

TENNESSEE GOVERNMENT UPDATE

NEWS FOR THE CLIENTS AND FRIENDS OF BASS, BERRY & SIMS PLC

Friday, February 26, 2010

The state budget considerations, and more particularly revenue estimates for the years ahead, were again the subject of conversation in the Tennessee General Assembly. The week began with [a lengthy story by *The Tennessean*](#) suggesting that Tennessee's revenue, particularly sales tax revenue, would not rebound to pre-recession levels before 2013.

On Monday, TennCare's chief Darin Gordon announced that CMMS agreed that [Tennessee could retain \\$121 million one-time funds](#) previously subject to a "claw-back" provision relative to the program's prescription drug benefit. Wednesday THA's board asked TennCare (and Governor Bredesen) to use money to "mitigate" previously announced cuts.

There is also word in the legislative hallways that members do not want to consider any revenue measures, including the Tennessee Hospital Association's proposed "coverage fee" until after April 1. Why April 1? Because that is the day on which any person seeking election to the Tennessee General Assembly must file his or her petition to run for the office. At that time, the field in each seat will be known. In an election year, incumbent members want to know who is on the electoral playing field before making decisions on tough political issues.

At the end of the week, Republican gubernatorial candidates publicly disagreed with each other about the accuracy of Knoxville Mayor Bill Haslam's 60-second television advertisement that has run for the past two weeks. Naturally, [Mayor Haslam defended the advertisement](#), and Lt. Governor Ramsey and Congressman Wamp took a different view. There was little conversation this week about the definition of bar and restaurant or the necessity of carrying a gun in either. There was, however, [conversation about goldfish in barbershops](#). The matter appears to have been rather amiably resolved.

We call your attention to the blogs of two veteran Nashville capital hill reporters, [Tom Humphrey of the Knoxville News Sentinel](#) and [Andy Sher of the Chattanooga Times Free Press](#). Both are seasoned observers of the Tennessee political scene and talented writers. Their blogs are noted below, and both contain a good review of the atmosphere and legislative considerations in Tennessee's Capitol.

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