

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1570

January 14, 2020

SUMMARY OF BILL: Increases, from during the same meeting to two days after the meeting, the period of time within which certain votes by county legislative body members may be challenged. Requires a county mayor to call a special meeting of the county legislative body in certain circumstances.

ESTIMATED FISCAL IMPACT:

Increase Local Expenditures – Exceeds \$1,400/FY20-21 and Subsequent Years*

Assumptions:

- Tennessee Code Annotated § 5-5-112(a) prohibits members of a county legislative body who are employees of the county, or whose spouse is an employee, from voting on matters which would result in the employee receiving an increase in pay or benefits. A vote may only be challenged during the same meeting in which such vote occurred, prior to the transaction of any further business of the body.
- The provisions of the proposed legislation would:
 - Expand the period of time within which a vote may be challenged to two days after the vote was cast;
 - Require the county mayor to call a special meeting of the county legislative body if the challenge occurs after adjournment of the meeting and the disqualification of the challenged vote would change the outcome of the vote total.
- Several laws govern county legislative bodies:
 - Tennessee Code Annotated § 5-5-102(a)(1) provides that the county legislative body must be composed of not less than 9 nor more than 25 members;
 - Tennessee Code Annotated § 5-5-104 provides that all meetings of the legislative body must be public;
 - Tennessee Code Annotated § 5-5-107 establishes minimum compensation rates for legislative body members; authorizes counties to either compensate legislative members on a per-meeting-attended basis or to provide compensation at a higher rate as a monthly salary;
 - Tennessee Code Annotated § 8-44-103 provides that notice of the meeting must be provided. This notice will be published in a newspaper of general circulation.
- Based on responses to the 2017 Local Government Survey conducted by the Fiscal Review Committee staff, participating local government officials reported the average cost for a newspaper notification is \$114.

- Based on information compiled in the 2017 Tennessee County Commissioners Association Compensation Survey, approximately half of counties compensate legislative body members on a per meeting basis, and the average rate of compensation is \$130 per meeting.
- For any county required to hold a special meeting there will be a mandatory increase in local expenditures of \$114 for newspaper notification of the meeting. For counties compensating legislative body members on a per meeting basis, the proposed legislation will result in a mandatory increase in local expenditures estimated to exceed \$1,284 per meeting [(\$130 per meeting x 9 minimum members) + \$114 newspaper notification].
- It is reasonably assumed that annually, one special meeting will be required in a county providing salaries to legislative members, as well as one special meeting being required in a county compensating on a per-meeting basis. The statewide mandatory increase in local expenditures is estimated to exceed \$1,398 (\$114 + \$1,284) beginning in FY20-21 and occurring in subsequent years.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

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



Krista Lee Carsner, Executive Director

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