

## **FISCAL NOTE**

TO: Chief Clerk of the Senate  
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: March 16, 1995

SUBJECT: **SB 1092 - HB 1276**

This bill, if enacted, will create the *Tennessee Recreation Initiative Program of 1995*. Any city or county wishing to participate in this program may apply for funding through a competitive matching grant process as established by the Department of Environment and Conservation's Recreation Services Division.

This bill, if enacted, provides that one grant be awarded in each grand division of the state based on need and population. Each of the three grants awarded the first and second year would be for \$25,000 with a match up to \$25,000 from the communities and \$8,000 per grant to cover administration cost to the Department of Environment and Conservation. The third year in the program, the community shall be responsible for 100% funding. If the community fails to fulfill its contract the third year, the community would owe the state the dollar value of total grants received,

The fiscal impact on local governments from enactment of this bill in and of itself is estimated to be minimal since the provisions of the bill are permissive.

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The fiscal impact from enactment of this bill is estimated to result in an increase in local government expenditures, to the extent local governments participate in such program, of \$75,000 the first year, \$150,000 the second year, \$300,000 the third year, with each year thereafter increasing by \$150,000. This estimate assumes that a county participating in this program will continue the program, although the bill provides that the community shall have no obligation to continue the program after the third year.

The fiscal impact of this bill to the state, to the extent local governments choose to participate in this program, is estimated to be an increase in first year state expenditures of \$99,000 and an increase in state expenditures the second and subsequent years of \$174,000.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James A. Davenport". The signature is written in a cursive style with a large, stylized initial "J".

James A. Davenport, Executive Director