

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 1877 - HB 1925**

March 6, 2020

**SUMMARY OF BILL:** Establishes a grant program, administered by the Department of Economic and Community Development (ECD), to distribute at least \$50,000 to remote workers who move to live and work out of a “distressed rural county” as defined in the proposed legislation. Requires ECD to promulgate rules to effectuate the proposed legislation on or before January 1, 2021. Requires ECD to submit a report, by October 1, 2021, to specified committees of the General Assembly regarding the adopted procedures and any recommendations for the program.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - Exceeds \$50,000/FY20-21 and Subsequent Years**

Assumptions:

- The proposed legislation allows up to \$2,500 to be granted per person and a total allocation of at least \$50,000.
- Grants are required to be awarded on an annual basis. It is assumed that grants will first be awarded in FY20-21.
- Due to the minimum allocation requirement of \$50,000, the total recurring increase in state expenditures is estimated to exceed \$50,000 beginning in FY20-21.
- The increased workload to submit a one-time report and approve of 20 applicants per year is estimated to be absorbable within existing ECD staff and resources.

**IMPACT TO COMMERCE:**

**NOT SIGNIFICANT**

Assumptions:

- The proposed grants are for qualifying remote worker expenses. It is reasonably assumed that similar expenses would have been incurred in the absence of this legislation.
- Any statewide impact on business revenue resulting from additional funding available to remote workers is estimated to be not significant.
- The extent to which the proposed legislation would attract out-of-state jobs to Tennessee is unknown, but is reasonably assumed to be not significant.

**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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