

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 524 - SB 535

March 25, 2017

SUMMARY OF BILL: Entitles local education agencies (LEAs) to an administrative hearing carried out by the Administrative Procedures Division of the Secretary of State (SOS) in the event the Commissioner of the Department of Education (DOE) withholds state education finance funds for non-compliance. Authorizes an appeal of the administrative judge's decision in chancery court.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – To the extent any local education agency (LEA) files an administrative hearing with the Administrative Procedures Division, there will be a permissive increase in local expenditures to the LEA estimated to exceed \$200. Any impact on state government is estimated to be not significant.

Assumptions:

- To the extent that an LEA files a hearing with the Administrative Procedures Division, there will be a permissive increase in local expenditures for a hearing. The precise impact cannot be determined, but is reasonably estimated to exceed \$200 each instance.
- Based on information provided by the SOS, in the event such an administrative hearing is required, the provisions of the legislation can be handled within existing resources. The net impact of any fee revenue and corresponding expenditures related to additional hearings is estimated to be not significant. Any net budgetary impact to the SOS is estimated to be not significant.
- The legislation authorizes appeal of the decision to chancery court. Any impact on the court system can be handled within existing resources.

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".

Krista M. Lee, Executive Director

/maf