

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**CORRECTED  
FISCAL NOTE**

**HB 676 - SB 1085**

March 5, 2013

**SUMMARY OF BILL:** Requires the Registry of Election Finance; the Tennessee Ethics Commission; the Bureau of Ethics and Campaign Finance; the State Election Commission; the Tennessee Advisory Commission on Intergovernmental Relations; the Tennessee Education Lottery Corporation Board of Directors; and the State Capital Commission to provide video streaming of its meetings and to archive such videos on its web site. Authorizes such entities to use the public hearing rooms in the Legislative Plaza if video streaming is not otherwise available to such entity.

**ESTIMATED FISCAL IMPACT:**

On February 19, 2013, a fiscal note was issued estimating a fiscal impact as follows:

*Increase State Revenue – Exceeds \$6,000/Office for Information Resources  
Exceeds \$8,000/Office of Legislative Administration  
Increase State Expenditures – Exceeds \$14,000*

*Based on additional information from the Secretary of State's office and the Tennessee Education Lottery Corporation, that fiscal note was incorrect. The estimated fiscal impact is as follows:*

**(CORRECTED)**  
**Increase State Revenue – Exceeds \$13,400/Office for Information Resources  
Exceeds \$4,000/Office of Legislative Administration  
Decrease State Revenue – Exceeds \$1,800/Lottery for Education Account**

**Increase State Expenditures – Net Impact - Exceeds \$15,600**

Assumptions:

- The fiscal impact of this bill is dependent upon several unknown factors such as the number of meetings that will be held each year, the length of each meeting, the number of archived videos on each entities website, where the meetings would be held and the number of microphones needed.
- If the meetings are held in the public hearing rooms in the Legislative Plaza there will be a cost for the House and Senate Clerk's Office for staff time, depreciation in equipment,

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and bandwidth. Estimate assumes a cost of \$100 per hour to provide video streaming. Assuming there are at least 20 meetings per year lasting approximately two hours, there will be a recurring cost of at least \$4,000 ( $\$100 \times 20 \text{ meetings} \times 2 \text{ hours}$ ).

- According to the Secretary of State's office, the Registry of Election Finance, the Tennessee Ethics Commission, and the Bureau of Ethics and Campaign Finance would not be available to use the public hearing rooms in Legislative Plaza because of the normal meeting schedules of these entities; by statute, part of the Ethics Commission meetings are confidential; on occasion, members participate by telephone; and access to a copy and fax machine are needed during meetings.
- The meetings for these three entities will be video streamed by OIR. OIR would provide the equipment and personnel at a cost of \$370 per meeting. The average length of such meetings is two hours and there are approximately 20 meetings per year. The recurring costs for these three entities to have their meetings video streamed would be \$7,400 ( $\$370 \text{ per meeting} \times 20 \text{ meetings}$ ).
- Each entity would be required to post archived videos on its respective website. OIR charges three dollars per month per gigabyte for storing data on the Internet. Each hour of data takes approximately one gigabyte of memory. The costs for storing data would increase each month as more past meetings are archived. The estimated cost for data storage for each entity is estimated at \$1,000 per year for a total of \$6,000 ( $\$1,000 \times 6$ ).
- Of the total meetings that will be held in the public hearing rooms of the Legislative Plaza, four will be meetings of the Tennessee Education Lottery Corporation (TELC) Board of Directors at a cost of \$800 ( $\$100 \times 4 \text{ meetings} \times 2 \text{ hours}$ ). A decrease in lottery proceeds to the Lottery for Education Accounts is \$1,800 ( $\$800 \text{ for video streaming} + \$1,000 \text{ for data storage}$ ).
- Each entity that holds a public hearing will be charged by Legislative Administration or OIR for the cost of each meeting. Therefore, the estimated increase in expenditures of \$17,400 to the named entities will result in a corresponding increase in revenue to Legislative Administration and OIR.

### **CERTIFICATION:**

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



Lucian D. Geise, Executive Director

/lsc