

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2268 - SB 2488

March 14, 2016

**SUMMARY OF ORIGINAL BILL:** Requires the Governor, the Speaker of the Senate, and the Speaker of the House of Representatives to establish an advisory task force to review the funding of community cemeteries and recommend any statutory revisions that should be made by July 1, 2016. The task force shall be comprised of nine members. This task force is required to report its findings and recommendations to the Governor, the Speaker of the Senate, and the Speaker of the House of Representatives no later than January 1, 2017. The Department of Commerce and Insurance (DCI) is required to provide administrative services to the task force. Members of the task force shall serve without compensation, but shall be eligible for reimbursement for travel expenses. The task force shall be terminated upon completion of the task force's report and recommendations. This proposed legislation is effective upon becoming law.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - \$2,500/Each One-Day Meeting

IMPACT TO COMMERCE OF ORIGINAL BILL:

NOT SIGNIFICANT

**SUMMARY OF AMENDMENT (013261):** Deletes all language after the enacting clause. Establishes a new, separate revolving fund with the title of Community Cemetery Grant Fund ("Fund"). This fund may receive grants, contributions, appropriations and other moneys made available to it. This fund shall be administered by the Commissioner of the Department of Commerce (TDCI) and Insurance. Moneys in the funds shall be invested by the State Treasurer.

Grants from the fund may be made to a non-profit cemetery that is exempt from federal taxation under 26 U.S.C. § 501 (c)(13) and has an owner or operator that has been placed in receivership pursuant to Tenn. Code Ann. § 46-1-312 and has been granted a community cemetery exemption pursuant to Tenn. Code Ann. § 46-1-106(b). Establishes grant application requirements. Establishes that funds received from the Fund may only be used for the improvement, care, and maintenance of the respective non-profit community cemetery. Establishes that any person using such funds for unauthorized purposes has committed theft and shall be punished pursuant to Tenn. Code Ann. § 39-14-105. Grant disbursements shall be the sole discretion of the Commissioner of TDCI. Prohibits any such grant being made if no money is available in the fund, and further prohibits funds from TDCI, nor any money in the cemetery consumer protection account from being used for the purposes of this act. This act shall take effect upon

becoming law. This act shall be repealed on July 1, 2017. Any money remaining in the fund as of July 1, 2017 shall then revert to the General Fund.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Increase State Expenditures - Exceeds \$10,000/One-Time/  
Community Cemetery Grant Fund**

Assumptions for the bill as amended:

- According to the Department of Commerce and Insurance, the Department can accept, review, and grant funds made available to the Department for the purposes of this Act utilizing existing staff during normal work hours.
- The amount of funds that will be provided to the Community Cemetery Grant Fund through grants, contributions, appropriations, or other moneys is unknown; however, it is assumed that there will be at least \$10,000 appropriated to this Fund to effectuate the purposes of this Act.
- This \$10,000 will be expended in-full through the grant application process and no funds will revert back to the General Fund on July 1, 2017 at the conclusion and termination of this Act.

**IMPACT TO COMMERCE WITH PROPOSED AMENDMENT:**

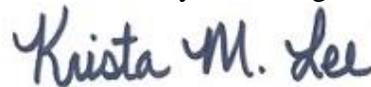
**Increase Business Revenue - Exceeds \$10,000/One-Time**

Assumptions for the bill as amended:

- Non-profit cemeteries in this state will receive at least \$10,000 for the improvement, care, and maintenance of such cemeteries.
- Businesses or individuals employed by non-profit cemeteries in this state to perform improvement, care, and maintenance to such cemeteries will experience an increase in business revenue exceeding \$10,000.

**CERTIFICATION:**

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



Krista M. Lee, Executive Director

/jdb