

CAPITOL UPDATE

TCSA'S WEEKLY CAPITOL UPDATE



Week of February 14-18, 2022

Insurance Benefits

A bill that would have required school systems to pay employees who don't use the county's health insurance the equivalent amount of the premiums as a deposit into an HSA or FSA was taken off notice this week.

The bill (HB1877) passed out of the Public Service Subcommittee last week before members voting on the bill were not aware of the potential fiscal impact. The fiscal note on the bill estimated it would add \$37.8 million in costs to school systems across the state. The bill was scheduled for discussion in the full State Committee in the House this week but has since been taken off notice by the sponsor.

Waste Tires

A bill to provide flexibility in the use of waste tire disposal fees advanced this week in the House. The bill ([HB 2607](#)) by Rep. David Byrd advanced in the House Agriculture and Natural Resources Subcommittee. This legislation, filed at the request of the Tennessee County Services Association, would allow the \$1 that counties receive of the tire pre-disposal fee to be used for methods of disposal other than recycling that have a beneficial end use. Current law only allows those funds to be used to pay for recycling waste tires.

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Waste Tires (continued from Page 1)

Since there are a limited number of recyclers operating in Tennessee and most of them ship tires out of state to process them, the current law's requirement has dramatically driven the cost up for counties to dispose of tires. The law allows tires to be shredded and then disposed of in landfills if that option is less expensive than recycling the tire.

However, currently, the \$1 tire fee cannot be used to pay for shredding. This bill would allow shredding and would hopefully give counties a cheaper alternative for dealing with difficult waste. The bill will be heard by the full Agriculture and Natural Resources Committee in the House next Wednesday. The companion bill (SB2450) by Sen. Walley will be heard the same day in the Energy, Agriculture, and Natural Resources Committee in the Senate.

Recall Elections

An amendment that circulated this week on a caption bill would have provided a method for holding recall elections for virtually every elected and appointed position in the state, including county government officials. The amendment was proposed to go on HB1277/SB1316, which as originally filed, simply dealt with a timeline for ouster proceedings. The proposed amendment would have allowed a petition of 20% of the voters of a jurisdiction who voted in the last general election to call for a recall election of elected or appointed officials for a variety of reasons. Included among the list of reasons for a recall was "voter dissatisfaction."

The recall provisions would have applied to county, city, and school officials, as well as some state officials. Among those exempted from the proposal were the governor, members of the General Assembly, and judges. After a number of organizations raised concerns over the proposed amendment, the bill was deferred for two weeks in the Senate State and Local Government Committee. The bill has also been deferred to the final calendar of the Public Service Subcommittee in the House.



Conflicts of Interest

A bill (SB1758/HB1704) brought at the behest of the Comptroller's Office is progressing to a final vote. The proposal amends a number of conflict of interest provisions in various budgeting and purchasing laws in order to make them more uniform. Legislation supported by county associations was passed last year to revise the conflict of interest provisions in the 1981 Financial Management acts after a number of counties complained that overly broad and vague language was resulting in audit findings. That law prohibited a county from purchasing from companies where any county employee might have an "indirect interest." This provision created a conflict if a county spent money with a common national company like FedEx, Walmart, or Tractor Supply if any employee of the county had a family member who worked for that company.

Not only was this nearly impossible for budget and purchasing staff to track, but it was also difficult for the Comptroller's Office to enforce. Under the revised language, county employees who were not involved in purchasing are not included in the prohibition and indirect interests simply have to be disclosed. The Comptroller's Office not only agreed with the proposed language of the bill last year, but they also decided it would be a good model to use for the other purchasing acts to create a uniform standard among counties. The bill moving this year amends the 1957 Purchasing Law so that its conflict of interest provisions mirror those of the revised 1981 Act. The bill has been referred to the calendar committees in both chambers and should be scheduled for a floor vote soon.

Emergency Medical Services

A The annual legislation to levy an assessment on ambulance services is progressing. The funds generated by these fees are used to draw down additional federal funds for reimbursement. The legislation (SB1872/HB1719) has passed out of the Commerce Committee in the Senate and the Insurance Committee in the House and is headed to the Finance Committees.

A second bill (SB1932/HB2027) by Sen. Watson and Rep. Hicks is moving forward that would create an \$800 pay supplement for EMS personnel that complete training requirements. It passed out of the Health Committees in both chambers this week and is headed to the Finance Committees. This supplement would be paid for by the State in a manner similar to training supplements paid to law enforcement and firefighters.



5G Small Cell Legislation

After legislation was negotiated in Tennessee several years ago in anticipation of 5G wireless telephone installations in rights-of-way, the FCC also passed some requirements and provisions on fees and permitting. A few of the federal regulations were more favorable to local governments than what passed in the Tennessee law.

This year, a bill (SB149/HB170) that has been hammered out between local government groups and the phone providers is progressing to amend Tennessee's law to match some of those more favorable provisions allowed by the FCC. As most of these facilities are currently being located in urban areas and inside incorporated municipalities, the Tennessee Municipal League took the lead in these efforts. However, county associations, including TCHOA, were a part of some meetings with the telecom providers. The bills have been recommended by the Commerce Committees in both chambers and are headed to the Finance Committees. The House bill will be heard in the Finance Subcommittee on February 23rd.