

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 846 - SB 1232**

March 23, 2015

**SUMMARY OF BILL:** Requires land use restrictions in redevelopment plans to be no more restrictive than the regulations prescribed under the local government's zoning authority. Authorizes businesses established prior to redevelopment plans, or any other provision of law related closely to zoning, to continue their use of the land in the same manner, or expand or rebuild.

**ESTIMATED FISCAL IMPACT:**

**Forgone Local Revenue – Exceeds \$100,000**

Assumptions:

- Based on information obtained from the Department of Environment and Conservation (TDEC), the Department of Economic and Community Development (ECD), and the Tennessee Housing Development Agency (THDA), the fiscal impact of this bill is not significant on state government operations.
- Local housing authorities report that limiting their ability to restrict activities in redevelopment zones could inhibit their ability to ensure investors of the type of establishments that will be present in formerly blighted redevelopment districts; as a result, this could reduce the extent of investment into these areas that would have otherwise occurred, and as a result, local governments would forgo unknown amounts of property tax revenue.
- A precise amount of forgone local revenue cannot be determined because such impact would be dependent upon future investment decisions and future property tax assessments; however, forgone local revenue is reasonable estimated to exceed \$100,000 per year.

**CERTIFICATION:**

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

Jeffrey L. Spalding, Executive Director

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