

LEGISLATION OF IMPORTANCE TO THE CITIES AND COUNTIES OF GNRC BEFORE
108th Tennessee General Assembly
Legislation Passed in the 2nd Session

Updated: 6/9/2014

Changes since last report	PUBLIC CHAPTERS
Deferred	Withdrawn
Failed	“A” or “Key” List Bills
Caption Bills	

ANNEXATION

HB 2371 (Carter) SB 2464 (Watson) H= Comp. became Pub. Ch. 707
 S= Pub. Ch. 707

From April 15, 2013, through April 15, 2014 (the date this bill became law), no annexation by ordinance is allowed for territory used primarily for residential or agricultural purposes. However, if a municipality formally initiated an annexation by ordinance prior to April 15, 2013, and if the municipality would suffer substantial financial injury if such ordinance does not become operative before April 15, 2014, then the municipality may submit a petition to the county legislative body prior to such date and the county legislative body may waive the restrictions by a majority vote.

From April 15, 2014 through May 15, 2015, no municipality is allowed to extend its corporate limits by means of annexation by ordinance, or by resolution for a referendum, and no annexation will become operative during such period, unless otherwise permitted pursuant to either a hardship provision whereby the municipality would suffer substantial and demonstrable financial injury; or provisions of a comprehensive growth plan (as discussed below); or written consent of the owner or owners of the property.

The Tennessee advisory commission on intergovernmental relations must make a review and evaluation of the efficacy of state policies on annexation and comprehensive growth plans, and to submit its findings and recommendations to the speakers of the house and senate by February 15, 2015.

On May 16, 2015, the laws governing annexation by ordinance for municipalities are deleted from the code and any annexation by ordinance not operative and effective prior to May 16, 2015 is prohibited.

No resolution for a referendum may propose annexation of any property being used primarily for agricultural purposes. Property being used primarily for agricultural purposes may be annexed only with the written consent of the property owner or owners and this method of annexation does not require a referendum.

Any county having a metropolitan form of government may expand the area of its urban services district by any method authorized by its charter. Such expansion may also be accomplished using any method, identified by charter reference to general annexation law, that was applicable at the time the charter or amendment was approved by referendum.

A municipality may expand its urban growth boundaries to annex a tract of land without reconvening the coordinating committee or approval from the county or any other municipality if:

- (1) The tract is contiguous to a tract of land that has the same owner and has already been annexed by the municipality;
- (2) The tract is being provided water and sewer services; and

(3) The owner of the tract, by notarized petition, consents to being included within the urban growth boundaries of the municipality.

This act became effective on April 15, 2014, except that the changes to the annexation laws discussed above will take effect on May 16, 2015.

AGING

HB 1768 (Rogers)

SB 1852 (Crowe)

H= Comp. became Pub. Ch. 961
S=Pub. Ch. 961

Requires the clerk of the court to notify the department of health of a conviction of the offenses listed below for inclusion on the registry containing the names of any persons who have been determined to have abused, neglected, misappropriated or exploited the property of vulnerable individuals:

- (1) The offense of knowingly abusing, neglecting or exploiting an adult who is unable to manage his or her resources or carry out the activities of daily living due to mental or physical dysfunctions or advanced age; or
- (2) The offense of knowingly, other than by accidental means, physically abusing or grossly neglecting an impaired adult if the abuse or neglect results in serious mental or physical harm.

Upon receipt of a judgment of conviction for a violation, the department will place the person or persons convicted on the registry. Upon entry of the information in the registry, the department must notify the person convicted, at the person's last known mailing address, of the person's inclusion on the registry. The person convicted will not be entitled or given the opportunity to contest or dispute either the prior hearing conclusions or the content or terms of any criminal disposition, or attempt to refute the factual findings upon which the conclusions and determinations are based. The person convicted may challenge the accuracy of the report that the criminal disposition has occurred, such hearing conclusions were made or any factual issue related to the correct identity of the person. If the person convicted makes such a challenge within 60 days of notification of inclusion on the registry, the commissioner, or the commissioner's designee, must afford the person an opportunity for a hearing on the matter that complies with the requirements of due process and the Uniform Administrative Procedures Act.

Creates an elder abuse task force, which will consist of following members:

- (1) One member of the senate appointed by the speaker of the senate;
- (2) One member of the house of representatives appointed by the speaker of the house of representatives;
- (3) The executive director of the Tennessee commission on aging and disability or the director's designee;
- (4) The commissioner of human services or the commissioner's designee with knowledge of the responsibilities of the adult protective services program;
- (5) The commissioner of health or the commissioner's designee;
- (6) The commissioner of financial institutions or the commissioner's designee;
- (7) The commissioner of commerce and insurance or the commissioner's designee;
- (8) A representative of the Disability Law and Advocacy Center of Tennessee appointed by the Center's executive director;
- (9) A district attorney general selected by the district attorneys general conference; and
- (10) The director of the Tennessee bureau of investigation or the director's designee.

The task force is required to:

- (1) Assess current status of elders and other vulnerable adults covered by the Tennessee Adult Protection Act;
- (2) Examine the existing barriers, services and resources addressing the needs of these elder persons and vulnerable adults; and

(3) Develop recommendations to address problems associated with the abuse of these elder persons and vulnerable adults.

The bill specifies certain issues to be examined during the assessment.

Members of the task force will serve without compensation or reimbursement for expenses incurred in attending meetings. The commission on aging and disability will provide necessary administrative support for the task force. The chair of the task force may call on appropriate state agencies for reasonable assistance in the work of the task force. The task force will hold public meetings and utilize technological means, such as webcasts, to gather feedback on the recommendations from the general public and from persons and families affected by poverty.

Requires the task force to submit its findings and recommendations to the governor and the general assembly in the form of a state plan to combat the abuse of elder persons and other vulnerable adults no later than January 15, 2015, at which time the task force will terminate and stand dissolved and discharged from any further duties.

Effective July 1, 2014.

CRIMINAL LAW

HB 2087 (Van Huss) SB 2087 (Beavers) H= Comp. became Pub. Ch. 991
S=Pub. Ch. 991

Prohibits a governmental entity or law enforcement agency from obtaining the location information of an electronic device without a search warrant except under certain circumstances and with certain exceptions. Redefines "location information" to mean information concerning the location of an electronic device that, in whole or in part, is generated or derived from or obtained by the operation of an electronic device on a cellular telephone network or a location information service, rather than obtained from a service provider. Effective upon becoming a law.

ECONOMIC DEVELOPMENT

HB 1439 (McCormick) SB 1644 (Norris) H=Comp. became Pub. Ch. 546
S=Pub. Ch. 546

Changes the "Industrial Highway Act" to the "State Industrial Access Act" to promote highway access to industrial facilities; permits the department of transportation to use highway funds not specifically allotted by legislative action to other categories of highway construction and maintenance for this purpose, and authorizes the department to enter into agreements with municipalities regarding the proportion of preliminary engineering, design and construction costs to be so paid by each. Effective March 17, 2014.

HB 1616 (Matheny) SB 1541 (Bell) H= Comp. became Pub. Ch. 492
S= Pub. Ch. 492

Extends the Four Lake regional industrial development authority to June 30, 2018. Effective February 19, 2014.

HB 1665 (Weaver) SB 1790 (Haile) H= Comp. SB became Public Chapter 955
S= Public Chapter 955

Extends allocation of certain funds to Four Lake regional industrial development authority from fiscal year 2013-2014 to 2017-2018. Effective May 19, 2014.

HB 1912 (Lollar)	SB 2335 (Kelsey)	H= Comp. became Pub. Ch. 889 S=Pub. Ch. 889
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Whenever a municipality, county, metropolitan government or public authority decides to submit an application to create a tourism development zone, such entity must include with the application to the department of finance and administration a resolution adopted by the legislative body for the county in which a tourism development zone is proposed which would utilize any portion of the local option sales tax revenues designated for schools. The resolution must provide whether the county legislative body supports, or opposes or is neutral regarding the application, and the county legislative body must act on the request by the local government or public authority within 5 days of the next regularly scheduled meeting of the body. Effective upon becoming a law. Effective May 1, 2014.

HB 2025 (Mitchell)	SB 2275 (Dickerson)	H= Comp. became Pub. Ch. 748 S= Pub. Ch. 748
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Redefines "project" for purposes of industrial development corporations to include purchase, acquisition, leasing, construction and equipping of hotels and motels within any municipality that is located partly within a county having a metropolitan form of government and partly within an adjacent county. Applies only to Goodlettsville. Effective, July 1, 2014.

HB 2211 (Camper)	SB 1858 (Tate)	H= Comp. became Pub. Ch. 962 S=Pub. Ch. 962
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Lowers from \$200 million to \$ 75 million the aggregate investment of public and private funds necessary to qualify as a "project" designed to attract tourists under the Industrial Development Corporation Law and similarly lowers the amount necessary to qualify as a "qualified public use facility" under the Convention Center and Tourism Development Financing Act of 1998. Effective May 19, 2014.

EDUCATION

HB 1381 (Forgety)	SB 1856 (Crowe)	H= Comp. became Pub. Ch. 742 S= Pub. Ch. 742
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Authorizes LEAs to adopt a salary schedule that is identical in either structure or designated salary levels or both to the salary schedule the LEA had in place during the 2012-2013 school year, with such schedule containing steps for each year of service up to and including 20 years and for the attainment of advanced degrees at the level of masters, masters plus 45 hours of graduate credit, specialist in education and doctor of education or doctor of philosophy; the schedule may not result in the reduction of the salary of a teacher employed by the LEA at the time of the adoption of the salary schedule. Effective April 22, 2014.

HB 1403 (McManus)	SB 1464 (Norris)	H= Pub. Ch. 901 S= Comp. became Pub. Ch. 901
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As enacted, revises provisions governing the allocation and distribution of liquor-by-the-drink tax proceeds to local governments for education purposes; creates a legal mechanism whereby a local school board may seek relief in chancery court against a political subdivision that does not make the required distributions of gross receipts liquor-by-the-drink tax proceeds; authorizes the comptroller of the treasury to order the commissioner of revenue to temporarily withhold distributions of the proceeds to a political subdivision that has not made the required distributions to a school system and any withheld amounts will be remitted to the school system in the event the school system prevails in court. Authorizes certain political subdivisions and school systems to negotiate agreements for the local portion of the gross receipts liquor-by-the-drink tax that are owed by the political subdivision to the school system under the distribution formula, as it existed before July 1, 2014. Any such agreement must be entered into and approved by August 31, 2014. If an agreement is not entered by September 1, 2014, any party may seek equitable relief in Davidson County Chancery Court or request the

comptroller to undertake binding arbitration. If parties do not seek the remedies authorized by this act by December 31, 2014, then the party is barred from any other relief for gross receipts liquor-by-the drink tax proceeds received prior to July 1, 2014. Effective July 1, 2014.

HB 1507 (Travis)

SB 1966 (Bell)

H= Comp. became Pub. Ch. 743

S= Pub. Ch. 743

Extends the allowable number of years for a school bus to be in service to 18 years; revises other provisions relate to the use and inspection of school buses. Authorizes the commissioner of safety to approve additional years of service beyond the 18th year on a year-to-year basis. The owner of a bus may receive approval for additional years of service only if any conventional or Class D school bus being operated in the 18th year or beyond has less 200,000 miles of recorded travel. If the bus reaches 200,000 miles of recorded travel the owner of the bus will be allowed to operate the bus throughout the remainder of the school year and at the conclusion of the school year, the owner must replace the bus. The bus must meet all requirements for continued safe use and operation during the remainder of the school year and the owner of the bus must notify the department of safety in writing, via certified mail, that the bus has reached 200,000 miles of recorded travel.

If a bus reaches the date requiring discontinuance of its use during a school year, the owner of the bus will be allowed to operate the bus throughout the remainder of the school year, but the bus must meet all requirements for continued safe use and operation during the remainder of the school year. The owner of the bus must immediately notify the department of safety in writing, via certified mail, when the bus reaches the eighteenth year requiring discontinuance.

Any conventional or Class D bus that is in use for more than 15 years from its in-service date, but not more than 18 years from such date, must be inspected by the commissioner or the commissioner's designee at least twice annually. The commissioner's designee is to make no less than one inspection annually of each school bus that has been in use for 15 years or less from the in-service date and that transports school children, in order to determine whether it can be used safely to protect properly the lives of school children.

Authorizes the department of safety to collect a fee for additional inspections conducted for buses that are used in the sixteenth year or beyond following the in-service date.

Effective April 22, 2014.

HB 1846 (Johnson, G)

SB 1924 (Finney)

H= Comp. became Pub. Ch. 968

S= Pub. Ch. 968

Authorizes and encourages the creation of community schools. Community schools are traditional schools that actively partner with its community to leverage existing resources and identify new sources. Each community school is deemed unique because its programming is designed by and for the school staff, in partnership with parents, community stakeholders, and students. This new law defines:

- (1) "Community consortium" as a partnership established between an LEA and one (1) or more community partners for purposes of establishing, operating, and sustaining a community school;
- (2) "Community partner" as a provider of one or more community services or a community organization or for profit or nonprofit entity with a desire to improve conditions in the community; and
- (3) "Community school" as a public and private partnership to coordinate educational, developmental, family, health, and before-school and after-school-care programs during school and non-school hours for students, families, and local communities at a public school with the objectives of improving academic achievement, reducing absenteeism, building stronger relationships between schools, students, parents, and communities, and improving the skills, capacity, and well-being of the surrounding community residents.

This act provides that the state department of education may seek funds from private donors and through grants to fund LEAs' efforts to create and support community schools, but no state funds were appropriated for this purpose in FY 2014-2015. Effective May 19, 2014.

HB 1942 (Hawk)	SB 2063 (Southerland)	H= Comp. became Pub. Ch. 716 S= Pub. Ch. 716
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Permits municipalities to extend the terms of local school board members in order to comply with the general law and synchronize local elections to the general election. Authorizes any municipal board of education that implemented a transition plan to bring the election of the board members into compliance with the present law board election requirements, but that currently has an election cycle in June, to, by private act enacted by the general assembly and approved by the municipal legislative body, adopt a plan to elect board members in the August general elections by extending the terms of the current school board members; provided, that the plan is adopted and implementation is begun prior to January 1, 2015. Any plan implemented pursuant to this act may extend the terms of any current board of education members, but must otherwise comply with the requirements of present law governing election of school board members. Effective April 16, 2014.

HB 2252 (Casada)	SB 1724 (Johnson)	H= Comp. became Pub. Ch. 626 S= Pub. Ch. 626
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Redefines the definition of "high performing school district" for purposes of the High Performing School Districts Flexibility Act. In order to qualify to designate itself as a high performing school district, an LEA must satisfy a majority of the following criteria, if applicable to that LEA, according to the state report card:

- (1) Reach a graduation rate of 90 percent or higher;
- (2) Exhibit an average student ACT score of 21 or higher;
- (3) Exhibit a TCAP three-year average composite normal curve equivalent (NCE) score of 55 or higher;
- (4) Exhibit a TVAAS three-year average composite NCE gain of 1.75 or higher; or
- (5) Meet or exceed achievement and gap closure annual measurable objectives and receive an exemplary or similar status from the department.

Authorizes an LEA to substitute an average student SAT score of 980 or higher for an ACT score of 21 or higher, in order to satisfy criteria (2) for purposes of qualifying as a high performing school district. Prior to an LEA using the average student ACT or SAT score, at least 30 students within the LEA or at least 25 percent of the graduating class, whichever is larger, took the ACT or SAT.

Effective July 1, 2014.

ELECTIONS

HB 1523 (Haynes)	SB 1715 (Yager)	H= Pub. Ch. 724 S== Comp. became Pub. Ch. 724
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Revises various election law provisions as follows:

- (1) Under prior law, a county election commission may refuse to appoint an individual as an election official if that individual has been appointed in such capacity before, and the commission is of the opinion that the person is incompetent to hold elections, failed to serve as directed in previous elections or is unfit to serve in the election. This act removes the requirement that the individual seeking appointment have previously been appointed as an election official in order for the appointment to not be approved;
- (2) Under prior law, a voter may correct a deficient but timely filed mail registration form if the voter comes to the commission office no later than "five days before the election and presents the rejection of registration notice to the administrator of election". Under this act, a voter may correct a deficient but timely filed mail registration form if the voter files a completed registration application or otherwise corrects the deficiency no later than "five days before the next regularly scheduled November general election";
- (3) Under prior law, individuals seeking election to a judicial office are required to certify on the nominating petition that the individual is licensed to practice law and provide the individual's supreme court registration number. This act expands this requirement to any person seeking "any office that is required by law to be held by an attorney";
- (4) Under prior law, an individual, whose residence is on real property that is located both in a municipality and in an unincorporated area in the county, may make a one-time election to register in either the municipal precinct or

the county precinct. This act rewrites this provision to authorize an individual situated in a municipality and in an unincorporated area to vote in municipal elections if municipal taxes are assessed on the portion of the real property located in the municipality;

(5) This act changes the age of an "elderly voter" from 65 to 60 years old for purposes of provisions governing access to polling places by elderly voters;

(6) Under prior law it is a Class D felony to vote in a primary election of more than one political party on the same day. Under this act, it is a Class D felony for an individual to vote in a primary election for more than one political party in an election;

(7) Under this act, voter registration applications filed through the department of safety will be processed as an in-person voter registration, instead of as a registration-by-mail as done under prior law;

(8) This act extends the time period within which elections on questions submitted to the people must be held from "45-60 days" after the county election commission is directed to hold the election under the law authorizing or requiring the election on the question, to "45-90 days" after such time; and changes the deadline for filing resolutions, ordinances or petitions requiring the holding of elections on questions submitted to the people which are to be held with the regular August election, the regular November election, any regularly scheduled municipal election or the presidential preference primary from not less than 60 days prior to such election to not less than 75 days prior to the election; and

(9) This act requires court clerks to notify county election commissions of each person convicted of an infamous crime, instead of only requiring notice if the convicted person indicates he or she is registered to vote, as provided in prior law.

Effective April 22, 2014

HB 1727 (Brooks, H)

SB 1466 (Norris)

H= Comp. became Pub. Ch. 734

S= Pub. Ch. 734

Decreases the number of signatures required to establish a recognized minor party solely in one county and for certain special elections; revises other related provisions. Under present law any group or organization may file a petition with the coordinator of elections to become a recognized minor party. That petition must bear at minimum 2.5 percent of the total number of votes cast for gubernatorial candidates in the most recent election for governor.

This act creates an exception to the above signature requirements so that if an organization intends to become a recognized minor party solely within one county, then the petition must contain the signatures of registered voters within such county equal to at least 2.5 percent of the votes cast in such county for gubernatorial candidates in the most recent election. For the party to maintain recognition beyond the current election year then at least one candidate from the party must receive at minimum five percent of the total number of votes cast for candidates for the office of county mayor in the most recent election for such office.

The same exception will apply when a special election to fill a vacant seat in the United States house of representatives or general assembly, except that the petition must contain signatures of voters equaling at least 2.5 percent of the number of votes cast in the legislative district.

Effective April 22, 2014

HB 1916 (Evans)

SB 1901 (Haile)

H= Comp. became Pub. Ch. 697

S= Pub. Ch. 697

Authorizes the county election commissions in counties that share a municipality to designate, by agreement, a polling place and early voting location within the limits of the municipality and within 500 feet of the county boundary line; authorizes voters residing within the limits of a municipality that is located within two counties to vote at the location established by such agreement. Effective April 15, 2014.

EMERGENCY COMMUNICATIONS

HB 1445 (Lamberth)

SB 1511 (Stevens)

H= Pub. Ch. 579
S= Pub. Ch. 579

Clarifies terms relative to the definition of a financially distressed emergency communications district by changing the phrase "net assets" to "net position". Under prior law, a communications district is considered "financially distressed" if, as shown by annual audits it:

- (1) Has a negative change in net assets for a period of three consecutive years;
- (2) Has deficit total net assets; or
- (3) Is in default on any indebtedness.

This act revises the above provisions so that the district's "net position" instead of "net assets" will be considered in determining if the district is financially distressed. Effective March 28, 2014.

HB 2255 (McCormick)

SB 2407 (Norris)

H= Pub. Ch. 795
S= Comp. became Pub. Ch. 795

Enacts the "911 Funding Modernization and IP Transition Act of 2014". Beginning January 1, 2015, when a dealer collects the sale price for the retail sale of communication services or prepaid communications services from a consumer, such dealer will collect a 911 surcharge of \$1.16. If the sales price for a retail sale of communication service is collected less frequently than monthly by the dealer, the surcharge will still apply and be collected for each month or partial month for which the sale price is collected. The maximum number of surcharges that may be imposed on a single subscriber of retail communications services provided to a fixed location may not exceed 200 surcharges per building with a unique street address or physically identifiable location. The state's emergency communications board will be funded by this 911 surcharge. This bill specifies that no additional or local 911 surcharges on retail communications services will be permitted. Any 911 surcharge revenue in excess of the annual fiscal requirements of the state board and the mandatory every 2 months payments to emergency communications districts will not revert to the state general fund, but at least half of these excess funds will be distributed to the emergency communications districts in accordance with policies adopted by the state board. Makes other administrative changes. Effective January 1, 2015.

EMINENT DOMAIN

HB 1830 (Carr, J)

SB 2028 (Hensley)

H= Comp. became Pub. Ch. 927
S= Pub. Ch. 927

Reorganizes existing eminent domain law in Tennessee Code Annotated. Effective May 16, 2014.

ENERGY CONSERVATION

HB 1743 (Matheny)

SB 1759 (Ketrone)

H= Comp. became Pub. Ch. 591
S= Pub. Ch. 591

Includes propane powered motor vehicles as energy efficient vehicles for purposes of meeting energy efficiency requirements and incentivizing the establishment of propane fueling infrastructure. Adds "all electric" vehicles as energy-efficient motor vehicles for purposes of meeting the goal of making the state fleet of passenger motor vehicles all energy-efficient and alternative fuel motor vehicles. Effective March 28, 2014.

or ammunition in any place where carrying such items is expressly prohibited by federal law. Effective May 1, 2014.

PLANNING

HB 0394 (Hardaway)	SB 0300 (Niceley)	H= Pub. Ch. 556 S= Comp. became Pub. Ch. 556
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Restores the provisions of Chapter 3 of the Public Acts of 2013, which authorized the sale of community garden produce without requiring that any proceeds from such sales be used for community gardening purposes. Designates collaborative community gardening activities between persons 60 years of age and older and school children as "grand-mentoring." Removes all responsibility of the department of agriculture with regard to community gardening. Effective March 21, 2014.

HB 0964 (Todd)	SB 0915 (Niceley)	H= Comp. became Pub. Ch. 686 S= Pub. Ch. 686
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Specifies that a vested property right will be established with respect to any property upon the approval, by the local government in which the property is situated, of a preliminary development plan or a final development plan where no preliminary development plan is required by ordinance or regulation or a building permit allowing construction of a building where there was no need for prior approval of a preliminary development plan for the property on which that building will be constructed.

Under prior law, a regional planning commission and a municipal planning commission had the power to promulgate provisions in their subdivision regulations and recommend amendments to the zoning ordinance for the establishment of review and approval powers for site plans and the establishment under the zoning provisions for review and approval of planned unit developments, overlay districts, mixed use developments, condominiums and other types of sustainable design and development of property.

This act adds that a vested property right will be established with respect to any property upon the approval, by the local government in which the property is situated, of a preliminary development plan or a final development plan where no preliminary development plan is required by ordinance or regulation or a building permit allowing construction of a building where there was no need for prior approval of a preliminary development plan for the property on which that building will be constructed. During the vesting period described below, the locally adopted development standards that are in effect on the date of approval of a preliminary development plan or the date of approval of a building permit will remain the development standards applicable to that property or building during the vesting period.

Unless an extension is granted by the local government, the vesting period applicable to an approved construction project for which a building permit has been issued will begin on the date of issuance of the building permit by the local government and remain in effect for the time period authorized by the approved building permit, including any approved renewal obtained by the applicant prior to the expiration or termination of the permit to be renewed; provided, the applicant pursues with reasonable diligence site preparation, if applicable, and construction. The vesting period applicable to a development plan will be a period of three years, beginning on the date of the local government's approval of the preliminary development plan; provided the applicant obtains local government approval of a final development plan, secures any necessary permits and commences site preparation within the vesting period. If the applicant obtains local government approval of a final development plan, secures any necessary permits, and commences site preparation within the vesting period, then the vesting period will be extended an additional two years to commence construction from the date of the expiration of the three year period. During the two year period, the applicant must commence construction and maintain any necessary permits to remain vested.

If site preparation commences during the vesting period, the development standards applicable during the vesting period will remain in effect until the local government has certified final completion of the development or project; provided, the total vesting period for the project may not exceed 10 years from the date of the issuance

of the building permit or approval of the preliminary development plan unless the local government grants an extension pursuant to an ordinance or resolution; provided further, that the applicant maintains any necessary permits during the ten (10) year period.

This act specifies that in the case of developments which proceed in two or more sections or phases as described in the development plan, there will be a separate vesting period applicable to each section or phase. The development standards which are in effect on the date of approval of the preliminary development plan for the first section or phase of the development will remain the development standards applicable to all subsequent sections or phases of the development; provided, the total vesting period for all phases will not exceed 15 years from the date of the approval of the preliminary development plan for the first section or phase unless the local government grants an extension pursuant to an ordinance or resolution; provided further, that the applicant maintains any necessary permits during the fifteen (15) year period.

This act authorizes a local government, by ordinance or resolution, to specifically identify the type or types of development plans within the local government's jurisdiction that will cause property rights to vest; provided, that regardless of nomenclature used in the ordinance or resolution to describe a development plan, a plan that contains any of the information in the definition for a final development plan or a preliminary development plan will be considered a final development plan or a preliminary development plan. Any such ordinance or resolution must also specify what constitutes approval of a development plan within its jurisdiction. If a local government has not adopted an ordinance or resolution specifying what constitutes a development plan that would trigger a vested property right, then rights will vest upon the approval of any plan, plat, drawing, or sketch, however denominated, that is substantially similar to any plan, plat, drawing, or sketch described by the definition of a final development plan or a preliminary development plan.

During the vesting period, the locally adopted development standards which are in effect on the date of approval of a preliminary development plan or the issuance of a building permit, whichever applies, will remain the development standards applicable to the property described in such preliminary development plan or permit, except such rights will terminate upon a written determination by the local government of the occurrence of certain circumstances listed in the act.

This act specifies that it does not preclude local government enforcement of development standards under certain circumstances listed in the full text of the amendment. This act also specifies that it does not impair the authority of local governments to exercise the powers of eminent domain and zoning. However, the effect of any zoning action by a local government cannot alter or delay the development of property while vested, as described in an approved development plan or building permit. In the event the local government enacts a moratorium on development or construction, the vesting period will be tolled during the moratorium period.

An amendment to an approved development plan by the developer must be approved by the local government to retain the protections of the vested property right. If such an amendment is denied by the local government based upon such a written finding, then the applicant may either proceed under the prior approved plan with the associated vested property right or, alternatively, allow the vested property right to terminate and submit a new application under this amendment.

This act specifies that a vested property right will attach to and run with the applicable property and will confer upon the applicant the right to undertake and complete the development and use such property under the terms and conditions of a development plan, including any amendments thereto or under the terms and conditions of any building permit that has been issued with respect to the property.

The provisions of this act for purposes of local government adoption of vested property rights ordinance or resolution became effective on April 15, 2014 and on January 1, 2015 for all other purposes.

HB 1410 (McCormick)	SB 1614 (Norris)	H= Comp. became Pub. Ch. 581 S= Pub. Ch. 581
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Defines agriculture to include entertainment activities that occur on land where farm products and nursery stock are produced; requires that the Tennessee Right to Farm Act be construed broadly to effectuate its purposes. Effective March 28, 2014.

HB 1545 (Bailey)	SB 1706 (Niceley)	H= Comp. became Pub. Ch. 524 S= Pub. Ch. 524
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Clarifies that buildings used as residences by farmers and farm workers are “incidental to the agricultural enterprise”. Effective March 12, 2014.

HB 1622 (Matheny)	SB 1548 (Bell)	H=.Pub. Ch. 606 S= Comp. became Pub. Ch. 606
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Extends the local government planning advisory committee to June 30, 2020. Effective April 4, 2014.

HB 1930 (White, M)	SB 2010 (Tate)	H= Comp. became Pub. Ch. 835 S= Pub. Ch. 835
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Elevates the priority status of certain liens for court costs, expenses and receiver's fees levied relative to completion of a detailed development plan under the Neighborhood Preservation Act. Act only applies in Davidson, Shelby and Madison Counties. Effective April 28, 2014.

HB 2214 (Camper)	SB 1860 (Tate)	H= Comp. became Pub. Ch. 963 S= Pub. Ch. 963
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Provides that a corporation that receives the designation as a neighborhood preservation nonprofit corporation will be eligible to apply for and receive housing trust fund competitive grants and any other applicable grants from the Tennessee housing development agency, if the corporation meets all requirements for the grants.

To receive such a designation a corporation must register with the secretary of state and request such designation in its charter. The secretary of state is authorized to require, in addition to any other fee for registering the corporation pursuant to applicable law, a fee for acquiring the designation as a neighborhood preservation nonprofit corporation. Prior to registering with the secretary of state, a corporation must file in the office of the register of deeds in the county that the real property is located a plat that shows the real property that the corporation will apply its assets towards to preserve and protect from blight, crime, and other purposes. To receive such designation the corporation must include a list of items in its bylaws as specified in the bill.

The Tennessee housing development agency is required, upon request from a neighborhood preservation nonprofit corporation, to provide assistance in making an application for the grants in the same manner in which the Tennessee housing development agency assists other qualifying entities, including, at a minimum, providing a list of all grants that the entity qualifies for and the steps necessary to apply for the listed grants.

Authorizes individual members of such corporations to report suspicious activity in the area designated in the plat to the local law enforcement entity. The bill encourages the law enforcement entity investigate the reported activity and may provide a report upon request, if it does not impede an ongoing investigation.

Under present law, if a person fails to remedy certain conditions on vacant property a community organization is entitled to petition the county or municipal government to enter such property to remedy the conditions. Present law also authorizes a community organization to petition a municipality acquiring a vacant lot by eminent domain to enter upon such property to remove litter from such property. This bill adds neighborhood preservation nonprofit corporations to the definition of "community organizations" and it applies to the removal of vegetation and debris from certain lots. Effective January 1, 2015.

HB 2380 (Lynn)

SB 2108 (Bowling)

H= Pub. Ch. 914

S= Comp. became Pub. Ch. 914

Under prior law, after the time when the platting jurisdiction of any regional or municipality planning commission has attached, no building permit could be issued and no building erected on any lot within the region or municipalities, unless one of the following three possible criteria were met:

- (1) The street giving access to the lot upon which the building is proposed to be placed has been accepted or opened as, or has otherwise received the legal status of, a public street prior to that time;
- (2) The street corresponds in its location and lines with a street shown on a subdivision plat approved by the planning commission, or on a street plat made and adopted by the planning commission; or
- (3) The lot fronts upon a permanent easement which conforms to all rules, regulations and specifications applicable to the permanent easement of the planning commission or other department, division or agency of the county; and the permanent easement has access to an existing highway, street or thoroughfare, or with a street located or accepted by the county legislative body after submission to the planning commission, and in case of the planning commission's disapproval, by the favorable vote of the county legislative body.

This act changes the second criterion to require that the subdivision plat approved by the commission must also be recorded in the register of deeds and to require that whenever the street or other infrastructure improvements as denoted on the plat have not been completed, there must be an adequate, valid, and enforceable bond or guarantee for the completion of the improvements, which will be held by the appropriate officials. This act adds another possible criterion that the street corresponds in its location and lines with a street shown on a street plat made and adopted by the commission.

This act specifies that when correspondence of a street in its location and lines with a street shown on a subdivision plat approved by the regional or municipal planning commission and recorded in the register of deeds is utilized as the criteria for issuance of a building permit, in situations where the street or other infrastructure improvements as denoted on the plat have not been completed, this act's security requirement must not be construed to:

- (1) Require duplicate bonds or to require additional bonds when an adequate bond to complete the infrastructure is already in effect; or
- (2) Require a building contractor to post the completion bond on the infrastructure for the subdivision if such building contractor is not a developer of the subdivision.

Effective May 14, 2014.

PUBLIC EMPLOYEES

HB 1528 (Haynes)

SB 1691 (Massey)

H= Comp. became Pub. Ch. 950

S= Pub. Ch. 950

Three Stars of Tennessee Award recipients for the various occupation classes will be selected and administered by the homeland security council created by Executive Order No. 8 of 2003. This bill changes the eligibility requirement for receipt of the award from peace officers, firefighters and medical first responders who are "seriously injured" in the line of duty to those who suffer a career ending injury in the line of duty. The award will still be presented to next of kin of peace officers, firefighters and medical first responders who are killed in the line of duty. This bill authorizes any person who has knowledge of a person who meets the qualifications for the award to submit such person's name to the council and changes the consistency of the award from a medal, certificate and ribbon to a plaque and a medal. Effective May 19, 2014.

HB 1918 (Evans)	SB 2004 (Green)	H= Pub. Ch. 574. S= Comp. became Pub. Ch. 574
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Adds a section to the Tennessee Governmental Tort Liability Act to remove governmental immunity for claims against a governmental entity under the Uniformed Services Employment and Reemployment Rights Act of 1994. This federal Act establishes service members' reemployment rights when returning from a period of service in the uniformed services, including those called up by the National Guard or reserves, and prohibits employer discrimination based on military services or obligation. Effective July 1, 2014.

HB 1957 (Burks)	SB 2324 (Stewart)	H= Pub. Ch. 659 S= Pub Ch. 659
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Establishes an administrative committee and investment committee of the TCRS board of trustees; revises other various provisions governing public employee benefits. Removes the present law requirement that a political subdivision must authorize an actuarial study before voting to allow its board members to participate in TCRS. This act also specifies the requirements that a covered board member must meet in order to establish credit for prior service. Several sections of this act become effective July 1, 2014, with remaining sections effective from April 10, 2014.

HB 2037 (McManus)	SB 2079 (Norris)	H= Comp. became Pub. Ch. 990 S= Pub. Ch. 990
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Requires the treasurer to recommend to the TCRS board of trustees a funding policy with respect to TCRS; enacts the "Public Employee Defined Benefit Financial Security Act of 2014"; revises other benefit-related provisions. Adds authorization for any political subdivision that is unable to meet the annual funding progress percentage to submit a plan of correction to the state treasurer for consideration. Also requires that mortality assumptions, which should consider the effect of expected mortality improvements, be utilized beginning on or before the plan fiscal year after June 15, 2024, and continue to be utilized thereafter. In regard to this act's provisions that for any pension plan that is funded below 60 percent, the political subdivision may not establish benefit enhancements, it was modified to add that benefit enhancements may be established if approved by state treasurer. Also specifies that nothing under state law confers to participants in the pension plan an implied right to future retirement benefit arrangements and such participants may not assert the indefinite continuation of the retirement formulas, contribution rates, eligibility ages, or any other provision of the pension plan. Specifies that this provision applies to political subdivision employees hired on or after the effective date of this act. This provision does not affect any judicial precedents or statutory law as they apply to employees who were employed prior to the effective date of this bill. Effective May 22, 2014.

HB 2228 (Calfee)	SB 2268 (Yager)	H= Comp. became Pub. Ch. 1003 S= Pub. Ch. 1003
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As introduced, entitles estate of any correctional officer employed by the state or a political subdivision of the state who is killed in the line of duty to receive \$25,000. **Senate Amendment** removed eligibility for the death benefit from estates of correctional officers who are employed by a political subdivision of the state and extends eligibility for the benefit to community services employees of the state who are killed in the line of duty. Effective May 22, 2014.

PURCHASING

HB 1670 (McDaniel)	SB 1714 (Yager)	H= Comp. became Pub. Ch. 645 S= Pub. Ch. 645
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Allows local governments to distribute invitations to bid and requests for proposals electronically instead of by mail and to also receive bids, proposals and other offers electronically; prohibits state agencies and local governments from requiring small businesses and minority-owned businesses to participate in such activities

electronically. Effective April 8, 2014.

HB 1671 (McDaniel)

SB 1713 (Yager)

H= . Comp. became Pub. Ch. 644

S= Pub. Ch. 644

Clarifies provisions on bid document procedures; renders void any bid where required information is not submitted; removes civil penalties and criminal penalties on certain violations. Makes several changes including those as follows:

- (1) Under present law, any person or entity preparing plans, specifications or any other documentation for inclusion in an invitation to bid or comparable bid document including any electronic bidding documents must include a specific statement informing the invited bidder that it is necessary for such bidder to provide evidence of compliance with the law governing contractors and contracting before such bid may be considered. Adds a requirement that such documents include a specific statement informing the invited bidder that such bidder must be properly licensed at the time of the bid;
- (2) Clarifies that certain information must be written upon the bid envelope or provided within the electronic bid document;
- (3) Retains the present law provision that specifies only one contractor in each category be written on the bid envelope or provided within the electronic bid document;
- (4) Act specifies that any mistake found may be corrected within 48 hours after the bid opening excluding weekends and state recognized holidays and clarifies that only discrepancies in the spelling of names of bidders, transposition of license numbers, or other similar typographical errors or omissions may be corrected.
- (5) Present law prohibits an invitation to bid from requiring that:
 - (A) Any subcontractor be identified, listed or designated until the final bid submission by the prime contractor; and
 - (B) Any prime contractor accept the bid of any subcontractor until the final bid submission by the prime contractor;
 Act specifies that the above prohibition will only apply to design/bid/build procurements where cost is the primary criterion for the contract award;
- (6) Adds that any person or entity, public or private, awarding a bid to a contractor who is not licensed will be subject to a penalty of a Class A misdemeanor;
- (7) The board may impose a civil penalty not to exceed \$5,000 for willful violation of the bill.

Effective July 1, 2014.

SOLID WASTE

HB 1562 (Lollar)

SB 1467 (Norris)

H= Pub. Ch. 563

S= Comp. became Pub. Ch. 563

Revises the items excluded from the definition of solid waste as follows:

- (1) Solid or dissolved material in domestic sewage, or solid or dissolved materials in irrigation return flows, or industrial discharges that are point sources subject to permits under the Federal Water Pollution Control Act; and
- (2) Steel slag or mill scale that is an intended output or intended result of the use of an electric arc furnace to make steel; provided, that such steel slag or mill scale is sold and distributed in the stream of commerce for consumption, use, or further processing into another desired commodity and is managed as an item of commercial value in a controlled manner and not as a discarded material or in a manner constituting disposal.

Effective March 21, 2014.

HB 1632 (Matheny)

SB 1582 (Bell)

H= Pub. Ch. 609

S=Comp. became Pub. Ch. 609

Extends the underground storage tanks and solid waste disposal control board to June 30, 2018.

HB 1898 (Swann)

SB 1917 (Southerland)

H= Comp. became Pub. Ch. 967

S= Pub. Ch. 967

Adds components to the comprehensive solid waste management plan for the state and creates a 16-member Tennessee solid waste and recycling advisory committee to review and develop recommendations concerning solid waste and recycling statutes, rules and policies. The advisory committee will report its findings to the speaker of each chamber of the general assembly by February 15, 2015, at which time the advisory committee will cease to exist. The advisory committee will be comprised of the following members:

- (1) One person who is engaged in a field directly related to agriculture, to be appointed by the speaker of the senate;
- (2) One person who is a manufacturer of aluminum and aluminum products, to be appointed by the speaker of the senate;
- (3) One person who is a manufacturer of plastic and plastic products, to be appointed by the speaker of the senate;
- (4) One person who is a private solid waste hauler and manages Class I sanitary landfills, to be appointed by the speaker of the senate;
- (5) One person who represents county governments, to be appointed by the speaker of the senate;
- (6) One person who represents city governments, to be appointed by the speaker of the senate;
- (7) Two people who represent environmental concerns, to be appointed by the speaker of the house of representatives;
- (8) One person from the pulp and paper industry, to be appointed by the speaker of the house of representatives;
- (9) One person who represents resalers or distributors of canned or bottled beverages, to be appointed by the speaker of the house of representatives;
- (10) One person who is a small waste generator, to be appointed by the speaker of the house of representatives;
- (11) One person who is a private recycler/processor of recyclable materials and a manager of a single stream material recovery facility (MRF), to be appointed by the speaker of the house of representatives; and
- (12) Two representatives from the department who are knowledgeable in the areas of solid waste and recycling, to be appointed by the commissioner.
- (13) One person who is a manufacturer of tires and other rubber products to be appointed by the speaker of the senate.
- (14) One person who is a retailer of tires to be appointed by the speaker of the senate.

Present law generally requires that the plan have as its priority the reduction of the volume of wastes going to incinerators or landfills by means of local and regional recycling programs, mulching and composting of yard wastes and other suitable materials, and any other means of ensuring that incinerators and landfills operate in an environmentally and economically sound manner. This bill adds specific requirements that the state plan:

- (1) Identify incentives and systems that political subdivisions of this state may use to facilitate recycling and reuse of construction waste; and
- (2) Include recommendations for large scale composting in major metropolitan areas; composting strategies that may be applied by specific types of waste producers, including higher education institutions, food service establishments, food retailers, and neighborhood groups; and a statewide system of collecting recyclable plastics that is based on regional collection centers.

In preparing the state plan, this act authorizes the commissioner of environment and conservation to evaluate the use of composting as a method of diverting waste from landfills across all of the political subdivisions of this

state. Effective April 14, 2014.

HB 2425 (Spivey)	SB 2560 (Bowling)	H= Comp. became Pub. Ch. 849 S= Pub. Ch. 849
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Defines "shredded" for purposes of the Solid Waste Management Act of 1991" to mean shredded, chipped, chopped, quartered, sliced at least circumferentially, or otherwise processed and rendered not whole in a manner to effectively prevent a tire from floating, as determined by a municipal solid waste management region board. Effective July 1, 2014.

STATE AND LOCAL GOVERNMENT

HB 610 (Lundberg)	SB 877 (Ketron)	H= Comp. became Pub. Ch. 554 S= Pub. Ch. 554
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Authorizes any city or county that has held and passed a referendum authorizing either retail package stores or sales of alcoholic beverages for consumption on the premises to hold a referendum that authorizes the sale of wine in retail food stores; creates permit to sell wine at retail food stores; revises other provisions governing the sale of alcoholic beverages. Effective date varies by section of the act, March 20, 2014, July 1, 2014, and July 16, 2014.

HB 1398 (Carter)	SB 1836 (Watson)	H= Pub. Ch. 853 S= Comp. became Pub. Ch. 853
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Prohibits expenditure of state funds (appropriations and departmental revenue) to pay the public indebtedness of any municipality; specifies that this prohibition does not preclude any municipality from utilizing its allocation of state-shared taxes for the purpose of paying its public indebtedness. Effective April 29, 2014.

HB 1409 (Lamberth)	SB 1732 (Overbey)	H= Pub. Ch. 534 S=Comp. became Pub. Ch. 534
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Suspends, for 48 hours after the execution of a writ of possession, the actions of any local government relative to the disposition of personal property; prohibits a plaintiff, after the execution of a writ of possession, from disposing of the personal property of a defendant for 48 hours.

Clarifies that the prevailing plaintiff in a forcible entry and detainer action must place the defendant's personal property:

- (1) On the premises from which the defendant is being removed;
- (2) In an appropriate area clear of the entrance to the premises; and
- (3) At a reasonable distance from any roadway.

This act specifies that local government entities will not be liable for damages to a defendant's personal property during the 48-hour period that the defendant's personal property is placed in accordance with (1)-(3).

Effective July 1, 2014.

HB 1430 (McCormick)	SB 1634 (Norris)	H= Comp. became Pub. Ch. 865 S= Pub. Ch. 865
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Revises and expands the process for abating gang nuisances. Provides that a petition may be filed against a gang itself to abate gang related conduct. Changes the burden of proof for establishing a criminal gang nuisance from preponderance of the evidence to clear and convincing evidence. Effective July 1, 2014.

HB 1446 (Johnson, C.)	SB 1512 (Haile)	H= Pub. Ch. 766 S= Comp. became Pub. Ch. 766
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Revises various provisions governing bonds, loans, capital outlay notes, and other debt issued by local governments. On and after July 1, 2014, if any local government or local government instrumentality proposes to issue any balloon indebtedness, then the local government or local government instrumentality must first obtain approval from the comptroller of the treasury. The local government or local government instrumentality must submit a plan of balloon indebtedness to the comptroller for approval. The comptroller may request any additional information as may be required to properly review the proposed plan of balloon indebtedness. The comptroller must evaluate each plan based on the plan's particular circumstances and will approve the plan only if a determination is made that the repayment structure is in the public's interest.

This act requires the comptroller to report his or her approval or disapproval of the plan of balloon indebtedness to the governing body within 15 business days after receipt of the plan. After receiving the approval of the comptroller of the plan or after the expiration of 15 business days from the date the plan is received by the comptroller and no disapproval having been reported by the comptroller, whichever date is earlier, the governing body may take such action with reference to the proposed plan as it deems advisable in accordance with this act..

Effective July 1, 2014.

HB 1468 (Ragan)	SB 2320 (McNally)	H= Comp. became Pub. Ch. 635 S= Pub. Ch. 635
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Any county, upon two-thirds vote of the county legislative body, may dispose of real property at a nominal cost by private negotiation and sale to a 501(c)(3) nonprofit corporation, incorporated under the laws of this state, whose purpose includes educational and vocational training services to children and adults with disabilities. Effective April 4, 2014.

HB 1648 (Hill, T)	SB 1749 (Niceley)	H= Comp. became Pub. Ch. 871 S= Pub. Ch. 871
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Upon meeting certain safety and equipment requirements, allows off-highway vehicles to be registered as medium speed vehicles; increases, from 40 to 45 m.p.h. the maximum posted speed limit for the roads other than interstates, on which medium speed vehicles may be driven; revises other provisions related to their operation. Medium speed vehicles do not include motorcycles. Effective July 1, 2014

HB 1708 (Hawk)	SB 1670 (Southerland)	H= Pub. Ch. 535 S= Comp. became Pub. Ch. 535
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Any local correctional facility:
 (A) Shall meet the square footage requirements for single-occupancy or multi-occupancy cells contained in the minimum standards required by the Tennessee corrections institute that were in effect at the time of the construction of the facility; or
 (B) May elect to conform to a more recent minimum standards required by the American Correctional Association in order to accommodate a larger inmate population.

A local correctional facility constructed before the effective date of any minimum standards required by the Tennessee corrections institute shall be exempt from the square footage requirements described in this subsection unless the exemption poses a serious life, safety, or security hazard as determined by the board of control of the Tennessee corrections institute.

Effective March 12, 2014.

HB 1731 (Littleton) SB 1830 (Haile) H= Comp. became Pub. Ch. 648
S= Pub. Ch. 648

Removes certain references to storage of electronic public records in CD-ROM's and instead authorizes storage in any appropriate electronic medium. Effective July 1, 2014.

HB 1801 (Haynes) SB 2259 (Massey) H= Comp. became Pub. Ch. 634
S= Pub. Ch. 634

Authorizes any public building authority to establish and charge certain fees for parking. Specifies that each public building authority has control of its parking facilities and authorizes such an authority to establish and charge fees, rentals, rates and other charges and collect revenues therefrom. This act also authorizes each public building authority to exercise its powers without regard to the Disabled Drivers Law or any other law or charter, except as expressly provided. The Disabled Drivers Law prohibits state agencies, counties, cities, towns or other municipalities, and post-secondary institutions from exacting any fee against a disabled driver or disabled passenger, for parking on or in certain streets or parking lots. Effective March 4, 2014.

HB 1860 (Spivey) SB 2398 (Tracy) H= Comp. became Pub. Ch. 751
S= Pub. Ch. 751

Allows county, metropolitan form of government or municipality to establish a community notification system to notify certain residences, schools and child care centers that a sexual offender or violent sexual offender is residing within a certain distance of such residences, schools and child care centers and authorizes a fee of up to \$50 for each offender in the jurisdiction to defray the notification costs. Effective April 22, 2014.

HB 1863 (Spivey) SB 1947 (Niceley) H= Pub. Ch. 674
S= Comp. became Pub. Ch. 674

Requires certain municipalities authorized to patrol portions of national interstate highways within the territorial limits of the municipalities to use marked law enforcement vehicles when enforcing rules of the road and removes the ability of certain municipalities to enforce such rules of the road. Municipalities must have a population of at least 2,500 and no more than 10,000 with at least one entrance ramp to and at least one exit ramp from an interstate highway within the limits of such municipality, or any municipality having a population of less than 2,500 with at least two entrance ramps to and at least two exit ramps from an interstate highway within the limits of such a municipality, to patrol interstate highways. Also specifies that no municipality with a population of 10,000 or less with at least two entrance and exit ramps from an interstate highway will be authorized to enforce the rules of the road when the contiguous stretch of the interstate highway between such entrance and exit ramps does not lie solely within the territorial limits of the municipality.

Effective April 14, 2014 for rulemaking purposes; otherwise effective July 1, 2014.

HB 2142 (McCormick) SB 2315 (McNally) H= Pub. Ch. 793
S= Comp. became Pub. Ch. 793

Authorizes home rule municipalities and counties with a metropolitan form of government, as well as Blount and Sevier County to participate in the Tennessee Local Land Bank pilot program. Land is held in the land bank by a corporation created by the authorized local governments for future sale and is not subject to taxation while being held by this corporation. However, a corporation created by an authorized local government to participate in the Local Land Bank Pilot Program may not own, hold, maintain, or manage any real property acquired through eminent domain by any county or municipality of this state. Effective April 24, 2014.

HB 2163 (Powell) SB 2282 (Dickerson) H= Pub. Ch. 679
S= Comp. became Pub. Ch. 679

Specifies that the words "or fuel-fired appliances" in exception 2 of R501.3 of the 2012 IRC will be disregarded

by any state or local government official in determining the applicability of the provision to any residential construction prior to January 1, 2016. Effective April 14, 2014.

HB 2339 (Kane)	SB 2489 (Dickerson)	H= Comp. became Pub. Ch. 754 S= Pub. Ch. 754
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Authorizes a county or city to issue permits not only to the owner of a business engaged in the sale, distribution, manufacture, or storage of beer, but also to the entity responsible for the premises for which the permit is sought. Effective April 22, 2014.

HB 2368 (Watson)	SB 2350 (Ketrone)	H=Bill returned by Governor without signature after 10 days, may be law ,but no public chapter yet given S=Bill returned by Governor without signature
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Allows electronic citations for certain traffic offenses; authorizes local legislative bodies to impose a \$5.00 electronic citation fee for each citation resulting in conviction. Any electronic citation fee that is authorized by a local legislative body of any county or municipality pursuant to this act must terminate five years from the date of adoption of the ordinance or resolution that authorized the fee. Effective July 1, 2014.

TAXATION

HB 1433 (McCormick)	SB 1637 (Norris)	H= Pub. Ch. 764 S= Comp. became Pub. Ch. 764
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Directs 100 percent of the amount of any tax, interest, and penalty assessed by the commissioner of revenue from certain persons who engage in selling goods or services without a license or business location to the general fund. Authorizes the commissioner to disclose otherwise confidential information to authorized officials of local government for purposes of determining whether such persons are paying business taxes. Effective April 24, 2014.

HB 1448 (Hawk)	SB 1677 (Southerland)	H= Comp. became Pub. Ch. 589 S= Pub. Ch. 589
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Sets the capitalization rate for greenbelt purposes at the maximum allowable rate on loans for terms in excess of five years guaranteed by the federal Farm Service Agency or its successor, as of the assessment date for the year in which the use value schedule is being developed. Effective January 1, 2015.

HB 1487 (Bailey)	SB 1688 (Niceley)	H= Comp. became Pub. Ch. 547 S= Pub. Ch. 547
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Allows any county that has imposed or imposes a wheel tax to either exempt antique vehicle owners from liability for the tax or require antique vehicle owners to pay the tax on a one-time only basis in lieu of paying the tax annually. For the exemption or one-time-only policy to take effect, this act requires that there be a two-thirds vote of the county legislative body at two consecutive, regularly scheduled meetings or approval by a majority of qualified voters of the county voting in an election conducted on the question of whether or not owners should be exempt or liable for a one-time tax. Effective March 17, 2014.

HB 1530 (Carr, D)	SB 1720 (Green)	H= Comp. became Pub. Ch. 691 S=. Pub. Ch. 691
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Allows county mayors to require training of county board of equalization members and hearing officers; restates notice procedures regarding property tax appeals; permits electronic notification and recordation. Effective April 15, 2014.

HB 1536 (Sargent)	SB 1477 (Johnson)	H= Comp. became Pub. Ch. 942 S= Pub. Ch. 942
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Makes certain changes and additions to present law concerning the gross receipts tax. Present law generally authorizes both the state and municipalities to impose the gross receipts tax. The local gross receipts tax does not apply to certain persons who engage a taxable activity without establishing a physical location, outlet, or other place of business in the state. This act extends the exemption from the local gross receipts to the business activity of making sales as a natural gas marketer to customers located in Tennessee through the presence in Tennessee of the seller's property, the holding of pipeline capacity by the seller on pipelines located in Tennessee, or through the presence in Tennessee of the seller's employees, agents, independent contractors, or other representatives acting on behalf of the seller to solicit orders, provide customer service, or conduct other activities in furtherance of such sales. A "presence in this state of the seller's property" will include property owned by the seller in Tennessee during delivery to the customer, whether in a pipeline or otherwise.

This act specifies that business in Classification 5 will not be required to obtain a business license. Additionally, this bill specifies that all gross receipts tax revenue, plus any penalties and interest, collected from businesses in Classification 5 will be earmarked an allocated specifically and exclusively to the state's general fund. Effective July 1, 2014.

HB 1769 (McCormick)	SB 2076 (Norris)	H= Pub. Ch. 908 S= Comp. became Pub. Ch. 908
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Enacts the "Transportation Fuel Equity Act"; uniformly taxes all commercial carriers using diesel fuel to transport persons or property for a fee; establishes the manner for collection of the tax; however bill does not apply to marine vessels, boats, barges and other crafts operated on waterways. Also revises registration and reporting provisions. Effective July 1, 2014.

HB 1783 (Harrison)	SB 1872 (Overbey)	H=. Public Chapter 859 S= Comp. HB became Public Chapter 859.
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Imposes an assessment fee on persons engaged in the business of providing nursing home care, and creates the nursing home assessment trust fund. The assessment rate will be determined prospectively for the applicable fiscal year on a per-resident-day basis, exclusive of Medicare resident days. The per-resident day assessment rate must be uniform. The aggregated amount of assessments for all nursing facilities from the commencement date through June 30, 2015, will equal 4.5 percent of the net patient service revenue. Bill describes allocations from the trust fund. Effective July 1, 2014.

HB 1913 (Lollar)	SB 2337 (Kelsey)	H= Comp. became Pub. Ch. 933 S= Pub. Ch. 933
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Requires approval from the county's legislative body of the county in which the real property is located, for a lease or conveyance of real property in excess of 30 years for property that is owned by any political subdivision and leased to a person, corporation or other business entity that has the purpose or effect of reducing the real or personal property appraisal and tax collection of the county in which the real property is located.

Such approval is not required if the agreement requires the lessee to pay all real and personal property taxes to the county in which the property is located for any year after the initial 30 year occupancy period as if such property was not owned by the state or any political subdivision of the state or other tax exempt entity. The above requirement will not apply to the payment in lieu of tax programs jointly administered by the municipality and the county in which the real property is located, whether through a jointly authorized entity or a memorandum of understanding.

This act requires the leasehold interest be assessed as if the lessee were the owner if the real property owned by the state or any political subdivision of the state is leased or conveyed in any manner to a person, corporation or other business entity, and the lease or other transfer arrangement is for a period of 50 years or more or the

lease permits and lessee to acquire the real property for a nominal sum at the completion of the term. Effective May 16, 2014.

HB 1938 (Odom)	SB 2283 (Dickerson)	H= Comp. became Pub. Ch. 887 S= Pub. Ch. 887
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Permits continued property tax exemption for property financed by certain federal programs, when the loan has been paid in full and the property continues to be used for elderly persons or persons with disabilities. This act provides that the owners of projects exceeding 12 units must agree to make payments in lieu of taxes to the tax jurisdictions in which they are located, in an amount negotiated to cover the cost of improvements, facilities or services rendered by the tax jurisdiction, but if no amount is agreed the payments must be not less than 25 percent of the amount of tax that would be due if the project were not exempt. Effective May 1, 2014.

HB 2078 (White, M)	SB 1795 (Morris)	H= Comp. became Pub. Ch. 825 S= Pub. Ch. 825
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Creates a second exception (first is environmental risk) to the general requirement that, at a delinquent tax sale, the clerk must bid the amount due for taxes, interest, penalties and costs, where no other bidder offers the same or higher bid. Under this act, the clerk will not be required to bid if the county legislative body determines that the land being sold is non-buildable or non-conforming, including, but not limited to:

- (1) Storm water detention basins;
- (2) Drainage ditches;
- (3) Private road right-of-ways;
- (4) Private drives;
- (5) Common open areas; and
- (6) Utility easements.

Effective April 28, 2014.

HB 2165 (Sargent)	SB 2128 (Johnson)	H= Comp. became Pub. Ch. 883 S= Pub. Ch. 883
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Makes various changes to delinquent property tax procedures including allowing official tax number to be used as concise description and clarifying property tax doesn't have to be filed as claim in probate. Effective July 1, 2014.

HB 2347 (Fitzhugh)	SB 2461 (Finney)	H= Comp. became Pub. Ch. 846 S= Pub. Ch. 846
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Specifies that federal conservation agencies are "qualified conservation organizations" which are permitted grantees of open space easements, for purposes of classifying certain agricultural land for purposes of property taxes. Effective April 28, 2014.

HB 2451 (Keisling)	SB 2553 (Yager)	H= Comp. became Pub. Ch. 937 S= Pub. Ch. 937
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A levy of property tax found to be based on an erroneous calculation may be revised prior to tax billing on certification of a revised calculation by the state board of equalization accepted by act or resolution of the governing body of the affected taxing authority, including a board of education for a special school district, without further notice. If the error is certified after tax billing, the revised rate will take effect as of the next general ad valorem levy by the governing body of the affected taxing authority or the board. Effective July 1, 2014.

HB 1650 (Sexton)

SB 1742 (Massey)

H= Comp. became Pub. Ch. 628

S= Pub. Ch. 628

Provides that a municipal utility system may continue to operate a public works system as a special revenue fund when the governing body of the municipality determines that it is in the best interest of the customers of the public works system and the citizens of the municipality. Adds a requirement that all water systems and wastewater facilities must utilize an enterprise fund for accounting and reporting its operations and any water system or wastewater facility currently not operating as an enterprise fund must be doing so by July 1, 2016. Effective April 4, 2014.