

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 1674 – SB 2069**

February 4, 2024

**SUMMARY OF BILL:** Authorizes the Department of Agriculture (DOA) to enter into agreements with third parties for the planning, provision, or administration of conservation or maintenance of, or recreational programs in, state forests, or to otherwise promote the use of state forests and their resources.

Authorizes the DOA to request assistance from law enforcement agencies and designate such officers as agents of the Division of Forestry (Division).

Establishes a Class C misdemeanor offense to engage in the following acts or omissions and in addition to such, a civil penalty of up to \$10,000 is assessable for each day during which the following act or omission occurs:

- Damage or vandalism to a state forest;
- The intentional removal or destruction in a state forest of a threatened plant species or special concern plant species, or endangered species of plant; or
- A violation a rule promulgated pursuant to this this legislation.

Requires the DOA to promulgate rules establishing services, permits, licenses, and other authorizations for the use of state forests, including the assessment of fees for such use. Removes the Division's authority to enforce all conservation laws and regulations of the state affecting matters or materials under its jurisdiction.

Requires that civil penalties collected be deposited into the newly created Tennessee State Forest Resources Fund (Fund), which is to be administered by the DOA only used to defray costs associated with the department's responsibility to develop and administer those programs and services that ensure effective protection, management, and reforestation of Tennessee's forests.

Specifies that this act does not restrict the state from recovering civil damages for harm to state property otherwise provided by law.

## **FISCAL IMPACT:**

**Other Fiscal Impact – This legislation clarifies that the Division of Forestry can enter into third party agreements. It is currently unknown whether this will impact the aggregate number of contracts, or other agreements to which the Division is a part.**

**This legislation authorizes the Department of Agriculture to promulgate rules establishing permits, licenses, and other authorizations relating to state forests which could lead to additional state revenue and expenditures. Due to multiple unknown factors, any impact of a future permitting or licensing program cannot be determined at this time.**

**This legislation requires that revenue from the sale or lease of state forest land be allocated to the Tennessee State Forest Resources Fund. Based on multiple unknown factors, any amount of future revenue to the Fund cannot be determined with reasonable certainty.**

Assumptions:

- Pursuant to Tenn. Code Ann. § 11-3-101(d) (12), DOA is currently authorized to cooperate with public and private forestry interests, as well as governmental and private entities to promote the efficient marketing and utilization of the state’s forests and resources.
- This legislation clarifies the Division’s authority to enter into agreements with third parties for the aforementioned purposes, including for recreational purposes.
- It is unknown to what extent this legislation will impact the aggregate total number of partnerships, including contractual relationships, to which the Division is a part.
- Based on information provided by the DOA, the department currently requests assistance from local law enforcement agencies and agents from the Tennessee Department of Environment and Conservation and the Tennessee Wildlife Resources Agency to enforce the *Tennessee Forestry Act* and Division rules. However, such aiding officers are not currently deemed agents of the Division.
- Based on information from the DOA, this legislation will improve the ability of the department to work cases jointly with external law enforcement agencies, including sharing records between such entities, but is not estimated to result in any significant fiscal impact to the department.
- Pursuant to rules 0080-7-1-.10 and 0080-7-1-.11 of the Division, disorderly conduct and vandalism are currently prohibited in state forests and any violation of these rules are considered misdemeanor offenses and are punishable under general laws relating to misdemeanors.
- Pursuant to Tenn. Code Ann. § 39-14-408(e), intentionally marring, marking upon, or defacing, in a temporary or permanent manner, state property, constitutes vandalism, punishable as a Class C misdemeanor offense or higher, depending on the value of the property degraded or defaced.

- This legislation establishes a new Class C misdemeanor offense for the aforementioned violations and specifies that this new offense is to be in addition to any existing offenses.
- There will not be a sufficient number of prosecutions for state or local government to experience any significant increase in revenue or expenditures.
- Based on information provided by the DOA, since the Division was transferred to the department in 1991 by *Executive Order 41*, the department has chosen to not impose civil penalties for violations of the *Tennessee Forestry Act* or Division rules and instead has opted to handle violations in civil and criminal court.
- This legislation establishes civil penalties for such violations; however, it is unknown if the DOA will choose to impose them.
- Should DOA choose to begin imposing civil penalties, the department will collect an unknown amount of civil penalty fee revenue, but is likely to be not significant, based on the Fiscal Review Committee's 2008 study and the Administrative Office of the Courts' 2012 study on collection of court costs, fees, and fines.
- This legislation requires that any such civil penalty revenue be allocated to the Fund.
- The legislation, in addition, allocates all revenue from the purchase or leasing of state forest land to the Fund.
- Based on information provided by the DOA, all sales or leases of state forest land are handled through the State of Tennessee Real Estate Asset Management, administratively attached to the Department of General Services (DGS) and they do not currently receive any revenue from such transactions.
- Based on information provided by the DGS, any amount of revenue from the sale or lease of state forest land could not be identified.
- Based on multiple unknown factors, including the number of future sales or leases of state forest land, the amount and type of land that is to be leased or sold, and the price at which such land or lease will sell, any future revenue to the Fund cannot be reasonably determined.
- This legislation authorizes the DOA to promulgate rules establishing services, permits, licenses, and other authorizations for the use of state forests, including the assessment of fees for such use.
- Based on information provided by the DOA, the department is currently unable to provide details of any future permitting or licensing programs. As a result, the Fiscal Review Committee staff is currently unable to quantify any fiscal impacts associated with such programs with any reasonable certainty.
- Any new permitting or licensing program would result in additional revenue collected by the Division and an increase in state expenditures to operate any such program.
- Based on numerous unknown factors, any fiscal impact on a future permitting or licensing program cannot be determined at this time.

**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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