

SB 1254 - HB 1388

FISCAL NOTE



Fiscal Review Committee
Tennessee General Assembly

February 22, 2025

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SUMMARY OF BILL: Subject to approval by the State Building Commission, requires the state to enter into good faith negotiations for the management of the Cotton Museum. Upon approval, transfers management and control of the Cotton Museum to the State Museum to be managed by the Douglas Henry State Museum Commission in collaboration with the Tennessee Historical Commission (THC).

FISCAL IMPACT:

STATE GOVERNMENT	
EXPENDITURES	General Fund
FY25-26 & Subsequent Years	\$200,000

OTHER FISCAL IMPACT
The extent to which any operational revenue will be available to the State Museum is unknown. Further, the extent of any capital expenditures is unknown.

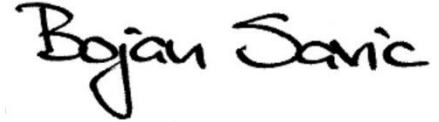
Assumptions:

- The fiscal analysis assumes that the State Building Commission will approve good faith negotiations and the State Museum will assume management and control of the Cotton Museum. It is further assumed that such management and control will commence at the beginning of FY25-26.
- Based on Cotton Museum's Form 990 for 2023, the most recently available public financial information for the museum, the museum realized \$129,496 in revenue in 2023 and incurred \$169,859 in expenses for the year.
- Specific details of the negotiations for the management of the museum cannot be predicted with reasonable certainty. However, based on financial information above and information provided by the State Museum, it is assumed that the recurring cost to operate the museum will be approximately \$200,000.
- The extent to which any operational revenue will be available to the State Museum is unknown. Further, the extent of any capital expenditures is unknown.
- The State Building Commission meets regularly, the proposed legislation does not necessitate additional meetings or create any new costs for the commission.

- It is assumed that THC can collaborate with the State Museum and the Douglas Henry State Museum Commission within existing resources and personnel.

CERTIFICATION:

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

A handwritten signature in black ink that reads "Bojan Savic". The signature is written in a cursive style with a large, prominent 'B' and 'S'.

Bojan Savic, Executive Director