



INSIDE POLITICS

GNHA Hospitality
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Gov's Budget

The State Funding Board estimated revenue growth for the 2023 fiscal year to be at 7.7 percent. However, actual growth was closer to 5.39 percent. In addition to this shortfall the states franchise tax will be looking at a major overhaul to reduce the tax. In addition to this reduction there will be several years of payback that the state will submit from the last several years. This dollar amount could be close to 1.4 billion in refunded tax dollars. Given the slower growth estimate and the payback, the state will be watching its spending and not expanding outside of the reoccurring line items that state needs to run the state.



Let the Games Begin:

The legislature gavelled in on the 9th of this month for the 2024 legislative session. With a only few days to meet before the end of the week both the house and senate did not accomplish much other than to set new rules around how they will meet. (See below)

Our second week of session was canceled due to snow. Such a cancellation has not occurred in the 30 plus years that I have worked at the state legislature. That brings us to this past week. Bill introduction has been light with an expectation that this next week will bring a flurry of legislation with the bill filing deadline looming February 1st. The session will be short because it is an election year and because of challenges around the state budget there will be little time for debate and money. By next week, we will have a list of legislation that we will be tracking and working on.

New Rules of Decorum for the House of Representatives:

- The new rules give a lawmaker two strikes for being out of order or going off-topic before the House can vote to ban the member from speaking for two legislative days.
- Speakers will be limited to five minutes to introduce or debate a bill.
- Points of order and parliamentary inquiries have to be registered with the House parliamentarian who would give an immediate answer instead of being debated openly.
- The rules also allow the House speaker, in talks with caucus leaders, to determine which bills could be debated for up to 60 minutes, giving each party 30 minutes to talk and allowing caucus leaders to decide who speaks.
- New rules also prohibit crowding around the speaker's desk and the well where bills are presented.

Bills of Interest

SB 1676 Briggs

Taxes, Hotel Motel - As introduced, requires a municipality levying the hotel-motel tax under general law to submit a report annually detailing how the revenue earned from the tax is used by the municipality; requires the comptroller of the treasury to audit the reports of the municipality; requires a municipality found to have used the funds improperly to appropriate general funds in the same amount for promotion of tourism and tourism development; prohibits a municipality, on and after July 1, 2025, from levying or increasing the hotel-motel tax if the aggregate total tax would exceed 8 percent. - Amends TCA Title 7, Chapter 4 and Title 67, Chapter 4.

HB1672/SB1800

Alcoholic Beverages - As introduced, authorizes certain legislative bodies, by a two-thirds majority vote, to expand the hours for the sale of alcoholic beverages for consumption on premises and beer on Sundays consistent with the hours for sale on weekdays. - Amends TCA Title 57, Chapter 3; Title 57, Chapter 4 and Title 57, Chapter 5

HB1671

Alcoholic Beverage Commission - As introduced, requires a person applying for a server permit issued by the commission to be trained to recognize signs indicating that an individual may have had their alcoholic beverage adulterated with a date rape drug or that an individual may be the victim of sex trafficking. - Amends TCA Title 57.