



April 29, 2022

112th Tennessee General Assembly Adjourns

The 112th General Assembly adjourned Sine Die yesterday afternoon, concluding their two-year-long legislative work. Upon the adjournment of the General Assembly, Governor Bill Lee released the following statement:

“Tennessee is America at Its Best, and we’ve made strategic investments to cut taxes, strengthen infrastructure and invest in education at every level to prepare our state for future growth,” said Gov. Lee. “I thank Leader Johnson and Leader Lamberth for carrying key legislation, and commend the General Assembly for passing measures that will benefit Tennesseans and continue our state’s reputation for conservative fiscal management.

Lee’s agenda included the most substantive reform to education funding in more than 30 years, the Tennessee Investment in Student Achievement (TISA). The student-centered plan dedicates an historic \$1 billion in additional recurring funding to improve public education for every child in Tennessee, including a modernized approach that funds each student based on their individual needs.

The slate of budget and legislative priorities also included significant investments in higher education, proven crime prevention and improving transportation infrastructure. Notably, Lee led a 30-day grocery tax suspension proposal that will provide direct financial relief to Tennesseans this August amid surging inflation nationwide.”

Lt. Gov. McNally said the following of the close of session:

"I am tremendously proud of the work both the House and the Senate have done this session. Our strong fiscal position has allowed us to reform our education funding formula, provide tax relief to our citizens and make strategic investments in infrastructure across the state.

The work we have done not only provides for Tennesseans now, it secures the future of our state. Our rainy-day fund is now at historic levels. Whatever awaits us in the future, Tennessee is ready.”

A comprehensive individualized breakdown of relevant legislation will be sent by the Harris Frazier team in the coming weeks. Please contact us with any questions.

Truth in Sentencing

The General Assembly notably passed HB2656/SB2248, better known as the Truth in Sentencing Bill. This bill eliminates early release for several violent offenses and limits it in many others. The offenses, which have had early release entirely eliminated, range from homicide to carjacking. Legislative leadership said bill is intended to provide clarity and visibility into the sentencing process, as well as give closure to victims and safety to communities. Opponents of the bill said that eliminating a chance for early release, often a reward for good behavior in prisons, could increase recidivism. The bill passed both the House and the Senate, and is now sitting on the Governor’s desk, awaiting his signature.

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TISA

The Governor's proposed education funding plan, the Tennessee Investment in Student Achievement (TISA) passed both the House and the Senate to replace the state's outdated Basic Education Program (BEP) funding formula. This bill, which is over 34 pages long, now provides per-pupil funding to school districts, with oversight by the state education department. LEAs and school districts will receive a base of \$6,860 per student, with several districts getting additional funding beyond that based on need. The Tennessee Department of Education will set rules and regulations on the school boards as they see fit. This funding plan will also include a \$1 Billion increase in funding to education.

COVID-19 Business Liability Protections

SB2448/HB2671 extends the sunset date of Tennessee's COVID-19 business liability protection laws for one year and provides business protections for all industries, until July 1, 2023. Extending these critical business liability protections aligns sunset dates with all other COVID-19 related laws, which are scheduled to expire at the same time.

Campaign Finance and Ethics

HB1201/SB1005, sponsored by the House and Senate speakers, is a campaign finance and ethics overhaul aimed at providing more transparency of campaign financial expenditures. Notably, the bill does the following:

- Requires expenditures over \$5,000 in the 60 days before an election to be reported
- Requires additional reporting of expenditures and contributions in the 10 days leading up to the election
- Makes the officers of political action committees personally liable for paying the penalties due to violating the law
- Requires candidates and officials to disclose more information about their sources of income.

This bill faced some controversy, with several groups saying that the bill censors free speech. Speaker Sexton however, says the bill is entirely about transparency and visibility, what he says the voters of Tennessee want. Lt. Gov. McNally said the following in a statement about the need for the legislation:

"If you are working to influence the outcome of an election, the voters deserve to know who you are and what you are doing. What could possibly be wrong with that? The fact this is even in question demonstrates the need for the legislation."

Library Books

The General Assembly passed legislation yesterday that now grants authority to the state textbook commission to approve or reject library materials in schools. The bill creates a statewide process in which parents, school employees, or other complainants can appeal the decisions of locally elected officials on books challenged as being "inappropriate for the age or maturity levels" of students who can access them. The legislation drew much controversy, as opponents voiced concerns about a potential slippery slope when banning books.

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Budget

The General Assembly passed the FY22-23 \$52 billion state budget last week, and the budget bill is currently awaiting the Governor's signature.

Commissioner Piercey to Step Down from Health Department

Tennessee Department of Health Commissioner Lisa Piercey and Governor Lee announced yesterday that Piercey will step down at the end of May to return to the private sector. Piercey has served in the role since January of 2019 and saw the state through the COVID-19 pandemic.

"Lisa led our state's health response through one of the most challenging crises Tennessee has faced, and I commend her faithful service to Tennesseans," Lee said. "She has played an invaluable role in my cabinet, and I wish her much success as she enters the private sector."

Oscar Franklin Smith Execution Halted

Activists are calling on Governor Lee to issue a moratorium on executions following the delay of death row inmate Oscar Franklin Smith's execution. A "technical oversight" in the preparation for the lethal injection was cited as the cause for the delay, but further details have yet to be released. Governor Lee has issued a temporary reprieve while TN Department of Corrections protocols are being addressed.