

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 2024 - HB 2161

February 16, 2018

**SUMMARY OF BILL:** Extends, from FY17-18 to FY23-24, the allocation of certain funds received by the state from the Tennessee Valley Authority (TVA) payment in lieu of taxes (PILOT) to the Four Lake Regional Industrial Development Board Authority (FLDA).

**ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – To the extent remaining funds are available, eligible TVA payments in lieu of taxes (PILOT) received by the state will continue to be paid to FLDA through FY23-24. The annual PILOT to the Four Lake Regional Industrial Development Authority has averaged \$869,324 per year over the last three-year period.**

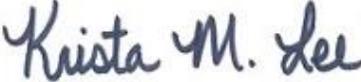
Assumptions:

- Pursuant to Tenn. Code Ann. § 67-9-101(a)(3), TVA PILOT above the amount of payments received in FY77-78 are apportioned as follows: 48.5 percent to the state, 48.5 percent to counties and municipalities, and three percent to local governing areas experiencing TVA construction activities on facilities to produce electric power.
- Under current law, pursuant to Tenn. Code Ann. § 67-9-102(b)(3)(D), any remaining funds under Tenn. Code Ann. § 67-9-101(a)(3) not allocated to counties and municipalities, the University of Tennessee, or the Tennessee Advisory Commission on Intergovernmental Relations, will be allocated to the FLDA through FY17-18, provided that outlined provisions are met.
- This legislation extends the allocation of any remaining PILOT to FLDA to FY23-24.
- Based on information provided by the Department of Revenue, the three-year annual average of such funds paid by the state to the FLDA is \$869,324.

**SB 2024 - HB 2161**

**CERTIFICATION:**

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



Krista M. Lee, Executive Director

/amj