

Amendment No. 1 to HB1270

Keisling  
Signature of Sponsor

**AMEND Senate Bill No. 662\***

**House Bill No. 1270**

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 9, Chapter 1, is amended by adding the following as a new section:

(a) For purposes of this section:

(1) "Designated state agency" means:

- (A) Department of agriculture;
- (B) Department of financial institutions;
- (C) Department of environment and conservation;
- (D) Department of correction;
- (E) Department of economic and community development;
- (F) Department of education;
- (G) Board of trustees of the University of Tennessee;
- (H) Board of regents of the state university and community college system;
- (I) Local governing boards of trustees of state universities;
- (J) Department of general services;
- (K) Department of human services;
- (L) Department of commerce and insurance;
- (M) Department of labor and workforce development;
- (N) Department of mental health and substance abuse services;
- (O) Department of human resources;

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- (P) Department of health;
- (Q) Department of revenue;
- (R) Department of safety;
- (S) Department of tourist development;
- (T) Department of transportation;
- (U) Department of the treasury;
- (V) Department of veterans services; and
- (W) The military department;

(2) "Federal receipts" means the federal financial assistance, as defined in 31 U.S.C. § 7501, that is reported as part of a single audit; and

(3) "Single audit" has the same meaning as defined in 31 U.S.C. § 7501.

(b) Subject to subsections (c) and (d), a designated state agency shall each year, on or before October 31, prepare a report that:

(1) Reports the aggregate value of federal receipts the designated state agency received for the preceding fiscal year;

(2) Reports the aggregate amount of federal funds appropriated by the general assembly to the designated state agency for the preceding fiscal year;

(3) Calculates the percentage of the designated state agency's total budget for the preceding fiscal year that constitutes federal receipts that the designated state agency received for that fiscal year; and

(4) Develops plans for operating the designated state agency if there is a reduction of:

(A) Five percent (5%) in the federal receipts that the designated state agency receives;

(B) Twenty-five percent (25%) in the federal receipts that the designated state agency receives; and

(C) One hundred percent (100%) in the federal receipts that the designated state agency receives.

(c) The report required by subsection (b) that the department of education prepares must include the information required by subdivisions (b)(1)-(3) for each school district, including special school districts, and each charter school within the public education system.

(d) Each designated state agency that prepares a report in accordance with subsection (b) shall submit the report to the department of finance and administration on or before November 1 of each year.

(e)

(1) The department of finance and administration shall, on or before November 30 of each year, prepare a report that:

(A) Compiles and summarizes the reports the department of finance and administration receives in accordance with subsection (d); and

(B) Compares the aggregate value of federal receipts each designated state agency received for the previous fiscal year to the aggregate amount of federal funds appropriated by the general assembly to that designated state agency for that fiscal year.

(2) The department of finance and administration shall, as part of the report required by subdivision (e)(1), compile a list of designated state agencies that do not submit a report as required by this section.

(f) The department of finance and administration shall submit the report required by subsection (e) to the chairs of the finance, ways and means committees of the house of representatives and the senate on or before January 15 of each year.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.