

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 1632 – SB 1636

March 12, 2016

**SUMMARY OF ORIGINAL BILL:** Prohibits a local government entity from enacting zoning regulations that require the direct or indirect allocation of a percentage of existing or newly constructed private residential or commercial rental units for long-term retention as affordable or workforce housing. This prohibition shall not affect any authority of a local government to create or implement an incentive-based program designed to increase the construction or rehabilitation of moderate or lower-cost private residential or commercial rental units.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

**SUMMARY OF AMENDMENT (013446):** Adds language to the original bill clarifying that Section 1, subsection (b) of the original bill is applicable to all current and future zone regulations.

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

**Unchanged from the original fiscal note.**

Assumptions for the bill as amended:

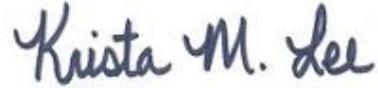
- According to the Comptroller's Office, the bill will have no impact on the Division of Property Assessments of the Office of Local Government. No fiscal impact to state government.
- Pursuant to Tenn. Code Ann. § 66-35-102, a local government unit is prohibited from enacting, maintaining, or enforcing an ordinance or resolution that would have the effect of controlling the amount of rent charged for leasing private residential or commercial property.
- Expanding the provisions of Tenn. Code Ann. § 66-35-102 to also prohibit local government entities from enacting zoning regulations that require a percentage of

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existing or newly constructed private residential or commercial rental units be allocated as affordable or workforce housing will have no fiscal impact on local governments.

**CERTIFICATION:**

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

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/amj