

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 621 - SB 585

April 1, 2019

**SUMMARY OF ORIGINAL BILL:** Requires contracts for surveying services entered into by certain organizations to meet certain requirements.

FISCAL IMPACT OF ORIGINAL BILL:

Other Fiscal Impact – A precise impact to state and local government expenditures cannot reasonably be determined due to multiple unknown factors.

**SUMMARY OF AMENDMENT (006938):** Deletes and rewrites all language after the enacting clause such that the substantive changes (1) limit applicability to city and county contracts, and (2) authorize, instead of require, cities and counties to enter into contracts for surveying services through a procurement process.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

NOT SIGNIFICANT

Assumptions for the bill as amended:

- Under current law, Tenn. Code Ann. § 12-4-107, local governments, development districts, utility districts, human resource agencies, and the state are required to follow certain procedures when procuring contracts for architectural and engineering services and determine a fair and reasonable price based on negotiations with firms deemed to be qualified to perform the services required.
- The proposed legislation will authorize cities and counties to develop contracts for surveying services in the same manner as architectural and engineering services.
- This analysis assumes that applicable local governments will utilize the prescribed procurement process in instances where the local government estimates it will result in a decrease in local expenditures due to lower rates of service being procured.
- Due to multiple unknown factors, including but not limited to, the number of local governments who will elect to utilize the prescribed procurement process and the extent and timing of any decrease in rates of service being procured, a precise permissive

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decrease to local government expenditures cannot be determined with any certainty but is considered not significant.

**CERTIFICATION:**

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

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/jrh