

HOUSE BILL 969

By Hawk

AN ACT to amend Tennessee Code Annotated, Title 4;  
Title 54; Title 55; Title 65 and Title 67, relative to  
transportation.

WHEREAS, transportation is essential to "agriculture and commerce" as proclaimed on  
the great seal of the State of Tennessee; and

WHEREAS, Tennesseans have enjoyed a robust, efficient, safe, and reliable  
transportation system for generations; and

WHEREAS, Tennessee's transportation system must be maintained and is paramount to  
Tennessee's future in this century and beyond; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 54, Chapter 1, Part 1, is amended by  
adding the following language as a new section:

**54-1-105.**

(a) The department of transportation is directed to study transportation  
infrastructure needs, costs, and funding sources for the years 2026, 2050, and 2075.

(b) In conducting the study, the department must consider:

(1) Existing sources of revenue dedicated to transportation infrastructure,  
including the highway fund;

(2) Potential sources of existing revenue not dedicated to transportation  
but derived substantially from transportation activities; and

(3) The impact of Section 2 of this act on transportation infrastructure  
needs.

(c) The department shall report findings and recommendations to the chairs of the transportation and safety committee of the senate and the committee in the house of representatives having jurisdiction over transportation by December 1, 2025.

SECTION 2. Tennessee Code Annotated, Section 67-6-103, is amended by adding the following language as a new subsection (v):

(1) As used in this subsection (v), "motor vehicle" and "tire" have the same meanings as defined in § 67-4-1602.

(2) Notwithstanding the allocations provided for in subsection (a), all revenues received under this chapter from the sale, use, consumption, distribution, or storage for use or consumption of new or used motor vehicles and new or used tires on or after July 1, 2025, must be allocated to and deposited in the highway fund.

(3) Notwithstanding another law to the contrary, from the amount designated for distribution to the general fund in subdivision (a)(1), one percent (1%) must be subtracted for distribution to the department of transportation for expenses of administration prior to the distribution to the general fund under subdivision (a)(1).

(4) Notwithstanding this subsection (v) to the contrary, no portion of the revenue derived from the increase in the rate of sales and use tax allocated to educational purposes, pursuant to chapter 529, § 9 of the Public Acts of 1992, and no portion of the revenue derived from the increase in the rate of sales and use tax from six percent (6%) to seven percent (7%), pursuant to chapter 856, § 4 of the Public Acts of 2002, must be apportioned and distributed pursuant to this subsection (v). The revenue must be allocated as provided in chapter 529, § 9 of the Public Acts of 1992, and chapter 856, § 4 of the Public Acts of 2002, respectively.

SECTION 3. This act takes effect July 1, 2025, the public welfare requiring it.