

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 1804 – SB 2473

March 11, 2018

SUMMARY OF ORIGINAL BILL: Prohibits a licensing authority of the state or any municipality, county, or metropolitan government from entering into or renewing any contract with a lobbyist or lobbying firm on or after July 1, 2018.

FISCAL IMPACT OF ORIGINAL BILL:

Other Fiscal Impact – Licensing authorities seeking to extend or enter into contracts with lobbyists on or after July 1, 2018, will experience a shift in expenditures or cost avoidances. The extent of any such impact is dependent upon the individual needs of each licensing authority and cannot be reasonably determined.

SUMMARY OF AMENDMENT (014751): Deletes all language after the enacting clause. Removes the prohibition of political subdivision licensing authorities to contract with lobbyists or lobbying firms on or after July 1, 2018.

Requires any employee of the executive branch of state government who engages in lobbying with respect to legislative branch officials to register with the Tennessee Ethics Commission. Exempts such employees from paying lobbyist registration fees or privilege tax.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

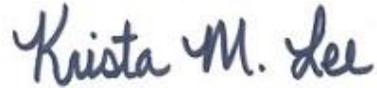
- This legislation defines a licensing authority as an agency, examining board, credentialing board, or other entity with the authority to require a license and occupational fee to engage in any profession or occupation.
- Licensing authorities budgeting funds for lobbyist contracts will spend such funds on alternative resources to fulfill the established need or avoid the cost of such contracts. The extent of any shift in funding or cost avoidance is dependent upon the needs of each licensing authority and cannot be reasonably determined.

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- Pursuant to Tenn. Code Ann. 3-6-301(15)(A), lobbying means to communicate, directly or indirectly, with any official in the legislative or executive branch for the purpose of influencing any legislative action or administrative action.
- Any impact to the Tennessee Ethics Commission to register state employees is estimated to be not significant.

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