

## TENNESSEE GOVERNMENT UPDATE

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

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The storyline in the Tennessee House of Representatives this week was overtly political. In the Tennessee Senate, another chapter of the budget story unfolded.

In the Monday evening session of the House, Democrats forced votes on politically-charged amendments to bills being considered on the floor. Republicans tabled the amendments without any defections. On the first vote, Democrats lost three members, and the amendment, related to blending of low level nuclear waste, was tabled with 53 votes. The House concluded its week with a reconvened meeting of the Calendar and Rules Committee. In that meeting, Democrats succeeded in defeating (for the time being) a bill that the sponsor intended to amend that would require child custody be shared equally between the father and mother. At one point during the meeting, Chairman Bill Dunn suggested to committee members, "Let's just try to be kind when we can." Both the Monday night floor session and the Thursday House Calendar and Rules Committee meeting can be viewed on archived video at: [www.legislature.state.tn.us](http://www.legislature.state.tn.us).

On budget matters, at his regular leadership breakfast Wednesday morning, the governor suggested to legislative leadership that the sales tax exemption on large articles be eliminated. The proposal would raise \$85 million and would not affect the cap on sales tax at \$3,200 for vehicles, boats and manufactured homes. Lieutenant Governor Ron Ramsey, a candidate for the Republican nomination for governor, said the governor blindsided him with this proposal and that he would have an alternative. The governor suggested that the alternative was a five percent decrease in the salary of all state workers. Rick Locker has the story in [The Commercial Appeal](#).

In the Senate session on Thursday morning, Republican Leader Mark Norris announced that the governor's budget would not be available next week and that the earliest availability of the governor's proposal in writing would be the week of April 26.

In the triangulated budget process, another rift is opening – this one between the Senate and the House. Speaker Ramsey is opposed to using any of the state's reserve fund money to make up the deficit. The leadership of the House of Representatives is inclined to use so-called "rainy day funds" to balance the budget.

Campaign finance reports were filed this week by all major gubernatorial candidates. On the Republican side, Bill Haslam showed cash on hand of \$4.2 million, Zach Wamp had \$2.2 million and Ron Ramsey had \$2.4 million. Democrat Mike McWherter had \$1.5 million on hand. Tom Humphrey has the details in the [Knoxville News Sentinel](#).

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