



RAMSEY FARRAR RUSSELL & SMITH
GOVERNMENT RELATIONS

TN Realtors Weekly Calendar 2024 Legislative Session

Mon 4/15/24 12:30pm - House Hearing Rm I, House Government Operations Committee

MEMBERS: CHAIR J. Ragan (R); VICE CHAIR J. Reedy (R); G. Bulso (R); K. Camper (D); D. Carr (R); J. Chism (D); J. Clemmons (D); J. Crawford (R); R. Eldridge (R); J. Faison (R); Y. Hakeem (D); C. Hemmer (D); J. Jones (D); K. Keisling (R); S. Kumar (R); J. Lafferty (R); W. Lamberth (R); M. Littleton (R); P. Marsh (R); G. Martin (R); J. McCalmon (R)

3. **HB526 UTILITIES: Removal of requirements for water treatment project fees and rates.** Removes requirement for receipt of certain grants and loans for water and wastewater treatment infrastructure projects that a municipality includes depreciation in its calculation of fees or rates. **Amendment Summary:** Senate State & Local Government Committee, House Local Government Committee amendment 1 (015997) establishes that the rate of depreciation of equipment purchased by a utility system does not apply to new equipment purchased by any such utility for one year from the date the equipment is installed and in operation, if such exception is approved by a majority vote of the governing body of a public utility at either the regular meeting or a specially-held meeting. Specifies that the rate of depreciation also does not apply to materials used in the installation and maintenance of water lines that are purchased with such grants. **Fiscal Note:** (Dated March 3, 2023) Other Fiscal Impact Any increase in revenue and expenditures for the State Revolving Fund and local governments cannot be quantified with reasonable certainty. Any impact on local governments is considered permissive. **Caption:** AN ACT to amend Tennessee Code Annotated, Title 4; Title 9; Title 65; Title 67 and Title 68, relative to utilities.
SB129 - P. Walley - 03/27/24 - Senate State & Local Government Committee recommended with amendment 1 (015997). Sent to Senate Calendar Committee.

Mon 4/15/24 1:00pm - Senate Hearing Rm I, Senate Finance, Ways & Means Committee

The committee will meet immediately after the appropriations subcommittee. MEMBERS: CHAIR B. Watson (R); VICE CHAIR J. Stevens (R); 2ND VICE CHAIR J. Hensley (R); F. Haile (R); J. Johnson (R); L. Lamar (D); B. Powers (R); P. Walley (R); D. White (R); K. Yager (R); J. Yarbro (D)

7. **SB2968 LOCAL GOVERNMENT: Davidson County - East Bank Development Authority.** Creates the East Bank Development Authority for the metropolitan government of Nashville and Davidson County. (12pp.). **Caption:** AN ACT to create the East Bank development authority for the metropolitan government of Nashville and Davidson County.
HB2984 - B. Freeman - 04/10/24 - Set for House Local Government Committee 04/16/24.
13. **SB2238 TAXES PROPERTY: Classification of the property as zoning-exempt property.** Authorizes a county to create a program by which an owner of real property in the county may apply for a classification of the property as zoning-exempt property, which values the property based on the zoning classification that existed at the time the owner came into possession of the property and its current use. **Amendment Summary:** House Property & Planning Subcommittee amendment 1 (014490) changes the classification from "zoning-exempt property" to "present use-exempt property." **Fiscal Note:** (Dated March 1, 2024) Increase State Expenditures - \$92,500/FY24-25/Comptroller of the Treasury Other Fiscal Impact The proposed legislation will result in a recurring decrease in local revenue and increase in local expenditures, both of which cannot be quantified with reasonable certainty but are considered permissive. **Caption:** AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 5, relative to property tax.
HB2467 - R. Stevens - 04/10/24 - Set for House Finance, Ways & Means Subcommittee 04/16/24.
22. **SB2462 STATE GOVERNMENT: Grant program for first-time home buyers.** Requires the department of finance and administration, in conjunction with assistance from the department of revenue and the Tennessee Housing Development Agency, to promulgate rules to establish a grant program to render assistance to first-time home buyers, utilizing federal funds allocated and state funds appropriated for such purposes. Broadly captioned. **Fiscal Note:** (Dated March 11, 2024) Increase State Expenditures Exceeds \$5,557,100/FY24-25 Exceeds \$5,533,100/FY25-26 and Subsequent Years Other Fiscal Impact The extent to which federal funding will be available for these purposes is unknown. **Caption:** AN ACT to amend Tennessee Code Annotated, Title 4, Chapter 3, Part 10; Title 39, Chapter 14; Title 47 and Title 66, relative to first-time home buyers.
HB2342 - J. Pearson - 03/13/24 - Failed in House Property & Planning Subcommittee for lack of second.
38. **SB1009 TAXES BUSINESS: Business Tax Act administration.** Deletes the provision granting broad discretion to the commissioner of revenue to administer the Business Tax Act from July 1, 2013, to December 31, 2014. Broadly captioned. **Amendment Summary:** Senate Finance Revenue Subcommittee amendment 1, House Government Operations Committee amendment 1 (003845) requires all publicly traded corporations, including those traded on foreign stock exchanges, doing business in the state of Tennessee for which 50 percent or more of the corporation's voting stock is owned, directly or indirectly, by a publicly traded corporation to file an additional tax disclosure statement with the Secretary of State (SOS). Authorizes corporations who must file the additional statement that are not required to file a Tennessee excise tax return to elect to file an alternative statement with the SOS containing all applicable information that is submitted by filing corporations who also file an excise tax return; an explanation of why the corporation is not required to file a Tennessee excise tax return; and identification of the filing corporations total gross receipts from sales to purchasers in Tennessee. Clarifies additional statements submitted are open for public review. Imposes a civil penalty up to \$5,000 if a corporation fails to submit an additional statement within 60 days after it is due. Allows applicable corporations required to file the additional statement to submit supplemental, publicly available, information to facilitate proper interpretation of the information contained in the additional statement. Requires the Department of Revenue (DOR) to offer assistance to the SOS. Subjects the required statements to audit by the DOR. Effective January 1, 2024. **Fiscal Note:** (Dated February 6, 2023) NOT SIGNIFICANT **Caption:** AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 4, relative to taxation.
HB1490 - S. McKenzie - 04/10/24 - Set for House Finance, Ways & Means Subcommittee 04/16/24.
42. **SB1725 TAXES PROPERTY: Property tax relief for disabled veterans.** Expands eligibility for property tax relief to a veteran who acquired a service-connected disability that is determined by the United States Department of Veterans Affairs to be permanent and total due to individual unemployment. **Fiscal Note:** (Dated March 3, 2024) Increase State Expenditures Up to \$10,368,700/FY24-25 Up to \$11,613,000/FY25-26 and Subsequent Years Other Fiscal Impact The extent of any permissive increase in local expenditures cannot reasonably be determined. **Caption:** AN ACT to amend Tennessee Code Annotated, Section 67-5-704, relative to property tax relief for disabled veterans.
HB1813 - J. Reedy - 03/20/24 - Taken off notice in House Property & Planning Subcommittee.
50. **SB1741 TAXES SALES: Sales tax allocation.** Allocates 2.83% of the sales and use tax collected in the 11 fastest-growing counties to such counties. Requires such counties to earmark such revenue for educational facility maintenance and construction and infrastructure. **Amendment Summary:** Senate Finance Revenue Subcommittee amendment 1, House Finance Subcommittee amendment 1 (015145) allocates 1.4% of the sales and use tax collected in to counties who have experienced a 20% or more increase in population from the 2010 federal census to the 2020 federal census or the county experiences growth of 20% or more between any subsequent federal decennial censuses to the county. Specifies that such allocation also applies to counties who have experienced a nine percent or more growth in population over the immediate consecutive four-year period according to a special census conducted by the county. Requires such counties to earmark such revenue for educational facility maintenance and construction and infrastructure. **Fiscal Note:** (Dated March 10, 2024) Decrease State Revenue \$137,282,800/Each Year FY24-25 through FY28-29 Increase Local Revenue \$137,282,800/Each Year FY24-25 through FY28-29 **Caption:** AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 6, relative to the sales and use tax. **Subcommittee Amendments:** Finance_Sub_Amendments_03.13.2024.pdf
HB1835 - T. Rudd - 04/11/24 - Set for House Finance, Ways & Means Subcommittee 04/16/24.

60. **SB1710** **TAXES BUSINESS: Recordation tax - revenue distributed to counties for school debt and school capital projects.** Requires half of the unencumbered revenue from the recordation tax to be distributed to counties for school debt and school capital projects. **Fiscal Note:** (Dated February 4, 2024) Decrease State Revenue \$105,012,000/Each Year FY24-25 through FY28-29 Increase Local Revenue \$105,012,000/Each Year FY24-25 through FY28-29 **Caption:** AN ACT to amend Tennessee Code Annotated, Section 67-4-409, relative to the recordation tax.
Hensley J.
HB1629 - S. Cepicky - 04/11/24 - Set for House Finance, Ways & Means Subcommittee 04/16/24.
82. **SB207** **TAXES PROPERTY: Tax relief for elderly, low-income homeowners.** Increases, from \$27,000 to \$50,000, the maximum market value on which property tax relief is calculated for elderly, low-income homeowners. **Amendment Summary:** House amendment 1 (004659) increases the property value threshold for determining the extent of any property relief payments to low-income, elderly or disabled, taxpayers from \$27,000 of the full market value of the property to \$40,000 of the full market value of the property. **Fiscal Note:** (Dated February 2, 2023) Increase State Expenditures \$7,720,000/FY24-25 and Subsequent Years Other Fiscal Impact The extent of any permissive increase on local government expenditures cannot reasonably be determined. **Caption:** AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 5, Part 7, relative to property tax relief. **Subcommittee Amendments:** Property&PlanningSubAmendments03.15.23.pdf
Lowe A.
HB254 - K. Raper - 04/21/23 - House passed with amendment 1 (004659).
89. **SB1772** **TAXES PROPERTY: Property tax relief for disabled veteran homeowners.** Changes the amount of reimbursement for property taxes for disabled veteran homeowners from payment on the first \$175,000 of full market value to the first \$300,000 of full market value. **Fiscal Note:** (Dated February 14, 2024) Increase State Expenditures Exceeds \$13,318,600/FY24-25 and Subsequent Years Other Fiscal Impact The extent of any permissive impact on local government expenditures cannot reasonably be determined. **Caption:** AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 5, Part 7, relative to property tax relief for veterans.
Lundberg J.
HB1941 - J. Reedy - 02/28/24 - Taken off notice in House Property & Planning Subcommittee.
111. **SB2639** **PROPERTY & HOUSING: Foreign-party controlled businesses prohibited from acquiring real property.** Restricts certain foreign investments in land located within this state through the creation of two separate prohibitions, one that restricts a prohibited foreign-party-controlled business from acquiring real property and another that restricts a prohibited foreign-party from acquiring agricultural land located within this state. (11pp.). Broadly captioned. **Amendment Summary:** Senate Commerce & Labor Committee amendment 1 (015023) exempts certain licensed individuals and entities from liability under Tennessee's Real Estate Broker License Act of 1973. Specifically, it provides immunity to licensed real estate brokers, attorneys, title insurance companies and agents, banks and their affiliates, savings and loan associations, credit unions, and licensed mortgage lenders who are involved in transactions where a prohibited foreign party acquires property in violation of the law. Senate Commerce & Labor Committee amendment 2, House Local Government Committee amendment 1 (014859) includes Al-Shabaab, Boko Haram, Hayat Tahir al Sham, ISIS, the Taliban, and the Wagner group in the definition of entities of particular concern. Prohibits prohibited foreign party-controlled businesses from acquiring non-agricultural land in Tennessee. A violation of this act is punishable by fine or confinement. Declares a policy of the state to conserve, protect, and encourage the development and improvement of agricultural and forest lands. Senate Commerce & Labor Committee amendment 3, House State Government Committee amendment 2 (015419) exempts certain persons holding licenses within the State of Tennessee from liability in a transaction in which a prohibited foreign party acquired property in violation of the bill. Senate Commerce & Labor Committee amendment 4 (017433) declares that liability is not imposed on a person involved in a transaction in which a prohibited foreign party acquired property who is licensed under the Tennessee Real Estate Broker License Act of 1973, an attorney licensed in this state or another state and handling a matter governed by this states law, a title insurance company or agent licensed in this state, a state or national bank, bank holding company, a savings and loan association or savings bank, a credit union, an industrial loan or thrift company, or a mortgage lender licensed by the Tennessee department of financial institutions. Excludes prohibited foreign parties or related prohibited foreign party controlled businesses that have previously received a determination that there are no unresolved national security concerns or pending actions concluded with respect to a covered transaction provided that the prohibited foreign party has not undergone a change in control constituting a covered control transaction and the party files all reports otherwise required. **Fiscal Note:** (Dated February 27, 2024) Increase State Revenue \$82,000/FY24-25/General Fund \$2,000/FY25-26 and Subsequent Years/General Fund Decrease State Expenditures \$82,000/FY24-25/Secretary of State \$2,000/FY25-26 and Subsequent Years/Secretary of State HB 2553 - SB 2639 Other Fiscal Impact This legislation could effectively deter the investments of PFPs and PFPCBs in real estate within this state. Any subsequent fiscal impacts upon state or local tax revenue that would have occurred in the absence of this legislation are dependent upon multiple unknown factors and cannot be determined with reasonable certainty. **Caption:** AN ACT to amend Tennessee Code Annotated, Title 43; Title 44; Title 47; Title 48 and Title 66, relative to property.
Niceley F.
HB2553 - J. Reedy - 04/10/24 - Set for House Finance, Ways & Means Subcommittee 04/16/24.
114. **SB713** **ENVIRONMENT & NATURE: Department of environment and conservation to collect and publish data on landslides and floods.** Requires the department to collect and publish data concerning landslides and floods. Requires the department to establish a network of weather stations across the state. Broadly captioned. **Amendment Summary:** Senate Energy, Agriculture & Natural Resources Committee amendment 1, House Agriculture and Natural Resources Committee amendment 1 (004236) deletes all language after the enacting clause and clarifies that TEMA, rather than the department of environment and conservation, is responsible for establishing a network of weather monitoring stations called MesoNets. **Fiscal Note:** (Dated February 12, 2023) Increase State Expenditures - \$3,475,000/FY23-24 \$797,200/FY24-25 and Subsequent Years **Caption:** AN ACT to amend Tennessee Code Annotated, Title 4, Chapter 3, Part 5; Title 58; Title 64, Chapter 3; Title 68 and Title 69, relative to weather-related information. **Subcommittee Amendments:** Agriculture_&_Natural_Resources_Sub_Amendments_02.21.2023.pdf
Oliver C.
HB599 - J. Powell - 04/18/23 - Taken off notice in House Finance, Ways & Means Subcommittee.
115. **SB1934** **TAXES SALES: Eliminates sales tax on groceries.** Eliminates the 4% sales tax on the retail sale of food and food ingredients for human consumption. Enacts the Business Enterprise Tax Act which imposes a 0.75% tax upon the taxable enterprise value tax base of every business enterprise. Also enacts the Worldwide Combined Reporting Act which applies to the reporting of net earnings and the levying of taxes. (32 pp.) **Amendment Summary:** House Finance Subcommittee amendment 1 (015661) eliminates the state and local sales tax on food and food ingredients and holds local governments harmless for lost state-shared allocations. Effective January 1, 2025. **Fiscal Note:** (Dated March 3, 2024) Increase State Revenue Net Impact Exceeds \$39,559,700/FY24-25 Exceeds \$19,779,900/FY25-26 and Subsequent Years Increase State Expenditures \$2,000,000/FY24-25 Decrease Local Revenue Net Impact \$240,573,300/FY24-25 \$481,146,600/FY25-26 and Subsequent Years Other Fiscal Impact The extent in which adoption of Worldwide Combined Reporting may impact foreign direct investment and business activity in this state, and whatever impact it may or may not have on state revenue, is based upon multiple unknown variables that cannot be reasonably quantified or determined. **Caption:** AN ACT to amend Tennessee Code Annotated, Title 57 and Title 67, relative to taxation. **Subcommittee Amendments:** Finance_Sub_Amendments_03.20.2024.pdf
Oliver C.
HB2043 - A. Behn - 04/11/24 - Set for House Finance, Ways & Means Subcommittee 04/16/24.

132. **SB2863** **COMMERCIAL LAW: Authorizes registered agent of a foreign corporation to resign the agency appointment by filing info with the secretary of state.** Authorizes the registered agent of a foreign corporation to resign the agency appointment by filing information with the secretary of state in an electronic format deemed suitable by the secretary of state. Broadly captioned. **Amendment Summary:** Senate Commerce & Labor Committee amendment 1 (014226) requires a person acting as an agent of a foreign principal from a country of concern (agent) to file a registration statement and supplemental information with the Tennessee Ethics Commission (Commission) within 10 days of becoming an agent. Requires each agent to file a supplemental statement under oath on a form prescribed by the Commission within 30 days after the expiration of each six-month period following a filing. Requires an agent to give notice within 10 days of when information furnished to the Commission changes. Imposes a \$150 registration fee for each agent and each foreign principal from a country of concern. Requires any person who acted as an agent from January 1, 2014 to July 1, 2024 to file a retroactive registration statement and supplemental statements. Establishes various disclosure and reporting requirements for agents. Authorizes a person who willfully violates a provision or rule promulgated pursuant to this act be fined up to \$100,000 and/or imprisoned for up to five years; provided that a violation of filing and labeling of informational materials has a fine up to \$50,000 and/or imprisonment for up to 12 months. Establishes that an alien who is convicted of a violation of, or a conspiracy to violate, this act may be referred to the United State Department of Justices for removal under the Immigration and Nationality Act. Prohibits an agent from being party to a contract or agreement with a foreign principal from a country of concern to which compensation of the agent is contingent upon the success of political activities carried out. Requires the Commission promulgate rules to effectuate this act, and to report to the General Assembly every six months regarding the administration of this act and to make such report publicly available on its website. House State Government Committee amendment 1 (015653) requires a person acting as an agent of a foreign principal from a country of concern (agent) to file a registration statement and supplemental information with the Tennessee Ethics Commission (Commission) within 10 days of becoming an agent. Requires each agent to file a supplemental statement under oath on a form prescribed by the Commission within 30 days after the expiration of each six-month period following a filing. Requires an agent to give notice, within 10 days, of when information furnished to the Commission changes. Imposes a \$150 registration fee for each agent and each foreign principal from a country of concern. Requires any person who acted as an agent from January 1, 2014 to July 1, 2024 to file a retroactive registration statement and supplemental statements. Establishes various disclosure and reporting requirements for agents. Authorizes a person who willfully violates a provision or rule promulgated pursuant to this act be fined up to \$100,000 and/or imprisoned for up to five years; provided that a violation of filing and labeling of informational materials has a fine up to \$50,000 and/or imprisonment for up to 12 months. Establishes that an alien who is convicted of a violation of, or a conspiracy to violate, this act may be referred to the United State Department of Justices for removal under the Immigration and Nationality Act. Prohibits an agent from being party to a contract or agreement with a foreign principal from a country of concern to which compensation of the agent is contingent upon the success of political activities carried out. Requires the Commission promulgate rules to effectuate this act, and to report to the General Assembly every six months regarding the administration of this act and to make such report publicly available on its website. **Fiscal Note:** (Dated February 2, 2024) NOT SIGNIFICANT **Caption:** AN ACT to amend Tennessee Code Annotated, Title 3; Title 4; Title 8; Title 48; Title 61 and Title 62, relative to foreign agents. **Subcommittee Amendments:** Public_Service_03.05.24.pdf
HB2889 - C. Todd - 04/08/24 - House Government Operations Committee recommended. Sent to House Finance.
135. **SB1735** **GOVERNMENT REGULATION: Building inspection time frame for new construction or renovation.** Requires the state fire marshal or another state entity that receives an inspection request for new construction or the renovation of an existing building to conduct the inspection within 72 hours of receipt of the request. Broadly captioned. **Amendment Summary:** House Commerce Committee amendment 1 (012771) requires the State Fire Marshal (SFM) or appropriate state entity to conduct a requested inspection of new construction or the renovation of an existing building within three business days of the receipt of the request. Authorizes the SFM or appropriate state entity who is physically unable to perform the inspection on-site within three business days to instead complete an inspection in the same timeframe by requesting submission of photographs or other appropriate technology for review that allows the SFM to ensure the requirements for the building inspection are met. Requires the Commissioner of the Department of Commerce and Insurance (DCI) to promulgate rules for resolving disputes that arise during the request for such inspections regarding the application of the rules adopted under the official construction safety standards. Senate Commerce & Labor Committee amendment 1, House Commerce Committee amendment 2 (013556) requires the State Fire Marshal (SFM) or appropriate state entity to conduct a requested inspection of new construction or the renovation of an existing building within three business days of the receipt of the request. Requires an inspection done in connection with a certificate of occupancy to be completed within five business days of the receipt of the request. Requires the Commissioner of the Department of Commerce and Insurance (DCI) to promulgate rules for resolving disputes that arise during the request for such inspections regarding the application of the rules adopted under the official construction safety standards. **Fiscal Note:** (Dated January 29, 2024) Increase State Expenditures \$342,500/FY24-25/General Fund \$332,800/FY25-26 and Subsequent Years/General Fund \$358,200/FY24-25/Health Facilities Commission \$348,600/FY25-26 and Subsequent Years/ Health Facilities Commission Other Fiscal Impact To the extent that current revenue is not sufficient to cover the cost of additional expenditures of the Health Facilities Commission, the commission may increase fees to cover the additional expenditures. **Caption:** AN ACT to amend Tennessee Code Annotated, Title 4; Title 5; Title 7; Title 12; Title 13; Title 62; Title 66 and Title 68, relative to building inspections. **Subcommittee Amendments:** Business_Sub_Amendments_01.30.24.pdf
Business_Sub_Amendment_02.13.24.PDF
HB1807 - E. Butler - 04/11/24 - Set for House Finance, Ways & Means Subcommittee 04/16/24.
136. **SB1367** **TAXES PROPERTY: Increase in the full market value of a disabled veteran's residence for calculation of property tax reimbursement.** Increases the maximum full market value, from \$175,000 to \$210,000, of a disabled veteran's residence that is to be used in calculating reimbursement for property tax paid by the disabled veteran. **Fiscal Note:** (Dated March 3, 2023) Increase State Expenditures Exceeds \$4,618,100/FY24-25 and Subsequent Years Other Fiscal Impact The extent of any permissive impact on local government expenditures cannot reasonably be determined. **Caption:** AN ACT to amend Tennessee Code Annotated, Section 67-5-704, relative to property tax relief.
HB1361 - A. Farmer - 04/18/23 - Taken off notice in House Finance, Ways & Means Subcommittee.
144. **SB837** **TAXES BUSINESS: Pregnancy Resource Tax Credit Act.** Enacts the "Pregnancy Resource Tax Credit Act," which authorizes business, excise, and franchise tax credits for businesses that make monetary contributions to eligible nonprofit organizations that provide certain pregnancy-related services. **Fiscal Note:** (Dated March 12, 2023) Decrease State Revenue \$150,000/FY23-24 \$585,000/FY24-25 \$625,000/FY25-26 \$665,000/FY26-27 \$705,000/FY27-28 \$745,000/FY28-29 and Subsequent Years Decrease Local Revenue \$255,000/FY24-25 and Subsequent Years **Caption:** AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 4, relative to tax credits.
HB1019 - C. Doggett - 04/18/23 - Taken off notice in House Finance, Ways & Means Subcommittee.
147. **SB85** **ECONOMIC DEVELOPMENT: Employee Ownership, Empowerment, and Expansion Act.** Enacts the Employee Ownership, Empowerment and Expansion Act for the purposes of providing incentives for small businesses to establish employee stock ownership plans or trusts to convert a worker-owned cooperative without requiring employees to invest their own money. Provides three options to small business owners to sell their businesses, including conversion costs, employee ownership trusts and employee stock ownership plans. Defines provisions under each option. For tax years beginning on or after January 1, 2024, but prior to January 1, 2029, allows a credit up to 50% percent of conversion costs, not to exceed \$25,000 for worker-owned cooperatives and employee ownership trusts, and up to 50 percent of conversion costs, not to exceed \$100,000, for costs included under employee stock ownership plans. Specifies certain taxpayer obligations for the tax credit and allows the commissioner to conduct audits. Requires the department to submit a one-time report to the finance, ways and means committees of the house of representatives and the senate on or before January 1, 2024. **Fiscal Note:** (Dated March 4, 2023) Decrease State Revenue \$275,000/FY23-24 \$600,000/Each FY24-25 through FY28-29 \$50,000/FY29-30 and Subsequent Years Decrease Local Revenue \$50,000/FY24-25 and Subsequent Years **Caption:** AN ACT to amend Tennessee Code Annotated, Title 4; Title 8; Title 9; Title 12, Chapter 3; Title 45; Title 50; Title 56, Chapter 1 and Title 67, relative to employee-owned businesses.
HB154 - P. Marsh - 04/18/23 - Taken off notice in House Finance, Ways & Means Subcommittee.
150. **SB1659** **PROPERTY & HOUSING: Increase in acreage for tax jurisdiction purposes.** Increases from 1,500 to 5,000 the number of acres of land that may be placed within one property tax jurisdiction for purposes of classification and assessment as agricultural, forest, or open space land. Increases from 1,500 to 5,000 the maximum acreage available to a real property owner that may be classified as forest or open space land. **Amendment Summary:** House Local Government Committee amendment 1 (014703) increases from 1,500 to 3,000 the number of acres of land that may be placed within one property tax jurisdiction for purposes of classification and assessment as agricultural, forest, or open space land. Increases from 1,500 to 3,000 the maximum acreage available to a real property owner that may be classified as forest or open space land. **Fiscal Note:** (Dated January 17, 2024) Decrease Local Revenue Exceeds \$3,000,000/FY25-26 and Subsequent Years **Caption:** AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 5, relative to property taxes.
HB2054 - R. Eldridge - 04/11/24 - Set for House Finance, Ways & Means Subcommittee 04/16/24.
170. **SB981** **TAXES BUSINESS: Exemption from franchise and excise taxes - community development entity.** Exempts from franchise and excise taxes, a community development entity or sub-community development entity that is certified by the United States department of the treasury's community development financial institutions fund, and that has received an allocation of the federal new markets tax credits or federal sub-new markets tax credits from a community development entity that is used to fund a qualified low-income community investment in a Tennessee facility or operations of a business or nonprofit entity where the qualified low-income community investment expands the Tennessee-based operations of the business or nonprofit entity. **Fiscal Note:** (Dated March 6, 2023) Decrease State Revenue Exceeds \$40,000/FY23-24 Exceeds \$100,000/FY24-25 and Subsequent Years **Caption:** AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 4, Part 20 and Title 67, Chapter 4, Part 21, relative to exemptions from franchise and excise taxes.
HB1117 - D. Carr - 04/18/23 - Taken off notice in House Finance, Ways & Means Subcommittee.

173. **SB1000** **PROPERTY & HOUSING: THDA - votes required to approve the operation of financial assistance programs.** Decreases, from nine to eight, the number of affirmative votes required by members of the Tennessee Housing Development Agency's board of directors in order for the agency to approve the operation of its financial assistance programs, which support the financing of residential housing construction for lower and moderate income persons and families. Broadly captioned. **Amendment Summary:** Senate State & Local Government Committee amendment 1, House Local Government Committee amendment 1 (006168) creates the Tennessee Rural and Workforce Housing Act. Authorizes the owner of a qualified project to claim a tax credit (credit) against a taxpayer liability for a state fee, premium, tax or other charge in an amount not to exceed the federal housing tax credit for which the qualified project received. Defines a qualified project as a low-income building located in this state and placed in service after January 1, 2025, that receives a federal housing tax credit allocation from the Tennessee Housing Development Agency (THDA). Authorizes the credit to be allocated among partners, members, or shareholders of the business entity or association owning a qualified project regardless of whether such business entities or associations are allocated or allowed any portion of the federal housing tax credit with respect to the qualified project. Prohibits the credit amount from exceeding the amount of the taxpayer's liability. Authorizes any unused tax credit to be carried forward to the taxpayer's next five years of liability but prohibits the credit from applying against prior tax years. Requires the credit amount allocated to such owners of a qualified project to equal the proportion the taxpayer received for the federal housing tax credit. Prohibits the total credit amount allocated in any fiscal year from exceeding \$17,000,000 plus the total of all unallocated credits, if any, for any preceding years, and the total amount of any previously allocated tax credits that have been recaptured, revoked, canceled, or otherwise recovered but not otherwise reallocated. Requires THDA to create rules and operate the new credit program and requires the THDA to allocate the credit to promote the highest value for greatest public benefit, provided that at least 50 percent of the credits are allocated to qualified projects in an eligible rural area as designated by the United States Department of Agriculture. **Fiscal Note:** (Dated January 31, 2023) NOT SIGNIFICANT **Caption:** AN ACT to amend Tennessee Code Annotated, Title 7, Chapter 53; Title 13; Title 48, Chapter 101, Part 3; Title 56 and Title 67, relative to housing. **Subcommittee Amendments:** 03.22.23.pdf
- HB1046 - K. Vaughan - 04/17/23 - House Government Operations Committee recommended. Sent to House Finance.
176. **SB1824** **TAXES BUSINESS: Extension of time for filing or payment.** Allows a request for an extension of time to file a business tax return and pay the tax to be signed by the taxpayer or the taxpayer's representative. Broadly captioned. **Fiscal Note:** (Dated January 23, 2024) NOT SIGNIFICANT **Caption:** AN ACT to amend Tennessee Code Annotated, Title 67, relative to taxation.
- HB2074 - G. Hicks - 04/11/24 - Set for House Finance, Ways & Means Subcommittee 04/16/24.
184. **SB413** **LOCAL GOVERNMENT: Grant program for nonprofit organizations that rent property below market rate.** Allows local governments to create a program to provide grants to eligible nonprofit organizations that own residential property and rent the property for at least 25 percent below market rate. Requires the local government to set a maximum amount of grant money available to each nonprofit organization. Requires the local government to obtain approval for the program by the comptroller of the treasury prior to implementing a program. Broadly captioned. **Fiscal Note:** (Dated March 9, 2023) Increase State Expenditures - \$117,700/FY23-24 \$115,200/FY24-25 and Subsequent Years Other Fiscal Impact The extent of any permissive increase in local government expenditures cannot reasonably be determined. **Caption:** AN ACT to amend Tennessee Code Annotated, Title 5; Title 6; Title 7; Title 13 and Title 67, Chapter 5, relative to a grant program.
- HB361 - H. Love Jr. - 04/18/23 - Taken off notice in House Finance, Ways & Means Subcommittee.

Tue 4/16/24 1:30pm - House Hearing Rm I, House Local Government Committee

MEMBERS: CHAIR J. Crawford (R); VICE CHAIR D. Wright (R); R. Alexander (R); J. Burkhardt (R); D. Carr (R); C. Doggett (R); M. Hale (R); E. Helton-Haynes (R); J. Holsclaw, Jr. (R); H. Love Jr. (D); G. Martin (R); S. McKenzie (D); L. Miller (D); J. Moon (R); K. Raper (R); J. Reedy (R); T. Rudd (R); J. Shaw (D); W. Slater (R); R. Stevens (R); D. Thompson (D); T. Warner (R)

1. **HB2984** **LOCAL GOVERNMENT: Davidson County - East Bank Development Authority.** Creates the East Bank Development Authority for the metropolitan government of Nashville and Davidson County. (12pp.). **Caption:** AN ACT to create the East Bank development authority for the metropolitan government of Nashville and Davidson County.
- Freeman B. SB2968 - C. Oliver - 04/11/24 - Set for Senate Finance, Ways & Means Committee 04/15/24.

Tue 4/16/24 2:00pm - House Hearing Rm I, House Finance, Ways & Means Subcommittee

MEMBERS: CHAIR G. Hicks (R); C. Baum (R); K. Camper (D); M. Cochran (R); J. Faison (R); J. Garrett (R); D. Hawk (R); P. Hazlewood (R); T. Hicks (R); H. Love Jr. (D); J. Moon (R); J. Shaw (D); S. Whitson (R); R. Williams (R)

5. **HB2553** **PROPERTY & HOUSING: Foreign-party controlled businesses prohibited from acquiring real property.** Restricts certain foreign investments in land located within this state through the creation of two separate prohibitions, one that restricts a prohibited foreign-party-controlled business from acquiring real property and another that restricts a prohibited foreign-party from acquiring agricultural land located within this state. (11pp.). Broadly captioned. **Amendment Summary:** Senate Commerce & Labor Committee amendment 1 (015023) exempts certain licensed individuals and entities from liability under Tennessee's Real Estate Broker License Act of 1973. Specifically, it provides immunity to licensed real estate brokers, attorneys, title insurance companies and agents, banks and their affiliates, savings and loan associations, credit unions, and licensed mortgage lenders who are involved in transactions where a prohibited foreign party acquires property in violation of the law. Senate Commerce & Labor Committee amendment 2, House Local Government Committee amendment 1 (014859) includes Al-Shabaab, Boko Haram, Hayat Tahir al Sham, ISIS, the Taliban, and the Wagner group in the definition of entities of particular concern. Prohibits prohibited foreign party-controlled businesses from acquiring non-agricultural land in Tennessee. A violation of this act is punishable by fine or confinement. Declares a policy of the state to conserve, protect, and encourage the development and improvement of agricultural and forest lands. Senate Commerce & Labor Committee amendment 3, House State Government Committee amendment 2 (015419) exempts certain persons holding licenses within the State of Tennessee from liability in a transaction in which a prohibited foreign party acquired property in violation of the bill. Senate Commerce & Labor Committee amendment 4 (017433) declares that liability is not imposed on a person involved in a transaction in which a prohibited foreign party acquired property who is licensed under the Tennessee Real Estate Broker License Act of 1973, an attorney licensed in this state or another state and handling a matter governed by this states law, a title insurance company or agent licensed in this state, a state or national bank, bank holding company, a savings and loan association or savings bank, a credit union, an industrial loan or thrift company, or a mortgage lender licensed by the Tennessee department of financial institutions. Excludes prohibited foreign parties or related prohibited foreign party controlled businesses that have previously received a determination that there are no unresolved national security concerns or pending actions concluded with respect to a covered transaction provided that the prohibited foreign party has not undergone a change in control constituting a covered control transaction and the party files all reports otherwise required. **Fiscal Note:** (Dated February 27, 2024) Increase State Revenue \$82,000/FY24-25/General Fund \$2,000/FY25-26 and Subsequent Years/General Fund Decrease State Expenditures \$82,000/FY24-25/Secretary of State \$2,000/FY25-26 and Subsequent Years/Secretary of State HB 2553 - SB 2639 Other Fiscal Impact This legislation could effectively deter the investments of PFPs and PFPCBs in real estate within this state. Any subsequent fiscal impacts upon state or local tax revenue that would have occurred in the absence of this legislation are dependent upon multiple unknown factors and cannot be determined with reasonable certainty. **Caption:** AN ACT to amend Tennessee Code Annotated, Title 43; Title 44; Title 47; Title 48 and Title 66, relative to property.
- SB2639 - F. Niceley - 04/11/24 - Set for Senate Finance, Ways & Means Committee 04/15/24.
8. **HB247** **TAXES BUSINESS: Business tax exemption.** Exempts services or people engaged in the appraisal of real estate or real property from business tax. **Amendment Summary:** Senate Finance Committee amendment 1 (007031) exempts services furnished by persons engaged in the appraisal of real estate or real property from the business tax. **Fiscal Note:** (Dated January 28, 2023) Decrease State Revenue \$111,100/FY23-24 and Subsequent Years Decrease Local Revenue \$115,700/FY23-24 and Subsequent Years **Caption:** AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 4, Part 7, relative to business tax.
- SB173 - J. Hensley - 04/10/24 - Senate Finance, Ways & Means Committee recommended with amendment 1 (007031), which exempts services furnished by persons engaged in the appraisal of real estate or real property from the business tax. Sent to Senate Calendar Committee.

14. **HB1229** **PROPERTY & HOUSING: Notifications to THDA related to metro government that creates escrow account to provide funding for low income housing.** Requires a county having a metropolitan form of government that creates a special escrow account earmarked for the sole purpose of generating revenue to provide low income persons with safe and affordable housing to notify the Tennessee housing development agency and the chairs of the local government committee of the house of representatives and the state and local government committee of the senate. Broadly captioned. **Amendment Summary:** Senate State & Local Government Committee amendment 1, House Property & Planning Subcommittee amendment 1 (015287) allows for a municipality to aid or otherwise provide assistance to a corporation, including without limitation, by granting, contributing, or pledging to or for the benefit of the corporation revenues from any source except revenues from ad valorem property taxes, for a portion of any project owned by the corporation and consists of any multifamily housing facility to be occupied by persons of low or moderate income, elderly, or handicapped persons for such term or terms and upon such conditions as may be determined by the governing body of the municipality. House Local Government Committee amendment 1 (017688) rewrites the bill and creates a new section regarding operations and powers of industrial development corporations. Grants municipalities the right to aid or provide assistance to corporations by pledging revenues to corporations except revenues derived from property taxes or portion of taxes for a project owned by the corporation. Sets requirements for associations to create a plan for assistance to submit to the comptroller. A plan is deemed approved if the written determination of the comptroller is not rendered within 60 days of the comptroller's receipt. This act takes effect upon becoming a law. **Fiscal Note:** (Dated February 1, 2023) NOT SIGNIFICANT **Caption:** AN ACT to amend Tennessee Code Annotated, Title 5; Title 6; Title 7; Title 13, Chapter 23; Title 48, Chapter 101, Part 9; Title 67, Chapter 5 and Section 67-4-409, relative to real property.
SB1137 - C. Oliver - 03/28/24 - Re-referred to Senate Calendar Committee.
17. **HB1490** **TAXES BUSINESS: Business Tax Act administration.** Deletes the provision granting broad discretion to the commissioner of revenue to administer the Business Tax Act from July 1, 2013, to December 31, 2014. Broadly captioned. **Amendment Summary:** Senate Finance Revenue Subcommittee amendment 1, House Government Operations Committee amendment 1 (003845) requires all publicly traded corporations, including those traded on foreign stock exchanges, doing business in the state of Tennessee for which 50 percent or more of the corporation's voting stock is owned, directly or indirectly, by a publicly traded corporation to file an additional tax disclosure statement with the Secretary of State (SOS). Authorizes corporations who must file the additional statement that are not required to file a Tennessee excise tax return to elect to file an alternative statement with the SOS containing all applicable information that is submitted by filing corporations who also file an excise tax return; an explanation of why the corporation is not required to file a Tennessee excise tax return; and identification of the filing corporations total gross receipts from sales to purchasers in Tennessee. Clarifies additional statements submitted are open for public review. Imposes a civil penalty up to \$5,000 if a corporation fails to submit an additional statement within 60 days after it is due. Allows applicable corporations required to file the additional statement to submit supplemental, publicly available, information to facilitate proper interpretation of the information contained in the additional statement. Requires the Department of Revenue (DOR) to offer assistance to the SOS. Subjects the required statements to audit by the DOR. Effective January 1, 2024. **Fiscal Note:** (Dated February 6, 2023) NOT SIGNIFICANT **Caption:** AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 4, relative to taxation.
SB1009 - H. Campbell - 04/11/24 - Set for Senate Finance, Ways & Means Committee 04/15/24.
21. **HB2467** **TAXES PROPERTY: Classification of the property as zoning-exempt property.** Authorizes a county to create a program by which an owner of real property in the county may apply for a classification of the property as zoning-exempt property, which values the property based on the zoning classification that existed at the time the owner came into possession of the property and its current use. **Amendment Summary:** House Property & Planning Subcommittee amendment 1 (014490) changes the classification from "zoning-exempt property" to "present use-exempt property." **Fiscal Note:** (Dated March 1, 2024) Increase State Expenditures - \$92,500/FY24-25/Comptroller of the Treasury Other Fiscal Impact The proposed legislation will result in a recurring decrease in local revenue and increase in local expenditures, both of which cannot be quantified with reasonable certainty but are considered permissive. **Caption:** AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 5, relative to property tax.
SB2238 - J. Yarbro - 04/11/24 - Set for Senate Finance, Ways & Means Committee 04/15/24.
23. **HB2842** **AGRICULTURE: Department of ECD prohibited from regulating certain farming activities.** Prohibits the department of environment and conservation from regulating or otherwise overseeing farming activities involving topsoil, rock removal, or the building of a pond when such activities are conducted in an area that is less than five acres in size, and the property on which the activities occur has a greenbelt classification pursuant to the Agricultural, Forest and Open Space Land Act of 1976. Broadly captioned. **Amendment Summary:** Senate amendment 2 and House Agriculture and Natural Resources Committee amendment 1 (014982) rewrites the bill to, instead amend the present law definition of "rock harvesting" to (i) mean the removal of the minerals dimension stone, flagstone, fieldstone, landscaping stone, drystack stone, fagade, and marble, by an operator with or without machinery; and (ii) not include activity that is exempt from the Water Quality Control Act by state law. **Fiscal Note:** (Dated February 25, 2024) Decrease State Revenue - \$16,300/FY24-25 and Subsequent Years/Environmental Protection Fund **Caption:** AN ACT to amend Tennessee Code Annotated, Title 4; Title 5; Title 6; Title 7; Title 11; Title 13; Title 43; Title 44; Title 64; Title 66; Title 67; Title 68 and Title 69, relative to agriculture. **Subcommittee Amendments:** Agriculture_& Natural Resources_Subcommittee_Amendment_03.19.24.PDF
SB2377 - B. Watson - 03/14/24 - Senate passed with amendment 2 (014982).
27. **HB2074** **TAXES BUSINESS: Extension of time for filing or payment.** Allows a request for an extension of time to file a business tax return and pay the tax to be signed by the taxpayer or the taxpayer's representative. Broadly captioned. **Fiscal Note:** (Dated January 23, 2024) NOT SIGNIFICANT **Caption:** AN ACT to amend Tennessee Code Annotated, Title 67, relative to taxation.
SB1824 - B. Watson - 04/11/24 - Set for Senate Finance, Ways & Means Committee 04/15/24.

Tue 4/16/24 2:00pm - House Hearing Rm I, House Finance, Ways & Means Subcommittee

Behind the Budget Calendar. MEMBERS: CHAIR G. Hicks (R); C. Baum (R); K. Camper (D); M. Cochran (R); J. Faison (R); J. Garrett (R); D. Hawk (R); P. Hazlewood (R); T. Hicks (R); H. Love Jr. (D); J. Moon (R); J. Shaw (D); S. Whitson (R); R. Williams (R)

6. **HB28** **LOCAL GOVERNMENT: Adoption of comprehensive growth plan prior to annexation.** Deletes requirement that municipalities adopt a comprehensive growth plan and have an approved urban growth boundary prior to annexing unincorporated territory. Requires all counties and municipalities that have an effective flood insurance rate map or flood hazard boundary map published by FEMA that identifies a special flood hazard area within the political boundaries of the county or municipality to meet the requirements for participation in the national flood insurance program administered by FEMA. Gives a county or municipality that does not currently have an effective flood insurance rate map or flood hazard boundary map published by FEMA that identifies a special flood hazard area within the political boundaries of the county or municipality 24 months from the effective date of any future flood insurance rate map or flood hazard boundary map published by the FEMA to meet the requirements for participation in the national flood insurance program. **Amendment Summary:** House Local Government Committee amendment 1 (006368) prohibits a municipal planning commission or regional planning commission (Planning Commission) from adopting a development plan (Plan) that vests a municipality with the authority to exercise planning or zoning authority over property outside of the jurisdictional boundaries of the municipality, until and unless such property is annexed by a municipality. Provides that if a Plan vesting a municipality with such powers over unincorporated territory was adopted prior to this act, then a municipality is required to comply strictly with the parameters of the Plan. Requires a municipality's jurisdiction over such territory to cease to exist once the municipality has fulfilled its obligations under a Plan, until and unless such property is annexed by the municipality. Permits a CLB to adopt the following provisions by resolution: (1) a municipality must send a copy of the annexation resolution by certified mail to the chair of the county legislative body (CLB) and the annexation process is delayed until such notice is received; (2) a municipality shall not act on an annexation proposal until the applicable CLB approves the annexation by resolution; and (3) a municipality shall not approve an annexation proposal if the applicable CLB disapproves the annexation by resolution or if the municipality does not receive the resolution of CLB approval within 60 days of the county receiving notice of the proposed annexation. **Fiscal Note:** (Dated March 2, 2023) Other Fiscal Impact The extent of any decrease in local expenditures associated with funding for economic and community development boards cannot reasonably be determined. **Caption:** AN ACT to amend Tennessee Code Annotated, Title 4, Chapter 10; Title 6; Title 7; Title 13; Title 49 and Title 65, Chapter 4, relative to comprehensive growth plans. **Subcommittee Amendments:** Property_& Planning_Sub_Amendments_03.08.23.pdf

SB75 - B. Watson - 03/29/23 - Senate State & Local Government Committee deferred to the first calendar of 2024.

12. **HB2624** **TAXES PROPERTY: Revises current law regarding property tax liens and delinquent property taxes.** Grants first priority to property tax liens relative to receiver's liens and other liens established under the Neighborhood Preservation Act and the Tennessee Local Land Bank Program. Clarifies that various provisions governing judicial sales do not apply to property tax proceedings. Makes various revisions to laws governing property tax liens, delinquent property taxes, and property tax proceedings. (21pp.). Broadly captioned. **Amendment Summary:** Senate State and Local Government Committee amendment 1, House Property & Planning Subcommittee amendment 1 (016386) makes changes regarding local banks and bids for the acquisition of real property. If a local bank submits a bid equal to or greater than the highest bidder within two business days from the close of the tax sale auction, then the local bank is the prevailing bidder. Cleans up the bill. Authorizes a negotiated sale if a second sale is not permissible for a real property. **Fiscal Note:** (Dated March 16, 2024) Other Fiscal Impact A precise impact to local revenue and mandatory expenditures cannot be estimated with certainty. * **Caption:** AN ACT to amend Tennessee Code Annotated, Title 5; Title 8; Title 13; Title 26 and Title 67, relative to delinquent property taxes.
SB2550 - A. Swann - 03/19/24 - Senate State & Local Government Committee recommended with amendment 1 (016386). Sent to Senate Calendar Committee.
16. **HB1629** **TAXES BUSINESS: Recordation tax - revenue distributed to counties for school debt and school capital projects.** Requires half of the unencumbered revenue from the recordation tax to be distributed to counties for school debt and school capital projects. **Fiscal Note:** (Dated February 4, 2024) Decrease State Revenue \$105,012,000/Each Year FY24-25 through FY28-29 Increase Local Revenue \$105,012,000/Each Year FY24-25 through FY28-29 **Caption:** AN ACT to amend Tennessee Code Annotated, Section 67-4-409, relative to the recordation tax.
SB1710 - J. Hensley - 04/11/24 - Set for Senate Finance, Ways & Means Committee 04/15/24.
30. **HB2797** **LOCAL GOVERNMENT: Notice requirement for public meeting by an industrial development corporation.** Specifies that the required notice of a public meeting by an industrial development corporation related to the approval of a payment in lieu of taxes for a lessee of the corporation must be published on the website of the corporation. Broadly captioned. **Amendment Summary:** Senate amendment 1 (015080) rewrites the bill to, instead, provide that an industrial development corporation created by a housing opportunity county or by a municipality within the boundaries of the housing opportunity county or jointly by any combination of such entities has the following powers: (1) To construct and install public infrastructure for qualified residential developments or contract with a private party for the construction and installation of such public infrastructure; (2) To accept loans and grants of money from this state or the U.S. or any agency or instrumentality of this state or the U.S., upon such terms and conditions as this state, the U.S., or the agency or instrumentality may impose, for purposes of carrying out the design, construction, installation, financing, or undertaking of public infrastructure; and (3) To make loans and grants of money to private entities constructing and installing public infrastructure for qualified residential developments within the boundaries of the housing opportunity county upon such terms as the industrial development corporation deems advisable. As used in this amendment, a "housing opportunity county" means a county that is certified by the comptroller of the treasury and the commissioner of economic and community development as a county with acute needs for additional housing to support the expected growth in population due to the undertaking of one or more economic development projects, whether or not located in the county, that are expected to result in the employment of more than 1,000 new employees. Additionally, as used in this amendment, a "qualified residential development" means an area to be developed for residential housing, which may be single-family housing or multi-family housing so long as that at least 80 percent of the developable area in the development is expected to be used for residential housing, as determined by the industrial development corporation. If this state or an agency or instrumentality of this state makes a loan or grant to an industrial development corporation in a housing opportunity county for the purposes described in this amendment, then this amendment requires such loan or grant to be made upon such terms as are embodied in a written agreement between this state or an agency or instrumentality of this state and that are approved by the comptroller of the treasury, the commissioner of economic and community development, and the commissioner of finance and administration. Such agreement may include such terms as are deemed advisable to this state to ensure that the housing to be constructed in the qualified residential development is affordable for persons residing in the housing opportunity county. Senate amendment 2 (17340) makes the following changes: (1) Establishes that a "housing opportunity county" means a county with acute needs for additional housing to support the expected growth in population due to the undertaking of one or more economic development projects, whether located in the county or surrounding area, that are certified by the commissioner of economic and community development as expected to result in the employment of more than 1,000 new employees; and (2) If this state or an agency or instrumentality of this state makes a loan or grant to an industrial development corporation in a housing opportunity county for the purposes described in the bill, requires such loan or grant to be made upon such terms as are embodied in a written agreement between this state or an agency or instrumentality of this state and that are approved by the comptroller of the treasury and the commissioner of finance and administration. House Local Government Committee amendment 1 (015086) authorizes certain industrial development corporations (IDCs) to: (1) construct and install public infrastructure for qualified residential developments, or to contract for such services; (2) accept loans and grants from the state and federal government or an instrumentality thereof; and (3) make loans and grants to private entities constructing and installing public infrastructure for qualified residential developments. Requires loans and grants made to IDCs by the state or an instrumentality thereof to be approved by the Comptroller of the Treasury (COT), the Commissioner of Economic and Community Development (ECD), and the Commissioner of Finance and Administration (F&A). House Local Government Committee amendment 2 (017340) changes the definition of "housing opportunity county" to mean counties with acute needs for additional housing to support expected population growth due to the undertaking of one or more economic development projects, whether in the county or the surrounding area, that are certified by the commissioner of economic and community development that will result in the employment of more than 1,000 new employees. Removes the requirement for the written agreement to be approved by the commissioner of economic and community development and the language allowing for the agreement to include terms that ensure the development is affordable for persons residing in the housing opportunity county. **Fiscal Note:** (Dated January 31, 2024) NOT SIGNIFICANT **Caption:** AN ACT to amend Tennessee Code Annotated, Title 5; Title 6; Title 7; Title 13 and Title 48, relative to the development of housing.
SB2182 - J. Lundberg - 04/10/24 - Senate passed with amendment 1 (015080) and amendment 2 (17340). Senate amendment 1 (015080) rewrites the bill to, instead, provide that an industrial development corporation created by a housing opportunity county or by a municipality within the boundaries of the housing opportunity county or jointly by any combination of such entities has the following powers: (1) To construct and install public infrastructure for qualified residential developments or contract with a private party for the construction and installation of such public infrastructure; (2) To accept loans and grants of money from this state or the U.S. or any agency or instrumentality of this state or the U.S., upon such terms and conditions as this state, the U.S., or the agency or instrumentality may impose, for purposes of carrying out the design, construction, installation, financing, or undertaking of public infrastructure; and (3) To make loans and grants of money to private entities constructing and installing public infrastructure for qualified residential developments within the boundaries of the housing opportunity county upon such terms as the industrial development corporation deems advisable. As used in this amendment, a "housing opportunity county" means a county that is certified by the comptroller of the treasury and the commissioner of economic and community development as a county with acute needs for additional housing to support the expected growth in population due to the undertaking of one or more economic development projects, whether or not located in the county, that are expected to result in the employment of more than 1,000 new employees. Additionally, as used in this amendment, a "qualified residential development" means an area to be developed for residential housing, which may be single-family housing or multi-family housing so long as that at least 80 percent of the developable area in the development is expected to be used for residential housing, as determined by the industrial development corporation. If this state or an agency or instrumentality of this state makes a loan or grant to an industrial development corporation in a housing opportunity county for the purposes described in this amendment, then this amendment requires such loan or grant to be made upon such terms as are embodied in a written agreement between this state or an agency or instrumentality of this state and that are approved by the comptroller of the treasury, the commissioner of economic and community development, and the commissioner of finance and administration. Such agreement may include such terms as are deemed advisable to this state to ensure that the housing to be constructed in the qualified residential development is affordable for persons residing in the housing opportunity county. Senate amendment 2 (17340) makes the following changes: (1) Establishes that a "housing opportunity county" means a county with acute needs for additional housing to support the expected growth in population due to the undertaking of one or more economic development projects, whether located in the county or surrounding area, that are certified by the commissioner of economic and community development as expected to result in the employment of more than 1,000 new employees; and (2) If this state or an agency or instrumentality of this state makes a loan or grant to an industrial development corporation in a housing opportunity county for the purposes described in the bill, requires such loan or grant to be made upon such terms as are embodied in a written agreement between this state or an agency or instrumentality of this state and the industrial development corporation and that are approved by the comptroller of the treasury and the commissioner of finance and administration.

39. **HB2553** **PROPERTY & HOUSING: Foreign-party controlled businesses prohibited from acquiring real property.** Restricts certain foreign investments in land located within this state through the creation of two separate prohibitions, one that restricts a prohibited foreign-party-controlled business from acquiring real property and another that restricts a prohibited foreign-party from acquiring agricultural land located within this state. (11pp.). Broadly captioned. **Amendment Summary:** Senate Commerce & Labor Committee amendment 1 (015023) exempts certain licensed individuals and entities from liability under Tennessee's Real Estate Broker License Act of 1973. Specifically, it provides immunity to licensed real estate brokers, attorneys, title insurance companies and agents, banks and their affiliates, savings and loan associations, credit unions, and licensed mortgage lenders who are involved in transactions where a prohibited foreign party acquires property in violation of the law. Senate Commerce & Labor Committee amendment 2, House Local Government Committee amendment 1 (014859) includes Al-Shabaab, Boko Haram, Hayat Tahir al Sham, ISIS, the Taliban, and the Wagner group in the definition of entities of particular concern. Prohibits prohibited foreign party-controlled businesses from acquiring non-agricultural land in Tennessee. A violation of this act is punishable by fine or confinement. Declares a policy of the state to conserve, protect, and encourage the development and improvement of agricultural and forest lands. Senate Commerce & Labor Committee amendment 3, House State Government Committee amendment 2 (015419) exempts certain persons holding licenses within the State of Tennessee from liability in a transaction in which a prohibited foreign party acquired property in violation of the bill. Senate Commerce & Labor Committee amendment 4 (017433) declares that liability is not imposed on a person involved in a transaction in which a prohibited foreign party acquired property who is licensed under the Tennessee Real Estate Broker License Act of 1973, an attorney licensed in this state or another state and handling a matter governed by this states law, a title insurance company or agent licensed in this state, a state or national bank, bank holding company, a savings and loan association or savings bank, a credit union, an industrial loan or thrift company, or a mortgage lender licensed by the Tennessee department of financial institutions. Excludes prohibited foreign parties or related prohibited foreign party controlled businesses that have previously received a determination that there are no unresolved national security concerns or pending actions concluded with respect to a covered transaction provided that the prohibited foreign party has not undergone a change in control constituting a covered control transaction and the party files all reports otherwise required. **Fiscal Note:** (Dated February 27, 2024) Increase State Revenue \$82,000/FY24-25/General Fund \$2,000/FY25-26 and Subsequent Years/General Fund Decrease State Expenditures \$82,000/FY24-25/Secretary of State \$2,000/FY25-26 and Subsequent Years/Secretary of State HB 2553 - SB 2639 Other Fiscal Impact This legislation could effectively deter the investments of PFPs and PFFCBs in real estate within this state. Any subsequent fiscal impacts upon state or local tax revenue that would have occurred in the absence of this legislation are dependent upon multiple unknown factors and cannot be determined with reasonable certainty. **Caption:** AN ACT to amend Tennessee Code Annotated, Title 43; Title 44; Title 47; Title 48 and Title 66, relative to property. SB2639 - F. Niceley - 04/11/24 - Set for Senate Finance, Ways & Means Committee 04/15/24.
40. **HB1835** **TAXES SALES: Sales tax allocation.** Allocates 2.83% of the sales and use tax collected in the 11 fastest-growing counties to such counties. Requires such counties to earmark such revenue for educational facility maintenance and construction and infrastructure. **Amendment Summary:** Senate Finance Revenue Subcommittee amendment 1, House Finance Subcommittee amendment 1 (015145) allocates 1.4% of the sales and use tax collected in to counties who have experienced a 20% or more increase in population from the 2010 federal census to the 2020 federal census or the county experiences growth of 20% or more between any subsequent federal decennial censuses to the county. Specifies that such allocation also applies to counties who have experienced a nine percent or more growth in population over the immediate consecutive four-year period according to a special census conducted by the county. Requires such counties to earmark such revenue for educational facility maintenance and construction and infrastructure. **Fiscal Note:** (Dated March 10, 2024) Decrease State Revenue \$137,282,800/Each Year FY24-25 through FY28-29 Increase Local Revenue \$137,282,800/Each Year FY24-25 through FY28-29 **Caption:** AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 6, relative to the sales and use tax. **Subcommittee Amendments:** Finance_Sub_Amendments_03.13.2024.pdf
SB1741 - F. Haile - 04/11/24 - Set for Senate Finance, Ways & Means Committee 04/15/24.
59. **HB2043** **TAXES SALES: Eliminates sales tax on groceries.** Eliminates the 4% sales tax on the retail sale of food and food ingredients for human consumption. Enacts the Business Enterprise Tax Act which imposes a 0.75% tax upon the taxable enterprise value tax base of every business enterprise. Also enacts the Worldwide Combined Reporting Act which applies to the reporting of net earnings and the levying of taxes. (32 pp.) **Amendment Summary:** House Finance Subcommittee amendment 1 (015661) eliminates the state and local sales tax on food and food ingredients and holds local governments harmless for lost state-shared allocations. Effective January 1, 2025. **Fiscal Note:** (Dated March 3, 2024) Increase State Revenue Net Impact Exceeds \$39,559,700/FY24-25 Exceeds \$19,779,900/FY25-26 and Subsequent Years Increase State Expenditures \$2,000,000/FY24-25 Decrease Local Revenue Net Impact \$240,573,300/FY24-25 \$481,146,600/FY25-26 and Subsequent Years Other Fiscal Impact The extent in which adoption of Worldwide Combined Reporting may impact foreign direct investment and business activity in this state, and whatever impact it may or may not have on state revenue, is based upon multiple unknown variables that cannot be reasonably quantified or determined. **Caption:** AN ACT to amend Tennessee Code Annotated, Title 57 and Title 67, relative to taxation. **Subcommittee Amendments:** Finance_Sub_Amendments_03.20.2024.pdf
SB1934 - C. Oliver - 04/11/24 - Set for Senate Finance, Ways & Means Committee 04/15/24.
65. **HB1807** **GOVERNMENT REGULATION: Building inspection time frame for new construction or renovation.** Requires the state fire marshal or another state entity that receives an inspection request for new construction or the renovation of an existing building to conduct the inspection within 72 hours of receipt of the request. Broadly captioned. **Amendment Summary:** House Commerce Committee amendment 1 (012771) requires the State Fire Marshal (SFM) or appropriate state entity to conduct a requested inspection of new construction or the renovation of an existing building within three business days of the receipt of the request. Authorizes the SFM or appropriate state entity who is physically unable to perform the inspection on-site within three business days to instead complete an inspection in the same timeframe by requesting submission of photographs or other appropriate technology for review that allows the SFM to ensure the requirements for the building inspection are met. Requires the Commissioner of the Department of Commerce and Insurance (DCI) to promulgate rules for resolving disputes that arise during the request for such inspections regarding the application of the rules adopted under the official construction safety standards. Senate Commerce & Labor Committee amendment 1, House Commerce Committee amendment 2 (013556) requires the State Fire Marshal (SFM) or appropriate state entity to conduct a requested inspection of new construction or the renovation of an existing building within three business days of the receipt of the request. Requires an inspection done in connection with a certificate of occupancy to be completed within five business days of the receipt of the request. Requires the Commissioner of the Department of Commerce and Insurance (DCI) to promulgate rules for resolving disputes that arise during the request for such inspections regarding the application of the rules adopted under the official construction safety standards. **Fiscal Note:** (Dated January 29, 2024) Increase State Expenditures \$342,500/FY24-25/General Fund \$332,800/FY25-26 and Subsequent Years/General Fund \$358,200/FY24-25/Health Facilities Commission \$348,600/FY25-26 and Subsequent Years/ Health Facilities Commission Other Fiscal Impact To the extent that current revenue is not sufficient to cover the cost of additional expenditures of the Health Facilities Commission, the commission may increase fees to cover the additional expenditures. **Caption:** AN ACT to amend Tennessee Code Annotated, Title 4; Title 5; Title 7; Title 12; Title 13; Title 62; Title 66 and Title 68, relative to building inspections. **Subcommittee Amendments:** Business_Sub_Amendments_01.30.24.pdf
Business_Sub_Amendment_02.13.24.PDF
SB1735 - P. Rose - 04/11/24 - Set for Senate Finance, Ways & Means Committee 04/15/24.
73. **HB2054** **PROPERTY & HOUSING: Increase in acreage for tax jurisdiction purposes.** Increases from 1,500 to 5,000 the number of acres of land that may be placed within one property tax jurisdiction for purposes of classification and assessment as agricultural, forest, or open space land. Increases from 1,500 to 5,000 the maximum acreage available to a real property owner that may be classified as forest or open space land. **Amendment Summary:** House Local Government Committee amendment 1 (014703) increases from 1,500 to 3,000 the number of acres of land that may be placed within one property tax jurisdiction for purposes of classification and assessment as agricultural, forest, or open space land. Increases from 1,500 to 3,000 the maximum acreage available to a real property owner that may be classified as forest or open space land. **Fiscal Note:** (Dated January 17, 2024) Decrease Local Revenue Exceeds \$3,000,000/FY25-26 and Subsequent Years **Caption:** AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 5, relative to property taxes. SB1659 - P. Walley - 04/11/24 - Set for Senate Finance, Ways & Means Committee 04/15/24.
89. **HB2141** **ENVIRONMENT & NATURE: Removing a wild animal, fowl, or fish while trespassing on land penalty.** Increases the penalty from a Class C misdemeanor to a Class B misdemeanor for removing a wild animal, wild fowl, or fish while trespassing on land. Increases various fines under \$500 to not more than \$500. Broadly captioned. **Amendment Summary:** House State Government Committee Amendment 1 (013888) increases the maximum fine, from \$50 to no more than \$500, that is applicable for a violation of any arrestable offense regarding wildlife resources and for which a submission of fine in lieu of court is not authorized. **Fiscal Note:** (Dated February 6, 2024) Increase State Revenue Up to \$442,800/FY24-25 and Subsequent Years/ Wildlife Resources Fund Increase Local Expenditures \$2,900/FY24-25 and Subsequent Years* Other Fiscal Impact This legislation is estimated to result in an unknown increase in local revenue as a result of receiving a portion of the increase in fine revenue. Any such increase in local revenue could not be confirmed with certainty. **Caption:** AN ACT to amend Tennessee Code Annotated, Title 70, relative to wildlife resources. SB1751 - P. Rose - 03/06/24 - Taken off notice in Senate Energy, Agriculture & Natural Resources Committee.
100. **HB2781** **PROFESSIONS & LICENSURE: Notification regarding change of address to state board of cosmetology and barber examiners.** Requires a holder of a certificate of registration to notify the state board of cosmetology and barber examiners within 35 days, instead of 30 days, of a change to the certificate holder's mailing address. Broadly captioned. **Amendment Summary:** House Commerce Committee amendment 1 (015776) enacts the Cosmetology Licensure Compact (Compact). States that the purpose of the Compact is to facilitate the interstate practice and regulation of cosmetology with the goal of improving public access to, and the safety of, cosmetology services and reducing unnecessary burdens related to cosmetology licensure. The Compact establishes a regulatory framework that provides for a new multistate licensing program that authorizes individuals to practice in other states that are

members of the compact. Authorizes the Department of Commerce and Insurance to charge a fee for granting a multi-state license. Requires license holders moving from one member state to another member state to pay any fees required for reissuance of a license in the new home state. Creates a commission whose members consist of all states that have enacted this Compact. Authorizes commission meetings to be held via telecommunication. Authorizes the commission to levy and collect an annual assessment from each member state and impose fees on licensees to cover the cost of operations. Removes the requirement to have completed and passed at least two years of high school or received at least a score of 38 percent on the GED® or HiSET® examination to be eligible for cosmetology school or licensure and removes the requirement for barbers or barber instructors to have completed the twelfth grade in an accredited school or the equivalent. Reduces the requirement for a barber instructor to have a valid certificate of registration from three consecutive years to three years. Removes the authorization that an expired registration may be reinstated upon payment of twice the fees that would have been collected for timely renewal and sets the penalty to be determined by the Board of Cosmetology and Barber Examiners. Prohibits schools from enrolling a student under the age of sixteen. Exempts public and vocational schools from this requirement. Senate amendment 1 (014816) rewrites the bill to enact the "Cosmetology Licensure Compact" ("compact"). To be eligible to join this compact, and to maintain eligibility as a member state, this amendment requires a state to: (1) License and regulate cosmetology; (2) Have a mechanism or entity in place to receive and investigate complaints about licensees practicing in that state; (3) Require that licensees within that state pass a cosmetology competency examination prior to being licensed to provide cosmetology services to the public in that state; (4) Require that licensees satisfy educational or training requirements in cosmetology prior to being licensed to provide cosmetology services to the public in that state; (5) Implement procedures for considering one or more of the following categories of information from applicants for licensure: criminal history, disciplinary history, or background check. Such procedures may include the submission of information by applicants for the purpose of obtaining an applicant's background; (6) Participate in the data system, including through the use of unique identifying numbers; (7) Share information related to adverse actions with the cosmetology licensure compact commission ("commission") and other member states, both through the data system and otherwise; (8) Notify the commission and other member states, in compliance with the terms of this compact and rules of the commission, of the existence of investigative information or current significant investigative information in the state's possession regarding a licensee practicing in that state; (9) Comply with such rules as may be enacted by the commission to administer this compact; and (10) Accept licensees from other member states as established in this compact. This amendment authorizes member states to charge a fee for granting a license to practice cosmetology. This amendment requires individuals not residing in a member state to continue to be able to apply for a member state's single-state license as provided under the laws of each member state. However, the single-state license granted to these individuals must not be recognized as granting a multistate license to provide services in any other member state. Nothing in this compact affects the requirements established by a member state for the issuance of a single-state license. This amendment requires a multistate license issued to a licensee by a home state to a resident of that state to be recognized by each member state as authorizing a licensee to practice cosmetology in each member state. This amendment prohibits the commission from having the power to define the educational or professional requirements for a license to practice cosmetology. The member states must retain sole jurisdiction over the provision of these requirements. To be eligible to apply to their home state's state licensing authority for an initial multistate license under this compact, the amendment requires a licensee to hold an active and unencumbered single-state license to practice cosmetology in their home state. Upon the receipt of an application for a multistate license, according to the rules of the commission, a member state's state licensing authority must ascertain whether the applicant meets the requirements for a multistate license under this compact. If an applicant meets the requirements for a multistate license under this compact and any applicable rules of the commission, then the state licensing authority in receipt of the application must, within a reasonable time, grant a multistate license to that applicant, and inform all member states of the grant of said multistate license. This amendment requires a multistate license to practice cosmetology issued by a member state's state licensing authority to be recognized by each member state as authorizing the practice thereof as though that licensee held a single-state license to do so in each member state, subject to the restrictions in this compact. A multistate license granted pursuant to this compact may be effective for a definite period of time, concurrent with the licensure renewal period in the home state. To maintain a multistate license under this compact, this amendment requires a licensee to (i) agree to abide by the rules of the state licensing authority, and the state scope of practice laws governing the practice of cosmetology, of any member state in which the licensee provides services; (ii) pay all required fees related to the application and process, and any other fees that the commission may by rule require; and (iii) comply with any and all other requirements regarding multistate licenses that the commission may by rule provide. This amendment provides that a licensee practicing in a member state is subject to all scope of practice laws governing cosmetology services in that state. The practice of cosmetology under a multistate license granted pursuant to this compact subjects the licensee to the jurisdiction of the state licensing authority, the courts, and the laws of the member state in which the cosmetology services are provided. This amendment authorizes a licensee to hold a multistate license, issued by their home state, in only one member state at any given time. If a licensee changes their home state by moving between two member states, then the licensee is subject to the following: (1) The licensee must immediately apply for the reissuance of their multistate license in their new home state. The licensee must pay all applicable fees and notify the prior home state in accordance with the rules of the commission; (2) Upon receipt of an application to reissue a multistate license, the new home state must verify that the multistate license is active, unencumbered, and eligible for reissuance under the terms of this compact and the rules of the commission. The multistate license issued by the prior home state must be deactivated and all member states notified in accordance with the applicable rules adopted by the commission; (3) If required for initial licensure, the new home state may require a background check as specified in the laws of that state, or the compliance with any jurisprudence requirements of the new home state; and (4) If a licensee does not meet the requirements set forth in this compact for the reissuance of a multistate license by the new home state, then the licensee is subject to the new home state requirements for the issuance of a single-state license in that state. If a licensee changes their primary state of residence by moving from a member state to a non-member state, or from a non-member state to a member state, then the licensee is subject to the state requirements for the issuance of a single-state license in the new home state. Nothing in this compact interferes with a licensee's ability to hold a single-state license in multiple states. However, for the purposes of this compact, a licensee must have only one home state, and only one multistate license. Additionally, nothing in this compact interferes with the requirements established by a member state for the issuance of a single-state license. This amendment prohibits anything in this compact, or any rule or regulation of the commission, from limiting, restricting, or in any way reducing the ability of a member state to enact and enforce laws, regulations, or other rules related to the practice of cosmetology in that state, where those laws, regulations, or other rules are not inconsistent with this compact. Insofar as practical, a member state's state licensing authority must cooperate with the commission and with each entity exercising independent regulatory authority over the practice of cosmetology according to this compact. This amendment provides that discipline is the sole responsibility of the state in which cosmetology services are provided. Accordingly, each member state's state licensing authority is responsible for receiving complaints about individuals practicing cosmetology in that state, and for communicating all relevant investigative information about any such adverse action to the other member states through the data system in addition to any other methods the commission may by rule require. This amendment provides that a licensee's home state has exclusive power to impose an adverse action against a licensee's multistate license issued by the home state. A home state may take adverse action on a multistate license based on the investigative information, current significant investigative information, or adverse action of a remote state. In addition to the powers conferred by state law, each remote state's state licensing authority has the power to do the following: (1) Take adverse action against a licensee's authorization to practice cosmetology through the multistate license in that member state, so long as: (i) only the licensee's home state has the power to take adverse action against the multistate license issued by the home state; and (ii) for the purposes of taking adverse action, the home state's state licensing authority must give the same priority and effect to reported conduct received from a remote state as it would if such conduct had occurred within the home state. In so doing, the home state must apply its own state laws to determine the appropriate action; (2) Issue cease and desist orders or impose an encumbrance on a licensee's authorization to practice within that member state; (3) Complete any pending investigations of a licensee who changes their primary state of residence during the course of such an investigation. The state licensing authority is also empowered to report the results of such an investigation to the commission through the data system as described in this compact; (4) Issue subpoenas for both hearings and investigations that require the attendance and testimony of witnesses, as well as the production of evidence. Subpoenas issued by a state licensing authority in a member state for the attendance and testimony of witnesses or the production of evidence from another member state must be enforced in the latter state by any court of competent jurisdiction, according to the practice and procedure of that court applicable to subpoenas issued in proceedings before it. The issuing state licensing authority must pay any witness fees, travel expenses, mileage, and other fees required by the service statutes of the state in which the witnesses or evidence are located; (5) If otherwise permitted by state law, recover from the affected licensee the costs of investigations and disposition of cases resulting from any adverse action taken against that licensee; and (6) Take adverse action against the licensee's authorization to practice in that state based on the factual findings of another remote state. This amendment requires a licensee's home state to complete any pending investigation of a cosmetologist who changes their primary state of residence during the course of any investigation. The home state also has the authority to take appropriate actions and promptly report the conclusions of any investigation to the data system. If an adverse action is taken by the home state against a licensee's multistate license, then this amendment requires the licensee's authorization to practice in all other member states to be deactivated until all encumbrances have been removed from the home state license. All home state disciplinary orders that impose an adverse action against a licensee's multistate license must include a statement that the cosmetologist's authorization to practice is deactivated in all member states during the pendency of the order. However, nothing in this compact overrides a member state's authority to accept a licensee's participation in an alternative program in lieu of adverse action. A licensee's multistate license must be suspended for the duration of the licensee's participation in any alternative program. This amendment authorizes a member state to participate with other member states in joint investigations of licensees. Member states must share any investigative, litigation, or compliance materials in furtherance of any joint or individual investigation initiated under this compact. This amendment requires active military members, or their spouses, to designate a home state where the individual has a current license to practice cosmetology in good standing. The individual may retain their home state designation during any period of service when that individual or their spouse is on active duty assignment. This amendment provides that the compact member states hereby create and establish a joint government agency whose membership consists of all member states that have enacted this compact, known as the commission. The commission is an instrumentality of the compact member states acting jointly and not an instrumentality of any one state. The commission comes into existence on or after the effective date of this compact. This amendment provides that each member state has and is limited to one delegate selected by that member state's state licensing authority. The delegate must be an administrator of the state licensing authority of the member state or their designee. The commission must by rule or bylaw establish a term of office for delegates and may by rule or bylaw establish term limits. The commission may recommend removal or suspension of any delegate from office. A member state's state licensing authority must fill any vacancy of its delegate occurring on the commission within 60 days of the vacancy. Each delegate is entitled to one vote on all matters that are voted on by the commission. The commission must meet at least once during each calendar year. Additional meetings may be held as set forth in the bylaws. The commission may meet by telecommunication, video conference, or other similar electronic means. This amendment provides that the commission has the following powers: (i) establish the fiscal year of the commission; (ii) establish code of conduct and conflict of interest policies; (iii) adopt rules and bylaws; (iv) maintain its financial records in accordance with the bylaws; (v) meet and take

such actions as are consistent with this compact, the commission's rules, and the bylaws; (vi) initiate and conclude legal proceedings or actions in the name of the commission. However, the standing of any state licensing authority to sue or be sued under applicable law must not be affected; (vii) maintain and certify records and information provided to a member state as the authenticated business records of the commission, and designate an agent to do so on the commission's behalf; (viii) purchase and maintain insurance and bonds; (ix) borrow, accept, or contract for services of personnel; (x) conduct an annual financial review; (xi) hire employees, elect or appoint officers, fix compensation, define duties, grant such individuals appropriate authority to carry out the purposes of this compact, and establish the commission's personnel policies and programs relating to conflicts of interest, qualifications of personnel, and other related personnel matters; (xii) as set forth in the commission rules, charge a fee to a licensee for the grant of a multistate license and thereafter, as may be established by commission rule, charge the licensee a multistate license renewal fee for each renewal period. Nothing in this compact prevents a home state from charging a licensee a fee for a multistate license or renewals of a multistate license, or a fee for the jurisprudence requirement if the member state imposes such a requirement for the grant of a multistate license; (xiii) assess and collect fees; (xiv) accept any and all appropriate gifts, donations, grants of money, other sources of revenue, equipment, supplies, materials, and services, and receive, utilize, and dispose of the same. However, at all times the commission must avoid any appearance of impropriety or conflict of interest; (xv) lease, purchase, retain, own, hold, improve, or use any property, real, personal, or mixed, or any undivided interest therein; (xvi) sell, convey, mortgage, pledge, lease, exchange, abandon, or otherwise dispose of any property, real, personal, or mixed; (xvii) establish a budget and make expenditures; (xviii) borrow money; (xix) appoint committees, including standing committees, composed of members, state regulators, state legislators or their representatives, consumer representatives, and such other interested persons as may be designated in this compact and the bylaws; (xx) provide and receive information from, and cooperate with, law enforcement agencies; (xxi) elect a chair, vice chair, secretary, treasurer, and such other officers of the commission as provided in the commission's bylaws; (xxii) establish and elect an executive committee, including a chair and a vice chair; (xxiii) adopt and provide to the member states an annual report; (xxiv) determine whether a state's adopted language is materially different from the model compact language such that the state would not qualify for participation in this compact; and (xxv) perform such other functions as may be necessary or appropriate to achieve the purposes of this compact. This amendment provides that the executive committee has the power to act on behalf of the commission according to the terms of this compact. The powers, duties, and responsibilities of the executive committee include: (i) overseeing the day-to-day activities of the administration of this compact; (i) recommending to the commission changes to the rules or bylaws, changes to this compact legislation, fees charged to compact member states, fees charged to licensees, and other fees; (iii) ensuring compact administration services are appropriately provided, including by contract; (iv) preparing and recommending the budget; (v) maintaining financial records on behalf of the commission; (vi) monitoring compact compliance of member states and providing compliance reports to the commission; (vii) establishing additional committees as necessary; (viii) exercising the powers and duties of the commission during the interim between commission meetings, except for adopting or amending rules, adopting or amending bylaws, and exercising any other powers and duties expressly reserved to the commission by rule or bylaw; and (ix) other duties as provided in the rules or bylaws of the commission. This amendment requires the executive committee to be composed of up to seven voting members as follows: (1) The chair and vice chair of the commission and any other members of the commission who serve on the executive committee must be voting members of the executive committee; (2) Other than the chair, vice chair, secretary, and treasurer, the commission must elect three voting members from the current membership of the commission; and (3) The commission may elect ex officio, nonvoting members from a recognized national cosmetology professional association as approved by the commission. The commission's bylaws must identify qualifying organizations and the manner of appointment if the number of organizations seeking to appoint an ex officio member exceeds the number of members specified. This amendment authorizes the commission to remove any member of the executive committee as provided in the commission's bylaws. This amendment requires the executive committee to meet at least annually. Annual executive committee meetings, as well as any executive committee meeting at which it does not take or intend to take formal action on a matter for which a commission vote would otherwise be required, must be open to the public, except that the executive committee may meet in a closed, non-public session of a public meeting when authorized by this amendment. The executive committee must give five business days' advance notice of its public meetings, posted on its website and as determined to provide notice to persons with an interest in the public matters the executive committee intends to address at those meetings. This amendment authorizes the executive committee to hold an emergency meeting when acting for the commission to: (i) meet an imminent threat to public health, safety, or welfare; (ii) prevent a loss of commission or member state funds; or (iii) protect public health and safety. This amendment requires the commission to adopt and provide to the member states an annual report. This amendment requires all meetings of the commission that are not closed pursuant to the below provisions to be open to the public. Notice of public meetings must be posted on the commission's website at least 30 days prior to the public meeting. The commission may convene an emergency public meeting by providing at least 24 hours' prior notice on the commission's website, and any other means as provided in the commission's rules, for any of the reasons it may dispense with notice of proposed rulemaking. The commission's legal counsel must certify that one of the reasons justifying an emergency public meeting has been met. Notice of all commission meetings must provide the time, date, and location of the meeting, and if the meeting is to be held or accessible via telecommunication, video conference, or other electronic means, the notice must include the mechanism for access to the meeting. This amendment authorizes the commission to convene in a closed, non-public meeting for the commission to discuss the following: (i) non-compliance of a member state with its obligations under the compact; (ii) the employment, compensation, discipline, or other matters, practices, or procedures related to specific employees or other matters related to the commission's internal personnel practices and procedures; (iii) current or threatened discipline of a licensee by the commission or by a member state's licensing authority; (iv) current, threatened, or reasonably anticipated litigation; (v) negotiation of contracts for the purchase, lease, or sale of goods, services, or real estate; (vi) accusing any person of a crime or formally censuring any person; (vii) trade secrets or commercial or financial information that is privileged or confidential; (viii) information of a personal nature where disclosure would constitute a clearly unwarranted invasion of personal privacy; (ix) investigative records compiled for law enforcement purposes; (x) information related to any investigative reports prepared by or on behalf of or for use of the commission or other committee charged with responsibility of investigation or determination of compliance issues pursuant to this compact; (xi) legal advice; (xii) matters specifically exempted from disclosure to the public by federal or member state law; or (xiii) other matters as promulgated by the commission by rule. If a meeting, or portion of a meeting, is closed, then this amendment requires the presiding officer to state that the meeting will be closed and reference each relevant exempting provision, and such reference must be recorded in the minutes. This amendment requires the commission to keep minutes that fully and clearly describe all matters discussed in a meeting and to provide a full and accurate summary of actions taken, and the reasons therefore, including a description of the views expressed. All documents considered in connection with an action must be identified in such minutes. All minutes and documents of a closed meeting must remain under seal, subject to release only by a majority vote of the commission or order of a court of competent jurisdiction. This amendment requires the commission to pay, or provide for the payment of, the reasonable expenses of its establishment, organization, and ongoing activities. The commission may accept any and all appropriate sources of revenue, donations, and grants of money, equipment, supplies, materials, and services. The commission may levy on and collect an annual assessment from each member state and impose fees on licensees of member states to whom it grants a multistate license to cover the cost of the operations and activities of the commission and its staff, which must be in a total amount sufficient to cover its annual budget as approved each year for which revenue is not provided by other sources. The aggregate annual assessment amount for member states must be allocated based upon a formula that the commission must promulgate by rule. This amendment prohibits the commission from incurring obligations of any kind prior to securing the funds adequate to meet the same. This amendment also prohibits the commission from pledging the credit of any member states, except by and with the authority of the member state. This amendment requires the commission to keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the commission are subject to the financial review and accounting procedures established under its bylaws. All receipts and disbursements of funds handled by the commission are subject to an annual financial review by a certified or licensed public accountant, and the report of the financial review must be included in and become part of the annual report of the commission. This amendment provides that the members, officers, executive director, employees, and representatives of the commission are immune from suit and liability, both personally and in their official capacity, for any claim for damage to or loss of property or personal injury or other civil liability caused by or arising out of any actual or alleged act, error, or omission that occurred, or that the person against whom the claim is made had a reasonable basis for believing occurred within the scope of commission employment, duties, or responsibilities. However, nothing in these provisions protect any such person from suit or liability for any damage, loss, injury, or liability caused by the intentional or willful or wanton misconduct of that person. The procurement of insurance of any type by the commission does not in any way compromise or limit the immunity granted hereunder. This amendment requires the commission to defend any member, officer, executive director, employee, and representative of the commission in any civil action seeking to impose liability arising out of any actual or alleged act, error, or omission that occurred within the scope of commission employment, duties, or responsibilities, or as determined by the commission that the person against whom the claim is made had a reasonable basis for believing occurred within the scope of commission employment, duties, or responsibilities, so long as that the actual or alleged act, error, or omission did not result from that person's intentional or willful or wanton misconduct. However, nothing in this compact prohibits that person from retaining their own counsel at their own expense. This amendment requires the commission to indemnify and hold harmless any member, officer, executive director, employee, and representative of the commission for the amount of any settlement or judgment obtained against that person arising out of any actual or alleged act, error, or omission that occurred within the scope of commission employment, duties, or responsibilities, or that such person had a reasonable basis for believing occurred within the scope of commission employment, duties, or responsibilities, so long as the actual or alleged act, error, or omission did not result from the intentional or willful or wanton misconduct of that person. Nothing in this compact is a limitation on the liability of any licensee for professional malpractice or misconduct, which is governed solely by any other applicable state laws. Nothing in this compact waives or otherwise abrogates a member state's state action immunity or state action affirmative defense with respect to antitrust claims under the Sherman Act, Clayton Act, or any other state or federal antitrust or anticompetitive law or regulation. Nothing in this compact is a waiver of sovereign immunity by the member states or by the commission. This amendment requires the commission to provide for the development, maintenance, operation, and utilization of a coordinated database and reporting system. The commission must assign each applicant for a multistate license a unique identifier, as determined by the rules of the commission. This amendment requires a member state to submit a uniform data set to the data system on all individuals to whom this compact is applicable as required by the rules of the commission, including (i) identifying information; (ii) licensure data; (iii) adverse actions against a license and information related thereto; (iv) non-confidential information related to alternative program participation, the beginning and ending dates of such participation, and other information related to such participation; (v) any denial of application for licensure, and the reasons for such denial, excluding the reporting of any criminal history record information where prohibited by law; (vi) the existence of investigative information; (vii) the existence of current significant investigative information; and (vii) other information that may facilitate the administration of this compact or the protection of the public, as determined by the rules of the commission. This amendment provides that the records and information provided to a member state pursuant to this compact or through the data system, when certified by the commission or an agent thereof, constitute the authenticated business records of the commission, and are entitled to any associated hearsay exception in any relevant judicial, quasi-judicial, or administrative proceedings in a member state. The existence of current significant investigative information and the existence of investigative information pertaining to a licensee in any member state must only be available to other member states. This amendment provides that it is the

information and the existence of investigative information pertaining to a licensee in any member state must only be available to other member states. This amendment provides that it is the responsibility of the member states to monitor the database to determine whether adverse action has been taken against such a licensee or license applicant. Adverse action information pertaining to a licensee or license applicant in any member state must be available to any other member state. Member states contributing information to the data system may designate information that must not be shared with the public without the express permission of the contributing state. Any information submitted to the data system that is subsequently expunged pursuant to federal law or the laws of the member state contributing the information must be removed from the data system. This amendment requires the commission to promulgate reasonable rules in order to effectively and efficiently implement and administer the purposes of this compact. A rule is invalid and has no force or effect only if a court of competent jurisdiction holds that the rule is invalid because the commission exercised its rulemaking authority in a manner that is beyond the scope and purposes of this compact, or the powers granted under this compact, or based upon another applicable standard of review. The rules of the commission have the force of law in each member state. However, where the rules of the commission conflict with the laws of the member state that establish the member state's scope of practice laws governing the practice of cosmetology as held by a court of competent jurisdiction, the rules of the commission are ineffective in that state to the extent of the conflict. The commission must exercise its rulemaking powers pursuant to the criteria set forth in this amendment and the rules adopted under this amendment. Rules become binding as of the date specified by the commission for each rule. If a majority of the legislatures of the member states rejects a rule or portion of a rule, by enactment of a statute or resolution in the same manner used to adopt the compact within four years of the date of adoption of the rule, then this amendment provides that such rule has no further force and effect in any member state or to any state applying to participate in this compact. This amendment requires rules to be adopted at a regular or special meeting of the commission. Prior to adoption of a proposed rule, the commission must hold a public hearing and allow persons to provide oral and written comments, data, facts, opinions, and arguments. Prior to adoption of a proposed rule by the commission, and at least 30 days in advance of the meeting at which the commission will hold a public hearing on the proposed rule, the commission must provide a notice of proposed rulemaking: (i) on the website of the commission or other publicly accessible platform; (ii) to persons who have requested notice of the commission's notices of proposed rulemaking; and (iii) in such other ways as the commission may by rule specify. This amendment requires the notice of proposed rulemaking to include the following: (i) the time, date, and location of the public hearing at which the commission will hear public comments on the proposed rule and, if different, the time, date, and location of the meeting where the commission will consider and vote on the proposed rule; (ii) if the hearing is held via telecommunication, video conference, or other electronic means, the commission must include the mechanism for access to the hearing in the notice of proposed rulemaking; (iii) the text of the proposed rule and the reason therefor; (iv) a request for comments on the proposed rule from any interested person; and (v) the manner in which interested persons may submit written comments. This amendment requires all hearings to be recorded. A copy of the recording and all written comments and documents received by the commission in response to the proposed rule must be available to the public. Nothing in this amendment requires a separate hearing on each rule. Rules may be grouped for the convenience of the commission at hearings. This amendment requires the commission to, by majority vote of all members, take final action on the proposed rule based on the rulemaking record and the full text of the rule. The commission may adopt changes to the proposed rule; so long as the changes do not enlarge the original purpose of the proposed rule. The commission must provide an explanation of the reasons for substantive changes made to the proposed rule as well as reasons for substantive changes not made that were recommended by commenters. The commission must determine a reasonable effective date for the rule. Except for an emergency, the effective date of the rule must be no sooner than 45 days after the commission issuing the notice that it adopted or amended the rule. Upon determination that an emergency exists, this amendment authorizes the commission to consider and adopt an emergency rule with five days' notice, with opportunity to comment; provided, that the usual rulemaking procedures provided in this compact must be retroactively applied to the rule as soon as reasonably possible, but in no event later than 90 days after the effective date of the rule. For the purposes of this provision, an emergency rule is one that must be adopted immediately to: (i) meet an imminent threat to public health, safety, or welfare; (ii) prevent a loss of commission or member state funds; (iii) meet a deadline for the promulgation of a rule that is established by federal law or rule; or (iv) protect public health and safety. This amendment authorizes the commission or an authorized committee of the commission to direct revisions to a previously adopted rule for purposes of correcting typographical errors, errors in format, errors in consistency, or grammatical errors. Public notice of any revisions must be posted on the website of the commission. The revision is subject to challenge by any person for a period of 30 days after posting. The revision may be challenged only on grounds that the revision results in a material change to a rule. A challenge must be made in writing and delivered to the commission prior to the end of the notice period. If no challenge is made, then the revision takes effect without further action. If the revision is challenged, then the revision does not take effect without the approval of the commission. This amendment provides that no member state's rulemaking requirements apply under this compact. This amendment requires the executive and judicial branches of state government in each member state to enforce this compact and take all actions necessary and appropriate to implement this compact. Venue is proper and judicial proceedings by or against the commission must be brought solely and exclusively in a court of competent jurisdiction where the principal office of the commission is located. The commission may waive venue and jurisdictional defenses to the extent it adopts or consents to participate in alternative dispute resolution proceedings. Nothing in this compact affects or limits the selection or propriety of venue in any action against a licensee for professional malpractice, misconduct, or such similar matter. This amendment provides that the commission is entitled to receive service of process in any proceeding regarding the enforcement or interpretation of this compact and has standing to intervene in such a proceeding for all purposes. Failure to provide the commission service of process renders a judgment or order void as to the commission, this compact, or promulgated rules. If the commission determines that a member state has defaulted in the performance of its obligations or responsibilities under this compact or the promulgated rules, then this amendment requires the commission to provide written notice to the defaulting state. The notice of default must describe the default, the proposed means of curing the default, and any other action that the commission may take, and must offer training and specific technical assistance regarding the default. The commission must provide a copy of the notice of default to the other member states. If a state in default fails to cure the default, then this amendment authorizes the defaulting state to be terminated from the compact upon an affirmative vote of a majority of the delegates of the member states, and all rights, privileges, and benefits conferred on that state by this compact may be terminated on the effective date of termination. A cure of the default does not relieve the offending state of obligations or liabilities incurred during the period of default. This amendment terminates termination of membership in the compact to be imposed only after all other means of securing compliance have been exhausted. Notice of intent to suspend or terminate must be given by the commission to the governor, the majority and minority leaders of the defaulting state's legislature, the defaulting state's state licensing authority, and each of the member states' state licensing authority. A state that has been terminated is responsible for all assessments, obligations, and liabilities incurred through the effective date of termination, including obligations that extend beyond the effective date of termination. Upon the termination of a state's membership from this compact, that state must immediately provide notice to all licensees who hold a multistate license within that state of such termination. The terminated state must continue to recognize all licenses granted pursuant to this compact for a minimum 180 days after the date of said notice of termination. This amendment prohibits the commission from bearing any costs related to a state that is found to be in default or that has been terminated from the compact, unless agreed upon in writing between the commission and the defaulting state. The defaulting state may appeal the action of the commission by petitioning the United States District Court for the District of Columbia or the federal district where the commission has its principal offices. The prevailing party must be awarded all costs of such litigation, including reasonable attorney's fees. Upon request by a member state, this amendment requires the commission to attempt to resolve disputes related to the compact that arise among member states and between member and non-member states. The commission must promulgate a rule providing for both mediation and binding dispute resolution for disputes as appropriate. This amendment requires the commission, in the reasonable exercise of its discretion, to enforce this compact and the commission's rules. By majority vote as provided by commission rule, the commission may initiate legal action against a member state in default in the United States District Court for the District of Columbia or the federal district where the commission has its principal offices to enforce compliance with this compact and its promulgated rules. The relief sought may include both injunctive relief and damages. In the event judicial enforcement is necessary, the prevailing party must be awarded all costs of such litigation, including reasonable attorney's fees. The remedies in this compact are not the exclusive remedies of the commission. The commission may pursue any other remedies available under federal or the defaulting member state's law. This amendment authorizes a member state to initiate legal action against the commission in the United States District Court for the District of Columbia or the federal district where the commission has its principal offices to enforce compliance with this compact and its promulgated rules. The relief sought may include both injunctive relief and damages. In the event judicial enforcement is necessary, the prevailing party must be awarded all costs of such litigation, including reasonable attorney's fees. This amendment prohibits an individual or entity other than a member state from enforcing this compact against the commission. This amendment provides that the compact comes into effect on the date on which the compact statute is enacted into law in the seventh member state. On or after the effective date of the compact, this amendment requires the commission to convene and review the enactment of each of the charter member states to determine if the statute enacted by each such charter member state is materially different than the model compact statute. A charter member state whose enactment is found to be materially different from the model compact statute is entitled to the default process. If any member state is later found to be in default, or is terminated or withdraws from the compact, then the commission must remain in existence and the compact must remain in effect even if the number of member states is less than seven. This amendment provides that member states enacting the compact subsequent to the charter member states are subject to the process set forth in the provisions of this amendment regarding the commission's powers to determine if their enactments are materially different from the model compact statute and whether they qualify for participation in the compact. All actions taken for the benefit of the commission or in furtherance of the purposes of the administration of the compact prior to the effective date of the compact or the commission coming into existence are considered to be actions of the commission unless specifically repudiated by the commission. Any state that joins the compact is subject to the commission's rules and bylaws as they exist on the date on which the compact becomes law in that state. Any rule that has been previously adopted by the commission has the full force and effect of law on the day the compact becomes law in that state. This amendment authorizes any member state to withdraw from this compact by enacting a statute repealing that state's enactment of the compact. A member state's withdrawal does not take effect until 180 days after enactment of the repealing statute. Withdrawal does not affect the continuing requirement of the withdrawing state's state licensing authority to comply with the investigative and adverse action reporting requirements of this compact prior to the effective date of withdrawal. Upon the enactment of a statute withdrawing from this compact, a state must immediately provide notice of such withdrawal to all licensees within that state. Such withdrawing state must continue to recognize all licenses granted pursuant to this compact for a minimum of 180 days after the date of such notice of withdrawal. Nothing in this compact invalidates or prevents any licensure agreement or other cooperative arrangement between a member state and a non-member state that does not conflict with this compact. This amendment authorizes this compact to be amended by the member states. No amendment to this compact becomes effective and binding upon any member state until it is enacted into the laws of all member states. This amendment requires this compact and the commission's rulemaking authority to be liberally construed so as to effectuate the purposes and the implementation and administration of this compact. Provisions of this compact expressly authorizing or requiring the promulgation of rules do not limit the commission's rulemaking authority solely for those purposes. This amendment provides that the provisions of this compact are severable and, if any phrase, clause, sentence, or provision of this compact is held by a court of competent jurisdiction to be contrary to the constitution of any member state, a state

seeking participation in the compact, or of the United States, or the applicability thereof to any government, agency, person, or circumstance is held to be unconstitutional by a court of competent jurisdiction, then the validity of this compact and the applicability thereof to any other government, agency, person, or circumstance must not be affected thereby. This amendment authorizes the commission to deny a state's participation in this compact or terminate a member state's participation in this compact, if it determines that a constitutional requirement of a member state is a material departure from this compact. Otherwise, if this compact is held to be contrary to the constitution of any member state, then the compact must remain in full force and effect as to the remaining member states and in full force and effect as to the member state affected as to all severable matters. This amendment provides that nothing in this compact prevents or inhibits the enforcement of any other law of a member state that is not inconsistent with this compact. Any laws, statutes, regulations, or other legal requirements in a member state in conflict with this compact are superseded to the extent of the conflict. All permissible agreements between the commission and the member states are binding in accordance with their terms. Present law requires any person who desires a license to instruct in a school to submit an application for examination to the board on the prescribed form. The application must be accompanied by satisfactory proof that the applicant has been licensed as a cosmetologist, aesthetician, manicurist, or natural hair stylist for at least three continuous years. This amendment revises the present law and requires satisfactory proof that the applicant has been licensed as a cosmetologist, aesthetician, manicurist, or natural hair stylist at least three years, instead of three continuous years. Present law requires an application for examination to the state board of cosmetology and barber examiners to be accompanied by proof that the applicant has received a high school diploma or, in lieu of a high school diploma, has received a high school equivalency credential approved by the state board of education. This amendment deletes this provision. Present law authorizes a barbering school to only enroll a student who: (i) is at least 16; and (ii) has completed and passed at least two years of high school or received a score of at least 38 percent on the GED(R) or HiSET(R) examination. This amendment deletes (ii) above from the present law. Present law requires the board to issue a certificate of registration as a barber instructor to a person who, among other things, holds a valid certificate of registration as a master barber and has been duly registered as a master barber for a period of at least three consecutive years prior to filing an application to be an instructor. This amendment revises the present law by no longer requiring the three years to be consecutive. Present law also requires the board to issue a certificate of registration as a barber instructor to a person who has completed the twelfth grade in an accredited school or the equivalent. This amendment deletes this provision. Present law authorizes a certificate of registration for a master barber that has been expired for more than one year but less than three years to be reinstated upon payment of twice the fees that would have been collected for the timely and continuous renewal of the certificate. This amendment revises the present law by, instead, authorizing a certificate of registration for a master barber that has been expired for more than one year but less than three years to be reinstated upon payment of a penalty fee as set by the board. Present law requires an application to practice manicuring application to be accompanied by satisfactory proof that the applicant is a high school graduate, evidenced by a certificate or diploma, or possesses a high school equivalency credential approved by the state board of education. This amendment deletes this provision. Present law authorizes a cosmetology school to enroll only a student who (i) has attained the age of at least 16; and (ii) has completed and passed at least two years of high school or received at least a score of 38 percent on the GED(R) or HiSET(R) examination. Public and vocational schools are exempt from this provision. This amendment deletes (ii) above. This amendment authorizes the department of commerce and insurance, in consultation with the state board of cosmetology and barber examiners, to promulgate to implement this amendment. This amendment requires the chair of the state board of cosmetology and barber examiners to notify the chair of the government operations committee of the senate, the chair of the government operations committee of the house of representatives, and the revisor of statutes in the general assembly's office of legal services within 30 days of the date the compact comes into effect. Senate amendment 2 (015562) exempts public schools and vocational schools from the law regarding students in the Tennessee Cosmetology Act of 1986. **Fiscal Note:** (Dated February 2, 2024) NOT SIGNIFICANT **Caption:** AN ACT to amend Tennessee Code Annotated, Title 4; Title 49 and Title 62, relative to professions. **Subcommittee Amendments:** Business_Sub_Amendments_03.05.24.pdf

SB2732 - R. Akbari - 03/25/24 - Senate passed with amendment 1 (014816) and amendment 2 (015562).

109. **HB1980** **TAXES PROPERTY: Exemption - charitable nonprofit corporation in Knox County.** Authorizes a charitable nonprofit corporation located in Knox County or within a municipality located within Knox County that acquires replacement property which is operated as a licensed residential home for the aged, to claim and file a property tax exemption as a religious, charitable, scientific, or nonprofit educational institution. **Amendment Summary:** Senate State & Local Government Committee amendment 1, House Local Government Committee amendment 1 (014621) specifies that this subdivision applies to properties acquired before the effective date of this act, so that the properties are not subject to taxation under this chapter while owned by the qualifying corporation and used for one (1) or more of the exempt purposes for which the corporation was created or exists, and any property taxes, interest, fees, penalties, postage, expenses, and all other related costs paid on the property that were collected prior to the effective date of this act must be refunded. **Fiscal Note:** (Dated March 8, 2024) Increase Local Expenditures \$422,500/FY23-24/City of Knoxville* \$360,900/FY23-24/Knox County* **Caption:** AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 5, relative to property taxes.

SB1882 - B. Massey - 04/10/24 - Senate Finance, Ways & Means Committee recommended. Sent to Senate Calendar Committee.

120. **HB2120** **PROPERTY & HOUSING: Definition of "public use" as it applies to eminent domain.** Excludes recreational facilities, recreational purposes, and parks from the definition of "public use" as it applies to eminent domain. **Amendment Summary:** Senate amendment 1, House Civil Justice Committee amendment 1 (013928) adds to the bill by providing that "public use" also does not include recreational facilities, recreational purposes, or parks; private use or benefit; or the indirect public benefits resulting from private economic development and private commercial enterprise, including increased tax revenue and increased employment opportunity, except for the acquisition of any interest in land for parks or natural areas by this state, in accordance with the law relevant to natural areas and recreation; brownfield projects; or the redevelopment of brownfield sites. As used in this amendment, a "brownfield project" means the screening, investigation, monitoring, control and/or remediation of any abandoned, idled, under-utilized, or other property whose re-use, growth, enhancement or redevelopment is complicated by real or perceived adverse environmental conditions. **Fiscal Note:** (Dated February 11, 2024) Other Fiscal Impact Due to multiple unknown factors, any fiscal impact to state or local government cannot be determined with reasonable certainty. **Caption:** AN ACT to amend Tennessee Code Annotated, Title 29, Chapter 17, Part 1, relative to eminent domain. **Subcommittee Amendments:** Civil_Justice_Sub_Amendments_02.27.2024.pdf

SB1984 - F. Niceley - 04/10/24 - Senate passed with amendment 1 (013928), which adds to the bill by providing that "public use" also does not include recreational facilities, recreational purposes, or parks; private use or benefit; or the indirect public benefits resulting from private economic development and private commercial enterprise, including increased tax revenue and increased employment opportunity, except for the acquisition of any interest in land for parks or natural areas by this state, in accordance with the law relevant to natural areas and recreation; brownfield projects; or the redevelopment of brownfield sites. As used in this amendment, a "brownfield project" means the screening, investigation, monitoring, control and/or remediation of any abandoned, idled, under-utilized, or other property whose re-use, growth, enhancement or redevelopment is complicated by real or perceived adverse environmental conditions.

Tue 4/16/24 2:00pm - Special Calendar - House Hearing Rm I, House Finance, Ways & Means Subcommittee 2

14. **HB1187** **TAXES SALES: Sale tax distribution change.** Reduces from 29.0141 percent to 28.5262 percent, the share of state sales and use tax revenue deposited to the state general fund. Increases, from 4.6030 percent to 5.0909 percent, the share appropriated to municipalities. **Amendment Summary:** House Finance Subcommittee amendment 1 (006663) requires that all revenue generated from the increase in the rate of sales and use tax from the tax levied at the rate of 2.75% on the amount in excess of \$1,600 but less than \$3,200 on the sale or use of any single article of personal property must be paid into the state general fund and allocated exclusively for general state purposes. Requires that revenue generated from the increases in the rate of sales and use tax from 6% to 7% must be apportioned, paid, and allocated in specific amounts over every fiscal year for the next six fiscal cycles. Requires all revenue generated from the 0.5% increases in the sales and use tax rate that became effective April 1, 1992, must be deposited in the state general fund and earmarked for education purposes in K-12 schools. Requires that revenue generated from the 0.5% must continue to be deposited in the state general fund and earmarked for education purposes in K-12 schools regardless of whether the tax rate is reduced below 6%. **Fiscal Note:** (Dated March 9, 2023) Increase State Revenue \$551,400/FY22-23 and Subsequent Years /Municipal Technical Advisory Service Decrease State Revenue \$55,142,000/FY22-23 and Subsequent Years /General Fund Increase Local Revenue \$54,590,600/FY22-23 and Subsequent Years **Caption:** AN ACT to amend Tennessee Code Annotated, Section 67-6-103, relative to distribution of revenues. **Subcommittee Amendments:** Finance_Sub_Amendments_04.05.2023.pdf

SB462 - R. Briggs - 04/20/23 - Taken off notice in Senate Finance, Ways & Means Committee.

Tue 4/16/24 3:00pm - House Hearing Rm I, House Finance, Ways & Means Committee

The committee will convene immediately after the subcommittee. MEMBERS: CHAIR P. Hazlewood (R); VICE CHAIR C. Baum (R); J. Barrett (R); C. Boyd (R); K. Camper (D); M. Cochran (R); J. Crawford (R); J. Faison (R); B. Freeman (D); R. Gant (R); J. Garrett (R); D. Hawk (R); T. Hicks (R); G. Hicks (R); K. Keisling (R); W. Lamberth (R); H. Love Jr. (D); S. Lynn (R); S. McKenzie (D); L. Miller (D); J. Moon (R); A. Parkinson (D); J. Shaw (D); M. Sparks (R); S. Whitson (R); R. Williams (R); J. Zachary (R)

8. **HB2787** **SAFETY: Building codes - inclusion of three-family and four-family dwellings.** Authorizes a local government to amend adopted building codes to include three-family dwellings and four-family dwellings within the scope of the residential code by modifying, transitioning, and establishing minimum prescriptive requirements to address the design and construction of those dwellings and make conforming changes to adopted building codes. **Amendment Summary:** Senate amendment 1, House Local Government Committee amendment 1 (015677) requires the statewide building construction safety standards to allow a local government to amend the adopted building code for three-family dwellings and four-family dwellings in accordance with the standards. In amending the rules pursuant to the bill, the state fire marshal must not mandate automatic fire sprinkler systems for three-family dwellings and four-family dwellings where structures are under 5,000 square feet in area and less than three stories in height and where two-hour fire-resistance-rating for wall, floor, and ceiling separation assemblies is met. Local governments may adopt mandatory sprinkler requirements and may be permitted to use the National Fire Protection Association 13D standard for three-family dwellings and four-family dwellings by local ordinance pursuant to the process described in state law. **Fiscal Note:** (Dated February 25, 2024) Other Fiscal Impact A permissive increase in local expenditures in FY24-25 and subsequent years cannot be precisely estimated. **Caption:** AN ACT to amend Tennessee Code Annotated, Title 68, Chapter 120, relative to building codes. SB2635 - P. Rose - 04/09/24 - Senate passed with amendment 1 (015677).