

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 1734 – HB 2386

March 11, 2014

SUMMARY OF ORIGINAL BILL: Requires state entities within the executive branch to provide video streaming of their meetings on the website of the entity.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures – Exceeds \$3,000,000/FY14-15
Exceeds \$4,000,000/FY15-16
Exceeds \$3,000,000/FY16-17
Exceeds \$1,000,000/FY17-18 and Subsequent Years

SUMMARY OF AMENDMENT (013515): Deletes and replaces the definition of “state agency”. The original bill indicated that all meetings of state agencies would be subject to video streaming. The amendment would narrow this requirement to include all public meetings of state agencies.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures –
Exceeds \$500,000/FY14-15
Exceeds \$500,000/FY15-16
Exceeds \$500,000/FY16-17
Exceeds \$250,000/FY17-18 and Subsequent Years

Assumptions for the bill as amended:

- The bill requires agencies to absorb the cost of the bill in their existing budgets. However, this provision will not prevent expenditures necessary to comply with the provisions of the bill.
- Some agencies will be granted exemptions from the requirements of the bill.
- The bill takes effect January 1, 2015 and allows required entities up to July 1, 2017 to come into compliance.
- The fiscal impact of this bill, as amended, is dependent upon several unknown factors such as the number of meetings that will be subject to video streaming, the extent of existing capabilities to stream video by various departments, the availability of existing

group resources to meet the capacity of service that will be required by the bill, the extent of new information technology devices and software that will be required to comply with the bill, and the number of entities that will seek and be granted exemption from the requirements of the bill.

- Given the extent of unknown factors, determining a precise fiscal impact to state government is difficult. Based upon information provided by multiple state entities, the one-time increase in state expenditures for installing any new required equipment and software is reasonably estimated to exceed \$1,500,000. Given the proposed time period for implementation, at least \$500,000 of these one-time expenditures is assumed to occur in each FY14-15, FY15-16 and FY16-17.
- The recurring increase in state expenditures for on-going maintenance is reasonably estimated to exceed \$250,000 per year statewide beginning in FY17-18.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Lucian D. Geise, Executive Director

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