

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 326 – SB 1217

March 7, 2017

SUMMARY OF ORIGINAL BILL: Establishes a procedure by which a supervising official within a state department will review certain actions of regulatory boards to ensure such actions are consistent with a clearly articulated state policy.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (004380): Deletes and rewrites the bill such that the substantive changes are: removes language stating that rules of regulatory boards which displace competition are reviewed; adds language authorizing the Government Operations Committees of the House of Representatives and the Senate to conduct a hearing regarding any vetoed action at a regularly-scheduled meeting of the Committees; and requires the remand of any rule filed by a regulatory board that may constitute a potentially unreasonable restraint of trade to the regulatory board for further information, if the rule is not consistent with a clearly articulated state policy or law.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

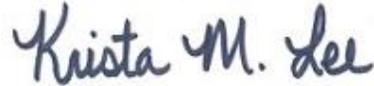
- Commissioners or chief executive officers of state departments which oversee regulatory boards under their authority will act as supervising officials and review any action taken by the regulatory boards that seeks to displace competition to ensure such action is consistent with a clearly articulated state policy.
- Commissioners or chief executive officers of such state departments may appoint a designee to oversee the remand of a rule which constitutes a potential unreasonable restraint on trade in instances of conflict.
- The provisions of the bill as amended will not apply to rules or actions of the state board of law examiners, board of professional responsibility, or the board of judicial conduct.

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- The supervising official is required to approve, remand, or veto the action for additional information or modification in writing within ten business days of the date the action was taken.
- Supervising officials will be required to notify the chairs of the Government Operations Committees within three business days of any action being vetoed.
- The Government Operations Committees are authorized to include a hearing on the vetoed action at a subsequent regularly-scheduled meeting.
- No additional per diem or travel expenses will be paid to members of the Government Operations Committee as such hearings, if any, will be conducted at a regularly-scheduled meeting.
- The provisions of the bill as amended will require additional administrative operations be taken by certain state department commissioners or chief executive officers. The additional procedures and oversight developed by the proposed legislation can be accomplished within existing resources and therefore will not result in any significant fiscal impact to state government.

CERTIFICATION:

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



Krista M. Lee, Executive Director

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