

FISCAL NOTE
HB 396 - SB 480

February 26, 2007

SUMMARY OF BILL: Earmarks a portion of state revenues, which would have been apportioned to premier-type tourist resorts if such apportionments had not been capped in 2000 (Public Acts 2000, Chapter 983, Section 13), for construction and maintenance of the French Broad River Wastewater Pipeline and for such modernization and additions to existing wastewater facilities and projects as approved by the U.S. Environmental Protection Agency or the State of Tennessee.

ESTIMATED FISCAL IMPACT:

Decrease State Revenues - \$1,065,000

Increase Local Govt. Revenues:

\$1,065,000 – Earmarked for the French Broad River Wastewater Pipeline and other specified projects

Assumptions:

- Current law requires special apportionments to premier-type tourist resorts (Gatlinburg and Pigeon Forge). In 2000, the special allocations to Gatlinburg and Pigeon Forge were capped for future years to the special apportionments actually paid in FY99-00.
- This bill authorizes any incremental portions that Gatlinburg and Pigeon Forge would have received above the established capped amounts to be earmarked for purposes specified in this bill.
- According to the Department of Revenue, Gatlinburg would have received an additional \$426,000 in FY05-06, and Pigeon Forge would have received an additional \$639,000 in FY05-06, if the established caps had not been enacted in 2000.
- The decrease to state revenues is estimated to be \$1,065,000 per year (\$426,000 + \$639,000 = \$1,065,000). Local government revenues are estimated to increase by the same amount.

CERTIFICATION:

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



James W. White, Executive Director