

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 375 - HB 1337

March 5, 2023

SUMMARY OF BILL: Creates the Office of Outdoor Recreation (Office) within the Department of Tourist Development (DTD) to augment services provided by the Wildlife Resources Agency (TWRA) and the Department of Environment and Conservation (TDEC) to leverage tourism and economic development opportunities to promote development of Tennessee's outdoor economy, assist businesses and citizens in navigating state environmental regulations, and promote a solution-oriented focus on emerging issues. Requires the Office to employ a director, serving at the direction of the Commissioner of DTD. Authorizes the director to: increase outdoor recreation-based economic development education, tourism, and ecotourism; attract new businesses to the state through marketing and advertising efforts; coordinate with federal agencies, state agencies, counties, and municipalities; recommend policies and initiative; advise the governor; develop and support the development of data regarding the impacts of outdoor recreation in Tennessee; advocate for federal funding; create and maintain a statewide document of asset mapping of outdoor businesses, major recreation destinations, and industry stakeholders and partners in the outdoor recreation space; market materials for outdoor business development and recruitment and retention of staff; disseminate economic impact statistics; and build partnerships with small businesses and nonprofit organizations to give them a voice in the way state government operates in the outdoor recreation sector.

Creates a nine-member Outdoor Recreation Advisory Board to advise and assist the director and Commissioner DTD in identifying outdoor recreation opportunities, work to expand and align the outdoor recreation workforce with future economic opportunities, and work to conserve the natural landscapes that support outdoor recreation in Tennessee.

Creates a nine-member Outdoor Recreation Task Force to resolve conflicts between trail and water resource users and enhance the experience of outdoor recreationists. Stipulates that a person may not serve as a member of the task force and the advisory board simultaneously.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures – \$1,029,000/FY23-24
\$529,000/FY24-25 and Subsequent Years**

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Assumptions:

- Based on information provided by DTD, the following activities are estimated to create a fiscal impact for the Department:
 - Developing and supporting the development of data;
 - Creating and maintaining a statewide document of asset mapping of outdoor businesses, major recreation destinations, and industry stakeholders in the outdoor recreation space;
 - Marketing materials for outdoor business development and the recruitment and retention of staff; and
 - Disseminating economic impact statistics on outdoor recreation in Tennessee.
- Based on information provided by DTD, there will be a one-time increase in state expenditures of \$500,000 in FY23-24 to cover the marketing aspects of the program and the creation of the asset mapping statewide document.
- Based on information provided by TWRA, there will be a recurring increase in expenditures of \$300,000 in FY23-24 and subsequent years to cover augmenting additional educational services in the department.
- Based on information provided by DTD, two additional positions are needed to fulfill the responsibilities of the Office of Outdoor Recreation:
 - TDTD Special Projects Administrator; and
 - Administration Services Director 1.
- The recurring increase in state expenditures as a result of hiring a DTD Special Projects Administrator will be \$129,979 (\$100,896 salary + \$24,083 benefits + \$5,000 on travel and supplies costs) in FY23-24 and subsequent years.
- The recurring increase in state expenditures as a result of hiring someone for the Administration Services Director 1 position will be \$89,402 (\$66,096 salary + \$18,306 benefits + \$5,000 on travel and supplies costs) in FY23-24 and subsequent years.
- For the purposes of this analysis it is assumed the nine-member Office of Outdoor Recreation advisory board created by the proposed legislation will meet quarterly.
- Six members will be reimbursed for any travel expenses incurred for attending meetings.
- The average mileage reimbursement for each meeting is estimated to be \$160 (\$0.63 per mile x 254 miles).
- The recurring increase in state expenditures is estimated to be \$3,840 (\$160 x 4 meetings x 6 members) in FY23-24 and subsequent years.
- For the purposes of this analysis it is assumed the nine-member Office of Outdoor Recreation task force created by the proposed legislation will meet quarterly.
- All nine members will be reimbursed for any travel expenses incurred for attending meetings.
- The average mileage reimbursement for each meeting is estimated to be \$160 (\$0.63 per mile x 254 miles).
- The recurring increase in state expenditures is estimated to be \$5,760 (\$160 x 4 meetings x 9 members) in FY23-24 and subsequent years.
- The increase in state expenditures in FY23-24 is estimated to be \$1,028,981 (\$500,000 + \$300,000 + \$129,979 + \$89,402 + \$3,840 + \$5,760) as a result of the proposed legislation.

- The increase in state expenditures in FY24-25 and subsequent years is estimated to be \$528,981 (\$300,000 + \$129,979 + \$89,402 + \$3,840 + \$5,760) as a result of the proposed legislation.
- The amount of any federal funding, if any, that may be granted for the use of the office is unknown and cannot be determined with reasonable certainty.

CERTIFICATION:

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

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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