Transportation General

Summary Authorizes the department of transportation to submit its report concerning tolling as an alternative means of funding or financing bridges or highways within the state pursuant to the Tennessee Tollway Act in an electronic format. Broadly captioned.

Fiscal Note (Dated January 31, 2023) NOT SIGNIFICANT

Senate Status 02/06/23 - Referred to Senate State & Local Government Committee.

House Status 02/02/23 - Caption bill held on House clerk's desk.

Caption AN ACT to amend Tennessee Code Annotated, Title 54 and Title 55, Chapter 8, relative to highways and roadways.

**SB801/HB857 Publication of certified highway map on county's or municipality's website.**

Sponsors Sen. Yarbrow, Jeff; Rep. Jernigan, Darren

Category Transportation General

Summary Requires a county or municipality to publish its certified highway map on the county's or municipality's website, which must be accessible to the public, no less than 30 days prior to the date of a public hearing on the map. Broadly captioned.

Fiscal Note (Dated April 5, 2023) NOT SIGNIFICANT

Senate Status 02/06/23 - Referred to Senate Transportation & Safety Committee.

House Status 02/02/23 - Caption bill held on House clerk's desk.

Caption AN ACT to amend Tennessee Code Annotated, Title 4; Title 5; Title 6; Title 7; Title 8; Title 12; Title 54; Title 55; Title 64; Title 65 and Title 67, relative to transportation.

**SB837/HB1019 Pregnancy Resource Tax Credit Act.**

Sponsors Sen. Taylor, Brent; Rep. Doggett, Clay

Category Taxes Business

Summary Enacts the "Pregnancy Resource Tax Credit Act," which authorizes business, excise, and franchise tax credits for businesses that make monetary contributions to eligible nonprofit organizations that provide certain pregnancy-related services.

Fiscal Note (Dated March 12, 2023) Decrease State Revenue \$150,000/FY23-24 \$585,000/FY24-25 \$625,000/FY25-26 \$665,000/FY26-27 \$705,000/FY27-28 \$745,000/FY28-29 and Subsequent Years Decrease Local Revenue \$255,000/FY24-25 and Subsequent Years

Senate Status 03/14/23 - Senate Finance Revenue Subcommittee returned to full committee with a negative recommendation.

House Status 03/22/23 - House Finance Subcommittee placed behind the budget.

Caption AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 4, relative to tax credits.

**SB840/HB703 Annual transportation equity fund report date extended.**

Sponsors Sen. Hensley, Joey; Rep. Doggett, Clay

Category Taxes General

Summary Extends, from December 31 to January 15, the date by which the transportation equity fund annual report, which includes tax revenues from fuels used for aviation, railways, and water carriers, must be submitted to the governor and members of the general assembly. Broadly captioned.

Fiscal Note (Dated January 29, 2023) NOT SIGNIFICANT

Senate Status 03/14/23 - Taken off notice in Senate Finance Revenue Subcommittee.

House Status 02/01/23 - Caption bill held on House clerk's desk.

Caption AN ACT to amend Tennessee Code Annotated, Title 67, relative to taxation.



<b>SB849/HB793</b>	<b>Filing of return for franchise or excise tax - exception.</b>
Sponsors	Sen. Watson, Bo; Rep. Hazlewood, Patsy
Category	Taxes Business
Summary	Removes exception that allows persons subject to the franchise tax or excise tax who were registered under prior law, or who have filed a return under prior law, to not be required to complete and file a registration information form.
Fiscal Note	(Dated March 9, 2023) NOT SIGNIFICANT
Senate Status	03/14/23 - Senate Finance Revenue Subcommittee returned to full committee with a negative recommendation.
House Status	02/07/23 - Referred to House Finance, Ways & Means Subcommittee.
Caption	AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 4, Part 20 and Title 67, Chapter 4, Part 21, relative to taxation.
<b>SB850/HB1263</b>	<b>Study of Child Labor Act of 1976.</b>
Sponsors	Sen. Watson, Bo; Rep. Travis, Ron
Category	Labor Law
Summary	Requires the department of labor and workforce development to conduct a study of the Child Labor Act of 1976 and the Tennessee Protection of Minor Performers Act, and to report its findings to the governor, the speaker of the house of representatives, the speaker of the senate, and the legislative librarian no later than December 1, 2023. Broadly captioned.
Fiscal Note	(Dated March 10, 2023) NOT SIGNIFICANT
Senate Status	03/20/23 - Taken off notice in Senate Commerce & Labor Committee.
House Status	02/02/23 - Caption bill held on House clerk's desk.
Caption	AN ACT to amend Tennessee Code Annotated, Title 4 and Title 50, relative to employer and employee relations.
<b>SB867/HB654</b>	<b>Tax collection proceedings.</b>
Sponsors	Sen. Reeves, Shane; Rep. Howell, Dan
Category	Taxes General
Summary	Permits the court in a tax collection proceeding to enter on the tax books a copy of the court order. Broadly captioned.
Fiscal Note	(Dated January 31, 2023) NOT SIGNIFICANT
Senate Status	04/05/23 - Set for Senate Finance, Ways & Means Committee 04/11/23.
House Status	04/05/23 - Set for House Finance, Ways & Means Subcommittee 04/12/23.
Caption	AN ACT to amend Tennessee Code Annotated, Title 67, relative to taxes.
<b>SB915/HB1015</b>	<b>Regulations for motor vehicle towing or storage businesses.</b>
Sponsors	Sen. Niceley, Frank; Rep. Grills, Rusty
Category	Transportation Vehicles
Summary	Prohibits persons engaged in the business of towing motor vehicles by wrecker or otherwise, or storing such motor vehicles, for remuneration from charging the owner or lienholder a storage fee for a period exceeding 21 days without the owner or lienholder's consent unless certain exceptions apply. Broadly captioned.
Fiscal Note	(Dated February 3, 2023) NOT SIGNIFICANT

Senate Status 02/06/23 - Referred to Senate Transportation & Safety Committee.  
 House Status 02/07/23 - Referred to House Transportation Subcommittee.  
 Caption AN ACT to amend Tennessee Code Annotated, Title 55, Chapter 23 and Title 66, relative to motor vehicles.

**SB935/HB1129 Extension of revenue allocation for NBA arenas.**

Sponsors Sen. Taylor, Brent; Rep. Camper, Karen  
 Category Taxes Business  
 Summary Extends provisions related to the allocation of revenue from the surcharge or tax on the lease or rental of passenger motor vehicles as it pertains to costs related to an arena facility for a National Basketball Association (NBA) member professional basketball team until June 30, 2059.  
 Fiscal Note (Dated March 12, 2023) Other Fiscal Impact An allocation of \$3,389,600 generated from the Car Rental Tax to the NBA Arena Fund for the Memphis and Shelby County Sports Authority will continue through FY58-59.  
 Senate Status 03/30/23 - Senate passed.  
 House Status 04/05/23 - Set for House Finance, Ways & Means Committee 04/11/23.  
 Caption AN ACT to amend Tennessee Code Annotated, Title 67, relative to taxation.

**SB940/HB819 Increases state minimum wage.**

Sponsors Sen. Oliver, Charlane; Rep. Chism, Jesse  
 Category Labor Law  
 Summary Increases the state minimum wage from \$7.25 to \$12.00 an hour. Requires employers to pay employees at least 1.5 times the regular wage rate for any work done in excess of 40 hours during a work week. Makes employers who violate the minimum wage requirements liable to the employee for the amount of unpaid wages.  
 Fiscal Note (Dated March 12, 2023) Increase State Expenditures Exceeds \$570,300/FY24-25 and Subsequent Years/General Fund Exceeds \$220,000/FY24-25 and Subsequent Years/ Higher Education Institutions Increase Local Expenditures Exceeds \$150,000/FY24-25 and Subsequent Years\*  
 Senate Status 03/14/23 - Taken off notice in Senate Commerce & Labor Committee.  
 House Status 02/07/23 - Referred to House Banking & Consumer Affairs Subcommittee.  
 Caption AN ACT to amend Tennessee Code Annotated, Section 8- 23-203; Title 12 and Title 50, Chapter 2, relative to the minimum wage.

**SB969/HB1207 Tennessee Public Buildings Accessibility Act.**

Sponsors Sen. Powers, Bill; Rep. Carringer, Michele  
 Category Construction  
 Summary Increases from 120 to 180 days the period within which a public building must come into full compliance if the public building was constructed, enlarged, or substantially altered or repaired after July 1, 2012, and is discovered to have deviated from the standards and specifications of the Tennessee Public Buildings Accessibility Act.  
 Amendment Senate State & Local Government Committee amendment 1 (005913) prohibits a local government from limiting the use of construction material that is approved by a national building code or the state fire marshal.  
 Fiscal Note (Dated February 6, 2023) NOT SIGNIFICANT

Senate Status 03/28/23 - Senate State & Local Government Committee deferred to summer study after adopting amendment 1 (005913).  
 House Status 02/02/23 - Caption bill held on House clerk's desk.  
 Caption AN ACT to amend Tennessee Code Annotated, Title 68, Chapter 120, relative to construction.

**SB1000/HB1046 THDA - votes required to approve the operation of financial assistance programs.**

Sponsors Sen. Yager, Ken; Rep. Vaughan, Kevin  
 Category Property & Housing  
 Summary Decreases, from nine to eight, the number of affirmative votes required by members of the Tennessee Housing Development Agency's board of directors in order for the agency to approve the operation of its financial assistance programs, which support the financing of residential housing construction for lower and moderate income persons and families. Broadly captioned.

Amendment Summary Senate State & Local Government Committee amendment 1, House Local Government Committee amendment 1 (006168) creates the Tennessee Rural and Workforce Housing Act. Authorizes the owner of a qualified project to claim a tax credit (credit) against a taxpayer liability for a state fee, premium, tax or other charge in an amount not to exceed the federal housing tax credit for which the qualified project received. Defines a qualified project as a low-income building located in this state and placed in service after January 1, 2025, that receives a federal housing tax credit allocation from the Tennessee Housing Development Agency (THDA). Authorizes the credit to be allocated among partners, members, or shareholders of the business entity or association owning a qualified project regardless of whether such business entities or associations are allocated or allowed any portion of the federal housing tax credit with respect to the qualified project. Prohibits the credit amount from exceeding the amount of the taxpayer's liability. Authorizes any unused tax credit to be carried forward to the taxpayer's next five years of liability but prohibits the credit from applying against prior tax years. Requires the credit amount allocated to such owners of a qualified project to equal the proportion the taxpayer received for the federal housing tax credit. Prohibits the total credit amount allocated in any fiscal year from exceeding \$17,000,000 plus the total of all unallocated credits, if any, for any preceding years, and the total amount of any previously allocated tax credits that have been recaptured, revoked, canceled, or otherwise recovered but not otherwise reallocated. Requires THDA to create rules and operate the new credit program and requires the THDA to allocate the credit to promote the highest value for greatest public benefit, provided that at least 50 percent of the credits are allocated to qualified projects in an eligible rural area as designated by the United States Department of Agriculture.

Fiscal Note (Dated January 31, 2023) NOT SIGNIFICANT  
 Senate Status 04/04/23 - Senate State & Local Government Committee recommended with amendment 1 (006168). Sent to Senate Finance.

House Status 04/05/23 - Set for House Government Operations Committee 04/10/23.  
 Caption AN ACT to amend Tennessee Code Annotated, Title 7, Chapter 53; Title 13; Title 48, Chapter 101, Part 3; Title 56 and Title 67, relative to housing.

**SB1050/HB468 Time required to keep and preserve tax collection records.**

Sponsors Sen. Yarbro, Jeff; Rep. Hemmer, Caleb

Category	Taxes General
Summary	Extends from three years to five years, the amount of time that a metropolitan government tax collection official must keep and preserve tax collection records. Broadly captioned.
Amendment Summary	House Property & Planning Subcommittee amendment 1 (006293) allows the proceeds from a tax levied upon the occupancy of a short-term rental unit secured through a short-term rental unit marketplace that is distributed to the metropolitan government by the department of revenue, may be deposited into an account created by the metropolitan government pursuant to an ordinance and used exclusively for promoting affordable housing for residents of limited means within the county with the remaining proceeds must be used as otherwise provided by law. Senate State & Local Committee amendment 1 (006680) authorizes all or a portion of the proceeds from a tax upon the occupancy of a short-term rental unit secured through a short-term rental unit marketplace to be deposited into an account created by the metropolitan government and used exclusively for promoting affordable housing for residents of limited means.
Fiscal Note	(Dated January 27, 2023) NOT SIGNIFICANT
Senate Status	03/29/23 - Senate State & Local Government Committee recommended with amendment 1 (006680). Sent to Senate Calendar Committee.
House Status	04/05/23 - Set for House Local Government Committee 04/11/23.
Caption	AN ACT to amend Tennessee Code Annotated, Title 7, Chapter 4, relative to taxation.

**SB1065/HB787      **Certified highway maps to be published on county and municipal websites.****

Sponsors	Sen. Hensley, Joey; Rep. Warner, Todd
Category	Transportation Vehicles
Summary	Requires a county or municipality to publish its certified highway map on the county or municipality's website, which shall be accessible to the public, no less than 30 days prior to the date of a public hearing on the map. Broadly captioned.
Fiscal Note	(Dated March 3, 2023) NOT SIGNIFICANT
Senate Status	03/08/23 - Senate Transportation & Safety Committee deferred to 03/15/23.
House Status	02/02/23 - Caption bill held on House clerk's desk.
Caption	AN ACT to amend Tennessee Code Annotated, Title 4; Title 5; Title 6; Title 7; Title 8; Title 54; Title 55 and Title 67, relative to transportation.

**SB1082/HB1344      **Preparing and filing deed for the conveyance of real property.****

Sponsors	Sen. Kyle, Sara; Rep. Beck, Bill
Category	Property & Housing
Summary	Requires that a deed for the conveyance of real property be prepared and filed by a licensed attorney, title insurance agent, or the owner of the property. Requires the county register to verify that an affidavit on a deed of conveyance of real property was duly signed and notarized stating under oath the name and address of the preparer. Requires the register to refuse to register any deed of conveyance of a real property that is not prepared by a licensed attorney, title insurance agent, or the owner of the real property. Broadly captioned.
Fiscal Note	(Dated March 16, 2023) NOT SIGNIFICANT
Senate Status	03/21/23 - Taken off notice in Senate Judiciary Committee.
House Status	02/07/23 - Referred to House Property & Planning Subcommittee.

Caption AN ACT to amend Tennessee Code Annotated, Title 8, Chapter 13; Title 23, Chapter 3; Title 66, Chapter 5, Part 1 and Title 66, Chapter 24, relative to conveyances of real property.

**SB1085/HB879 Housing authority-related entity participating in a mixed-finance project to form a self-insurance pooling arrangement.**

Sponsors Sen. Walley, Page; Rep. Carr, Dale  
Category Property & Housing  
Summary Authorizes a housing authority-related entity participating in a mixed-finance project to form a self-insurance pooling arrangement, if the housing authority with which the entity is related has formed partnerships, limited liability companies, or other entities in which an authority, or an entity affiliated with the authority, is a general partner, managing member, or otherwise participates in the activities of the entity.  
Fiscal Note (Dated February 26, 2023) Other Fiscal Impact The proposed legislation would result in an estimated permissive, recurring decrease to expenditures exceeding \$1,200,000 for low-income housing tax credit entities associated with housing authorities, beginning in FY23-24. Such entities are considered public-private partnerships; therefore, a precise decrease to state or local expenditures cannot be quantified.  
Senate Status 04/05/23 - Senate Finance, Ways & Means Committee recommended. Sent to Senate Calendar Committee.  
House Status 03/30/23 - House passed.  
Caption AN ACT to amend Tennessee Code Annotated, Section 13-20-104 and Title 29, Chapter 20, relative to housing authorities.

**SB1135/HB1223 Deduction on return for sales tax collected but not remitted for refunded items.**

Sponsors Sen. Watson, Bo; Rep. Hazlewood, Patsy  
Category Taxes Sales  
Summary Reduces from 90 to 60 days, the period in which a dealer via signed statement can deduct on a return sales tax collected but not yet remitted to the commissioner of revenue for refunded items. Broadly captioned.  
Fiscal Note (Dated February 6, 2023) NOT SIGNIFICANT  
Senate Status 03/14/23 - Senate Finance Revenue Subcommittee returned to full committee with a negative recommendation.  
House Status 02/02/23 - Caption bill held on House clerk's desk.  
Caption AN ACT to amend Tennessee Code Annotated, Title 67, relative to taxation.

**SB1136/HB1222 Notice required by each board in regard to estimate of board fees for fiscal year.**

Sponsors Sen. Watson, Bo; Rep. Hazlewood, Patsy  
Category Public Finance  
Summary Requires each board to notify the commissioner of finance and administration when the estimate of board fees for a fiscal year is more than the certified amount of board fees required by the board for that fiscal year. Broadly captioned.  
Fiscal Note (Dated February 6, 2023) NOT SIGNIFICANT  
Senate Status 02/06/23 - Referred to Senate State & Local Government Committee.  
House Status 02/02/23 - Caption bill held on House clerk's desk.

Caption AN ACT to amend Tennessee Code Annotated, Title 4; Title 5; Title 6; Title 7; Title 8; Title 9; Title 12; Title 13; Title 16; Title 49, Chapter 3; Title 54; Title 55; Title 64; Title 67 and Title 71, relative to public finances.

**SB1143/HB1373 Separation from employment - time frame for former employee to withdraw from premises.**

Sponsors Sen. Niceley, Frank; Rep. Carr, Dale  
Category Labor Law  
Summary Increases from 12 to 24 hours the period a former employee has to withdraw from the premises of the former employer's premises after a separation from employment. Broadly captioned.  
Amendment Summary Senate Commerce & Labor Committee amendment 1, House State Government Committee amendment 1 (006176) updates the SAVE program to allow employers, with verification by the alcoholic beverage commission, to certify certain J-1 and F-1 student visa holders for eligibility for professional licenses or permits.  
Fiscal Note (Dated February 1, 2023) NOT SIGNIFICANT  
Senate Status 04/06/23 - Set for Senate Floor 04/10/23.  
House Status 04/05/23 - Set for House Finance, Ways & Means Committee 04/11/23.  
Caption AN ACT to amend Tennessee Code Annotated, Title 4 and Title 50, relative to employment.

**SB1164/HB1497 Time frame for owner of a utility facility to respond to second relocation notice.**

Sponsors Sen. Yarbrow, Jeff; Rep. Clemmons, John  
Category Transportation General  
Summary Increases, from 10 to 12, the number of days an owner of a utility facility, which is located in a state highway right-of-way, has to respond to a second relocation notice. Broadly captioned.  
Fiscal Note (Dated February 1, 2023) NOT SIGNIFICANT  
Senate Status 02/06/23 - Referred to Senate Transportation & Safety Committee.  
House Status 02/02/23 - Caption bill held on House clerk's desk.  
Caption AN ACT to amend Tennessee Code Annotated, Title 4; Title 7; Title 54; Title 55; Title 65 and Title 67, relative to transportation infrastructure.

**SB1184/HB1116 Fee requirement for the transfer of real property within communities governed by certain nonprofit property owners' associations.**

Sponsors Sen. Swann, Art; Rep. Russell, Lowell  
Category Property & Housing  
Summary Requires payment of a \$2,500 fee for the transfer of real property located within communities governed by certain nonprofit property owners' associations. Adds other related requirements including fee collection, reporting, and how to use the collected fees.  
Senate Status 02/06/23 - Referred to Senate Commerce & Labor Committee.  
House Status 02/07/23 - Referred to House Property & Planning Subcommittee.  
Caption AN ACT to amend Tennessee Code Annotated, Title 8 and Title 66, relative to the transfer of real property.

**SB1185 Notice to lender required for pending eviction of mobile home.**

Sponsors Sen. Swann, Art  
 Category Property & Housing  
 Summary Requires a mobile home lot owner to provide notice to the lender of financing for the mobile home of a pending eviction. Authorizes the mobile home lot owner to seek payment of rent for the mobile home if the lender does not move it within 10 days of the eviction. Requires that the charged rent must not exceed the average rent for a comparable lot in the county where the property is located. Allows the lot owner to pursue a civil suit for payment. Provides remedies for the lot owner if the mobile home is deemed to be abandoned according to certain outlined criteria.

Senate Status 02/06/23 - Referred to Senate Commerce & Labor Committee.  
 Caption AN ACT to amend Tennessee Code Annotated, Title 29; Title 55, Chapter 4, Part 4 and Title 66, relative to mobile homes.

**SB1192/HB1209 Time for eligible taxpayers to apply for refund or present a credit voucher for credit on taxes.**

Sponsors Sen. McNally, Randy; Rep. Sexton, Cameron  
 Category Taxes Property  
 Summary Extends the time eligible taxpayers may apply for a refund or present a credit voucher for credit on their taxes from within 35 days from the date taxes in the jurisdiction become delinquent for that year to within 40 days from that date. Broadly captioned.

Fiscal Note (Dated February 1, 2023) NOT SIGNIFICANT  
 Senate Status 03/21/23 - Taken off notice in Senate State & Local Government Committee.  
 House Status 03/28/23 - Taken off notice in House Local Government Committee.  
 Caption AN ACT to amend Tennessee Code Annotated, Title 5; Title 6; Title 9; Title 28; Title 66 and Title 67, relative to real property.

**SB1201/HB1276 Circumstances under which a contractor can seek early release of a retainage.**

Sponsors Sen. Johnson, Jack; Rep. Boyd, Clark  
 Category Property & Housing  
 Summary Specifies circumstances under which a contractor can seek early release of a retainage held by a party with which the contractor has a written contract. Makes other changes related to retainages for contractors including permits, use of, or ability to use, the remote contractor's work, and certificate of substantial completion. Broadly captioned.

Amendment Summary Senate Commerce & Labor Committee amendment 1, House Business & Utilities Subcommittee amendment 1 (006120) revises various provisions related to retainage in contracts. Effective January 1, 2024. Applies to contracts entered into, amended, or renewed on or after that date.

Fiscal Note (Dated March 9, 2023) NOT SIGNIFICANT  
 Senate Status 04/03/23 - Senate deferred to first calendar of 2024.  
 House Status 04/04/23 - House Commerce Committee deferred to third calendar of 2024.  
 Caption AN ACT to amend Tennessee Code Annotated, Title 16, Chapter 15 and Title 66, relative to retainages.

**SB1235/HB1422 Taxpayer reporting a debt owed to certain governmental claimants.**  
 Sponsors Sen. Yager, Ken; Rep. Hicks, Gary  
 Category Taxes General  
 Summary In the case of a taxpayer who reports a debt owed to certain governmental claimants and who is owed a tax refund, specifies that the method of notification provided by the commissioner of revenue to the treasurer and each claimant must be by email or in writing. Broadly captioned.  
 Fiscal Note (Dated March 9, 2023) NOT SIGNIFICANT  
 Senate Status 03/14/23 - Taken off notice in Senate Finance Revenue Subcommittee.  
 House Status 02/02/23 - Caption bill held on House clerk's desk.  
 Caption AN ACT to amend Tennessee Code Annotated, Title 67, relative to taxes.

**SB1256/HB34 Shelby County - landlord registration.**  
 Sponsors Sen. Akbari, Raumesh; Rep. Thompson, Dwayne  
 Category Property & Housing  
 Summary Requires residential landlords in Shelby County to furnish certain information to the agency or department of local government that is responsible for enforcing building codes in the jurisdiction where the dwelling units are located.  
 Fiscal Note (Dated March 1, 2023) Increase Local Revenue \$27,300/FY23-24 and Subsequent Years/Permissive/Shelby County  
 Senate Status 03/07/23 - Taken off notice in Senate Commerce & Labor Committee.  
 House Status 03/01/23 - Referred to House Business & Utilities Subcommittee.  
 Caption AN ACT to amend Tennessee Code Annotated, Title 66, Chapter 28, relative to landlord registration.

**SB1257/HB1172 Homeowner Bill of Rights.**  
 Sponsors Sen. Akbari, Raumesh; Rep. Dixie, Vincent  
 Category Banking & Credit  
 Summary Enacts the "Homeowner Bill of Rights," which details the pre-foreclosure procedures to notify the delinquent property owner, commencing foreclosure sales, assess the borrower's financial situation, and explore options for the borrower to avoid a foreclosure sale. States different avenues for the borrower to get out of foreclosure and implement foreclosure prevention. Details that sales and litigation are final after 90 days. Broadly captioned.  
 Senate Status 02/06/23 - Referred to Senate Commerce & Labor Committee.  
 House Status 02/07/23 - Referred to House Banking & Consumer Affairs Subcommittee.  
 Caption AN ACT to amend Tennessee Code Annotated, Title 45 and Title 47, relative to homeowners.

**SB1273/HB509 Tax payments by electronic transfer methods.**  
 Sponsors Sen. Yarbro, Jeff; Rep. Baum, Charlie  
 Category Taxes General  
 Summary Authorizes the commissioner of revenue to accept payment of franchise taxes by electronic transfer methods as approved by the commissioner if requested by the taxpayer. Broadly captioned.  
 Fiscal Note (Dated March 9, 2023) NOT SIGNIFICANT  
 Senate Status 03/14/23 - Taken off notice in Senate Finance Revenue Subcommittee.



House Status 02/01/23 - Caption bill held on House clerk's desk.  
Caption AN ACT to amend Tennessee Code Annotated, Title 67, relative to taxation.

**SB1276/HB1305 Landlord disclosures to residential tenants.**

Sponsors Sen. Yarbro, Jeff; Rep. Thompson, Dwayne  
Category Property & Housing  
Summary Requires a landlord, or another person authorized to enter into a rental agreement on the landlord's behalf, to disclose to a residential tenant certain contact information for the agent authorized to manage the premises and an owner of the premises, or a person or agent authorized to act for and on behalf of the owner for the acceptance of service of process and for receipt of notices and demands.  
Amendment Summary House Business & Utilities Subcommittee amendment 1 (006178) requires a landlord, or another person authorized to enter into a rental agreement on the landlord's behalf, to disclose certain information to a residential tenant. Authorizes a tenant who requests such information in writing to bring a cause of action if the information is not provided within 10 days of the tenant submitting the request. Requires the court to order the information be provided and award the tenant reasonable costs and attorneys' fees, if the court finds that the landlord or the landlord's agent failed to comply.  
Fiscal Note (Dated March 9, 2023) NOT SIGNIFICANT  
Senate Status 03/21/23 - Taken off notice in Senate Commerce & Labor Committee.  
House Status 03/21/23 - Failed in House Business & Utilities Subcommittee after adopting amendment 1 (006178).  
Caption AN ACT to amend Tennessee Code Annotated, Title 66, relative to landlord obligations.

**SB1277/HB969 Redefines "industrial and commercial property."**

Sponsors Sen. Yarbro, Jeff; Rep. Thompson, Dwayne  
Category Taxes Property  
Summary Redefines "industrial and commercial property" for assessment and classification purposes to include real property that is used, or held for use, for dwelling purposes in which 50 or more single family, residential properties are owned by one individual, entity, or association, including, but not limited to, investor groups, within one county and used, or held for use, as rental property. Broadly captioned.  
Fiscal Note (Dated March 4, 2023) Increase Local Revenue Exceeds \$2,903,100/FY24-25 and Subsequent Years  
Senate Status 02/06/23 - Referred to Senate State & Local Government Committee.  
House Status 03/08/23 - House Property & Planning Subcommittee deferred to second calendar of 2024.  
Caption AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 5, relative to property taxes.

**SB1284/HB1061 Unlawful representation as a licensed contractor.**

Sponsors Sen. Niceley, Frank; Rep. Vaughan, Kevin  
Category Commercial Law  
Summary Specifies it is unlawful for a person, firm, or corporation to represent itself as a licensed contractor or to act in the capacity of a contractor while not licensed. Broadly captioned.  
Amendment Summary Senate Commerce & Labor Committee amendment 1 (006129) requires, before transacting any business with this state or a political subdivision of this state, a domestic corporation, a foreign corporation, an LLC, a foreign LLC, a partnership, a registered limited liability partnership, a foreign registered limited liability partnership, a limited partnership or, a

foreign limited partnership, that uses an assumed corporate name, to file with the Secretary of State a disclosure setting forth the true identity of each incorporator, partner, or member of the corporation.

Fiscal Note (Dated February 3, 2023) NOT SIGNIFICANT  
Senate Status 04/06/23 - Set for Senate Floor 04/10/23.  
House Status 03/22/23 - Referred to House Business & Utilities Subcommittee.  
Caption AN ACT to amend Tennessee Code Annotated, Title 4; Title 5; Title 6; Title 7; Title 12; Title 13; Title 42; Title 43; Title 44; Title 45; Title 46; Title 47; Title 48; Title 50; Title 53; Title 54; Title 55; Title 56; Title 61; Title 62; Title 65; Title 66; Title 67; Title 68 and Title 71, relative to commerce.

**SB1285/HB1060 Report on findings and recommendations concerning the TN works pilot program.**

Sponsors Sen. Bailey, Paul; Rep. Boyd, Clark  
Category Labor Law  
Summary Removes a provision that required the department of labor and workforce development to report by January 1, 2014, to the commerce and labor committee of the senate and the business and utilities committee of the house of representatives concerning the department's findings and recommendations concerning the Tennessee works pilot program. Broadly captioned.

Amendment Summary Senate Commerce & Labor Committee amendment 1, House Commerce Committee amendment 1 (005791) establishes that a claimant for unemployment insurance benefits who fails to appear for a scheduled job interview is non-compliant with the work search requirement of the unemployment insurance program and disqualified for applicable unemployment benefits for the week the failure occurred. Requires the Department of Labor and Workforce Development (DLWD) to establish a portal on its website, an email, and a telephone hotline for employers to report an unemployment insurance claimant who fails to appear for a previously scheduled job interview. Prior to denying a week of benefits to any such claimant for work search non-compliance, the DLWD must verify information submitted by an employer regarding a claimant's work search non-compliance. Increases, from three to five, the number of work search activities per week that must be performed to retain eligibility for unemployment benefits. Establishes a list of acceptable work search activities. Senate Commerce & Labor Committee amendment 2, House Commerce Committee amendment 2 (006268) establishes that a claimant for unemployment insurance benefits who fails to appear for a scheduled job interview is non-compliant with the work search requirement of the unemployment insurance program and disqualified for applicable unemployment benefits for the week the failure occurred. Requires the Department of Labor and Workforce Development (DLWD) to establish a portal on its website, an email, and a telephone hotline for employers to report an unemployment insurance claimant who fails to appear for a previously scheduled job interview. Prior to denying a week of benefits to any such claimant for work search non-compliance, the DLWD must verify information submitted by an employer regarding a claimant's work search non-compliance. Increases, from three to five, the number of work search activities per week that must be performed to retain eligibility for unemployment benefits. Establishes a list of acceptable work search activities.

Fiscal Note (Dated February 1, 2023) NOT SIGNIFICANT  
Senate Status 04/06/23 - Set for Senate Floor 04/10/23.  
House Status 04/05/23 - Set for House Finance, Ways & Means Subcommittee 04/12/23.

Caption AN ACT to amend Tennessee Code Annotated, Title 8; Title 50; Title 62; Title 63 and Title 68, relative to employment.

**SB1290/HB1196 Notice of apprenticeship programs available on department's website.**

Sponsors Sen. Bailey, Paul; Rep. Williams, Ryan

Category Labor Law

Summary Requires the commissioner of the department of labor and workforce development to ensure that a listing of apprenticeship programs approved by made available to the public on the department's public website and updated twice annually.

Fiscal Note (Dated February 1, 2023) NOT SIGNIFICANT

Senate Status 03/21/23 - Taken off notice in Senate Commerce & Labor Committee.

House Status 02/02/23 - Caption bill held on House clerk's desk.

Caption AN ACT to amend Tennessee Code Annotated, Title 4; Title 50; Title 62 and Title 67, relative to apprenticeships.

**SB1291/HB602 Timeframe for placing security freeze on consumer report.**

Sponsors Sen. Bailey, Paul; Rep. Powell, Jason

Category Commercial Law

Summary Increases, from three to five days, the number of days a consumer reporting agency has to place a security freeze on a consumer report after receiving the written or electronic request from the Tennessee consumer. Broadly captioned.

Fiscal Note (Dated January 28, 2023) NOT SIGNIFICANT

Senate Status 02/06/23 - Referred to Senate Commerce & Labor Committee.

House Status 02/01/23 - Caption bill held on House clerk's desk.

Caption AN ACT to amend Tennessee Code Annotated, Title 4; Title 12; Title 43; Title 45; Title 47; Title 48; Title 50; Title 61; Title 66 and Title 67, relative to commerce.

**SB1292/HB1420 Base salary increase for certain preferred service employees.**

Sponsors Sen. Bailey, Paul; Rep. Butler, Ed

Category Public Employees

Summary Increases the starting salaries and wages by 15% for the following preferred service employees: fire and building code inspector manager, fire and building code inspector supervisor, fire and building code inspector, levels 2 and 3, firefighting commission coordinator, manufactured home inspector advanced, manufactured home inspector associate, manufactured home inspector consultant, manufactured home inspector INT, and manufactured home inspector manager.

Fiscal Note (Dated March 13, 2023) Increase State Expenditures - \$610,900/FY23-24 and Subsequent Years Other Fiscal Impact - The FY23-24 Governors proposed budget includes funding for a five percent raise for state employees. If the proposed five percent raise is enacted, then the required increase in state expenditures resulting from this legislation will be \$407,300 in FY23-24 and subsequent years.

Senate Status 03/21/23 - Taken off notice in Senate Commerce & Labor Committee.

House Status 03/28/23 - Taken off notice in House Public Service Subcommittee.

Caption AN ACT to amend Tennessee Code Annotated, Title 4; Title 8; Title 47; Title 48; Title 56 and Title 68, relative to the department of commerce and insurance.

**SB1296/HB52**      **Notice requirement for land surveyors conducting boundary surveys.**

Sponsors      Sen. Bailey, Paul; Rep. Hale, Michael

Category      Property & Housing

Summary      Expands notice requirement for land surveyors conducting boundary surveys by requiring them to notify all adjoining landowners of the survey rather than just when the surveyor discovers or reasonably should have discovered discrepancies between the deed descriptions of the adjoining owners. Specifies that notice be sent by certified mail to the current address used for mailing property tax notices within five business days of the completion of the survey.

Fiscal Note      (Dated January 28, 2023) NOT SIGNIFICANT

Senate Status      03/20/23 - Taken off notice in Senate Commerce & Labor Committee.

House Status      03/21/23 - Taken off notice in House Business & Utilities Subcommittee.

Caption      AN ACT to amend Tennessee Code Annotated, Title 62, Chapter 18, Part 1, relative to land surveyors.

**SB1310/HB157**      **Elimination of business tax.**

Sponsors      Sen. Bailey, Paul; Rep. Baum, Charlie

Category      Taxes Business

Summary      Eliminates the business tax for tax periods that begin on or after January 1, 2024. Broadly captioned.

Fiscal Note      (Dated February 19, 2023) Decrease State Revenue \$285,600,000/FY23-24 \$336,000,000/FY24-25 and Subsequent Years Decrease Local Revenue \$274,735,600/FY23-24 \$323,218,300/FY24-25 and Subsequent Years

Senate Status      02/28/23 - Senate Finance Revenue Subcommittee returned to full committee with a negative recommendation.

House Status      01/24/23 - Referred to House Finance, Ways & Means Subcommittee.

Caption      AN ACT to amend Tennessee Code Annotated, Section 7- 52-606; Section 38-1-201; Section 39-17-1806; Section 50-6-904; Section 58-2-205; Section 58-2- 204; Section 62-44-102 and Title 67, relative to business tax.

**SB1337/HB87**      **Safety chains for trailers - increase in fines for violations.**

Sponsors      Sen. Bailey, Paul; Rep. Marsh, Pat

Category      Transportation Vehicles

Summary      Increases, from \$50 to \$100, the minimum fine for second and subsequent violations of the offense of failure to attach a trailer, semitrailer, or pole trailer to a towing vehicle by a chain. Broadly captioned.

Amendment Summary      House amendment 1 (004123) rewrites this bill to revise present law provisions relative to motor vehicles, as described below. Present law provides that, if the motor vehicle clearly identifies the rental company and a garage keeper or towing firm lawfully comes into possession of the vehicle, then the garage keeper or towing firm must notify the rental company at the address identified with the vehicle's registration within three working days of taking possession of such vehicle by registered mail return receipt requested. In addition to any other penalty provided for a violation of this provision, such a violation is also deemed to be a violation of the Tennessee Consumer Protection Act of 1977, and the rental company may seek relief under that act. This amendment clarifies that a rental company, which the amendment redefines as rental vehicle company, as used in these provisions means a person or entity, or a subsidiary or affiliate of the person or entity, including a franchisee, in the

business of renting vehicles to the public. Present law further provides the following: (1) That no person, firm, or entity has a right to a lien on any vehicle that has been towed without authorization of a police department or the owner of the vehicle or where the vehicle has been towed in violation of provisions governing unclaimed or abandoned vehicles; and (2) If the owner of the vehicle is not present, then prior to any person, firm or entity towing any vehicle, such person, firm or entity must notify local law enforcement of the vehicle identification number (VIN), registration information, license plate number and description of the vehicle. Local law enforcement must keep a record of all such information which must be available for public inspection. This amendment revises (2) above by requiring the person or entity towing the vehicle to notify local law enforcement as required by (2), within 15 minutes of the person or entity towing the vehicle. This amendment makes a violation of this notification requirement a Class A misdemeanor. Present law requires a police department that takes into custody an abandoned, immobile, or unattended motor vehicle, to, within three business days after taking such motor vehicle into custody, verify ownership of such motor vehicle; and within three business days after receiving verification of ownership, notify by registered mail, return receipt requested, the last known registered owner of the motor vehicle and all lien holders of record that the vehicle has been taken into custody. However, a police department does not have to comply with the requirements of the above provision if it provides pre-seizure notice to the owner of the motor vehicle and all lienholders of record that the vehicle has been found to be abandoned, immobile, or unattended. Any pre-seizure notice must be sent by registered or certified mail, return receipt requested, to the last known address of the owner of record and to all lienholders of record. This amendment revises these provisions to authorize such notices to be sent by overnight delivery using a nationally recognized carrier with proof of delivery. Under present law, when an employee of a public agency or a towing company contracting with a public agency takes possession of a vehicle found abandoned, immobile, or unattended, an employee of the agency must verify ownership through the Tennessee Information Enforcement System (TIES) and must place the ownership information on the towing sheet or form. Present law further requires the agency to provide the ownership information to any towing company or garagekeeper with whom the agency has a contract. This amendment revises the above provision to also apply to a towing company authorized to tow by a private property owner or the private property owner's authorized agent. In addition to the notification requirements for a police department that takes into custody an abandoned, immobile, or unattended motor vehicle, present law requires: (1) A garagekeeper or towing firm, which has in its possession an abandoned, immobile or unattended motor vehicle taken into custody by a police department, and in whose possession the vehicle was lawfully placed by the police department, to, within three business days after such motor vehicle is taken into its possession, verify ownership of such motor vehicle; and (2) The garagekeeper or towing firm to, within three business days after receiving verification of ownership, provide notice to the last known registered owner of the motor vehicle and all lienholders of record. All notification requirements for a police department that takes into custody an abandoned, immobile, or unattended motor vehicle apply to the notice required to be provided by a garagekeeper or towing firm. This amendment revises the above provisions to also apply to a garagekeeper or towing firm, which has in its possession an abandoned, immobile, or unattended motor vehicle authorized by a private property owner to be towed, and in whose possession the vehicle was authorized to be placed by a private property owner. Present law prohibits persons engaged in the business of towing motor vehicles by wrecker or otherwise and the storing of these motor vehicles for any type of remuneration, whether as the principal business of those persons or as an incidence to the persons' principal business, from charging

the owner or lienholder of the stored motor vehicle a storage fee for a period exceeding 21 days without the consent of the owner or lienholder, except as provided in the Motor Vehicle Storage Act. This amendment clarifies that this provision applies to persons engaged in the following: (1) The business of towing motor vehicles or otherwise; or (2) The business of storing towed motor vehicles.

Fiscal Note (Dated January 22, 2023) Increase Local Revenue Exceeds \$300/FY23-24 and Subsequent Years

Senate Status 03/30/23 - Senate passed.

House Status 03/16/23 - House passed with amendment 1 (004123).

Executive Status 03/30/23 - Sent to the speakers for signatures.

Caption AN ACT to amend Tennessee Code Annotated, Title 4; Title 47; Title 54; Title 55; Title 56; Title 65 and Title 66, relative to transportation.

**SB1341/HB1472 Affordable housing and workforce development fund allocation - Shelby County.**

Sponsors Sen. Lamar, London; Rep. Towns Jr., Joe

Category Local Government

Summary Authorizes Shelby County to appropriate funds for affordable housing or workforce housing. Broadly captioned.

Fiscal Note (Dated March 16, 2023) Other Fiscal Impact A precise impact on expenditures for Shelby County cannot be reasonably determined, but is considered permissive.

Senate Status 03/21/23 - Taken off notice in Senate State & Local Government Committee.

House Status 02/02/23 - Caption bill held on House clerk's desk.

Caption AN ACT to amend Tennessee Code Annotated, Title 5; Title 6; Title 7; Title 9; Title 13; Title 67 and Title 71, relative to affordable housing.

**SB1352/HB243 Exemption on food sold to persons 70 years of age or older.**

Sponsors Sen. Hensley, Joey; Rep. Hale, Michael

Category Taxes Sales

Summary Exempts the retail sale of food and food ingredients from the sales tax if sold to a person who is 70 years of age or older during the period beginning July 1, 2023 and ending September 30, 2023.

Senate Status 02/06/23 - Referred to Senate Finance, Ways & Means Committee.

House Status 01/24/23 - Referred to House Finance, Ways & Means Subcommittee.

Caption AN ACT to amend Tennessee Code Annotated, Section 67-6-228 and Title 67, Chapter 6, Part 3, relative to taxation.

**SB1354/HB1300 Accessibility of information on the department of transportation website.**

Sponsors Sen. Powers, Bill; Rep. Vital, Greg

Category Transportation General

Summary Requires the department of transportation to make the information available on its website free and accessible to any resident in the state.

Fiscal Note (Dated February 1, 2023) NOT SIGNIFICANT

Senate Status 02/06/23 - Referred to Senate Transportation & Safety Committee.

House Status 02/02/23 - Caption bill held on House clerk's desk.  
Caption AN ACT to amend Tennessee Code Annotated, Title 4; Title 9; Title 54 and Title 55, relative to transportation.

**SB1356/HB1424 Requirements for the retainment of records and invoices associated with filed sales and use tax return.**

Sponsors Sen. Powers, Bill; Rep. Hicks, Gary  
Category Taxes Sales  
Summary Changes, from December 31 to December 15, the date from which a dealer must, for a period of three years, keep and preserve records and invoices that are associated with a filed sales and use tax return. Broadly captioned.  
Fiscal Note (Dated February 14, 2023) NOT SIGNIFICANT  
Senate Status 03/14/23 - Taken off notice in Senate Finance Revenue Subcommittee.  
House Status 02/02/23 - Caption bill held on House clerk's desk.  
Caption AN ACT to amend Tennessee Code Annotated, Title 67, relative to taxes.

**SB1377/HB799 Minimum energy conservation standards for new residential construction.**

Sponsors Sen. Southerland, Steve; Rep. Zachary, Jason  
Category Construction  
Summary Requires that the 2018 International Energy Conservation Code published by the International Code Council be used for the minimum energy conservation standards for new residential construction. Broadly captioned.  
Amendment Senate Commerce & Labor Committee amendment 1, House amendment 1 (005018)  
Summary rewrites this bill to make changes to present law concerning residential and energy codes. Present law: (1) Requires local governments to adopt the state code for energy conservation in new building construction with any amendments it deems reasonably necessary to accommodate local conditions. If the standards adopted by local governments are equal to or stricter than the code, the local standards will control. If, however, the local standards are less strict than the code standards, the code standards will control; (2) Adopts the Model Energy Code, 1992 Edition, for energy conservation in new building construction, published by the Council of American Building Officials, as the minimum requirements for the effective use of energy in new buildings, although a local jurisdiction may adopt the 2000 International Energy Conservation Code with 2002 amendments, published by the International Code Council, as the minimum requirements for the effective use of energy in new buildings in that jurisdiction; (3) Exempts certain building types, including buildings specifically exempted by the codes identified in (2); (4) Adopts the 2003 International Energy Conservation Code published by the International Code Council as the minimum energy conservation standards for any new residential building construction on or after January 1, 2009; and (5) Requires the state fire marshal to promulgate rules establishing minimum safety standards. The standards adopted by the state fire marshal do not apply (other than for state buildings, educational occupancies, and other occupancies requiring an inspection by the state fire marshal for initial construction) in counties that certify they have adopted and enforce certain building construction and fire safety codes, such as the International Residential Code and the International Building Code. This amendment removes (1)-(4) in their entirety. This amendment adds that the state fire marshal's rules mentioned in (5) will not apply to one-family and two-family construction in counties that adopt the International

Energy Conservation Code, and that are not more stringent than the state minimum standard.  
 Fiscal Note (Dated February 22, 2023) Increase Local Expenditures Exceeds \$1,000/FY23-24 \*  
 Senate Status 04/06/23 - Set for Senate Floor 04/10/23.  
 House Status 03/23/23 - House passed with amendment 1 (005018).  
 Caption AN ACT to amend Tennessee Code Annotated, Title 4, Chapter 3; Title 13, Chapter 19 and Title 68, Chapter 120, relative to residential and energy codes.

**SB1383/HB955 Bank designated by county trustee to act as a collection agent for trustee - requirements.**

Sponsors Sen. Southerland, Steve; Rep. Campbell, Scotty  
 Category Taxes Property  
 Summary Requires a bank designated by the county trustee to act as a collection agent for the trustee and accept the deposit of county and municipal property taxes, to provide to the county trustee such evidence of the taxes deposited into the account and a copy of the deposit forms at least every five business days, instead of every three business days. Broadly captioned.  
 Amendment Summary House Finance Subcommittee amendment 1 (004166) requires that the tax levied on the retail sale of non-exempt dyed diesel fuel is only levied on the first \$3.68 of each gallon sold. Requires that the cap specified must be adjusted proportionally to account for fractional amounts sold.  
 Fiscal Note (Dated February 14, 2023) NOT SIGNIFICANT  
 Senate Status 03/21/23 - Taken off notice in Senate State & Local Government Committee.  
 House Status 03/01/23 - House Finance Subcommittee placed behind the budget after adopting amendment 1 (004166).  
 Caption AN ACT to amend Tennessee Code Annotated, Title 67, relative to taxes.

**SB1399/HB1250 Providing of estimates of annual income limit for eligibility in the property tax relief program.**

Sponsors Sen. Reeves, Shane; Rep. Martin, Brock  
 Category Taxes Property  
 Summary Adds the directors of the office of legislative budget analysis to the list of persons to whom the comptroller must provide the estimates of the annual income limit for eligibility in the property tax relief program that is likely to maintain the program at a constant level of expenditure.  
 Fiscal Note (Dated February 1, 2023) NOT SIGNIFICANT  
 Senate Status 03/21/23 - Taken off notice in Senate State & Local Government Committee.  
 House Status 02/02/23 - Caption bill held on House clerk's desk.  
 Caption AN ACT to amend Tennessee Code Annotated, Title 67, relative to taxation.

**SB1438/HB695 Amount of the occupational educator scholarship awarded to prospective educators.**

Sponsors Sen. Roberts, Kerry; Rep. Barrett, Jody  
 Category Education  
 Summary Authorizes the occupational educator scholarship to cover the cost of tuition and mandatory fees at the attended postsecondary institution after all other gift aid is credited.



Fiscal Note (Dated March 13, 2023) NOT SIGNIFICANT  
 Senate Status 03/30/23 - Senate passed.  
 House Status 03/30/23 - House passed.  
 Executive Status 04/05/23 - Sent to governor.  
 Caption AN ACT to amend Tennessee Code Annotated, Title 49, relative to career and technical education.

**SB1444/HB655 Contractor licenses minimum project cost.**

Sponsors Sen. Roberts, Kerry; Rep. Howell, Dan  
 Category Construction  
 Summary Increases the minimum total project cost amount for which a license as a contractor is required from \$25,000 to \$40,928. Ties the minimum total project cost amount to the United States Bureau of Labor Statistics' Producer Price Index by Industry: Building Materials and Supplies Dealers. Requires the board for licensing contractors to update the amount at least annually and publish the amount on its public website.  
 Amendment Summary House Business & Utilities Subcommittee amendment 1 (005768) makes changes to the Contractors Licensing Act of 1994. Declares that a contractor is not a home improvement contractor if the total cost of the construction project is less than \$50,000. Increases the required surety bond or irrevocable letter of credit that an applicant for a home improvement contractor's license must file with the Board of State Licensing Contractors (BLC) from \$10,000 to \$20,000. Senate Commerce & Labor Committee amendment 1 (006027) makes changes to the Contractors Licensing Act of 1994. Increases, from \$25,000 to \$50,000, the minimum total project cost amount for which a license as a certain contractor, limited license, or building permit is required. Changes the amount, from \$25,000 to \$50,000, that is a Class A misdemeanor for any firm corporation or person accepting a bid to contract for a project if the contractor is not licensed. Increases the required surety bond or irrevocable letter of credit that an applicant for a home improvement contractor's license must file with the Board of State Licensing Contractors (BLC) from \$10,000 to \$25,000.  
 Fiscal Note (Dated February 8, 2023) NOT SIGNIFICANT  
 Senate Status 03/21/23 - Senate Commerce & Labor Committee recommended with amendment 1 (006027). Sent to Senate Calendar Committee.  
 House Status 03/28/23 - Taken off notice in House Commerce Committee.  
 Caption AN ACT to amend Tennessee Code Annotated, Title 62, Chapter 6, relative to contractors.

**SB1495/HB1527 Owner of rental car furnishing info of person who rented car when car received parking violation.**

Sponsors Sen. Swann, Art; Rep. Fritts, Monty  
 Category Transportation Vehicles  
 Summary Extends the period, from 30 days to 45 days, in which an owner of a rental car may furnish information of the person who rented the car when the car received a parking violation in order for the owner to avoid liability for the violation. Broadly captioned.  
 Senate Status 02/06/23 - Referred to Senate Transportation & Safety Committee.  
 House Status 02/02/23 - Caption bill held on House clerk's desk.  
 Caption AN ACT to amend Tennessee Code Annotated, Title 5; Title 6; Title 7; Title 54 and Title 55, relative to parked motor vehicles.

**HB105      Fee limits under the Uniform Residential Landlord and Tenant Act.**

Sponsors      Rep. Thompson, Dwayne

Category      Property & Housing

Summary      Increases from \$10 to \$250 per year, the limit on the fee that an agency or department of local government responsible for enforcing building codes in the jurisdiction where the landlord's dwelling units are located may charge the landlord for registering with the agency or government. Increases from \$50 to \$100 per week, the fine that a landlord who fails to register.

Fiscal Note      (Dated January 22, 2023) Increase Local Revenue \$504,500/FY23-24 and Subsequent Years/Permissive/Davidson County

House Status      01/30/23 - Withdrawn in House.

Caption      AN ACT to amend Tennessee Code Annotated, Title 66, Chapter 28, relative to the Uniform Residential Landlord and Tenant Act.

**HB244      Property tax relief for elderly low-income homeowners.**

Sponsors      Rep. Hale, Michael

Category      Taxes Property

Summary      Increases income eligibility limits for property tax relief for elderly low-income homeowners and disabled homeowners from \$24,000 to \$36,600 beginning tax year 2024. Increases income eligibility limits for property tax relief for elderly low-income homeowners under the Property Tax Freeze Act to \$36,600. Increases the full market value limit on which property tax reimbursement is calculated for eligible elderly low-income homeowners and disabled homeowners to \$35,000. Increases the full market value limit on which property tax reimbursement is calculated for disabled veteran and surviving spouse homeowners to \$200,000.

Fiscal Note      (Dated March 24, 2023) Increase State Expenditures Exceeds \$5,120,900/FY24-25 and Subsequent Years Other Fiscal Impact The extent of any permissive impact on local government expenditures cannot reasonably be determined.

House Status      01/24/23 - Referred to House Property & Planning Subcommittee.

Caption      AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 5, Part 7, relative to property tax relief.