

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 1477

January 12, 2018

SUMMARY OF BILL: Deletes the requirement for local education agencies (LEAs) to sell surplus property within 90 days of such property being declared surplus. Requires the board for any LEA to determine the method of advertisement for surplus property sales, which may include a newspaper of general circulation or website maintained by the LEA or local government. Removes the requirement that surplus property sales be advertised in a newspaper.

ESTIMATED FISCAL IMPACT:

Decrease Local Expenditures – Exceeds \$1,100/Permissive

Assumptions:

- No impact on state government operations; therefore, any state fiscal impact is estimated to be not significant.
- Any change in local revenue or expenditures resulting from the elimination of the 90-day requirement for the sale of surplus property is estimated to be not significant.
- Removing the requirement to advertise in a newspaper will result in a permissive recurring decrease in local expenditures for LEAs that choose not to advertise in a newspaper.
- Based on responses to the 2017 Local Government Survey conducted by the Fiscal Review Committee staff, participating local government officials reported the average cost for a newspaper notification to be \$113.48.
- The precise permissive recurring decrease in local expenditures cannot be determined because such impact is dependent upon the annual number of newspaper advertisements that will no longer be conducted as a result of this legislation; however, it is reasonably estimated that at least 10 annual newspaper advertisements will no longer be conducted statewide. As a result, the permissive recurring decrease in local expenditures is estimated to exceed \$1,135 (\$113.48 x 10 advertisements).

CERTIFICATION:

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

Handwritten signature of Krista M. Lee in blue ink.

Krista M. Lee, Executive Director

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