

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**CORRECTED  
FISCAL MEMORANDUM**

**SB 410 – HB 521**

January 22, 2018

**SUMMARY OF ORIGINAL BILL:** Requires all public K-12 schools to purchase and maintain one automated external defibrillator (AED). Encourages private schools as defined in Tenn. Code Annotated § 49-6-3001 to place AEDs in schools as required by public schools in Tenn. Code Annotated § 49-2-122. Requires private schools with AEDs to comply with standards as required for public schools for maintenance, testing and training.

**CORRECTED FISCAL IMPACT OF ORIGINAL BILL:**

Increase Local Expenditures - \$360,000/FY17-18\*  
\$42,800/FY19-20 and Subsequent Years\*

**SUMMARY OF AMENDMENT (006868):** Deletes and replaces certain language of the original bill such that the only substantive change is to make the purchase of an AED device permissive for elementary and middle schools.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

On April 11, 2017, a fiscal memorandum was issued for the bill as amended with the following estimated impact:

*Increase Local Expenditures –*  
*Exceeds \$14,000/FY17-18\**  
*Exceeds \$1,700/FY19-20 and Subsequent Years\**

The timing of the fiscal impact has been updated as follows:

**(CORRECTED)**  
**Increase Local Expenditures –**  
**Exceeds \$14,000/FY18-19\***  
**Exceeds \$1,700/FY20-21 and Subsequent Years\***

**SB 410 – HB 521 (CORRECTED)**

Corrected assumptions for the bill as amended:

- Pursuant to Tenn. Code Annotated § 49-2-122, LEAs are currently encouraged but not required to stock schools with AEDs. Therefore, AEDs are permissive expenditures for local governments under current law.
- The legislation makes it a permissive option for elementary and middle schools to place AEDs in such schools, which will be consistent with Tenn. Code Ann. § 49-2-122; however, the legislation maintains a mandatory requirement that public high schools place an AED in such schools.
- Based on responses to requests for information from relevant LEAs which the DOE aided in identifying, there are a minimum of 6 public high schools without AEDs; since a number of LEAs did not respond to requests for information, it is reasonably assumed that the number of high schools which are not equipped with AEDs exceeds 7.
- Based on information provided by the Comptroller of the Treasury, the average cost for an AED per the state contract is approximately \$2,000. Replacement parts are estimated to be \$475 (\$140 for AED pads + \$135 battery + \$200 electrodes), to be replaced every two years.
- The mandatory one-time increase in local expenditures associated with the AEDs is estimated to exceed \$14,000 (7 schools x \$2,000).
- The mandatory recurring biennial increase in local expenditures is estimated to exceed \$3,325 (7 schools x \$475); annualized, the mandatory recurring increase, beginning in FY20-21, is estimated to exceed \$1,663 ( $\$3,325 / 2$  years).

*\*Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

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