

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2785 - SB 2593

June 9, 2020

SUMMARY OF ORIGINAL BILL: Deletes the requirement that review of a declaratory order or declaratory judgment brought against a state agency to determine the validity or applicability of a statute, rule, or order must be held in the Chancery Court of Davidson County.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (018376): Deletes and rewrites all language after the enacting clause such that the substantive change is adding language to the bill that authorizes the Joint Government Operations Committee (Committee) to request an agency to repromulgate a rule that has been in existence for eight or more years or to repeal a rule deemed obsolete by the Committee. Authorizes the Committee to vote to request to suspend the agency's rulemaking authority for any reasonable period of time if the agency fails to repromulgate the rule. Effective October 1, 2020.

Establishes that all rules filed with the Secretary of State on or after July 1, 2020 expire eight years from their effective date.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- Pursuant to Tenn. Code Ann. § 4-5-223(a) and § 4-5-225(a), review of declaratory orders or declaratory judgments, respectively, brought against a state agency to determine the validity or applicability of a statute, rule, or order must be held in the Chancery Court of Davidson County, unless otherwise specifically provided by statute.
- The proposed legislation removes the limitation that declaratory orders or judgments are required to be determined only in the Chancery Court of Davidson County, but does not prevent further reviews from taking place in such.

- It is assumed the majority of future declaratory order or judgement reviews will continue to take place in Davidson County, with no significant increase in travel expenditures or court costs to any state agency.
- The proposed legislation further authorizes the Committee to request an agency to repromulgate a rule that has been in existence for eight or more years or to repeal a rule deemed obsolete by the Committee.
- All rules filed with the Secretary of State after July 1, 2020 would be required to be repromulgated after eight years.
- It is not estimated there will be a significant number of existing rules required to be promulgated by agencies as a result of the proposed legislation.
- Agencies could experience an increase in expenditures to repromulgate permanent rules filed after July 1, 2020 on an eight-year basis; however, any expenditure is estimated to be minimal.
- The Committee meets throughout the year; therefore, no additional travel reimbursement or resources will be necessary for petition reviews.

CERTIFICATION:

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



Krista Lee Carsner, Executive Director

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