The Tennessee Advisory Commission on Intergovernmental Relations

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MEMORANDUM

TO: TACIR Commission Members

FROM: Harry A. Green
Executive Director

DATE: December 9, 2009

SUBJECT: Biennial Report for FY 2007 and 2008

The draft of the Biennial Report for FY 2007 and FY 2008 is included for your review.

This report fulfills TCA § 1-10-108, which requires TACIR to produce a biennial report on its activities. It follows the general framework established in previous reports and offers an overview of the most important program areas addressed over the two-year period. This provides a useful overview of the work of the Commission as a policy research organization and as a deliberative body.

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Message from the Chairman and Executive Director

Senator Mark Norris
Chairman, TACIR

This Biennial Report of the Tennessee Advisory Commission on Intergovernmental Relations (TACIR) describes the accomplishments and primary activities of the Commission during fiscal years 2007 and 2008. The report outlines the hard work and effort of TACIR in aiding local governments, the General Assembly, and the State of Tennessee. While it provides a focused overview of just a handful of the key issues TACIR addressed during the period covered—K-12 education finance, infrastructure needs, jails, voting security, and fiscal federalism—the full scope of the Commission's work is evidenced in the lists of publications, presentations, relevant legislation, and meeting participation included in the appendix.

Harry A. Green, Ph.D.
Executive Director, TACIR

TACIR takes its mandate to provide a future-oriented perspective to public policy and intergovernmental relations seriously and employs any number of resources to see its mandate is fulfilled. The expertise and hard work of the talented individuals who serve on the Commission have been essential to TACIR's success. TACIR members for fiscal years 2007 and 2008 are listed in the appendix.

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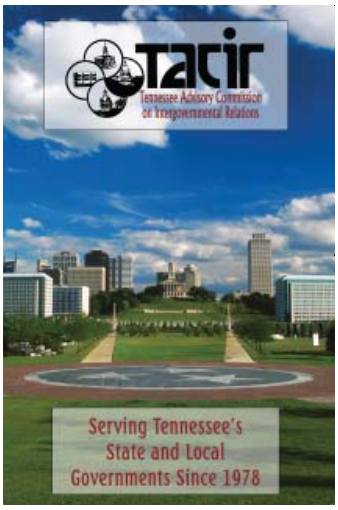
Focus Issues

This report provides highlights on a small number of the issues addressed by TACIR during fiscal years 2007-2008: K-12 education finance, infrastructure, jails, voting security, and fiscal federalism. This selection of issues demonstrates the wide range of topics that fall within the purview of TACIR's mission to

> "Serve as a forum for the discussion and resolution of intergovernmental problems; provide high quality research support to state and local government officials to improve the overall quality of government in Tennessee; and to improve the effectiveness of the intergovernmental system to better serve the citizens of Tennessee."



Each of the issues focused on in this report is areas of continuing research for TACIR.

K-12 Education Finance

The most significant development in K-12 education during the timeframe covered by this report was the adoption of the Basic Education Program 2.0 (BEP 2.0) with Public Chapter 369 of the 105th General Assembly. Starting in fiscal year 2008, a new tax capacity model produced by the Center for Business and Economic Research (CBER) at the University of Tennessee was used in combination with the county-level fiscal capacity model used since the inception of the Basic Education Program funding formula in 1992 (the TACIR model). While the TACIR model uses a statistical technique known as multiple regression analysis, the CBER model is an arithmetic model. In order to smooth year-to-year changes, the TACIR model has historically used three-year averages of the fiscal capacity variables and CBER has adopted that practice. The TACIR model includes additional factors addressing each county area's service burden, ability to pay, and ability to export its tax burden. Both models produce indices of each county's percent of the state's total fiscal capacity. The CBER tax capacity model was chosen over TACIR's prototype system level model.

During the transition from the TACIR to the CBER model, the results of both are to be used in calculating fiscal capacity. In the first year of transition, FY 2008, each model was used to

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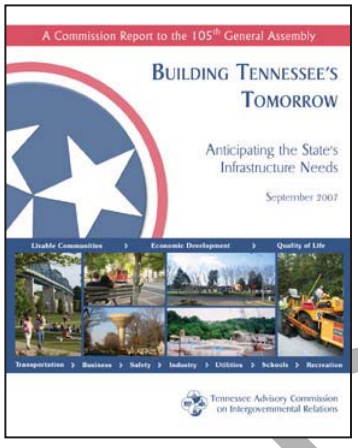
calculate 50% of each county's fiscal capacity. If the CBER calculation produced a percent of total fiscal capacity number that was more than a 30% change from the TACIR calculation, then the CBER percentage was adjusted such that the change was only 30%. The two indexes were then averaged to get the final fiscal capacity calculation. The stated intent of the administration was for the weight of each measure to shift toward CBER annually until its calculation was the only one used, but the percentages have remained at 50/50 for FY 2010. The Department of Education has not announced an official transition schedule for future fiscal years.

Monitoring Tennessee's Infrastructure Needs



During fiscal year 2008, TACIR released the sixth in a series of reports on Tennessee's infrastructure needs, pursuant to Public Chapter 817, Acts of 1996. That act requires the TACIR to compile and maintain an inventory of infrastructure needed in Tennessee and present these needs and associated costs to the General Assembly during its regular legislative session. The inventory, by law, is designed to support the development by state and local officials of goals, strategies and programs:

- Improve the quality of life of all Tennesseans
- Support livable communities
- Enhance and encourage the overall economic development of the state through the provision of adequate and essential public infrastructure

The report showed that Tennessee needed at least $28.3 billion of public infrastructure improvements to be in some stage of development during the five-year period of 2004-2009. Information about the availability of funding to meet Tennessee's public infrastructure needs indicates that in dollar terms more than half may go unmet. Of the $23.2 billion in needs for which the availability of funding was reported, local officials are confident of only $9.0 billion of that amount. The report, based on information provided by state and local officials, showed an increase in needs of $14.7 billion (up 107%) since the first inventory was first published in 1999 and an increase of about $3.9 billion (16%) from the October 2005 report. These needs fell into six general categories:

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- Transportation and Utilities: $14.6 billion
- Education: $5.7 billion
- Health, Safety, and Welfare: $5.2 billion
- Recreation and Culture: $1.8 billion
- Economic Development: $669 million
- General Government: $426 million

The data collection process continues to improve, and the current inventory is more complete and accurate than ever, particularly with respect to transportation needs. TACIR has tried to strike a balance between requiring sufficient information to satisfy the intent of the law and creating an impediment to local officials reporting their needs. By law, the inventory is required of TACIR, but it is not required of state or local officials; they may decline to participate without penalty. Similarly, they may provide only partial information, making comparisons across jurisdictions and across time difficult. But with each annual inventory, participants have become more familiar with the process and more supportive of the program. TACIR has recently completed the seventh infrastructure report; full details are available on the Commission's web site.

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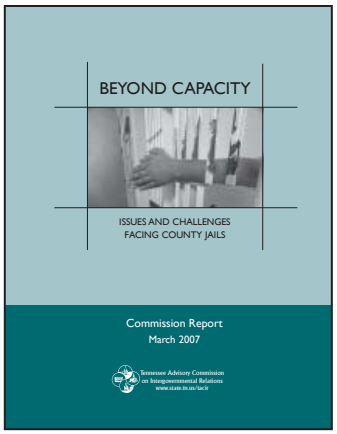
Jails

In March 2006, the Tennessee General Assembly referred SB 3698/HB 3747 to TACIR for study. This bill would have required the state to pay the daily cost of housing prisoners confined to a local jail when such prisoners, convicted of felonies, are arrested for probation violation and awaiting a probation revocation hearing. The bill would have significantly reduced county expenses by $16,507,900 based on its fiscal note and would have increased the state's expenses by the same amount. The report focused on issues related to housing state prisoners in county jails and the reimbursement system in place to provide county jails incentives for doing so. The report also explored jail overcrowding, high medical and mental health care costs, illegal immigration and the impact it has on county jails, and the possibility of forming regional jails in Tennessee. Finally, it expanded upon and updated information from previous reports, including two reports published by the Tennessee Comptroller



of the Treasury, Office of Research and one report published by Tennessee County Services Association (TCSA).

Staff presented a draft version of the report to TACIR Commissioners in December 2006, and in January 2007, Commissioners formally adopted two recommendations:

- The General Assembly should require the Tennessee Department of Correction to reimburse county jails for the daily costs of housing state prisoners who are awaiting probation revocation hearings. The time lag between the probation violating offense and the probation revocation hearing is lengthy, and the number of prisoners placed on probation is increasing.
- The Tennessee Department of Correction should set $35 as the flat daily reimbursement rate for local jails housing state prisoners. Additionally, TDOC should simplify the reporting process for local jails holding state prisoners, to include eliminating the cost sheets counties currently complete to be reimbursed. Completing the cost reports requires a large portion of staff time and regardless of the daily cost reflected in the report, the daily reimbursement cap is $35.

Neither of these recommendations has yet to be adopted by the General Assembly or the Department of Correction.

In 2009, TACIR was again asked to look at the issue of jails, and is in the process of producing a report on the feasibility of a regional jail serving Pickett, Clay, Overton, and Fentress Counties.

Voting Security

At its December 2006 meeting, the Tennessee Advisory Commission on Intergovernmental Relations (TACIR) voted to study the election process in Tennessee. The House Election Subcommittee and the House State Government Subcommittee then referred several bills to TACIR for study in 2007. TACIR staff reported on those bills related to voting machines and security, early voting, and absentee voting in its 2008 report, Trust but Verify: Increasing Voter Confidence in Election Results, and in a companion brief with the same title. For additional details on these bills, refer to Appendix G. The

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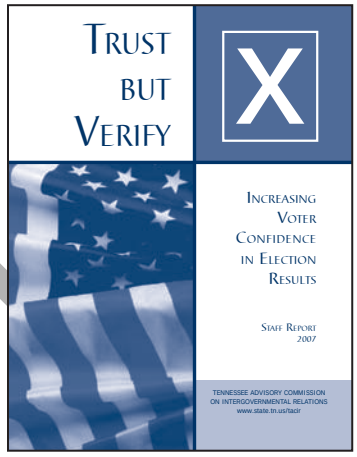
reports included several findings and recommendations, many of the latter being reflected in the final version of SB1363/ HB1256 which passed during the 105th General Assembly. That bill required counties to begin the transition to optical scan voting machines after the November 2008 election.



Findings:

- There are no formal requirements or methods for reporting voting problems in Tennessee or nationally.
- Voter verified paper audit trails (VVPAT) reassure voters that their vote is being counted accurately and can be audited or recounted.
- Many experts and advocates believe the direct recording electronic machines (DREs) are especially vulnerable to tampering and fraud because most do not physically document votes so that they can be independently recounted or audited.
- Vulnerability in all electronic or computerized systems can stem from computer codes that are subject to tampering, connections to other computers that can allow hacking, and weak data encryption.
- Governmental entities and private corporations are routinely audited regardless of whether problems are suspected. With so much at stake, the same should be true for elections.
- In Tennessee, nearly 50% of the statewide November 2006 vote was cast early.

Staff Recommendations:

- Implement VVPAT statewide within a reasonable time frame.
- Adopt VVPAT that can be counted by hand, as well as by machine—machine tallies to support prompt reporting of results with hand counting for audit and recount purposes.
- Adopt a standard for VVPAT that would meet federal guidelines.

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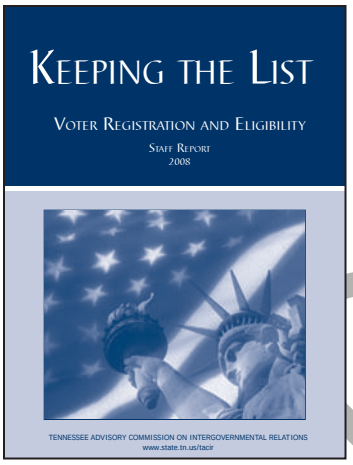
- Request a review by the Election Assistance Commission to find out how much of Tennessee's remaining Help America Vote Act (HAVA) funds would be available to purchase new voting machines.
- Require voting machine vendors to escrow all of their proprietary software so that it can be reviewed by experts as recommended by the Commission on Federal Election Reform and secured for further analysis if vote-counting problems should arise.
- Strengthen audit requirements to ensure that a random sample of machines is routinely tested.
- Consider making early voting and voting by mail more accessible.
- Implement a Vote by Mail pilot program that would allow the state to assess the advantages and disadvantages of this type of voting in Tennessee.
- Strengthen security and pre-test requirements and make them consistent for all voting systems.
- Implement election day parallel voting machine tests to detect any hidden programs that are triggered by election day conditions and are erased so that they cannot be detected later.
- Allow government employees to serve as poll workers, with restrictions on those who work directly for a candidate on the ballot.
- Extend the minimum age for poll workers to 16 and ensure students receive an excused absence from school on election day to work at the polls.
- Encourage counties to partner with high schools and colleges to set up programs that would motivate students to work at the polls.



Several of the other bills also referred to TACIR were addressed in memos to the subcommittee or to bill sponsors and in *Keeping the List: Voter Registration and Eligibility*, a TACIR staff report published in September 2008.

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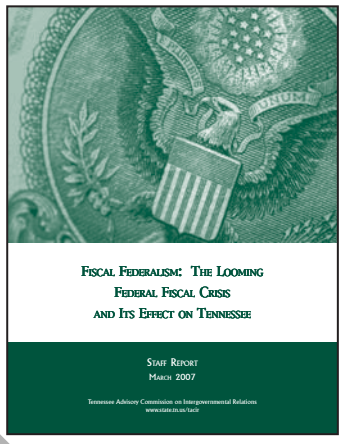
Fiscal Federalism

During fiscal year 2007, TACIR co-sponsored a presentation by Comptroller General of the United States, David Walker, and the bipartisan Concord Coalition at the National Conference of State Legislatures' annual meeting in Nashville. The message of the presentation was simple and clear. The United States is on an unsustainable budget path, and there will have to be both tax increases and entitlement restructuring in order to change that fact. The combination of enormous federal entitlement obligations on the horizon, increasing deficit and debt levels, the lowest household savings rate since the Great Depression, and unprecedented foreign debt will soon force some very difficult decisions at the federal level.



TACIR staff used the Concord Coalition's presentation as a starting point for a report addressing the potential impact of federal budget problems on the State of Tennessee, focusing on the areas of education, Medicaid, community development block grants, homeland security, and illegal immigration. The report noted that it is reasonable to expect that the federal government's budget situation will cause a reduction in federal intergovernmental aid to state and local governments, while recent trends of mandating certain programs and/or program standards for states, and changing laws limiting state and local governments' ability to raise certain kinds of revenues, will likely continue. TACIR has continued to study this issue, particularly in light of the impact of the current recession on intergovernmental aid and on the federal deficit. TACIR has published several analyses of the economic situation and on the American Recovery and Reinvestment Act on the Commission's web site.

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Appendix A: TACIR Accomplishments by Research Area Fiscal Years 2007 & 2008

Fiscal Year 2007

Education Finance/Fiscal Capacity:

- Provided additional information on prototype system-level fiscal capacity model to the BEPRC, legislative members and legislative staff.
- Completed Fiscal Year 2008 Fiscal Capacity Model (county area).
- Funded a University of Tennessee study of the response of local governments to the phase in of the Basic Education Program formula.
- Initiated a study of capital outlay funding in the state's formula for schools.

PC 1101:

- Continued to monitor and report to the General Assembly on the implementation of (PC No. 1101), Tennessee's growth policy law (Title 6, Chapter 58).
- Completed legislatively mandated review of five PC 1101 bills.
- Continued to work with other state agencies in developing programs designed to implement the goals and objectives of PC 1101.

Infrastructure:

- Continued annual Public Infrastructure Needs Inventory pursuant to T.C.A. § 4-10-109. Collected infrastructure data provided by 136 school systems, 95 counties, 318 municipalities, and 195 other entities.
- Completed phase one development of a consolidated infrastructure database.

Tax Policy Research:

- Completed study of federal fiscal issues and their potential impact on Tennessee.
- Completed one major study and three, related, smaller studies, concerning local government fiscal pressure related to growth.
- Completed study of the relative fiscal needs of cities versus counties.
- Completed study of property tax relief programs.

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- Initiated study of county level tax burdens.
- Completed review of tax increment financing in Tennessee.

Other Research:

- Completed phase I of a study of electronic voting concerns, issues, and opportunities.
- Initiated a guide to metropolitan governments utilizing consolidation efforts in Trousdale, Moore, and Davidson Counties.
- Completed study of local jail costs in Tennessee.
- Monitored intergovernmental tax, fiscal, and education legislation.
- Continued economic analysis of rural economies and their development to identify "emerging rural regions".

Administration:

- Administered fourteen contracts:
  - » Ten for the state's development districts
  - » Nine in support of the infrastructure inventory project and
  - » One to provide growth planning technical assistance
  - » One with the Tennessee Department of Education for server support
  - » One with Middle Tennessee State University for policy research
  - » One with the University of Tennessee for policy research
  - » One with an individual researcher for PC 1101 consultation
- Administered one grant to Cumberland Region Tomorrow.

Using Technology for Public Information:

Continued to improve TACIR website format and content with focus on maximizing electronic report dissemination electronically and on providing detailed focus sections on ongoing research.

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Fiscal Year 2008

Education Finance/Fiscal Capacity:

- Completed Fiscal Year 2009 Fiscal Capacity Model
- Completed a University of Tennessee study of the response of local governments to the phase in of the Basic Education Program formula.

PC 1101:

- Continued to monitor and report to the General Assembly on the implementation of (P.C. No. 1101), Tennessee's growth policy law (T.C.A. § 6-58).
- Completed legislatively mandated review of four PC 1101 bills.
- Continued to work with other state agencies in developing programs designed to implement the goals and objectives of PC 1101.

Infrastructure:

- Continued annual Public Infrastructure Needs Inventory pursuant to T.C.A. § 4-10-109. Collected infrastructure data provided by 136 school systems, 95 counties, 318 municipalities, and 195 other entities.
- Initiated study of bridge conditions and needs in Tennessee.
- Initiated study of water and wastewater infrastructure needs in Tennessee.

Tax Policy Research:

- Completed study of the effect of economic development agreements and property tax incentives for businesses on the property tax base of local governments.
- Completed study of county level tax burdens.
- Completed study on local taxing authority.
- Initiated comprehensive report on the property tax in Tennessee.
- Initiated study of issues and concerns regarding economic impact analysis models.

Other Research:

- Completed phases I and II of a study of electronic voting concerns, issues, and opportunities.
- Completed initial study in a series on regional governmental issues.
- Monitored intergovernmental tax, fiscal, and education legislation.

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- Continued economic analysis of rural economies and their development to identify "emerging rural regions."
- Initiated planning for Forum on Tennessee's Future.

Administration:

- Administered twelve contracts:
  - » Nine for the state's development districts in support of the infrastructure inventory project
  - » One with the Tennessee Department of Education for server support
  - » One with the Department of Finance and Administration for shared services
  - » One with the University of Memphis to study relationship between K-12 school siting and land use planning in Tennessee

Using Technology for Public Information:

Continued to improve TACIR website format and content with focus on maximizing electronic report dissemination electronically and on providing detailed focus sections on ongoing research.

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Appendix B: TACIR Publications FY 2007 and FY 2008

Personal and Family Economic Well-Being: Status and Momentum of Tennessee Counties
Fast Facts (Vol. 5, Issue 1), May 2008 (Revised May 2009)

Corroding and Failing Sewer Lines: How Big a Problem?
Brief, March 2008

Local Realty Transfer Taxes
Staff Report, February 2008

Trust But Verify: Increasing Voter Confidence in Election Results
Brief, January 2008

Trust But Verify: Increasing Voter Confidence in Election Results
Staff Report, January 2008

Getting It Right: The Effect on the Property Tax Base of Economic Development Agreements and Property Tax Incentives for Businesses
Brief, January 2008

Building Tennessee's Tomorrow - Anticipating the State's Infrastructure Needs
Commission Report, September 2007

Who Pays More? Local Tax Burdens on Tennessee Households by County
Staff Report, August 2007

Intergovernmental Challenges and Achievements
Biennial Report FY 2005-2006, August 2007

Local Taxing Authority
Staff Report, July 2007

Property Tax Reduction and Relief Programs
Brief, June 2007

Fiscal Effort, Fiscal Capacity, and Fiscal Need: Separate Concepts, Separate Problems
Staff Report, June 2007

Tax Increment Financing: Opportunities and Concerns
Brief, March 2007

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Beyond Capacity: Issues and Challenges Facing County Jails
Commission Report, March 2007
Fiscal Federalism: The Looming Federal Fiscal Crisis and Its Effect on Tennessee
Staff Report, March 2007

Analysis of Pole Attachment Rate Issues in Tennessee
TACIR Report, March 2007

Fiscal Flexibility: Low Growth/High Pressure
Staff Report, January 2007

Searching for a Fiscal Capacity Model: Why No Other State is Comparable to Tennessee
Brief, September 2006

Equalizing Education Funding: The Average Tax Rate Approach
Brief, August 2006

Growth Plans and Infrastructure Needs in Tennessee: A Nine-County Analysis
Joint Report with UT EERC and TACIR, August 2006

Growing Pains: Fiscal Challenges for Local Governments
Staff Report, August 2006

Local Government Property Tax Revisited: Good News and Bad News
Brief, July 2006

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Appendix C: Staff Presentations

Tax Increment Financing
Presented to Rutherford County Commission
March 2008

Dickson County Peer Evaluation
Presented to Dickson County Chamber of Commerce
February 2008

Tennessee's Water Challenges: Balancing Resources and Needs
Presented to Columbia, Tennessee for Representative Tom DuBois
February 2008

Tennessee's Water Resource: A Regional Concern
Presented to Williamson County
December 2007

Tennessee's Water Resources: A Regional Concern If Ever There Was One
Presented to ASPA Annual Symposium
December 2007

Changing Nature of the Property Tax in Tennessee
Presented to the Joint Select Committee on Business Taxes November 2007

Tennessee's Water Resources: Managing Current and Future Challenges
Presented to TCSA Annual Conference
October 2007

Trust But Verify: Toward Increasing Voter Confidence in Election Results
Presented to Joint Study Committee on the Voter Confidence Act of 2006
May 2007

Trust But Verify: Toward Increasing Voter Confidence in Election Results
Presented to House State and Local Government Committee May 2007

Tax Increment Financing
Presented to Tennessee City Managers' Association
April 2007

Tax Increment Financing
Presented to Knoxville League of Women Voters
March 2007

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Trust But Verify: Toward Increasing Voter Confidence in Election Results
Presented to Senate State and Local Government
March 2007

Free and Fair Elections: Twenty-first Century Challenges
Presented to House State and Local Government Committee February 2007

Education Finance
Presented to Association of Government Accountants, Winter Seminar
January 2007

The Potential Impact of a Federal Fiscal Crisis on Tennessee
Presented to American Society for Public Administration, Tennessee Chapter, Annual Seminar
December 2006

A Primer on the Fiscal Capacity Prototype
Presented to Basic Education Program Review Committee November 2006

American Farmland Trust Cost of Community Services Studies
Presented to Tennessee Chapter American Planning Association, Tennessee Urban Forestry Council, Tennessee Chapter American Society of Landscape Architects We're All Connected Conference
September 2006

Fiscal Wake-up Call
Presented to National Conference of State Legislatures
(co-sponsor of panel presentation)
August 2006

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Appendix D: Conference and Meeting Attendance

FY 2007 through FY 2008

- American Society for Public Administration, Tennessee Chapter, Annual Symposium
- County Officials Association of Tennessee Annual Convention
- Governor's Conference on Economic Development
- Governmental Research Association Annual Conference
- National Conference of State Legislatures Annual Conference
- Southeast Conference on Public Administration Annual Conference
- Summit for a Sustainable Tennessee
- Tennessee American Planning Association Fall Conference
- Tennessee County Services Association Annual Fall Conference
- Tennessee County Services Association Post Legislative Conference
- Tennessee Development District Association Annual Meeting
- Tennessee Development District Association Spring Conference and Meeting
- Tennessee Economic Summit for Women
- Tennessee Emergency Number Association Annual Conference
- Tennessee Municipal League Annual Conference
- Tennessee Municipal Attorney's Association Summer Seminar

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Appendix E: TACIR Organization and Mission

Organization

Consisting of public officials from state and local government and private citizen members, the Tennessee Advisory Commission on Intergovernmental Relations (TACIR) "serves as a forum for the discussion and resolution of intergovernmental problems."

The twenty-five members of TACIR capture the richness and diversity of perspectives of private citizens and officials representing different branches and levels of government. Of the twenty-five member Commission, twenty-two members are appointed to four-year terms, while three are statutory members holding membership by virtue of their position.

Responsibility for the appointment of four state senators and four state representatives rests with the Speaker of each respective chamber of the Tennessee General Assembly. Other appointments to the Commission include four elected county officials, one official nominated by the County Officials Association of Tennessee, four elected city officials, one development district nominee, two private citizens, and two executive branch officials.

Statutory members include the chairs of the House and Senate Finance, Ways and Means Committees and the Comptroller of the Treasury. In total, ten members have local government as their primary affiliation; eleven represent the legislature; two are drawn from the executive branch; and two are private citizens.

Recent legislation clarified certain aspects of the appointment process that had been a matter of some ambiguity (see Public Acts of 1996, Chapter 840). This legislation also eliminated references to outdated functions and clarified procedures for the issuance of reports of findings and recommendations. Though the legislation was important as a matter of housekeeping, it did not alter the basic organization or mission of the Commission.

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Mission

In the late 1970's, legislative findings indicated the need for a permanent intergovernmental body to study and take action on questions of organizational patterns, powers, functions, and relationships among federal, state, and local governments. In pursuit of this goal, TACIR was created in 1978 (T.C.A. 4-10-101). TACIR's enabling act established what has remained the Commission's enduring mission (T.C.A. 4-10-104), to:

> "Serve as a forum for the discussion and resolution of intergovernmental problems; provide high quality research support to state and local government officials to improve the overall quality of government in Tennessee; and to improve the effectiveness of the intergovernmental system to better serve the citizens of Tennessee."

Goals

Many specific duties and functions are required of TACIR in its enabling act, and additional duties are often assigned by the General Assembly through legislation. From its broad set of statutory obligations and special charges, the purpose for TACIR's existence can be summarized in four concise yet encompassing goals:

1. Advance discussion and deliberation of critical and sensitive intergovernmental policy matters

2. Promote action to resolve intergovernmental problems and improve the quality of government

3. Forge common ground between competing but equally legitimate values, goals, and interests

4. Provide members of the General Assembly and other policymakers with accurate and timely information and analysis to facilitate reasoned decision-making.

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Appendix F: What Does TACIR Do?

Objectives

TACIR provides a future-oriented perspective to public policy and intergovernmental relations, constantly attempting early identification and diagnosis of policy problems that loom on the horizon. TACIR is directed by statute to accomplish several tasks to faciliate the achievement of its mission and goals:

- Engage in activities, studies, and investigations necessary for the accomplishment of the Commission's mission and goals
- Consider, on its own initiative, ways of fostering better relations among local governments and state government
- Draft and disseminate legislative bills, constitutional amendments, and model ordinances necessary to implement the Commission's recommendations
- Encourage and, where appropriate, coordinate studies relating to intergovernmental relations conducted by universities, state, local, and federal agencies, and research and consulting organizations
- Review the recommendations of national commissions studying federal, state, and local government relations and problems and assess their possible application to Tennessee
- Study the fiscal relationships between the federal government and Tennessee's state and local governments
- Study tax equivalent payments by municipally-owned electric operations to the various taxing jurisdictions within the state; and study laws relating to the assessment and taxation of property (summarized from T.C.A. 4-10-104).

Additionally, the Commission is directed by statute to hold four meetings per year and issue reports of its research and findings. Commission meetings, with invited guests and experts, and lively and thoughtful debate, form the core around which virtually all Commission activities are centered.

Given such a broad task environment, the Commission adopts an annual work plan to guide its meetings and research. The work plan is designed to ensure the completion of objectives set forth in the Commission's enabling act, as well as the achievement of the mission and goals.

From time to time throughout the year, the Commissioners address problems that were not anticipated in the work plan. Most such matters are addressed at the direction of the General Assembly.

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Appendix G: Legislation Affecting TACIR FY 2007-FY 2008

Fiscal Year 2007

- Four PC 1101 bills were referred to TACIR for study during fiscal year 2007. The Commission reviewed staff analyses of the bills that was completed during fiscal year 2008, but made no recommendations. The four bills analyzed were
  - » SB 3327/HB 3157. This bill as amended would have required any annexation by ordinance to be approved by voters in a referendum.
  - » SB 288/HB 237. This bill would have required a municipality to notify affected property owners by mail of proposed extension of corporate limits within county growth plan.
  - » SB 1211/HB 1023. This bill as amended would have required a representative of a water and wastewater authority to be appointed to the coordinating committee and it would have required that an authority's land use decision be consistent with the county growth plan.
  - » SB 1323/ HB1912. This bill would have deleted one of the statutory grounds for bringing a quo warranto action to challenge the validity of an annexation ordinance.
- TACIR completed a study of local jail costs mandated by the General Assembly's referral of SB 3698/HB 3747 to TACIR for study in fiscal year 2007. The Commission made two formal recommendations, one that the state provide cost reimbursement for housing prisoners convicted of felonies who are arrested for probation violation and awaiting a probation revocation hearing, and the second that the state set $35 as the flat daily reimbursement rate for local jails housing state prisoners, combined with TDOC simplifying its reporting process and reimbursement requirements.
- TACIR completed, through a contract with MTSU, a report on pole attachment rates mandated by the General Assembly's referral of SB 668/HB 1832 in 2005. The Commission voted to submit the report without comment. The interested parties were asked to meet and try to come sort of resolution on the pole attachment issue.
- The General Assembly referred two water/wastewater authority bills to TACIR:
  - » SB 1780/HB 1267. Requires any purchase, lease, or lease-purchase by a water and waste water treatment authority to be preceded by competitive bidding or proposals if purchase, lease, or lease-purchase exceeds the amount established in the county purchasing law of 1983.Senate amendment 3 requires that water and waste water treatment authorities comply with the purchasing laws of the creating governmental entity, except in cases where two or more creating governmental entities form a water and waste water treatment authority in which case the

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authority would be subject to either the County Financial Management System of 1981 or the County Purchasing Law of 1983.

» SB 2006/HB 1946. Requires any city, metropolitan government, or county that creates a water and wastewater treatment authority to conduct a public hearing to review the efficiency and success of the authority and the rates imposed by such authority and the level of customer satisfaction. Directs the governmental entity to also review the financial and performance audits of the authority.

» The referral of these two bills did not include a due date. In fiscal year 2010, TACIR voted to seek further guidance from the bills sponsors. Representative Lynn indicated that SB 1780/HB 1267 was still of interest, but not SB 2006/HB 1946. TACIR staff will proceed with an analysis of SB 1780/HB 1267.

Fiscal Year 2008

- TACIR completed an analysis of seven of nine election/voting bills that were referred to the commission by the General Assembly in fiscal year 2008. The seven bills included:

» SB 227/HB 938. Requires a voter to present photographic identification before voting. Specifies identification that is acceptable including driver license and passport. Allows voters without proper identification to cast provisional ballots.

» SB 639/HB 1764. Requires county election commission in any county using a computerized direct recording electronic system approved by the coordinator of elections and the state election commission to provide for each polling place a voter-verified paper audit trail system (VVPAT).

» SB 1040/HB 1929. Requires all municipal elections, except in any county having a metropolitan form of government, to be held in conjunction with either the regular November or regular August election.

» SB 1182/HB 1279. Requires state coordinator of elections to seek to enter agreements with other states for the purpose of comparing data to identify duplicate voter registrations. Upon finding any duplicate voter registration, requires the state coordinator of elections to make every effort to determine which state the voter is rightfully entitled to vote.

» SB 1217/HB 1373. Requires voting machines by November 2008 general election to have capability of producing hard copy of voting totals or have documented method in place capable of retrieving voting totals from machine and producing hard copy of voting totals.

» SB 1610/HB 408. Requires voter registration form to include proof of citizenship. Establishes procedures for proof of identity and citizenship prior to voting. Senate

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State & Local Government Committee amendment 1 specifies documents which are deemed to provide satisfactory evidence of citizenship for voting purposes.

» SB 1611/HB 409. Requires identification and evidence of citizenship to be included with voter registration application.

» SB 1909/HB 1397. Requires county election commissions in counties having one or more federal housing assistance programs to periodically undertake certain actions to purge voter registration lists of persons whose registrations are based upon false or inaccurate residential information.

» HJR 41. Creates a joint legislative committee to study offsite early voting locations (EVLs), including scheduling, hours of operation, making requests and funding.

- These seven bills were analyzed in either Trust But Verify: Increasing Voter Confidence in Election Results or Keeping the List: Voter Registration and Eligibility. The final two bills were studied, but no final report on them has been completed:

» SB 1040/HB 1929. Municipal Government - Requires all municipal elections, except in any county having a metropolitan form of government, to be held in conjunction with either the regular November or regular August election.

» HJR 41. Creates a joint legislative committee to study offsite early voting locations (EVLs), including scheduling, hours of operation, making requests and funding.

- TACIR completed an analysis of SB 1250/HB 885, which would have permitted a county legislative body to impose an additional tax by ordinance in an amount to be determined by the county legislative body on all transfers of realty.

- TACIR was directed to study the provisions of SB 3934/ HB 3863 and related policy matters and report its findings and recommendations to the finance, ways, and means committee of each house of the general assembly by June 20, 2010. The bill establishes a separate account within the state general fund, to be known as the "county revenue partnership fund."

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Appendix H: Commission Members FY 2007-FY 2008

Legislative Members

- Senator Stephen Cohen
- Senator Ward Crutchfield
- Senator Douglas Henry, Commissioner Emeritus
- Senator Bill Ketron
- Senator Rosalind Kurita
- Senator James Kyle
- Senator Mark Norris
- Senator Jim Tracy
- Representative Tre Hargett
- Representative Kim McMillan
- Representative Jason Mumpower
- Representative Gary Odom
- Representative Randy Rinks
- Representative Larry Turner

Statutory Members

- Senator Douglas Henry, Chairman, Senate Finance, Ways & Means
- Senator Randy McNally, Chairman, Senate Finance, Ways & Means
- John Morgan, Comptroller of the Treasury
- Representative Craig Fitzhugh, Chairman, House Finance, Ways & Means

Executive Branch Members

- Paula Davis, Deputy Commissioner, Department of Economic & Community Development
- Drew Kim, Governor's Office
- Leslie Newman, Commissioner, Department of Commerce & Insurance

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County Members

- Rogers Anderson, Mayor Williamson County
- Kim Blaylock, County Executive, Putnam County
- Jeff Huffman, County Executive, Tipton County
- Hank Thompson, County Executive, Sumner County

City Members

- Tommy Bragg, Mayor City of Murfreesboro
- Sharon Goldsworthy, Mayor City of Germantown
- Bob Kirk, Alderman City of Dyersburg
- Tom Rowland, Mayor City of Cleveland

Other Local Government Members

- County Officials Association of Tennessee
  - » Charles Cardwell, Metropolitan Trustee
- Tennessee Development District Association
  - » Brent Greer, Mayor, Henry County

Private Citizen Members

- John Johnson, Morristown
- Tommy Schumpert, Knoxville
- Leslie Shechter, Nashville

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