

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1045 - SB 1127

April 2, 2019

SUMMARY OF BILL: Authorizes municipalities to apply for reimbursement for certain expenses to the Comptroller of the Treasury (COT) who is authorized to reimburse such expenses as funds are available.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Exceeds \$131,000

Increase Local Revenue – Exceeds \$131,000

Assumptions:

- The COT provided the following information concerning the Certified Municipal Finance Officer (CMFO) program:
 - There is an average of 59 candidates who obtain their CMFO designation annually.
 - Not all CMFO candidates are municipally employed.
 - Candidates are required to complete 11 courses which cost \$110.00 each.
 - If a candidate does not pass the exam, such exam may be retaken for \$85.00.
 - One CMFO course is administered in each Grand Division.
- An average of 44 candidates, or 75 percent of those participating, will be municipally employed and thus eligible for municipal reimbursement. Municipalities will seek reimbursement for course costs, exam retakes, and travel expenses.
- It is estimated that 22, or 50 percent, of the candidates will retake the test once and that municipalities will seek an average \$150 per candidate, per course, for travel reimbursement.
- Reimbursement for class enrollment, test retakes, and travel will result in a recurring increase in state expenditures and equal, corresponding increase in local government revenue estimated to exceed \$131,010 [(\$110.00 per course x 11 courses x 44 candidates annually) + (\$150.00 travel reimbursement x 11 courses x 44 candidates) + (\$85.00 test retake x 22 candidates) + (\$150.00 travel reimbursement x 22 candidates retaking one exam)].

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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

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