

The Research Review

PUBLISHED BY THE RESEARCH DIVISION OF THE TENNESSEE HOUSE OF REPRESENTATIVES

May 4, 2006



In the Well: Representatives Keeble of Davidson, Boyd of Tipton, Cassels of Shelby, Norris of Shelby, Sykes of Davidson, Howard of Shelby, McElwee of Haywood, Rivers of Fayette, Evans of Shelby, Fields of Shelby, Hodge of Hamilton, Gooden of Fayette, Hutchins of Hamilton, Graham of Montgomery.

Last week, male members of the Caucus of Black Legislators stepped back in history and became the fourteen African American House members elected to the General Assembly between the years of 1872 and 1887. The presentation was part of an effort spearheaded by Representative Tommie Brown (Hamilton) to acknowledge the contributions made by the first African American members of the Tennessee legislature. The Tennessee State Library and Archives has produced "This Honorable Body: African American Legislators in 19th Century Tennessee" which is a new link on the Secretary of State's website.

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Table of Contents

Agriculture ... 3

Children & Family Affairs ... 4

Commerce ... 5-7

Conservation & Environment ... 8

Consumer & Employee Affairs ... 9

Education ... 10

Finance, Ways & Means ... 11-15

Government Operations ... 16

Health & Human Resources ... 17-19

Judiciary ... 20

State & Local Government ... 21-22

Transportation ... 23

The **House Agriculture Committee** is closed subject to the call of the chair.

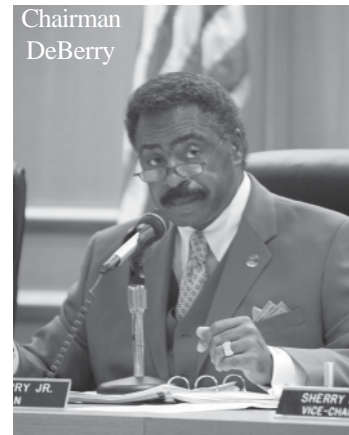
The **Children & Family Affairs Committee** met this week and heard the following bills:

Passed to Finance Ways & Means:

HB 2604 (Tindell) enacts the Child Protection Act of 2006.

HB 3150 (Marrero) as amended requires physicians or other medical personnel who diagnose an un-emancipated minor to distribute information to that child with regard to abuse and helpful resources to report such abuse.

HB 3931 (Maddox) as amended authorizes the division of juvenile justice to contract for a satellite-based monitoring program for tracking youth who are delinquent or unruly. This bill authorizes the department to fund this program from existing funds.



Passed to Calendar & Rules:

HB 3326 (Jones) as amended reduces the age minimum for a person to petition without a guardian to obtain an order of protection from 18 years old to 16 years old, but also adds the stipulation that an order of protection cannot be petitioned against one parent without the signature of the other parent or a caseworker.

Deferred to a summer study committee:

HB 2889 (Crider) as amended allows non-custodial parent to choose a stepparent or grandparent to exercise that non-custodial parent's visitation rights in the event that the non-custodial parent is unable to do so due to military service.

HB 3044 (C. Johnson) as amended states that a parent's absence from the state or failure to comply with custody or visitation orders due to active military service may not be considered contempt if service prevented that parent from being able to comply with custody or visitation orders.

The Children and Family Affairs Committee and its subcommittees are now closed subject to the call of the chair.

The **Commerce Committee** met Tuesday, to consider those bills on its calendar and addenda. The **Utilities & Banking** and **Small Business** Subcommittees are closed for the year at the call of the chair. However, the **Industrial Impact** Subcommittee met Monday to complete its business for the year, and those bills were considered the next day by the full committee. It is anticipated that the full Commerce Committee can complete its business next week and close for the year.

Bills Moved to Calendar and Rules Committee:

HB 3849 (Fitzhugh); **HB 3597** (Turner, L.); and **HB 3807** (Harmon) all deal with the practice of predatory lending. It is unknown at this time which of the bills will be chosen as the vehicle with which to advance the desired cause, so all of them were sent to Calendar and Rules Committee, with the hopes that an agreement could be reached. **HB 3597** was amended by the Commerce Committee with the committee’s compromise position on this issue. **HB 3597**, as amended, accomplishes several things. Among its provisions, it forbids points of 5% if the loan is less than \$30,000, and 3% or \$1,500, whichever is greater, on loans of greater than \$30,000. Balloon payments are forbidden, as are payment schedules that cause the principal owed to increase. Prepayment fees are prohibited after 24 months, and at anytime if refinancing with the same lender. No fees can be charged for release upon prepayment. Increasing the interest rate after default is prohibited, except in variable rate mortgages. In addition, a cap of 5% is placed on late fees. Provisions are granted to give individuals the ability to straighten out potential defaults within a 30 day period.

HB 2775 (Johnson, P.) – This bill, as amended, increases the background check requirements for security guard personnel. Previously, security guards only had to undergo local background checks; yet, under the provisions of this bill, they will have to undergo nationwide background checks. This bill also increases the requirements to be a trainer of security guards.

HB 4031 (McMillan, Cobb) – This bill, as amended, decreases from 60 to 15 days from the beginning of employment in which a security guard must complete initial training. Also, this amendment changes the procedure whereby an applicant for the position of armed security guard may work as an unarmed guard pending the application to become an armed guard.



Rep. Cobb

HB 3080 (Curtiss) – This bill specifies that the execution of either an exclusive agency listing agreement or an exclusive right to sell listing agreement with a prospective seller creates an agency relationship with the seller. The amendment also adds specific duties which must be performed by the real estate broker, which include: scheduling property showings; receiving offers and counter offers and presenting them to the client; answering questions of the client in regard to negotiation of a purchase agreement; advising the client in negotiating a successful closing.

The amendment stipulates that a client must be advised in writing that the client should not seek advice from other real estate brokers.

HB 3478 (Curtiss) – This bill, with an amendment that rewrites it, makes it a requirement to disclose to potential property buyers the results of any known percolation or soil absorption rate test. The tests used must be acceptable to the Department of Environment & Conservation.

HB 1013 (Marrero) – This bill, as amended by the committee, requires married insured individuals, or their attorney, to give 30 days notice when it plans on cutting coverage to a covered spouse because of a divorce or separation. This further provides that, before granting a divorce, judges shall determine if the provisions of this act have been followed, and can require the covered individual to continue to provide health insurance for the former spouse if the notification process has not been followed.

HB 3463 (Miller) – This bill increases the amount of bond required of home improvement contractors from \$10,000 to \$25,000; and, further bans these home improvement contractors from accepting anything of value from referring a borrower to a lender.

HB 3137 (DuBois) – This bill enacts the “Health Savings Account Act.” It stipulates that, for persons on high deductible health plans, withdrawals from a health savings account for medical expenses are not subject to the Hall Income Tax. Withdrawals for other purposes would still be subject to the tax.

Commerce

HB 4047 (McMillan, Shepard) – This bill authorizes insurance companies that do business in the state to file disclosures and filing fees electronically. It also allows them to purchase a 24 month license for double the price of the 12 month license.



HB 3479 (Ferguson, Maddox) – This bill authorizes the independent colleges association multiple employee welfare organization to be exempt from health insurance premium taxes and mandates on health insurance coverage. Also, it refunds previously paid insurance premium taxes to the organization. *Passed out of Industrial Impact on 5/1/06.*

Bills Moved To Finance, Ways, and Means Committee:

HB 2880 (Hackworth) – This bill, as amended by the Commerce Committee, establishes a two-year pilot program which will, headed up by the Department of Labor & Workforce Development, in conjunction with the Departments of Finance & Administration, Health, and Education, work to get TennCare recipients to use existing resources to train for careers in the healthcare field. Labor & Workforce Development shall report back to the General Assembly annually on the results of the program.

HB 3455 (Roach, Sargent) – This bill, as rewritten, allows vehicle sales dealers to purchase, in the counties where it is required, a vehicle inspection certificate for 180 days that costs \$11.50 instead of the \$10.00 that is charged for a 90 day certificate that is currently issued.

HB 2589 (Hackworth) – This bill would create a loan fund, within the general fund, that would fund science investment parks within the state. Priority would be given to investments based on the number of jobs created and jobs that employers intend to keep in their communities for extended periods. The committee amended the bill to make the fund subject to matching federal grant appropriations, and to make the fund subject to state audit,

HB 2744 (Shepard) – As amended in the Commerce Committee, this legislation requires health insurers to cover autism related disorders for children under the age of 12, if the health insurance plans otherwise cover neurological disorders. Coverage would be required to be in effect by January 1, 2007.

HB 3340 (Odom) – This bill, as amended, creates a new vehicle under the federal Medicaid waiver to insure uninsured Tennesseans that will not be covered under the CoverTN plan. It will be modeled as a HIFA plan, under the waiver. If a compromise cannot be reached on the CoverTN legislation, this bill could be possibly be used as a vehicle to advance that plan under this bill's caption; or this could be used to bring in the uninsured that will not be covered under the CoverTN plan.

HB 4046 (McMillan, Sontany) – This bill requires any blasting firm that receives a letter of denial from the ATF to submit it to the state Fire Marshal's office within 5 days of receipt. Further, if any blaster's ATF license becomes invalid or is revoked the state license will also automatically become invalid.

HB 3206 (Odom) – This bill requires a study of the costs to pharmacies for dispensing drugs to TennCare patients. The results of the study would be reported back to the members of the General Assembly. *Passed out of Industrial Impact on 5/1/06.*

HB 4028 (McMillan, Curtiss) – As necessitated by IRS involvement, this legislation clarifies that deputy electrical inspectors are independent contractors, not state employees. The amendment that rewrites the bill states that independent contractors shall be under contract for a period of 3 years, with the option of extending it for 1 year twice. This amendment continues the practice of designating, by contract, a specific territory for each inspector to cover. *Passed out of Industrial Impact on 5/1/06.*



Bills Rolled One Week in Full Committee:

HB 567 (Towns)

HB 4027 (McMillan, Hackworth)

HB 3290 (Kernell)

HB 3676 (Odom) *Passed out of Industrial Impact on 5/1/06.*

Bills moved to 2007 by the Industrial Impact Subcommittee:

HB 2855 (Hackworth)

HB 2559 (Jones, S.)

HB 3533 (Bunch)

Commerce

Bills Taken Off Notice:

HB 3694 (Watson, B.) *in Full Commerce. Passed out of Industrial Impact on 5/1/06.*

HB 2536 (Kernell) *in Industrial Impact*

HB 3204 (Odom) *in Industrial Impact*

HB 3399 (McMillan) *in Industrial Impact*

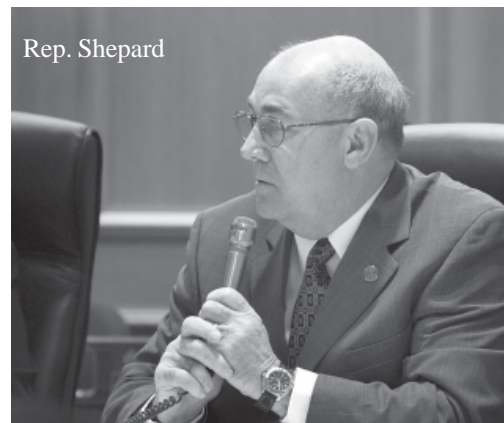
HB 3801 (Jones, U.) *in Industrial Impact*

Bills moved to Summer 2006 Study Committee in Industrial Impact:

HB 3354 (Turner, M.) – Enacts the “Fair Share Health Care Fund Act of 2006.” This legislation would create a fund within the general fund to help the uninsured. The fund would be replenished by contributions from large employers who do not adequately fund their employees’ health care. *Deferred in Industrial Impact to Summer Study on 5/1/06.*

HB 2788 (McKee); **HB 3049** (McKee); and **HB 3050** (McKee) – These bills would move the beginning of reimbursement by health insurance entities from the date that credentialing is granted, to the date that the credentialing application is received. This is due to the lengthy credentialing process for some health insurance plans, particularly that of CMS. *HB 2788 taken off notice in Industrial Impact on 3/21/06. HB 3049 and HB 3050 taken off notice in Government Operations Committee on 4/5/06.*

HB 3386 (Shepard) – This bill would forbid health insurance plans or third-party administrators from reimbursing physicians and other health care providers on a discounted fee basis unless such discounts have been agreed to in a contract between the insurance entity and the provider. Insurers who violate the provisions could be subject to a fine of three times the actual damages. *Passed House on Second Consideration, referred to Government Operations then to Commerce on 2/23/06.*



Rep. Shepard

The **Conservation and Environment Committee** and its subcommittees are closed subject to the call of the chair.

Chairman Ben West, Jr. called a special meeting of the EMPLOYEE AFFAIRS SUBCOMMITTEE followed by the full CONSUMER & EMPLOYEE AFFAIRS COMMITTEE to hear **HB 4032 (McMillan)**.

The bill was presented with an amendment and the amendment was adopted. The amendment rewrites the bill in part stipulating the number of days (30) an insurer has from the notice of injury to the time they file a wage statement with the department. The bill passed to full committee.

In Full Committee, an amendment to the amendment was adopted. The Amendment to the amendment changes the word “shall” to “may” in the following section. If an insurer fails to comply with an order issued by a specialist within fifteen (15) calendar days, “...the commissioner of labor and workforce development shall [may] assess a penalty in the amount of ten thousand dollars (\$10,000).”

HB 4032 by McMillan passed out of Consumer and Employee Affairs Committee as amended to Calendar and Rules Committee.

These committees remain closed subject to the call of the chair:

**HOUSE CONSUMER & EMPLOYEE AFFAIRS COMMITTEE,
EMPLOYEE AFFAIRS SUBCOMMITTEE, and
CONSUMER AFFAIRS SUBCOMMITTEE.**



Rep. McMillan

The House Education Committee met on Wednesday to consider its calendar. Action follows.

Full Committee

Referred to Calendar & Rules:

HR 286 – (Winningham) approves revisions to components of the basic education program. Changes include additional dollars for At-Risk and ELL. It further directs the BEP Review Committee to develop a consensus recommendation on a system level fiscal capacity model in its November, 2006, report.

Referred to Calendar & Rules, if amended:

HB 3753 – (Overbey) adds language to 49-6-1205 to direct the department of education, with approval of the state board of education, to develop content for a one-half unit of credit course on personal finance.

Referred to Finance, Ways & Means:

HB 3098 – (Winningham) requires BEP funding for at-risk student programs be used only for that purpose.

Taken Off Notice:

HB 1284 – (Shaw)

At the conclusion of the calendar, Chairman Winningham closed the meeting sine die.

K-12 Subcommittee

The K-12 Subcommittee met before the Full Committee on Wednesday. Action was taken on 2 items and moved to Full Committee. Those bills were:

HB 3753

HR 286



The K-12 Subcommittee has also closed, sine die.

Week of May 1, 2006:

The Full Committee

The House Finance, Ways, and Means Committee met on Tuesday, April 25, 2006 with thirty-four bills on calendar. Committee actions are as follows:

Rolled 1 Week:

HB 3371 – Sontany
HB 828 – Johnson, P.
HB 2919 – Todd (as amended)
HJR 84 – Johnson, R
HB 111 – Moore
HB 3210 – Moore
HB 3033 – Pruitt
HJR 857 – Winningham
HB 2812 – Winningham
HB 3096 – Winningham
HB 3580 – Coleman
HB 3670 – Curtiss
HB 3179 – Favors
HB 841 – Ferguson
HB 3026 – Maddox
HB 3236 – Marrero
HB 3202 – Odom
HB 510 — Pinion

Recommended for passage and referred to Calendar and Rules:

HB 3256 (Jones, U.) imposes an additional fine of \$15 on traffic violations for accidents involving death or personal injury, where the driver causing the accident leaves the scene. Any collection of fines is to be deposited in the Traumatic Brain Injury Fund.



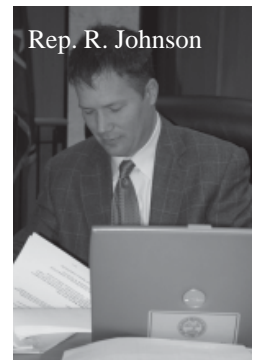
Chairman
Fitzhugh

HB 3741 (Fitzhugh), as amended in House State and Local Government Committee, requires all municipalities to conform to laws governing competitive bidding procedures. Current law stipulates that the Municipal Purchasing Law of 1983 does not apply to purchases by authorized officials in municipalities having charter provisions or private act requirements governing competitive bidding and purchasing. This bill would stipulate that to qualify for exemption, the charter provision or private act must establish dollar limits for which competitive bidding would be required and would have to include any exemptions from the competitive bidding process. Additionally, the charter provision or private act would be required to include

the general bid process procedures.

HB 2768 (Hargett) provides a property tax exemption for property leased by one tax exempt entity and leased to another. As amended with Finance Cmte. Amdt. 1, this bill would require that any property receiving an exemption through the provisions of this bill would have a ground lease term of at least 70 years and be owned by a tax exempt entity, more specifically, a religious, charitable, scientific, or nonprofit educational institution, and leased to another such entity. It adds additional language requiring any changes with the status of the property be promptly reported to the local property tax assessor's office and the board of equalization by both the leasing institution and owning institution. A violation of this would make both the leasing and owning institutions liable to pay full property tax amount from the time of such material change to property plus penalties and interest that would otherwise be due and payable.

HB 3879 (R. Johnson) requires TBI criminal history background check of an applicant for license as a professional bondsman. The bill also requires TBI to submit results of the investigation to the clerks of the courts responsible for regulating the activities of the bondsman. As amended in the full Finance Committee, the bill also requires an applicant for license as a bonding company owner to have at least two years of experience with a professional bonding company and states that should a bondsman be discharged in a bankruptcy proceeding leaving outstanding forfeitures with any court, such person would be disqualified as a bondsman.



Rep. R. Johnson

HB 517 (McMillan), as amended in full Finance, rewriting the bill, this legislation creates a new Class A misdemeanor offense for any person making delivery sales of cigarettes to consumers in Tennessee. It creates a Class B misdemeanor offense for any delivery service that delivers cigarettes for persons making delivery sales of cigarettes to consumers in Tennessee. There is an additional provision in the bill stating that nothing in this section shall be construed to affect/amend the Master Settlement Agreement. It also adds language requiring every licensed agent to provide and update an email address to the Commissioner of Revenue. It also requires the Commissioner of Revenue to notify every licensed agent, by email, if available, ten business days prior to the removal of any manufacturer or brand from the directory. The bill, upon passage, would be effective July 1, 2006.

Finance, Ways and Means

HB 3712 (Winningham) establishes the Board of Athletic Trainers consisting of five members appointed by the governor. As amended in the Government Operations Committee, the bill would allow the board to collect a per diem for service not to exceed more than the per diem that a member of the General Assembly collects.



HB 3700 (Armstrong) is the Housing Authority Clean-up bill, which revises the publication, notice, and other requirements for public housing development and redevelopment plans.

HB 3550 (McCord) authorizes the Tennessee Wildlife Resources Commission to create a one-year, one-time-only permit exempting persons from

hunter education requirements if the person has all other required licenses and permits and is accompanied by a licensed adult who is hunter education-certified or otherwise exempt by law. The Commission is authorized to charge a fee for such a permit.

HB 3887 (Bone) directs the Department of Transportation to identify an appropriate bridge on the Tennessee National Guard Parkway, State Route 840, to be designated as the Staff Sergeant Asbury F. Hawn II Memorial Bridge. Funding for this bill will come out of the Highway Fund, pursuant to TCA §54-1-133.

HB 2507 (Harmon) designates a certain bridge on State Route 285 in Van Buren County as the James Robert Haston Memorial Bridge. Designating signs shall be erected only if Van Buren County either manufactures and erects such signs or remits the estimated cost to the Department of Transportation.

HB 2508 (Harmon) designates a certain bridge on State Route 30 in Van Buren County as the Laurel Cove Bridge. Designating signs shall be erected only if Van Buren County either manufactures and erects such signs or remits the estimated cost to the Department of Transportation.

HJR 941 (Mumpower) designates a certain bridge on State Route 133 in Johnson County as the James C. "Jim" Hutchinson Bridge. Designating signs shall be erected only if Johnson County manufactures and erects such signs or remits the estimated cost to the Department of Transportation.

HB 3052 (Pinion) designates certain segments of various highways in Tennessee as the Purple Heart Trail. Funding for this bill will come out of the Highway Fund.

HB 3756 (Pruitt) directs the Department of Transportation to identify an appropriate bridge on the Tennessee National Guard Parkway, State Route 840, to be designated as the Staff Sergeant Nathan J. Bailey Memorial Bridge. Funding for this bill will come out of the Highway Fund, pursuant to TCA §54-1-133.



HB 3860 (Cridler) designates a certain segment of State Route 104 in Gibson County as the Deputy Roger Norvell Memorial Highway. Designating signs shall be erected only if non-state funds are used to manufacture and erect such signs.

HB 3659 (Maddox) directs the Department of Transportation to identify an appropriate bridge on the Tennessee National Guard Parkway, State Route 840, to be designated as the Specialist James Dustin Carroll Memorial Bridge. Funding for this bill will come out of the Highway Fund, pursuant to TCA §54-1-133.

The Budget Subcommittee

The Budget Subcommittee of the House Finance, Ways, and Means Committee met on Wednesday, May 3, 2006, with 84 bills on calendar, including the consent and an addendum.

Subcommittee Actions for these pieces of legislation are as follows:

Bill Failed for Lack of a Motion:

HB 311 — Lynn

Off Notice:

HB 3899 – Buck

Behind the Budget:

HB 3591 – Armstrong

HB 1168 – Buck

HB 2832 – Campfield

HB 2688 – Campfield

HB 3261 – DeBerry, J.

HB 2055 – DeBerry, L.

HB 640 – Favors

HB 2013 – Fitzhugh

HB 3235 – Fowlkes

Finance, Ways and Means

HB 3583 – Jones, S.
HB 2978 – Jones, S.
HB 3281 – Jones, S.
HB 3255 – Jones, U.
HB 3549 – Marrero
HB 2126 – McMillan
HB 2934 – McMillan
HB 3201 – Odom
HB 3611 – Odom
HB 3781 – Rinks
HB 2811 – Winningham (with a Budget Sub Amdt)
HB 3829 — Coleman
HB 3573 – Kernell
HB 2192 – Kernell
HB 3379 – Langster
HB 3304 – Niceley

Deferred One Week:

HB 3868 – Armstrong
HB 2901 – Brooks (Shelby)
HB 2518 – Brooks (Shelby)
HB 2902 – Brooks (Shelby)
HB 3058 – Cochran (with a Budget Sub Amdt)
HB 3356 – DeBerry, J. (with a Budget Sub Amdt)
HB 3804 – Harmon
HB 3900 – Harmon
HB 610 – Harwell (with a Budget Sub Amdt)
HB 2035 – Jones, S.
HB 3967 – Jones, U.
HB 3441 – Lynn
HB 3418 – McMillan
HB 4034 — McMillan
HB 3431 – Tidwell
HB 2600 – West
HB 3431 – Tidwell
HB 2600 – West
HB 3093 – Winningham
HB 3720 – Winningham
HB 3513 – Yokley
HB 3023 – Maddox
HB 1731 – Maddox
HB 3833 – McKee
HB 2883 – Turner, M.

SJR 44 – Sen. Jackson (carried by Rep. McCord)

Deferred to TACIR for future study:

HB 3747 – Fitzhugh

Referred to the Special Study Cmte Subcommittee:

HB 2495 – Fowlkes
HB 2906 – Harrison (with a Budget Sub. Amdt.)

Deferred to the Budget Sub Special License Plate Calendar:

HB 2753 – Pinion (with a Budget Sub Amdt)

The following bills were referred to Full Committee from the Budget Sub Consent Calendar: (all are highway signs)

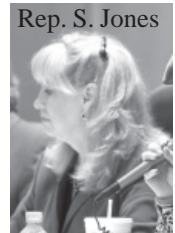
HJR 1022 (Davis)
HJR 1023 (Davis)
HB 2527 (Fowlkes)
HJR 960 (Fowlkes)
HJR 968 (Gresham)
HB 2503 (Rowland)
HB 2796 (Turner, L.)
HB 3642 (West)
HB 2497 (Winningham)

The following bills were referred to Full Committee from the Budget Sub Regular Calendar:

HB 3740 (Fitzhugh) revises the information required for debt obligation issuance and revises provisions governing contracts for professional services.

HB 374 (Harwell) is the bill, as amended with the Budget Subcommittee Amdt. 2, reverts the bill back to what the House Education Cmte had adopted and passed. This bill urges the Department of Education to develop sexual awareness curriculum subject to the guidance and approval of the State Board of Education.

HJR 996 (Jones, S.) urges the Department of Health to ensure that children are vaccinated annually against influenza according to the recommendations of the Advisory Committee on Immunization Practices (ACIP). Encourages the Department to increase efforts to educate parents and child care providers about influenza vaccine and promulgate rules to require the annual influenza immunization of children in licensed daycare facilities.



HB 3486 (Lynn), as amended in House Commerce, this bill requires local telephone companies to notify new subscribers of the availability of local number portability. Further, this amendment stipulates that new enrollment in the state’s “Do Not Call” list is subject to a 30-day waiting period instead of a 60-day waiting period.

HB 4011 (McMillan) is the Governor’s Cover Tennessee bill. A funding letter from the Administration was received in the House Finance Office recognizing the cost of this bill, stating the additional needed funding will be recognized in the Administration Amendment to the Appropriations Bill.

Finance, Ways and Means

HB 4013 (McMillan) as amended in House State and Local Government, this bill requires all members of the Tennessee Highway Patrol to be Police Officers Standards Training Commission (POST) certified. A funding letter from the Administration was received in the House Finance Office recognizing the cost of this administration bill, stating the additional needed funding will be recognized in the Administration Amendment to the Appropriations Bill.

HB 3395 (McMillan) raises, from 100 acres per county to 1,500 acres per county, the exemption level for property tax exemptions for undeveloped land. As amended in the House State & Local Government Committee, clarifying language was added stating that the existing law still applies to the first 100 acres of land. It also designates acres over 100 as greenbelt property.

HB 2818 (Moore) authorizes the Department of Safety to negotiate an agreement with federal authorities to train



Tennessee Highway Patrol officers to perform immigration law enforcement functions. It also authorizes trained officers to enforce federal immigration and customs laws in Tennessee. The bill is permissive in nature and upon working with the Administration, it was determined that the expense of this bill could be absorbed within existing departmental revenues.

HB 2757 (Pinion), as amended in the Health and Human Resources Committee, this bill exempts a person employed by an agency licensed under Title 33, Chapter 2, Part 4, providing personal support services to persons living in their own home or private residence who may assist the client with medication administration, excluding injections, upon written waiver of liability by the client from nursing licensure.

HB 3766 (Rinks), as amended in State and Local Government Committee, this bill requires municipal elections to be conducted either during the November regular election or the August regular election starting by 2010.

HB 3717 (Winningham), as previously amended in Budget Sub last week, this bill establishes the Board of Athletic Trainers. The Budget Sub. Amdt incorporates language of original bill plus adds more detail to the statute, re: residency of serving members, i.e., must live in state at least 5 years and continue to reside here

at all times thereafter while serving on the Board. It allows reappointment after serving a four-year term. It changes the House GOC Amdt language, instead of a per diem not to exceed General Assembly's (\$150), this amdt does not allow it to exceed \$100/day. The bill, as amended, authorizes the Board to establish prerequisites for admission to the licensure exam and allows the board to contract out for administration of the exam. The Board can set all types of fees, guidelines and standards and can establish requirements for mandatory continuing education, including a waiver mechanism in cases of undue hardship. A violation of compliance and still practicing in state would be a Class B misdemeanor, giving the Board the power to petition circuit and chancery court for those practicing without a license or with a suspended/revoked license. The Board shall have authority to assess civil penalties. This does not apply to physicians duly licensed who employ or contract for services provided in doctors' offices, under the physician's supervision, control, or responsibility.

HB 2809 (Winningham) permits students who receive the Tennessee HOPE foster child tuition grant to attend eligible private, as well as public, postsecondary institutions.

HJR 880 (Winningham) urges the Governor to implement the construction of four-lane highways for each county seat to the nearest interstate by the shortest route available over an existing state or federal highway until every county has such an access route. A copy of this resolution shall be transmitted to the Honorable Phil Bredesen, Governor of Tennessee, and to the Commissioner of Transportation.

HB 2691 (Yokley), as amended in House Judiciary, requires the DA's Conference to establish an automated system to notify victims of an offender's current status. The automated victim notification system is to be administered by the district attorneys general conference. This system permits a registered crime victim to receive the most recent status report for an offender by calling the system's toll free number. Also, the system will automatically notify a registered crime victim when a committed offender is transferred or assigned to another facility, is given a different security classification, is released or temporary leave, discharged or has escaped.

HB 2200 (Briley), as amended in the Health



Finance, Ways and Means

& Human Resources Committee, this bill requires the Department of Health to provide a link on its website to the websites for the American Academy of Pediatrics and the American College of Obstetricians and Gynecologists for accessing the Guidelines for Perinatal Care and requires the Board of Medical Examiners and the Board of Osteopathic Examination to publish such guidelines in their annual newsletters. The effective date for the bill, as amended, would be July 1, 2006.

HB 3918 (Hood), as amended in House Judiciary Committee, this bill grants municipal court jurisdictional power to enforce any municipal law or ordinance that mirrors or substantially duplicates or incorporates by cross reference the language of a state criminal statute, if and only if the state statute duplicated is a Class C misdemeanor. It also authorizes the municipal court clerk to use competitive bidding procedures to retain a collection service to collect judgments awarded that have not been collected within 60 days of judgment entry. An additional fee of up to 40% can be assessed to pay for the collection services.

HB 3844 (Rowland), authorizes a pharmacist, when making substitutions, to use drugs and drug products manufactured within any state or country if the products have been approved by the Food and Drug Administration (FDA) and have been given an "A" therapeutic equivalent rating. The Health & Human Resources Committee Amendment exempts non-rated generic drugs and drug products from the provisions of the bill.

HB 2909 (Strader), as amended in House Judiciary, this bill creates a Class A misdemeanor offense to knowingly produce, manufacture, distribute, possess or possess with intent to produce, manufacture, or distribute the hallucinogenic plant *Salvia divinorum* or any plant or substance containing the active chemical ingredient Salvinorin.

SJR 596 (Sen. Burchett, carried in the House by Rep. Overbey) is the resolution regarding anti-epileptic medications and resolves that prescribers and pharmacists remain aware of the potential public safety and health care implications that the substitution of generic drugs and drug products may have on epileptic persons. As amended in the House Budget Subcommittee, this resolution also resolves that

prescribers and pharmacists notify the patient, whenever prescribing or dispensing a drug or drug product, that generic or therapeutic substitution may cause side effects and have consequences for the patient.

HB 3449 (Sargent), this bill assists Tennessee governmental entities that offer other post employment benefits (OPEB) by creating an irrevocable investment trust whereby such entities may begin financing health care benefits and other post employment benefits in advance. Creation of the trust would be optional to each Tennessee local government. However, once a local government creates a trust, the assets in the trust are irrevocable and may only be withdrawn for payment of OPEB or to pay the cost of administering the fund.



Rep. Rowland

The House Government Operations Committee met on Wednesday morning to consider eight bills on the calendar. **HB 2635** by Representative Curtiss was taken off notice.

HB 3186 by Representative Harmon was reviewed for rulemaking purposes and referred to the Commerce Committee with a positive recommendation. The Commissioner of Revenue, in consultation with the Department of Economic and Community Development, is required to promulgate rules in order to enforce a tax credit that is equal to the amount of sales tax paid to recipients of small business innovation research program grants that have invested at least \$500,000 on approved equipment, buildings, or machinery for research and development.

Sunset Bills passed to Calendar & Rules:

- **HB 2735 (Kernell)** – Board of Dentistry – June 30, 2010. **An amendment placed on this bill changed the sunset date to June 30, 2007.**
- **HB 2734 (Kernell)** – Board of Chiropractic Examiners – June 30, 2010.
- **HB 2703 (Kernell)** – Board of Medical Examiners’ Committee on Physician Assistants – June 30, 2010.



Other Legislation

The committee passed **HB 3725** to the Calendar and Rules Committee. This legislation extends the entities that are up for sunset to be given an automatic one-year extension because there has not been a public hearing on the entities involved. As a result, no entity will be dissolved due to lack of a hearing.

HB 3726 by Representative Kernell passed to the Calendar and Rules Committee. Known as the “Omnibus Rule Bill,” this legislation extends permanent rules that have been filed with the Secretary of State after June 1, 2005. These rules will remain in effect until they are amended by rule by the appropriate rulemaking agency or repealed.

Full Committee

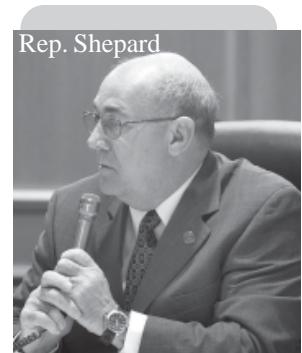
Chairman Armstrong held the **final meeting** of the **Health & Human Resources Committee** on Tuesday afternoon, May 2, 2006, with 19 bills on calendar. The calendar was continued from the April 25, 2006, meeting.

The following bills were **referred to C&R**:

- **HB 3598** (West) revises the (to be effective) July 1, 2006, qualifications for employment of surgical technologists to include national certification through the NCCT TS-C exam, completion of a surgical technology program accredited by ABHES, or successful completion of the NCCT TS-C exam. HB 3598 was referred 11-9-1 on a roll call vote.
- **HB 3203** (Odom) as amended defines “surgical technologists;” requires persons employed as surgical technologists to complete a surgical technology program accredited by CAAHEP, complete a surgical technology training program in the armed forces or at a CAAHEP accredited hospital or ambulatory surgical treatment center, hold national certification established by the LCC-ST, or successfully complete the LCC-ST certifying exam; exempts persons licensed under any Chapter of Title 63 (Healing Arts) from the provisions of this legislation; and, adds a grandfather provision for persons employed as surgical technologists for not less than 18 months in the five years preceding July 1, 2006, and persons who had begun training prior to July 1, 2006, provided such training is completed within three years.
- **HB 3882** (Odom) as amended broadens the conflict of interest exemption provisions for physician referrals to include physician owned physical therapy clinics and authorizes physicians or physician groups to employ or contract with physical therapists to provide services.



- **HB 3835** (Turner, M.) as amended specifies the individuals and entities that physicians and labs may bill for cytologic pathology services.
- **HB 2561** (Shepard) expands the discipline authority of the Massage Licensure Board and creates an alternative to existing licensure requirements in certain situations.
- **HB 3385** (Shepard) as amended relative to “quality assurance programs” and “continuous quality improvement programs” for pharmacies encourages pharmacists to implement quality assurance/continuous quality improvement programs to identify and evaluate quality-related events, reduce medication-related errors, generate data useful to studying the causes of medication errors and improve patient care, makes all information created in the course of a quality assurance/continuous quality improvement program privileged and confidential and not subject to discovery, subpoena, or other means of legal process or introduction into evidence, and requires pharmacies to hold the privilege to all information created in the course of the pharmacy’s quality assurance/continuous quality improvement programs.
- **HB 3618** (Shepard) as amended requires nursing homes to maintain a medical equipment management plan that includes a itemized inventory of medical equipment and schedule for the maintenance, inspection, and testing of such equipment, and ensures the maintenance, inspection, and testing of the medical equipment were conducted by qualified personnel.



Health & Human Resources

- **HB 1285** (Ferguson) as amended establishes certain reasonable criteria for a restriction on the right of an employed health care provider licensed under Title 63, Chapters 3, 4, 5, 8, 9, and 11 to practice upon termination or conclusion of their employment contract.

The following bills were **referred to FW&M**:

- **HB 3562** (Odom) as amended requires the Department of Mental Health & Developmental Disabilities to recommend options for access to non-emergency behavioral health services for Tennesseans who are uninsured and report recommended options to the House and Senate Health Committees by November 20, 2006.
- **HB 2648** (Odom) as amended revises various provisions of existing law relative to licensure and practice for occupational therapists and occupational therapy assistants and increases the per diem for the Board of Occupational and Physical Therapy Examiners. Amendment #1 authorizes physicians to delegate routine tasks associated with occupational therapy practice to persons who are not licensed as occupational therapists and clarifies that the provisions of this legislation are not intended to prevent or restrict the practice of any person licensed under any Chapter of Title 63 (Healing Arts). Amendment #2 specifies that statutory provisions for occupational therapists do not apply to a person with national certification as a certified therapeutic recreation specialist practicing recreation therapy. Amendment #3 amends the definition of “occupational therapy services” to correct a typographical error in the bill as introduced.
- **HB 3560** (Odom) as amended requires the Board of Pharmacy, in cooperation with the Department of Health, to establish a pilot program whereby a hospital, nursing home, home care organization, residential HIV supportive living facility, or residential hospice facility may donate unused prescription medications, except controlled substances, to a charitable clinic pharmacy to be re-dispensed

free of charge to indigent patients and submit two reports along with any recommendations or findings to the House and Senate Health Committees by March 1, 2007 and January 1, 2008. Participation in the pilot program will be voluntary. Amendment #2 names this Act the “Nina Norman Prescription Drug Donation Act of 2006.”

- **HB 1288** (DeBerry, L.) prohibits performing surgery under general anesthesia or conscious sedation outside of a hospital or ambulatory surgical treatment center.
- **HB 3809** (Hensley) as amended requires that during the month of July 2006 there will be a 30 day open enrollment in TennCare for persons of any age with income of less than 200% of poverty level who were involuntarily disenrolled from TennCare during the period May through December 2005 and who are uninsurable because of heart disease, cancer, chronic diabetes, HIV, organ transplant, or autoimmune disease. By February 15, 2007, the Commissioner of F&A will report to the General Assembly the number of individuals who applied during the enrollment period, the number found to be eligible, the anticipated cost of their coverage, and the amounts of premiums and federal revenues to defray such costs.



- **HB 2913** (Mumpower) requires the Commissioner of Finance & Administration, in consultation with the Commissioner of Health and the traumatic brain injury advisory council, to develop a proposal for a federal waiver to provide medical assistance to eligible persons with acquired brain injury. The proposal is to be developed by January 15, 2007, and submitted to the Department of Health & Human Services by April 15, 2007.
- **HB 3499** (Mumpower) authorizes any member of the health related boards to annually attend, and be reimbursed expenses for, at least one national meeting related to the subject area of the board on which the member sits.

Health & Human Resources

- **HB 3067** (Shepard) as amended requires healthcare facilities with an average daily census of at least 25 inpatients or an outpatient facility that performs an average of 25 procedures per day to join CDC's National Nosocomial Infection Surveillance/National Healthcare Safety Network surveillance system; requires the Department of Health to report on central line associated bloodstream infections in intensive care units, excluding burn units and Level 1 trauma units, and surgical site infections for coronary artery bypass grafts; requires the Commissioner of Health to establish a task force to clarify Class I and Class II surgical site infections in the *Interpretive Guidelines for Reporting Unusual Events*; requires the committee established by the Department of Health to report on hospital-acquired infections to continue to meet at least biannually; specifies information obtained by the Department from hospitals and healthcare providers under the provisions of this legislation will not be public information, however, reports prepared by the Department based upon such information will be public information and may identify individual healthcare entities; and, specifies data reported pursuant to this legislation will not be considered a standard of care for purposes of civil litigation nor used in any civil litigation against a reporting entity.
- **HB 4019** (McMillan, Armstrong) requires the Office of Inspector General (OIG) to utilize data mining of data relating to the delivery of medical assistance, medical assistance payments, and other goods and services paid for by TennCare, for the purpose of detecting fraud or abuse by recipients, providers, vendors, managed care organizations, or other persons or entities and authorizes the OIG to have administrative remedy for the recovery of all costs associated with such fraud and abuse.

The following bills were **referred for summer study**:

- **HB 3517** (Cochran) prohibits a state agency from using state or federal funds for universal mental health screening or testing of juveniles under any federal mental health program without the approval of the General Assembly except under certain conditions and sets out guidelines that LEAs must follow with respect to psychotropic medicine and psychiatric evaluation for students. After debate and testimony from proponents and opponents, HB 3517 was referred to the Mental Health Subcommittee for summer study 11-10-1 on a roll call vote. Chairman Armstrong invited all members of the full committee to participate in this summer study.
- **HB 3062** (Maggart) authorizes the Department of Health to establish a pilot project to provide loans for alcohol or drug abuse treatment to persons that do not qualify as indigent but can not afford such treatment. At the request of the sponsor, HB 3062 will be held in the full committee for summer study.



The **Judiciary Committee** and its subcommittees are closed subject to the call of the chair.

This week in the State and Local Government full committee, the committee conducted its final meeting. There were 33 bills on the calendar, 11 passed to Calendar and Rules and 13 passed to Finance, Ways and Means.

Bills passed to Calendar and Rules:

-HB 2405 by Sargent – Imposes a tax on new residential and non-residential property development to pay for the cost of new and expanded school facilities.

-HB 3266 by Fitzhugh – This bill requires recommendations of the Commission on Compensation to be posted on the web site of the general assembly.

-HB 2630 by Curtiss – This bill enacts the “Warren County Employees Uniform Nepotism Policy of 2006.”

-HB 139 by Shaw – Requires the owner or operator of a landfill to use native grasses to cover a landfill when it has ceased operation. This bill was amended to remove the requirement that native grasses be used to cover the landfill when the landfill has been closed and is used by the public for recreational purposes.

-HB 4045 by Harmon – This bill revises the provisions governing the commissioner of commerce and insurance obtaining a lien against a building or premises that had to be repaired, torn down, or demolished, or from which materials were removed and dangerous conditions remedied.

-HB 3189 by Harmon – Requires a newly elected first-term sheriff after August 1, 2006, to complete the new sheriff school prior to September 1 following the election.

-HB 3190 by Harmon – This bill deletes the language requiring a sheriff to accept certain surrenders at the sheriff’s place of residence.

-HB 3336 by McCord – Expands the definition of certain unfunded pension obligations to include pension benefits arising from a defined benefit plan and funded solely by contributions of local government.

-HB 3508 by Tindell – This bill requires any person who stores, handles, distributes, or delivers alcoholic beverages other than for personal use to have a wholesale or retail license or be employed by such licensee.

-HB 224 by Tindell – Approves the 2006-2007 annual events by 501(c)(3) organizations.

-HB 3568 by U. Jones –

This bill authorizes the sale of alcoholic beverages at a facility operated by the Newport Tennessee Theater Guild.

Bills passed to Finance, Ways and Means:

-HB 3195 by Winningham – Imposes additional reporting requirements on lessees of industrial development corporations concerning payments in lieu of taxes.

-HB 3954 by Briley – Requires the Lottery Corporation to establish a lottery ticket litter reduction program.

-HB 3271 by Fitzhugh – Establishes a one-time award of 30 sentence credits for an inmate’s successful completion of a GED or a therapeutic community program.

-HB 3339 by Fitzhugh – This bill establishes “Master Assessor” level certification for assessors of property and deputy assessors.



Rep. Tindell



Rep. Harmon

State & Local Government

HB 3476 by Curtiss – Extends the authorization to all counties and municipalities which presently only permits Davidson County to appropriate funds for property tax relief for the elderly and disabled homeowners and disabled veterans.

-HB 3188 by Harmon – Establishes certain qualifications for jailers hired after July 1, 2006. This bill also creates a Class A misdemeanor offense for appointing or paying a jailer that fails to meet the minimum qualifications.

-HB 3061 by Maggart – This bill increases the penalties for buying alcohol for persons under the age of 21.

-HB 3060 by Maggart – Increases the penalties for persons under age 21 using false identification to purchase alcoholic beverages or beer.

-HB 3469 by Curtiss – This bill eliminates the restriction that only the state may tax transfers of realty.

-HB 3780 by Rinks – Requires the development of a statewide planning and mapping system for public buildings.

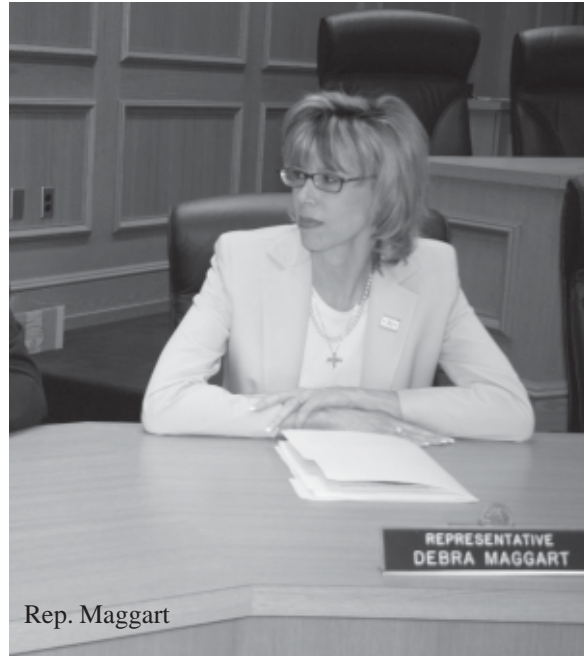
-HB 3784 by Rinks – This bill creates the military family assistance trust fund to assist financially uncertain military families.

-HJR 1092 by Brown – Requests a sculpture be created and displayed in the Capitol to honor and commemorate the first African-Americans who served in the general assembly.

-HB 3912 by Wunningham – Requires public agencies entering into interlocal agreements to file the agreements and an annual statement concerning the agreement with the comptroller.

All other bills were taken off notice.

All committees within State and Local Government are now closed.



The **Transportation Committee** and its subcommittees are closed subject to the call of the chair.

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