

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1259 - SB 1123

February 23, 2017

SUMMARY OF BILL: Requires the Office of Legislative Administration (OLA) to offer for sale any decommissioned electronic equipment used by the General Assembly to members of the General Assembly. Authorizes the OLA, after such equipment has not been purchased by members of the General Assembly within a reasonable time period, to dispose of such equipment in a manner consistent with the disposition of state surplus property, as determined in the *State Surplus Personal Property Act (SSPPA) of 1976*.

ESTIMATED FISCAL IMPACT:

Increase State Revenue – Exceeds \$300/Office of Legislative Information Systems

Assumptions:

- Pursuant to the provisions of the bill, the decommissioned electronic equipment must be offered for sale at a reasonable price based on fair market value. However, the extent of any such prices at which point members of the General Assembly would elect to purchase such equipment is unknown. Therefore, the extent of sales made to members of the General Assembly is unknown.
- Any electronic equipment decommissioned by the Office of Legislative Information Systems (LIS) will be replaced in the normal course of business. As a result, the state will not be required to replace any decommissioned equipment sold as a direct result of this bill because it is assumed that such decommissioned equipment would be replaced in the absence of this bill.
- Based on information provided by the OLA, any expenses incurred by either the OLA or LIS as a result of administering any such sales is estimated to be not significant.
- The extent to which decommissioned electronic equipment would be sold pursuant the SSPPA, and the prices for which such equipment would be sold, are unknown. However, any such sales conducted pursuant to the SSPPA are assumed to be accomplished within existing state resources.
- Given the extent of unknown factors related to this bill, a precise impact to state government is difficult to determine. However, it is anticipated that the state would receive additional revenue as a result of recurring sales conducted as a result of the bill that would not have occurred in the absence of the bill.
- According to the OLA, any monies recognized from sales of decommissioned electronic equipment would be credited back to LIS given that such equipment was originally

purchased and funded from the budget of LIS. As a result, the recurring increase in state revenue to LIS is reasonably estimated to exceed \$300 per year.

CERTIFICATION:

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

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive style with a large initial 'K'.

Krista M. Lee, Executive Director

/rnc