

Legislative Express

Session 2025 | Issue 2

The Bills Have Been Filed, Now the Fun Begins

The bill filing deadline for the 2025 Legislative Session was yesterday, February 6, 2025. This edition of the Legislative Express has 33 bills which may be of interest to TAUD members. The TAUD Legislative Committee's first opportunity to review and discuss a lot of these bills will be next Monday.

Caption Bills Abound

In addition to the 33 bills in this Legislative Express, the Legislative Committee is tracking about 15 caption bills. What is a caption bill?

Pursuant to Article II, Section 17 of the Tennessee Constitution, every bill filed with the General Assembly must have a caption with a short description of the bill's subject and the portions of Tennessee Code Annotated (TCA) which are affected by the bill. Once a bill has been filed, no amendment can be made to the bill which is broader or not covered by the original caption of the bill. As a result, some bills are filed with broad captions which list several titles or parts of TCA which are affected and have very general descriptions of the subject of the bills. When a bill has a broad caption, it can be used by legislators to amend the bill at any time, often with little notice, to cover any topic or subject allowed by the caption. Hence, a "caption bill."

Some caption bills are filed for the purpose of meeting the bill filing deadline to hold a place for a bill for which the bill sponsor does not have final language by the filing deadline. Some caption bills are filed with the intention of amending the bill at the last minute to reduce scrutiny of the true reason for bill. Some caption bills are used to enact legislation when the need for the legislation does not arise until well into the legislative session. Oftentimes, caption bills are never amended and just do not move forward in the legislative process. Most of the time, the reason for the caption bill being filed is unknown when it is filed.

Therefore, caption bills are closely tracked and followed by TAUD and its lobbyists so TAUD becomes aware of their true purposes should they be amended which can occur on very short notice.

Bills Dealing with the Approval of New Developments

Several bills have been filed dealing with providing utility service to new developments. As drafted, some of these are a little difficult to understand. TAUD will be working with the sponsors of the following bills to gain a better understanding of the purpose of the bills and to take any action necessary to ensure they do not adversely affect its members:

SB717/HB796 - Infrastructure oversight and customer choice

SB731/HB795 - Changes on a contractor or developer's application for development site plans or inspections

SB1139/HB542 - Utility to review plans of development for compliance with infrastructure codes

SB87/HB265

Sponsors Sen. Jackson, Ed; Rep. Lafferty, Justin
Category Government Organization
Senate Status 01/15/25 - Referred to Senate Government Operations Committee.
House Status 02/05/25 - Set for House Government Operations Committee Consent Calendar 02/10/25.
Comment This bill extends the Tennessee board of utility regulation to June 30, 2029.

Sunset - Tennessee board of utility regulation.

SB114/HB136

Sponsors Sen. Harshbarger, Bobby; Rep. Atchley, Fred
Category Public Finance
Senate Status 01/15/25 - Referred to Senate State & Local Government Committee.
House Status 02/05/25 - Set for House Cities & Counties Subcommittee 02/12/25.
Comment This bill broadens the financial disclosure obligations of state and local governmental entities to include the disclosure of bond covenant violations and credit rating downgrades to the comptroller of the treasury or the comptroller's designee.

Debt reporting requirements - state and local governmental entities.

SB162

Sponsors Sen. Hensley, Joey
Category Utilities
Senate Status 01/27/25 - Referred to Senate Energy, Agriculture & Natural Resources Committee.
Comment This bill prohibits public water systems from adding fluoride to their water systems.

Prohibits public water system operators from adding fluoride to water systems.

SB178/HB22

Sponsors Sen. Lowe, Adam; Rep. Davis, Elaine
Category Public Employees
Senate Status 01/27/25 - Referred to Senate State & Local Government Committee.
House Status 01/28/25 - Referred to House Public Service Subcommittee.
Comment This bill requires a governing body subject to the open meetings act to reserve a period of public comment on any matter germane to the jurisdiction of the governing body regardless of whether the matter is listed on the agenda for the meeting. Under current law, public comment is limited to matters germane to items on the meeting's agenda.

Governing body to provide public with opportunity to comment at meeting.

SB191/HB1338

Redefines local government to include a water, wastewater, or energy authority.

Sponsors Sen. Taylor, Brent; Rep. Lamberth, William
Category Public Finance
Senate Status 01/27/25 - Referred to Senate Energy, Agriculture & Natural Resources Committee.
House Status 02/06/25 - Filed for Introduction

Comment This bill requires that any local government seeking to issue "heightened risk debt" to submit a request for approval to the Comptroller's Office. The Comptroller's Office has 15 business days to approve or disapprove the request. If the Comptroller does not respond to the request within 15 business days, the local government may proceed to issue the debt. Local government includes any incorporated city or town; metropolitan government; county; water, wastewater, or energy authority; or utility district. Heightened risk debt means any debt obligation containing: (1) a variable interest rate; (2) an interest rate reset provision which allows the interest rate to change at certain intervals during the life of the debt; or (3) a put option. The bill further defines local government for purposes of the issuance of balloon indebtedness to include any incorporated city or town; metropolitan government; county; water, wastewater, or energy authority; or utility district.

SB212/HB885

Agendas for meetings of governing bodies.

Sponsors Sen. Gardenhire, Todd; Rep. Todd, Chris
Category Public Employees
Senate Status 01/27/25 - Introduced in the Senate
House Status 02/05/25 - Introduced in the House

Comment This bill requires the governing body of any political subdivision of Tennessee: (1) to make available to the public at no charge the agenda for an upcoming regular meeting in a place accessible to the public at least 48 hours before the regular meeting; (2) to only deliberate or act upon items not listed in the agenda unless its bylaws or properly adopted rules permit such actions and complies with all other applicable state laws permitting such action; and (3); to not circumvent this requirement by withholding items from the agenda to avoid public disclosure of business to be considered. The bill further provides that publishing the agenda on the political subdivision's website is considered a place of public access. Currently, only the legislative bodies of cities, towns, counties, and metro governments must do the above.

SB258/HB1139

Definition of public water system under the TN Safe Drinking Water Act - inclusion.

Sponsors Sen. Pody, Mark; Rep. Boyd, Clark
Category Environment & Nature
Senate Status 01/27/25 - Introduced in the Senate
House Status 02/05/25 - Filed for Introduction

Comment This bill seems to remove from the definition of public water system a treatment facility which is used solely for softening of water.

[SB307/HB1054](#)

[Construction project delivery methods.](#)

Sponsors Sen. Briggs, Richard; Rep. McKenzie, Sam
Category Local Government
Senate Status 01/27/25 - Filed for Introduction
House Status 02/06/25 - Introduced in the House

Comment

This bill authorizes a local government having a population of 100,000 or more according to the 2020 census and having centralized purchasing with a full-time purchasing agent to use any of the following project delivery methods for the construction of local projects or additions to existing buildings: (1) construction manager at-risk; (2) design-bid-build; (3) design-build; or (4) design-build-finance-operate. While the definition of local government includes utility districts and authorities, these utilities may not be able to use these methods. The federal census does not include population information for utility districts and authorities. Having central purchasing and a full-time purchasing agent are concepts which only seem to apply to cities and counties not utility districts and authorities.

[SB369/HB742](#)

[Quotes required by local governments for purchases.](#)

Sponsors Sen. Briggs, Richard; Rep. McKenzie, Sam
Category Local Government
Senate Status 01/28/25 - Filed for Introduction
House Status 02/05/25 - Introduced in the House

Comment

When a city or county increases its threshold for competitive bidding over \$10,000, it must do so by resolution or ordinance passed by the governing body. If a purchase falls between 40% of the new bid threshold or some lower amount as may be established by the governing body by resolution or ordinance, the purchase can be made in the open market without publishing a notice in a newspaper of general circulation, but the city or county must attempt to obtain at least three written price quotes to ensure competitive pricing.

[SB370/HB967](#)

[Taxes and fees collected by merchants and sellers.](#)

Sponsors Sen. Briggs, Richard; Rep. Hawk, David
Category Taxes General
Senate Status 01/28/25 - Filed for Introduction
House Status 02/06/25 - Introduced in the House

Comment

This bill provides that when the amount of a state or local tax or fee (including sales tax) is calculated as a percentage of an electronic payment transaction amount and is listed separately on the payment invoice or other demand for payment, this amount must be excluded from the interchange fee charged for that electronic payment transaction. The bill defines "interchange fee" as a fee established, charged, or received by a payment card network for the purpose of compensating the issuer for its involvement in an electronic payment transaction.

SB377/HB548

Tennessee Procurement Protection Act.

Sponsors Sen. Rose, Paul; Rep. Cochran, Mark
Category State Government
Senate Status 01/28/25 - Filed for Introduction
House Status 02/05/25 - Referred to House Public Service Subcommittee.

Comment This bill creates the Tennessee Procurement Protection Act (the Act). This Act prohibits the public procurement of final products or services from a foreign adversary company, whether those products or services are sold directly by the foreign adversary company or through a third-party vendor. This Act permits the public procurement of products and services from a company that has operations, affiliates, and subsidiaries in a foreign adversary so long as the company is not a foreign adversary company. This Act prohibits a foreign adversary company from bidding on or submitting a proposal for a contract with a state agency or political subdivision of this state for goods or services. The Act further mandates a state agency or political subdivision require a company that submits a bid or proposal for a contract for goods or services to certify that the company is not a foreign adversary company.

SB378/HB549

Tennessee Critical Infrastructure Act.

Sponsors Sen. Rose, Paul; Rep. Cochran, Mark
Category State Government
Senate Status 01/28/25 - Filed for Introduction
House Status 02/05/25 - Referred to House Public Service Subcommittee.

Comment This bill enacts the "Tennessee Critical Infrastructure Protection Act." This Act prohibits a governmental entity from entering into a contract or other agreement relating to critical infrastructure in this state with a company that is a foreign principal from a foreign adversary country if the agreement would allow such foreign principal to directly or remotely access or control critical infrastructure in this state. A governmental or non-governmental entity may enter into a contract or agreement relating to critical infrastructure with a foreign principal from a foreign adversary country or use products or services produced by such foreign principal if: (1) there is no other reasonable option for addressing the need relevant to state critical infrastructure; (2) the contract is pre-approved by the department of finance and administration; and (3) not entering into such a contract or agreement would pose a greater threat to the state than the threat associated with entering into the contract.

SB380/HB421

Continuing education for utility district commissioners.

Sponsors Sen. Walley, Page; Rep. Marsh, Pat
Category Public Employees
Senate Status 01/28/25 - Filed for Introduction
House Status 02/05/25 - Set for House Business & Utilities Subcommittee 02/12/25.

Comment This bill does two things. First, it reduces the number of required hours for continuing education for governing board members of utilities from 12 hours to 6 hours for each three year continuing education period. Second, it permits a person who has become ineligible to serve as a utility district commissioner due to the failure to timely get the required initial training or continuing education to file a petition for reinstatement of the person's eligibility to serve as a utility district commissioner with the TBOUR.

SB418/HB4

Actions brought against a local governmental entity under the TN Governmental Tort Liability Act - recovery amounts.

Sponsors Sen. Akbari, Raumesh; Rep. Bulso, Gino
Category Tort Liability
Senate Status 01/28/25 - Filed for Introduction
House Status 02/05/25 - Set for House Civil Justice Subcommittee 02/12/25.

Comment This bill Increases the amount that a person may recover in an action brought against a local governmental entity under the Tennessee Governmental Tort Liability Act for claims brought on or after July 1, 2025, to \$750,000 for the bodily injury or death of one person in one accident, \$1,500,000 for the bodily injury or death of all persons in one accident, and \$250,000 for the injury or destruction of property of others in one accident. The current limits which were set in 2007 are \$300,000 for the bodily injury or death of one person in one accident, \$700,000 for the bodily injury or death of all persons in one accident, and \$100,000 for the injury or destruction of property of others in one accident.

SB425/HB66

Confidential records - exceptions.

Sponsors Sen. Reeves, Shane; Rep. Sparks, Mike
Category Local Government
Senate Status 01/28/25 - Filed for Introduction
House Status 01/28/25 - Referred to House Public Service Subcommittee.

Comment This bill makes the residential information of local government employees such as street address, city, state and zip code confidential under the public records act. This is really not much a change since existing law already makes the "residential street address for any county, municipal or other public employee" confidential.

SB518/HB561

Authorizes certain utility systems to borrow money in anticipation of revenue collections.

Sponsors Sen. Reeves, Shane; Rep. Capley, Kip
Category Local Government
Senate Status 01/30/25 - Filed for Introduction
House Status 02/05/25 - Referred to House Business & Utilities Subcommittee.

Comment This bill authorizes water and wastewater systems operated by municipalities and counties, municipal energy authorities, water and wastewater treatment authorities, and utility districts to borrow money in anticipation of revenue collections to provide emergency cash flow for such systems. The principal value of the notes during any 12 month period must not exceed 60% of the utility's cash flow for the same period and must be retired or paid in full before the end of the same period. These notes require approval by the Comptroller's Office which will develop a corrective action plan for the utility as part of the approval. If the Comptroller approves debt for emergency cash flow, the utility will be referred to the TBOUR which may order any remedial measures it deems necessary for the utility. This bill further authorizes the TBOUR to remove a member of a utility's governing body (other than an elected official) for any of the following: (1) failure to comply with Â§ 12-4-101; (i2) misconduct, whether or not the misconduct results in criminal charges; (3) Failure to exercise reasonable oversight; (4) actions or failures causing a utility system to display severe managerial incompetence as described in Â§ 7-82-704(a)(3); (5) failure to follow board directives, except for good cause shown; or (6) Any other reason provided by law.

[SB670/HB541](#)

[Classification of property as a wetland.](#)

Sponsors

Sen. Taylor, Brent; Rep. Vaughan, Kevin

Category

Environment & Nature

Senate Status

01/31/25 - Filed for Introduction

House Status

02/05/25 - Caption bill held on House clerk's desk pending amendment.

Comment

This bill prohibits TDEC from applying criteria that will result in the classification of real property as a wetland, or otherwise regulating real property as a wetland, unless the property is classified as a wetland under federal law.

[SB717/HB796](#)

[Infrastructure oversight and customer choice.](#)

Sponsors

Sen. Taylor, Brent; Rep. Vaughan, Kevin

Category

Utilities

Senate Status

02/03/25 - Filed for Introduction

House Status

02/05/25 - Introduced in the House

Comment

This bill prohibits public utilities from requiring that utility infrastructure be constructed by the utility company and requires that customers be allowed to choose their own contractors for installation. Allows public utilities to establish reasonable construction and manufacturing specifications to ensure proper construction with appropriate materials. Prohibits public utilities from requiring that materials or services for utility infrastructure construction be sourced from a specific vendor or manufacturer. Allows public utilities to review and approve plans and designs for the installation of utility infrastructure. Defines "public utility" or "utility" as the water, wastewater, natural gas, or electric system of a county, metropolitan government, or municipality.

[SB730/HB903](#)

[Fee for viewing records.](#)

Sponsors

Sen. Lowe, Adam; Rep. Vital, Greg

Category

Media & Publishing

Senate Status

02/04/25 - Filed for Introduction

House Status

02/06/25 - Withdrawn in House.

Comment

This bill permits a public entity to require a requestor of public records to pay a fee to view records if the records requested reasonably require more than one hour of an employee's time to collect for viewing and inspection by the requestor. After the first hour, the public entity may charge a fee at an hourly rate that is in proportion to the rate of pay of the employee who is collecting the records. This is a change from current law which does not allow charging a requestor anything if the requestor only wants to view public records but not copy them.

SB731/HB795

Changes on a contractor or developer's application for development site plans or inspections.

Sponsors Sen. Pody, Mark; Rep. Vaughan, Kevin
Category Local Government
Senate Status 02/04/25 - Filed for Introduction
House Status 02/05/25 - Introduced in the House

Comment This bill requires a local government to accept an application for the review of a development plan or site inspection and issue an approval of the application or issue a written report of deficiencies within 30 days of receipt of the application. If a written report of deficiencies is issued, the requested permit shall be issued upon receipt of documentation showing the deficiency has been satisfactorily cured. If the local government issues 3 or more written reports with deficiencies, it must reimburse the developer 50% of the fees paid during the application process. Local government means means a county, municipality, or local governing body responsible for reviewing a development application, development plan, or a site inspection submitted by a developer. This bill further provides: (1) a local government and developer or contractor may enter into a contract for the funding, building, or development of nonessential infrastructure with nonessential infrastructure being defined to mean "any infrastructure that is not necessary for the creation, ongoing maintenance, and growth of a development; (2) once a local government enters into a development contract with a developer, no changes can be made unless mutually agreed upon the developer and the local government, including any changes to nonessential infrastructure.

SB743/HB834

Authority of the board of water and wastewater operator certification.

Sponsors Sen. Yager, Ken; Rep. Keisling, Kelly
Category Environment & Nature
Senate Status 02/04/25 - Filed for Introduction
House Status 02/05/25 - Introduced in the House

Comment This bill prohibits the water and wastewater operator certification board from delegating to a third-party its authority to determine minimum operator competency or to prepare conduct, or grade examinations to applicants seeking operator certification. The bill requires the exam consist of the same questions for all applicants and include a minimum of 10% of the total questions for each classification on state regulatory questions germane to the specific operator classification.

SB795/HB1173

Purchasing of goods and services by local governments without bid or quotations.

Sponsors Sen. Bailey, Paul; Rep. Williams, Ryan
Category Government Contracts
Senate Status 02/04/25 - Filed for Introduction
House Status 02/06/25 - Filed for Introduction

Comment This bill authorizes local governments to purchase goods and services directly, without bid or quotations, from vendors awarded general services administration schedule contracts at prices equal to the vendor's current general services administration schedule price.

SB825/HB1072

Classification of property as a wetland.

Sponsors

Sen. Hensley, Joey; Rep. Warner, Todd

Category

Environment & Nature

Senate Status

02/04/25 - Filed for Introduction

House Status

02/06/25 - Introduced in the House

Comment

this bill prohibits TDEC from applying criteria that will result in the classification of real property as a wetland if the property is prior converted cropland that is exempt from classification as a wetland under federal law.

SB880/HB896

Regulatory action for a substance, mixture, or chemical related to drinking water, water pollution control.

Sponsors

Sen. Reeves, Shane; Rep. Todd, Chris

Category

Government Regulation

Senate Status

02/05/25 - Filed for Introduction

House Status

02/05/25 - Introduced in the House

Comment

This bill prohibits a state agency from disseminating, proposing, or finalizing any regulatory action for a substance, mixture, or chemical related to drinking water, water pollution control, hazardous substances, contaminated site remediation, air quality, or solid or hazardous waste handling unless the regulatory action is based upon the best available peer-reviewed scientific and technical information.

SB952/HB978

Discontinuation of service as it relates to the Utilities' Cut-Off Procedures Act. Broadly captioned.

Sponsors

Sen. Powers, Bill; Rep. Burkhart, Jeff

Category

Utilities

Senate Status

02/05/25 - Filed for Introduction

House Status

02/06/25 - Introduced in the House

Comment

This appears to be a caption bill. As written, it requires a utility governed by the Utilities' Cut-Off Procedures Act to publish its policy governing the discontinuation of service for nonpayment of service on the utility's website in a publicly accessible location.

SB988/HB375

Fees assessed by local governments.

Sponsors

Sen. Haile, Ferrell; Rep. Zachary, Jason

Category

Local Government

Senate Status

02/05/25 - Filed for Introduction

House Status

02/05/25 - Referred to House Cities & Counties Subcommittee.

Comment

This bill requires each department, agency, and official in every county, municipal government, or metropolitan government that assesses and collects a fee of \$500 to maintain documentation describing the justification and cost basis for such fee. The language is broad enough to apply to a tap fee, capacity fee, or other fee over \$500 of a county or municipal utility.

[SB1138/HB543](#)

[Operation of a sewerage system outside the boundaries of a city or town.](#)

Sponsors Sen. Taylor, Brent; Rep. Vaughan, Kevin
Category Local Government
Senate Status 02/06/25 - Filed for Introduction
House Status 02/05/25 - Referred to House Agriculture & Natural Resources Subcommittee.

Comment This bill provides that a city or town that has operated a sewerage system outside of the corporate boundaries of the city or town for 25 years or more cannot cease operation of the sewerage system outside its corporate boundaries so long as the sewerage system maintains sufficient capacity as determined by a study conducted by TACIR. This bill provides that a utility district that has operated a sewerage system in the unincorporated area of a county for 25 years or more cannot cease operation of the sewerage system in the unincorporated area so long as the sewerage system maintains sufficient capacity as determined by a study conducted by TACIR.

[SB1139/HB542](#)

[Utility to review plans of development for compliance with infrastructure codes.](#)

Sponsors Sen. Taylor, Brent; Rep. Vaughan, Kevin
Category Local Government
Senate Status 02/06/25 - Filed for Introduction
House Status 02/05/25 - Referred to House Business & Utilities Subcommittee.

Comment This bill requires a county-owned or municipal-owned water utility to review plans of development for compliance with water, electric, and natural gas infrastructure codes within 30 days of the plan's submission. If the utility does not complete the review within 30 days, the developer or person who submitted the plan may hire a third-party examiner to examine the plan. No later than 10 business days after the third-party examiner submits the documents required, the utility must: (1) approve the plans; (2) provide the third-party examiner a report of deficiencies; or (3) request additional information to ensure compliance with applicable codes. Failure to take any of these three actions within 10 business days will result in the plans being deemed approved. The bill further caps any fees for the inspection of the installation and construction of water, electric, and natural gas infrastructure to 2% of the total cost of the development. The bill defines "third-party plans examiner" to mean an engineer with expertise in water, electric, or natural gas infrastructure.

[SB1141/HB897](#)

[Threshold for the presence of fluoride in a public water system.](#)

Sponsors Sen. Crowe, Rusty; Rep. Todd, Chris
Category Environment & Nature
Senate Status 02/06/25 - Filed for Introduction
House Status 02/05/25 - Introduced in the House

Comment This bill: (1) decreases from 1.5 milligrams per liter to 0.4 milligrams per liter the threshold for the presence of fluoride in a public water system that requires an increase in the frequency of fluoride-level testing from quarterly to monthly; and (2) requires public water systems to cease adding fluoride to drinking water supplies by July 31, 2025, and provide written notice of cessation of fluoridation to customers.

SB1142/HB898

Certificate of analysis for any water sold by the utility system that contains fluoride.

Sponsors Sen. Crowe, Rusty; Rep. Darby, Tandy
Category Utilities
Senate Status 02/06/25 - Filed for Introduction
House Status 02/05/25 - Introduced in the House
Comment This bill requires each utility system to obtain a certificate of analysis for any water sold by the utility system that contains fluoride, and to post the certificate and the material safety data sheet for fluoride online.

SB1404/HB365

Action of a municipality that affects tax obligations for property owners who are located outside the municipality's corporate boundary.

Sponsors Sen. Hensley, Joey; Rep. Fritts, Monty
Category Local Government
Senate Status 02/06/25 - Filed for Introduction
House Status 02/05/25 - Referred to House Cities & Counties Subcommittee.
Comment This bill prohibits a municipality, or an instrumentality of a municipality, from taking an action that affects or has the potential to affect the tax obligations, fees, or other costs for real property owners whose property is located outside of a municipality's corporate boundary, unless the action is approved by the county legislative body in which such property is located. This bill may be broad enough to prohibit a municipal utility from charging a higher tap fee or other fee charged to a real property owner to get service outside the municipality's boundary than inside the boundary.

SB6003/HB6003

Creates Hurricane Helene interest payment fund.

Sponsors Sen. Johnson, Jack; Rep. Lamberth, William
Category Public Finance
Senate Status 01/29/25 - Senate passed.
House Status 01/29/25 - House passed.
Executive Status 01/29/25 - Sent to the speakers for signatures.

Comment This bill (1) creates a Hurricane Helene interest payment fund which can be used to pay local governments' interest costs for up to three years on money borrowed to pay eligible disaster recovery costs related to Hurricane Helene; and (2) a governor's response and recovery fund which can be used of the fund is to respond to, or recover from, an declared emergency, including agricultural recovery efforts related to an emergency, unemployment assistance related to an emergency, and business recovery assistance related to an emergency.

SB6004/HB6002

TEMA assisting a political subdivision or local emergency management agency with recovery from disasters and emergencies on public property.

Sponsors Sen. Johnson, Jack; Rep. Lamberth, William
Category Veterans & Military Affairs
Senate Status 01/29/25 - Senate passed.
House Status 01/29/25 - House passed.
Executive Status 01/29/25 - Sent to the speakers for signatures.

Comment Upon the declaration of an emergency, this bill (1) authorizes TEMA to assist a political subdivision or local emergency management agency with recovery from disasters and emergencies on public property at the request of the political subdivision or agency; and suspends certain eligibility requirements for unemployment benefits for eligible claimants who reside or work in counties for which this state has requested a major disaster declaration.