



TACIR

The Tennessee Advisory Commission
on Intergovernmental Relations



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MEMORANDUM

TO: Commission Members

FROM: Cliff Lippard
Executive Director

DATE: 28 June 2023

SUBJECT: Work Program Amendment and New Research Plans

The amendment to the Commission's work program listed below would add a study directed by a resolution passed by the House of Representatives during the 113th General Assembly. A research plan for the study is attached and includes a copy of the legislation. Existing projects are recapped below.

Status of Existing Work Program Projects

Annual Public Infrastructure Needs Inventory Report (PINI). Approved at your January 2023 meeting. We are simultaneously gathering and checking survey data for next year's report. Staff has resumed work on the PINI special staff project, which is focused on the effects of social disruptions and economic downturns from the global pandemic on public infrastructure needs. Work had been postponed to complete studies requested by the General Assembly and Commission.

TVA PILOT Annual Report. The 2023 update was approved at your January 2023 meeting. We will present the annual update for your approval at the January 2024 meeting to meet the legislature's reporting deadline of February 28, 2024.

Fiscal Capacity Index. We have submitted this year's index to the Department of Education and State Board of Education and will provide a recap of this year's results at this meeting. The next index will be due to the department by May 1, 2024.

Tangible Personal Property Status Report. Public Chapter 341, Acts of 2023 passed during the 113th General Assembly and taking effect July 1, 2024, added additional

certification tiers that would allow smaller businesses to file and pay their personal property tax without the need for a time-consuming itemization of all of their property. The Act also requires the Commission to monitor and periodically report on the effect of the Act to the General Assembly. The first report will be provided in 2025.

Passenger Rail and Mobility Study. Public Chapters 1114 and 1124, Acts of 2022, both related to a passenger rail service linking the major cities in each of the grand divisions of the state. Public Chapter 1114, Acts of 2022, directs the Commission to study the potential for passenger rail service linking the major cities in each grand division of the state. Public Chapter 1124, Acts of 2022, directs the Commission to survey projects initiated over the past ten years involving the initiation of new state sponsored Amtrak intercity passenger rail as part of a study of the feasibility, cost and infrastructure of expanding passenger rail service. We will present a draft report for your review and comment at this meeting.

Solar. Public Chapter 1043, Acts of 2022. This Act directs the Commission to perform a study of the overall effects of utility-scale solar energy development in the state. We will present a draft report for your review and comment at this meeting.

Emergency Communications. Study directed by Senate Bill 2827 by Hensley and House Bill 2729 by Ogles related to the routing and storage of emergency communications on colleges and universities in the state. The bill passed the Senate but was referred to summer study by the House Finance, Ways and Means Subcommittee. The bill requests the Commission evaluate

- the ability of the institution to store data and recordings relating to emergency communications and the ability to store and retrieve complaints of criminal activity alleged to have occurred on campus; and
- best policies and procedures, and consistency of messaging in this state, with respect to improving the ability of colleges and universities to store data and recordings relating to emergency communications.

We will present a draft report for your review and comment at the September 2023 meeting.

Liquor-by-the-Drink. Study requested by Senate Bill 2262 by Briggs and House Bill 2419 by Mannis related to restaurants licensed or permitted or both, under title 57, chapter 4 or 5. This bill passed the Senate but was taken off notice in the House. The Commission was asked to review:

- liquor-by-the-drink and similar taxes for on-premises consumption of alcoholic beverages and beer;
- licensing, permitting, and other fees under title 57, chapters 4 and 5 for the restaurant industry;
- staffing challenges with respect to server permits, wages, and applicable training necessary to operate such restaurants; and
- other barriers to entry for such restaurants that may be minimized or mitigated, as identified by TACIR in conducting the study.

We will present the draft report for your review and comment at our next meeting.

Water/Wastewater Study. Study requested at the Commission’s January 2023 meeting. Staff are directed to study the operations and financing of Tennessee’s wastewater systems. TACIR staff has been asked to examine

- the condition of wastewater sewer systems in Tennessee, while determining how many wastewater sewer systems have enforcement letter pending as of a specific date;
- best practices from other states;
- new technologies that are currently available that local governments could consider and would be permissible under Tennessee Department of Environment and Conservations rules;
- types of wastewater systems that have not worked and should be avoided;
- better ways to provide capital funding to build lines and treatment centers;
- ways to offset the cost of operating wastewater sewer systems.

We will present a series of updates at our next several meetings and submit the draft report for your review and comment at the Spring 2024 meeting.

One amendment is submitted for your consideration.

Amendment One:

Adds a study requested by House Joint Resolution 139 by Sparks to review impact fee policies and how they might affect home affordability. The resolution was adopted by the House, but a companion resolution was not filed in the Senate.

Due Date: No date specified.