

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SJR 1

January 25, 2013

SUMMARY OF BILL: Proposes amending Article II, Section 28, of the Tennessee Constitution to add language to explicitly prohibit the General Assembly from levying, authorizing, or otherwise permitting any state or local tax upon payroll or earned personal income, or any state or local tax measured by payroll or earned personal income. Nothing shall be construed as prohibiting any tax in effect on January 1, 2011, or adjustment of the rate of such tax. Directs the Secretary of State to place this constitutional amendment on the November 2014 general election ballot.

ESTIMATED FISCAL IMPACT:

Increase Local Expenditures – Up to \$10,000/FY14-15*

Assumptions:

- The proposed constitutional amendment received the required constitutional majority vote with passage of Senate Joint Resolution 221 by the 107th General Assembly. The required publication was made on May 6, 2012.
- Following first passage by two successive General Assemblies, and pursuant to Article XI, Section 3 of the Tennessee Constitution, it shall be the duty of the General Assembly to submit such proposed amendment to the people at the next general election in which a Governor is to be chosen.
- Tenn. Code Ann. § 2-5-211(b) requires the county election commission to publish a sample ballot in a newspaper of general circulation or mail sample ballots to registered voters at least five days prior to early voting.
- The requirement to add this constitutional amendment to the 2014 general election ballot will increase the size of the sample ballot.
- Given the size of the sample ballot will increase, and because publishing costs are generally based on the number of words published or the number of document pages printed, local government expenditures are expected to increase.
- Based on information provided by the Secretary of State, the total statewide increase in local government expenditures is reasonably estimated as an amount up to \$10,000 in FY14-15.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

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

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