

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 614 - SB 1258

March 8, 2013

SUMMARY OF BILL: Authorizes counties, which are operating under the County Budget Law of 1957, to increase the membership of their budget committee to more than five members, and authorizes the mayor to appoint a designee to serve on the committee in their stead.

ESTIMATED FISCAL IMPACT:

Increase Local Expenditures – Exceeds \$1,200/Permissive

Assumptions:

- The provisions of the bill are permissive to local governments.
- According to County Technical Assistance Service (CTAS), the following counties currently operate under the County Budget Law of 1957: Anderson, Blount, Cheatham, Cocke, Dickson, Greene, Johnson, Lawrence, Loudon, Montgomery, Overton, Polk, Roane, Sullivan, Warren, and Washington.
- Pursuant to Tenn. Code Ann. § 5-12-104, currently the committee consists of the county mayor and four other members appointed by the mayor and approved by the county legislative body. Any compensation to members of the committee is paid from the county general fund.
- In the event the county compensates members of the committee, the bill will result in a permissive increase to local government expenditures.
- According to a statewide survey of county commissions conducted by the Tennessee County Commissioners Association (TCCA) in 2010, the lowest compensation paid per meeting for the counties operating under the County Budget Law of 1957 was \$25.00 per member. It is estimated any committee member appointed to the Budget committee who is not currently a member of the county governing body would be compensated at the same rate.
- Assuming each county budget committee adds at least one member to the committee and the committee meets at least three times annually, the permissive increase in local government expenditures is estimated to exceed \$1,200 (16 counties x 1 additional member x \$25.00 per meeting x 3 meetings per year).

CERTIFICATION:

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

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/jrh