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**MINUTES OF THE
 TENNESSEE ADVISORY COMMISSION
 ON INTERGOVERNMENTAL RELATIONS**

June 12, 2025

Meeting Called to Order

The Tennessee Advisory Commission on Intergovernmental Relations met in House Hearing Room I of the Cordell Hull Building at 8:36 a.m., Chairman Ken YAGER, presiding.

| Present 17 | Absent 7 |
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| Mayor Rogers Anderson | Mayor Paige Brown |
| Senator Richard Briggs | Councilman Chase Carlisle |
| Mayor Kevin Brooks | Mr. Calvin Clifton |
| Commissioner Jim Bryson | County Clerk Mary Gaither |
| Senator Heidi Campbell | County Executive Jeff Huffman |
| Representative John Crawford | Representative Harold Love Jr |
| Mayor Terry Frank | Representative Antonio Parkinson |
| Representative Gary Hicks | |
| Comptroller Jason Mumpower ¹ | |
| Mr. Jeff Peach | |
| Mayor Bob Rial | |
| Commissioner Deniece Thomas | |
| Mayor Larry Waters | |
| Senator Bo Watson | |
| Representative Ryan Williams | |
| Senator Ken Yager | |
| Senator Jeff Yarbro | |
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¹ Laura Bond represented Comptroller Jason Mumpower.

1. Call to Order and Approval of the Minutes

Chairman Ken YAGER called the meeting to order at 8:36 a.m. Chairman YAGER then requested and received approval of the January 2025 meeting minutes.

2. Commission and Staff Update

Executive Director Cliff LIPPARD began the commission and staff update by reminding members that it was time for the commission's biennial election of officers. Chairman Ken YAGER turned the gavel over to Vice Chairman Kevin BROOKS. Vice Chairman BROOKS called for nominations for the office of chair. Mayor Larry WATERS nominated Senator Yager, Senator Jeff YARBRO seconded, and the commission approved unanimously. Vice Chairman BROOKS returned the gavel to Chairman YAGER, who called for nominations for vice chair. Mayor Rogers ANDERSON nominated Mayor Brooks, Representative John CRAWFORD seconded, and the commission approved unanimously.

Following the election, Dr. LIPPARD explained to the members how the passage of Public Chapter 524, Acts of 2025 (The Less is More Act), would standardize the terms of the non-legislative members so that they are all four-year terms beginning on July 1 and ending on June 30. Current terms that would have ended before June 30 of the final year of the term have been extended. General Assembly members' terms remain consistent with terms of office for the senate and the house of representatives. If any member ceases to be an officer, member, or employee of the unit, body, or agency the member is appointed to represent, their membership on the commission terminates immediately, and the vacant position is filled only for the period of the unexpired term.

Next, Dr. LIPPARD gave the members an update on staff events and accomplishments, first saying that several staff attended a ceremony in May to celebrate the life of Michael Timme, the late TACIR director of administration. At that ceremony, staff presented Michael's family with a framed copy of the Senate Joint Resolution honoring Michael that Chairman Ken Yager sponsored.

Dr. LIPPARD then told the members that Research Director David Lewis left TACIR in April to take a position as a quality director with the Tennessee Opioid Council. He went on by saying that Kerri Jones joined staff in March as the new director of administration, coming over from the Department of General Services, where she served as a senior business analyst. Dr. Lippard said that also joining staff since the last meeting were Cameron Fox, Nathaniel Pettit, and Ismael Tonui, all joining as research associates.

Dr. LIPPARD then took a moment to recognize several staff accomplishments, including Senior Research Associate Jennifer Arzate completing a Master of Communication and Information degree in Strategic and Digital Communication, Research Manager Tyler Carpenter achieving 10 years of state service, and Dr. Michael Strickland being named a Research Manager. Finally, Dr. LIPPARD asked the members to welcome two summer interns, Payton Corlew and Will Brennan. Payton recently completed a Master of Public Policy degree at the University of Tennessee, and Will is a student at the Belmont University College of Law.

3. Fiscal Year 2024-2025 Work Program Accomplishments, Amendments and New Research Plans.

Deputy Executive Director Melissa BROWN summarized the commission's major accomplishments for the past fiscal year, which will be incorporated into the commission's biennial report for fiscal years 2024-25 and 2025-26. She also said that the update portion of the docket book was streamlined this year and the proposed work program amendment, along with draft research plans for each proposed project, are included with Tab 3.

Ms. BROWN presented one amendment to the fiscal year work program for the commission's consideration, which contained six study requests--each study request passed both chambers of the General Assembly--and all were unanimously adopted to the work program by the commission.

The first study is requested by Public Chapter 418, Acts of 2025, to study the availability of housing and other treatment facilities for juvenile offenders who have been adjudicated delinquent and committed to the Department of Children's Services, the availability of local juvenile detention centers and other facilities for the housing and treatment of juvenile offenders who have been detained by the juvenile court prior to an adjudicatory hearing, and whether there is a need for additional housing or other treatment facilities for those juvenile offenders. The second study is requested by Public Chapter 445, Acts of 2025, to study and prepare a report on recommendations on the Continuum of Care in Tennessee and how they can be improved. The bill requires the study and report to survey the Continuum of Care in other states and compare them to the Continuum of Care in Tennessee. Public Chapter 416, Acts of 2025, requests a study of the feasibility of implementing, and the potential effects of enacting, insurance coverage requirements for habilitative and rehabilitative speech therapy services as a treatment for stuttering. The fourth study is requested by Public Chapter 438, Acts of 2025, to study sustainable funding sources that meet Tennessee's future transportation infrastructure needs. Public Chapter 102, Acts of 2025, the fifth study request, asks the commission to study the effect that cosmetology and barbering professions have in Tennessee. And finally, Public Chapter 413, Acts of 2025, directs to commission to study the economic effect on counties that are required to provide ambulance services, which counties provide services directly or franchise those services, which municipalities provide ambulance services, and whether policy changes may benefit the overall health and delivery of ambulance services in Tennessee. TACIR shall further study emergency and non-emergency transport reimbursement including from commercial payors, Medicare, Medicaid, and the way counties and municipalities fund the deficit at which these services operate. Ms. BROWN said that draft research plans were included in Tab 3 for all projects.

4. Legislative Update

Senior Research Associate Hannah NEWCOMB presented the legislative update for 2025, with a review of bills that were either considered or passed in the first session of the 114th General Assembly that related to the Commission's work.

Ms. NEWCOMB recounted bills related to broadband internet access, child care, criminal statutes of limitations, Global Position System (GPS) monitoring, precious metal depositories, taxes, utilities, and youth vaping, highlighting in each case legislation that embodied recommendations from the Commission's past work.

5. Fiscal Capacity for Fiscal Year 2025-26

Research Director Michael MOUNT presented the annual update on TACIR's fiscal capacity index and background information about the index and education funding in Tennessee, including an overview of the Tennessee Investment in Student Achievement (TISA) funding formula and how the TACIR fiscal capacity model is used with it. He provided updates of Tennessee's 95 counties' 15-year fiscal capacity trends and the effect of Blue Oval City on fiscal capacity. He said staff of the Tennessee Department of Revenue began providing TACIR staff with destination-sourced out-of-state local sales tax bases and explained the effect of statewide virtual schools on fiscal capacity. He provided examples of local revenue per student with and without statewide virtual school students.

Senator Jeff YARBRO said virtual schools are currently performing poorly, but we are creating a dangerous incentive for them. He asked whether we should change how virtual school students are accounted for in TACIR's fiscal capacity model. Mr. MOUNT said we don't have a specific recommendation. Executive Director Cliff LIPPARD said this has been discussed at the Basic Education Program (BEP) Review Committee in the past and is likely to be discussed again with the TISA Review Committee starting in January of 2026. He said we could look at a couple of different models and report back to the Commission next meeting or the meeting after that. Chairman Ken YAGER asked Dr. LIPPARD to do that, and there were no objections. Senator Heidi CAMPBELL said it would be a great idea to consider the residency of virtual school students. She asked for a copy of the regression analysis, and Dr. LIPPARD agreed to send it [Note: A copy of the TACIR fiscal capacity model was sent to Senator CAMPBELL and Senator YARBRO].

Mayor Larry WATERS said the University of Tennessee's Center for Business and Economic Research (CBER) model should account for per capita income. He said that Sevier County's local share is trending up and is at 68% versus a state average of 30%. He said they tried but were unable to get a base level of state funding in state law. Senator YARBRO said we need a way to guard against a county not getting much investment from the state because of its fiscal capacity as there's relatively little per pupil state funding coming into Davidson County.

Senator YARBRO said counties' tourist industries are high generators of sales taxes, primarily benefiting the state, but supporting tourism is costly. Mayor WATERS said the administration asked Sevier County to promote tourism and bring in more revenue for the state, but what Sevier County gets from the state decreased. Mayor Rogers ANDERSON said most local sales tax revenue flows to cities and schools, not to counties.

Mayor ANDERSON asked how the state's Greenbelt law affects property taxes and fiscal capacity and said he supports using the law to protect agriculture. Deputy Executive Director Melissa BROWN said the Greenbelt assessment is based on current use instead of market value, potentially leading to lower property tax revenue. Mr. MOUNT said a lower Greenbelt assessment decreases equalized property assessment per pupil, decreasing fiscal capacity, but also decreases the ratio of residential and farm assessment to total assessment, increasing fiscal capacity.

Representative Ryan WILLIAMS asked whether city taxes for schools affect fiscal capacity. Mr. MOUNT said they do not. He said the fiscal capacity model is based on tax bases, not on what happens to the revenue.

Chairman YAGER asked to create an ad hoc committee equally balanced with legislators and local officials to further examine these issues, and there was no objection.

6. Rolling Stock—Final Report for Approval

Research Director Jennifer BARRIE presented the final report on rolling stock for approval. The report was prepared in response to Mayor Bob Rial's request at the January 2024 meeting that the commission study the challenges state and local governments face when acquiring vehicles such as fire trucks, salt trucks, and school buses. Interviews with over 30 Tennessee officials revealed that there have been large cost increases and long procurement delays largely caused by global supply chain disruptions linked to the COVID-19 pandemic, affecting not only Tennessee but the nation. The commission finds there are several strategies that can be implemented without action by the General Assembly that government agencies can use to adapt to challenges and continue delivering public services, including developing vehicle maintenance and replacement plans, leveraging fleet management software and GPS, repairing vehicles instead of replacing them, preparing contingency plans for leasing or renting, and exploring alternative vehicles and consolidating fleets. Ms. BARRIE said since the January meeting, a few examples and the sentence "whether the current federal administration will continue or roll back these initiatives is uncertain" were added to the report.

Senator Jeff YARBRO asked whether discussion in the report of the global supply chain includes the consolidation of suppliers in the industry and whether other states have responded with policy. Ms. BARRIE said that consolidation is part of the supply chain issues, particularly with fire trucks and other specialized vehicles because there are fewer suppliers, and there is an investigation proposed at the national level about consolidation of fire truck manufacturing. She said in interviews with other states and professional associations, like the National Association of State Procurement Officials, stakeholders said they did not know of anything that other states are doing other than using strategies to be flexible and adaptable to the challenges.

In response to a question from Chairman Ken YAGER, Ms. BARRIE said leveraging financial incentives for vehicles refers to using any funding that is available, such as federal funding. Senator Heidi CAMPBELL asked whether the report considers the degree to which existing fleets are being modified and updated and whether more investment could be made to bridge the gap in service so governments do not have to rely on vehicles that are not properly equipped. Ms. BARRIE said that governments are prioritizing repairing and maintaining vehicles to fill gaps while they wait for new vehicles. The report doesn't specifically suggest investing more in upgrading vehicles, but it is happening.

Representative Ryan WILLIAMS said Tennessee is the only state in the southeast US that does not have a fire apparatus manufacturer. He made a motion that the commission request the Department of Economic and Community Development to solicit, encourage, and, if necessary, incentivize a manufacturer to locate a production facility in Tennessee that could provide these services to local governments. Representative WILLIAMS moved to amend the report with this recommendation, which was seconded by Mayor Terry FRANK. The commission approved the motion unanimously.

Chairman YAGER moved approval of the report as amended, which was seconded by Commissioner Jim BRYSON. The commission approved the report unanimously.

7. District Attorney Staffing—Final Report for Approval

At the request of Chairman Ken YAGER, the final report will be presented for approval at the commission's next meeting.

8. Public Chapter 941, Acts of 2024 (Real Estate Fraud)—Draft Report for Review and Comment

Research Manager Bob MOREO presented the draft report on real estate fraud for the commission's review and comment. The draft was prepared in response to Public Chapter 941, Acts of 2024, which directed the commission to study the prevalence of real estate fraud in Tennessee, the different schemes used to perpetrate real estate fraud, the methods used by other states to combat real estate fraud, and the best practices for local government officials registering documents related to real estate transactions. It also directed the commission to provide suggested statutory revisions that are designed to reduce the risk of real estate fraud for property owners in this state. The draft report includes three recommendations, focused on strengthening the roles of notaries and registers of deeds in recognizing and preventing real estate fraud.

Mr. MOREO said there are many indications that real estate fraud is prevalent throughout Tennessee. According to the Tennessee Bureau of Investigation, 185 dwellings were stolen across 50 counties from 2019 to 2024, an average of two or three each month. He said 38% of those were reported in Shelby or Hamilton counties, but registers of deeds in Blount, Knox, Loudon, Rutherford, Sevier, and Williamson counties have also reported problems with fraud.

Mr. MOREO said that Tennessee is one of 24 states that do not require training or an exam to become a traditional, in-person notary, though both will be required for online notaries in Tennessee as of January 1, 2026. He said the National Notary Association and other groups associated with the real estate industry recommend that all notary applicants complete instructional training before being commissioned. He said the first recommendation in the draft report is for Tennessee to require that in-person notaries complete an instructional course on notary laws, ethical requirements, and best notarial practices, including specific guidance on recognizing and preventing fraud, both when applying to become a notary and when renewing their commission.

He said that Tennessee allows notaries to verify an individual's identity based on the notary's personal familiarity with them or familiarity with another individual who can vouch for the signer, which can open the door to fraud and forgery. Notaries can—and often do—ask for government-issued identification to verify the identity of individuals signing documents but doing so is not required. He said California is the only state that prohibits notaries from relying solely on personal knowledge to identify document signers, but it is not the only state that requires information on signers to be recorded in the notary's journal. For in-person notarizations in Tennessee, a journal record is only required a journal record is required only in cases where the notary charges a fee for their services, and the law does not specify what information must be recorded in the journal. He said Tennessee's Online Notary Public Act

requires that notaries keep specific electronic journal records of documents notarized by online notaries for at least five years. He said the draft report recommends that the state requires all notaries to verify the identity of individuals by means of a government-issued credential, and that personal knowledge of a credible witness should only be sufficient if the witness has a government-issued credential. He said the state should also require notaries to maintain a journal of all notarizations performed in-person and as is already required of online notaries, keep these journals for at least five years. And the state should require that notary journal records specifically include: the date, time, and type of the notarial act; a description of the document or proceeding; the name, address, and signature of each individual signer and witness identifying a signer; a description of the evidence used to identify any signer and witness identifying a signer; and the itemized fees, if any, paid by the signer to the notary.

Mr. MOREO said that authorizing a process for registers of deeds to review or refuse to record suspicious documents could prevent fraud. Under existing law, registers of deeds in Tennessee must register all deeds entitled to registration under the laws of the state promptly and correctly, unless there is a specific statutory exception. He said some states provide local officials with greater authority to combat fraud at the point when deeds are registered and gave Illinois as an example, where counties are authorized to adopt a process to review deeds and instruments and refer any of them to an administrative law judge for further review when a recorder has reason to believe there may be fraud. He said the draft report's third recommendation is for the General Assembly to authorize counties to establish fraud referral and review processes—possibly like the process authorized in Illinois—for real estate documents that county registers of deeds have reason to suspect are fraudulent.

Representative Ryan WILLIAMS said he was unaware that it wasn't a requirement for notaries to check identification and agrees it should be required. He asked how identification can be verified for online notarizations. Mr. MOREO said the state has rules in place for online notaries to use third-party credential verification services or video technology to verify identities.

Commissioner Jeff PEACH said he hasn't seen a case where an in-person notary didn't do what they're supposed to do, although he has seen cases of fake online notaries and asked whether there are statistics for frauds where actual notaries were involved. He said he wouldn't want to burden notaries with too many new requirements if they're not the problem. Mr. MOREO agreed most notarizations are legitimate, and it is important not to put too much burden on notaries. He said the report's recommendation to give registers of deeds a process to flag potentially fraudulent filings for review is intended to address problems with forged or altered notarizations. Mr. PEACH agreed that giving registers of deeds the ability to flag suspicious documents will be helpful. He voiced some concern regarding the costs associated with training requirements for notaries. Mr. MOREO said the draft report includes information on notary training requirements and costs in other states. Some state governments provide free training; none requires more than six hours of instruction, and the report gives cost examples from \$30 to \$84.

Senator Richard BRIGGS asked whether there are more problems with people falsifying their identities to deceive notaries or with counterfeit stamps and fraudulent notary signatures. He

said more notary training won't prevent fake credentials and forged notary signatures. Mr. MOREO said there isn't enough detailed information available to determine exactly how most frauds are perpetrated. He said the report describes how real estate fraud can include many types of crime, like identity theft, forgery, and wire fraud, so the only way to know those schemes that are most common would be to examine them case by case. Executive Director Cliff LIPPARD said the research shows real estate fraud happens in a mix of ways and formal training for notaries is recommended by industry professionals as one part of an approach—as is a review process for registers of deeds.

Chairman Ken YAGER asked how additional requirements for notaries would work with county commissions' authority to approve notary applications. Mr. MOREO said staff would look at how states with training requirements handle confirmation of the requirement in their application processes. He said there could be a way for notary applicants to include proof of completed training with their applications. Chairman YAGER said it might be necessary to amend state statutes to ensure county legislative bodies enforce any new requirements.

9. Senate Bill 2877/House Bill 2961 (Capacity of Crime Labs in Tennessee)—Draft Report for Review and Comment

Senior Research Associate Madison THORN presented the commission's draft report on forensic crime lab capacity for review and comment. The draft was prepared in response to Senate Bill 2877 by Senator Kyle and House Bill 2961 by Representative Hardaway that were introduced during the 113th General Assembly and would have directed the commission to study the feasibility of establishing a crime lab in Shelby County. The bill passed in the Senate but not in the House, and the commission undertook a broader study to evaluate the feasibility and need for additional crime labs throughout the state.

Ms. THORN summarized the report's key findings and recommendations, which include: expanding lab capacity in each grand division of the state in line with TBI's 2024 real estate strategic plan; embedding a dedicated firearms analyst at the Jackson Lab to serve Memphis and Shelby County; prioritizing expansion of overburdened disciplines like forensic chemistry and toxicology at the Nashville Lab; implementing rapid DNA testing at booking stations; promoting operational efficiencies through external process improvement methods; and supporting regional partnerships for local law enforcement training.

In response to Commissioner Jim BRYSON's question about whether digital forensics was considered in the study, Ms. THORN said TBI's digital forensics unit is in a division separate from the Forensic Services Division, and the report doesn't specifically make recommendations related to digital forensics. She said the report recommends support for regional partnerships such as Jefferson County's digital forensics facility, which provides training and shared services for local law enforcement. Commissioner BRYSON requested that digital forensics be included in the report.

Representative Ryan WILLIAMS asked for clarification on current rapid DNA testing laws. Ms. THORN said that while offender DNA samples can be collected at booking stations, the current law is interpreted as rapid DNA testing can't occur at the booking station and must be done by TBI. The report recommends booking-station rapid DNA testing to help reduce the TBI crime lab backlog. Representative John CRAWFORD asked whether his proposed bill [House Bill 473

introduced in 2025], which would expand DNA sample collection to all felony arrests, was considered in the report. Ms. THORN said it is discussed in the report—if passed, the bill would require additional TBI staffing.

In response to Representative WILLIAMS' question about the rationale for embedding a firearms analyst and whether resources at other labs could support Memphis, Ms. THORN said Knoxville currently lacks firearms testing capacity, which will be addressed with the planned new facility. East Tennessee cases are currently routed to the Nashville or Jackson lab. Senator Jeff YARBRO asked why Tennessee's firearms database entry turnaround times are so much longer than national averages, and Ms. THORN said TBI is working through older cases and faces higher than average volume.

Senator Heidi CAMPBELL asked what the current turnaround times are and whether the General Assembly would receive additional reports from TBI on the SAKs. Ms. THORN said the average turnaround times for SAKs in May 2025 were: 6.2 weeks at the Nashville lab, 11.3 at Knoxville, and 13.6 weeks at Jackson, and no further reporting to the General Assembly is required.

Senator YARBRO asked about the mismatch between the past staffing increases and the current space constraints and whether there had been planning gaps. Ms. THORN said the Knoxville lab's current property cannot expand further, and the Nashville and Jackson labs have undergone renovations to repurpose administrative areas for lab work—the labs would need to expand more to accommodate additional staff.

Chairman Bo WATSON asked the commission to add a summary of cost estimates in the report as well as any cost projections included in TBI's real estate plan and the planned facilities' effects on projected need. Commissioner BRYSON asked about TBI's funding model and whether local law enforcement agencies pay for testing. Ms. THORN said TBI does not charge local agencies for forensic testing; the costs are mostly covered by state appropriations and federal funding. Commissioner BRYSON suggested the commission consider alternative funding models for sustaining lab operations long term. Representative WILLIAMS asked for more historical data and long-term crime trends to inform future facility needs and avoid overbuilding.

Following discussion of potential next meeting dates, Chairman YAGER adjourned the meeting at 10:55 a.m.