



STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
DIVISION OF BUDGET
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NASHVILLE, TENNESSEE 37243-1102

December 2, 2016

MEMORANDUM

TO: The Honorable Mike Bell, Chairman
Senate Government Operations Committee

The Honorable Jeremy Faison, Chairman
House Government Operations Committee

Rick Nicholson, Director
Office of Legislative Budget Analysis

Cathy Higgins, Director
Office of Legislative Budget Analysis

FROM: Larry Martin, Commissioner of Finance and Administration

SUBJECT: 2015-2016 Regulatory Agencies – Fees and Operating Costs

Under the provisions of TCA § 4-29-121(a), I certify that nine (9) regulatory boards and commissions, listed on the two attached charts, did not collect fees in an amount sufficient to pay operating costs in the fiscal year ending June 30, 2016. Two (2) of the agencies are administratively attached to the Division of Health Related Boards in the Department of Health and seven (7) of the agencies are administratively attached to the Division of Regulatory Boards in the Department of Commerce and Insurance.

In the Division of Health Related Boards, zero (0) of the listed boards have a positive reserve balance. In the Division of Regulatory Boards, five (5) of the listed boards have a positive reserve balance.

The attached charts also indicate which of the boards had two-year operating deficits, including one (1) of the Health Related Boards and zero (0) in the Division of Regulatory Boards. These are the boards subject to a review by a joint evaluation committee under the provision of TCA 4-29-121(b).

LM:DT:SW

Enclosures (2)

CC: Department of Health
Department of Commerce and Insurance

Larry B. Martin
LM

Division of Regulatory Boards
 Department of Commerce and Insurance
 Comparison of Fees and Costs
 FY 2014-2015 and FY 2015-2016
 Closing Report

Board	2014-2015		2015-2016		Reserve Balance June 30, 2016
	Fees	Costs	Fees	Costs	
2-Year Deficit:					
None					
2015-2016 Deficit Only:					
Cosmetology and Barber	\$ 2,482,135.06	\$ 2,377,580.01	\$ 2,136,742.10	\$ 2,300,408.41	\$ 230,832.77
Contractors & Home Improvement	\$ 2,233,440.62	\$ 1,679,669.84	\$ 2,128,917.00	\$ 3,952,930.78	\$ 2,251,299.58
Limited Licensed Plumbers/Electricians	\$ 388,033.72	\$ 103,442.40	\$ 119,721.14	\$ 146,380.28	\$ 1,641,382.18
Motor Vehicle Commission	\$ 2,252,414.72	\$ 1,633,844.06	\$ 1,738,037.54	\$ 2,003,381.68	\$ 1,974,673.16
Scrap Metal Registration Program	\$ 129,247.87	\$ 61,098.66	\$ 70,223.44	\$ 99,600.74	\$ 354,852.29
Credit Services Businesses	\$ -	\$ -	\$ -	\$ 1,440.25	\$ (1,440.25)
Beauty Pageants	\$ -	\$ -	\$ 1,550.00	\$ 6,894.46	\$ (5,344.46)