

LEGISLATIVE UPDATE - WEEK OF APRIL 17, 2023

The legislature adjourned Friday evening after completing its business for the first half of the 113th General Assembly. Within hours of adjournment, Governor Lee announced that he will call a special session on public safety. He said the following in his announcement:

“After much input from members of the General Assembly and discussions with legislative leadership, we have decided to call a special session to continue our work to protect Tennessee communities and preserve constitutional rights,” said Gov. Lee. “There is broad agreement that dangerous, unstable individuals who intend to harm themselves or others should not have access to weapons. We also share a strong commitment to preserving Second Amendment rights, ensuring due process and addressing the heart of the problem with strengthened mental health resources. I look forward to continued partnership with the General Assembly as we pursue thoughtful, practical solutions to keep Tennesseans safe.”

Lt. Gov. Randy McNally has expressed potential support for red flag gun legislation, but House Republicans have stated that a red flag gun law proposal would be a “non-starter.” The Governor has not announced a date for the special session, but the Nashville Chamber will be engaged in conversations around the Governor’s safety proposal. Last week, the Chamber released the following statement on the Governor’s proposal:

“Maintaining a thriving business environment requires a safe a secure community. We’ve received overwhelming feedback from our membership in support of common-sense firearm policies. Creating a safe and secure environment is essential for economic growth and prosperity, and we support this important step towards making all of our communities safer.”

THE BUDGET

The legislature passed a \$56.2 billion budget last week with bipartisan support. Budget highlights include:

- Cutting over \$124M in Franchise, Excise and the local Business Tax paid by businesses
- \$3.3 billion in transportation investments
- \$1 billion for Tennessee’s TCAT master plan
- \$350 million in additional funding in the TISA formula
- Funding to revitalize 175 brownfield sites
- \$273 million for 3-month food sales tax
- \$140 million for school resource officers in public schools, with an additional \$7 million to offer state funding through grants to place officers in private schools

For specific line items and more information about the budget, [click here](#).

Updates On Legislative Items of Interest

Convention Center Revenues

[SB648/HB1279](#), sponsored by Sen. Jack Johnson and Rep. Elaine Davis, requires that excess tax revenues to be used only for the following purposes:

- The prepayment or defeasance of debt services or other contractual obligations related to the facility
- The payment of capital expenses. If the capital expenses are expected to exceed \$25 million, then the expenses must be pre-approved by the commissioner of finance and administration
- The payment of operating expenses, including expenses for cleanliness, safety, and maintenance of the development

Additionally, debt must not be issued or refunded without express approval of the state funding board. The legislation added the state's constitutional officers as ex-officio members of the authority's board of directors.

This legislation passed in both chambers and takes effect upon becoming law.

Appointments of Nashville International Airport Authority

[HB1176/SB1326](#), sponsored by Rep. Johnny Garrett and Sen. Paul Bailey, added the governor and speakers of the General Assembly as appointing authorities for board positions for the Metropolitan Nashville Airport Authority. The authority will consist of an 8-member board, comprised of 6 state-appointed members and the Metro Nashville mayor would appoint two members. At least one person appointed by each appointing authority must be a resident of Davidson County and the other appointee may be a resident of a county contiguous to Davidson County.

This legislation takes effect July 1, 2023.

Appointments for Metropolitan Nashville Sports Authority

[HB1197/SB1335](#), sponsored by Rep. Ryan Williams and Sen. Paul Bailey, alters appointing authority for the board of directors for the Metropolitan Sports Authority of Nashville, effective January 1, 2024. Nashville's mayor would appoint seven members, the Governor would appoint two members, and both legislative speakers would appoint two members.

This legislation takes effect on January 1, 2024.

Transportation Modernization Act

[HB321/SB273](#), sponsored by Rep. William Lamberth and Sen. Jack Johnson, carried Governor Lee's Transportation Modernization Act language. The bill invested \$3.3 billion to accommodate Tennessee's record growth, address traffic congestion and meet transportation needs across rural and urban communities. The legislation grants the TN Dept of Transportation the authority to partner with the private sector to design, build, finance, operate and maintain new and additional lanes on existing interstates called Choice Lanes – the state would retain ownership of the roads.

The bill passed bipartisan legislative support and was backed by dozens of [organizations](#) across the state.

Data Access for Workforce Development

[SB461/HB902](#), sponsored by Sen. Bo Watson and Rep. Chris Hurt, will be heard in 2024.

The bill, brought by SCORE, sought to strengthen Tennessee's use of data to improve education and workforce outcomes by directing the department to create more actionable public information about preparing students for work.

Tennessee's Office of Evidence and Impact has committed to creating and releasing a relevant report this year. Chamber staff will forward you those documents when they become available later this year.

Elimination of Runoff Elections

[HB1399/HB1527](#), sponsored by Rep. Jason Zachary and Sen. Brent Taylor, aimed to eliminate runoff elections across the state. This legislation would have had significant impacts on Davidson County election protocols, but the Chamber and its advocacy partners successfully delayed its consideration for passage.

The legislation's consideration was delayed until 2024 in Senate State and Local Committee and taken off notice in the House, ending its ability to impact elections this year.

3rd and 4th Grade Retention

The 16 bills that were filed this year to address 3rd and 4th grade retention were narrowed down into one piece of legislation. [HB437/SB300](#), sponsored by Rep. Mark White and Sen. Jon Lundberg, now requires LEAs to consider results from a second state-approved benchmark test if students score in at least the 50th percentile, in addition to TCAP scores. Additionally, students who score "approaching proficiency" will have enhanced opportunities to appeal their retention or receive extra tutoring.

The bill will take effect for the 2023-2024 school year.