

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1254 - SB 1228

April 5, 2019

SUMMARY OF BILL: Prohibits the State of Tennessee or any executive branch agency from entering into a contract with or awarding grants or tax subsidies to any business that discriminates on the basis of second amendment-related activity. Requires the state to rescind any grants or tax subsidies from an entity that discriminates in this manner.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- The proposed legislation defines such discrimination on behalf of the business as de-platforming or severing ties with customers or organizations based on their support of the second amendment.
- It is presumed the proposed definition of discrimination does not include a business' right to prohibit possession of weapons on any controlled property pursuant to Tenn. Code Ann. § 39-17-1359(a).
- It is presumed the Department of General Services and Department of Revenue could perform due diligence of the proposed legislation by requiring a signed affidavit of the entity attempting to enter into a contract, grant, or subsidy agreement with the State.
- It is further presumed that businesses would be willing to sign an affidavit in order to contract with the state or receive grants and tax subsidies.
- The state could incur a significant fiscal impact in the case of any businesses being found to discriminate against activity in the legislation; this could result in higher contract prices from reduced competition or legal fees for rescinding awards.
- It is, however, estimated that such instances will be rare and that any impact on state or local revenue or expenditures will be 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".

Krista Lee Carsner, Executive Director

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