

FISCAL NOTE

SB 2251

January 31, 2000

SUMMARY OF BILL: Authorizes electric cooperatives to acquire, construct, own and operate systems to provide telephone, telegraph or provide telecommunications services. Specifies that provision of such services is subject to regulation by the Tennessee Regulatory Authority. Prohibits cooperatives from providing such services in any area where an existing telephone cooperative is operating with fewer than 100,000 total lines.

ESTIMATED FISCAL IMPACT:

Increase Local Govt. Revenues - Less than \$100,000

Assumes:

- local governments will experience increased revenues from increased property tax collection on physical plant investment made by electric cooperatives to provide telecommunications services.
- electric cooperative physical plant investments for provision of telecommunications will be limited as most of the necessary physical plant would be leased from entities that already have it in place.
- the resulting revenues would be less than \$100,000.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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