

# TENNESSEE GOVERNMENT

## *Update*

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

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### **105<sup>th</sup> General Assembly**

#### **The Senate**

On Tuesday, Senator John Wilder's 36-year reign as speaker of the Senate came to an end, and Republican Ron Ramsey was elected to the post.

#### **The Quest for 17**

The race for speaker of the Senate for the 105<sup>th</sup> General Assembly started on June 1, 2006, at the conclusion of the 104<sup>th</sup> General Assembly. Senator Ron Ramsey (R – Blountville), the Majority Leader, was denied the Senate's top position in 2005 when two of his own caucus members crossed party lines and cast votes for John Wilder (D – Somerville). In his quest to become Speaker of the next Assembly, Ramsey's first task was to re-elect three members of his caucus being targeted by the State Democratic Party. Victory in those districts would ensure Ramsey the needed 17 votes to make him the speaker.

When the smoke finally cleared on November 7, the Democrats were successful in picking up one seat with Lowe Finney in Jackson. Although the Republicans still held the majority with 17 members, they had a dilemma with Senator Mike Williams (R – Maynardville). Williams had voted for Wilder previously and had not indicated that he would not do the same in the coming election for leadership. Frustrations grew in the Republican Caucus as it began to look like Ramsey again would not be able to put together the needed 17 votes.

In December, Wilder publicly stated that he had 17 – all 16 members of the Democratic Caucus plus a likely Mike Williams. A 19<sup>th</sup> term as speaker and lieutenant governor seemed certain. Until Senator Jerry Cooper (D – McMinnville) announced that he would not vote for Wilder. Cooper did not indicate he would vote for Ramsey, but there was much speculation that he might, which would place Ramsey back in the running for speaker.

Soon after Cooper's intentions became public, Democratic Caucus Chairman Senator Joe Haynes (D – Goodlettsville), announced that he also would seek the nomination for speaker from his peers. And the quest for 17 heated up significantly.

So, on the opening day of session, rumors flew and speculation was rampant: "Who would be speaker?" "Would Cooper vote for Ramsey?" "Would Williams come back into the fold?" "Did Haynes ultimately have the needed 17?"

When the roll was finally called, no one had guessed the right outcome. Democratic Senator Rosalind Kurita called "Ramsey" and became the only cross over vote needed to make Ron Ramsey the first Republican lieutenant governor in 138 years.

### **Significance**

The speaker appoints the committee chairs and their members. Ramsey has indicated that he will appoint some Democrats but that all committees will have majority Republican membership. Ramsey will preside over all floor sessions and, when necessary, interpret the body's rules. The speaker of the Senate also makes many powerful appointments, such as: Tennessee Regulatory Agency, Judicial Selection Commission, Tennessee Wildlife Resources Agency and the newly created Ethics Commission. As speaker, Ramsey will also be the state's lieutenant governor and will stand in immediate succession to the governorship if such is necessary.

### **The Agenda**

Speaker Ramsey said that he wants to pursue a “pro-business” agenda and a “world-class” educational system. Senator Mark Norris (R – Memphis), who was elected majority leader on Thursday, added to the Republican's list of priorities with: reforming tort, cutting the sales tax on food and freezing property taxes for seniors. Norris' election to the Republican leader's slot left the caucus chair's position open. Senator Diane Black (R – Gallatin), a high-energy, well-respected nurse, was voted to that position by her peers. She becomes the first woman to hold the caucus position for the Senate Republicans.

### **The House**

In the chamber still controlled by Democrats, Representative Jimmy Naifeh (D – Covington) was re-elected speaker. Seven Republicans crossed over to support him: Mike Harrison, Joe McCord, Steve McDaniel, Richard Montgomery, Doug Overbey, Dennis Roach and Kent Williams.

On Wednesday, a Joint Session convened to elect two of the state's Constitutional Officers, the Treasurer and Comptroller. Dale Sims was nominated by the Democrats for the position of Treasurer and John Morgan for Comptroller. Democrats retain a majority in the House, 53-46, while Republicans control the Senate, 17-16. Combined, in the Joint Session, the Democrats have a six-vote advantage, 69 Democrats and 63 Republicans. Republicans did not nominate candidates of their own but nevertheless sent a “shot across the bow” by refusing to vote for the Democrats' nominees.

Speaker Naifeh announced committee chairs and members on Thursday, which are listed at the end of this update.

### **The Executive Branch**

Governor Bredesen appointed [five new commissioners](#) this week, including:

- Leslie Shechter Newman, an attorney in Nashville, will head the Department of Commerce and Insurance.
- Susan Cooper, a nurse, will take over at the Health Department. She was instrumental in developing the state's health safety net.
- Greg Gonzales will transition from acting commissioner to a permanent status at Financial Institutions.
- Reagan Farr, deputy commissioner of the Revenue Department, will take the helm there.
- Current Homeland Security Commissioner and former FBI agent David Mitchell, will add commissioner of safety to his duties.

### **Issues for the 2007 Session**

Bill filing deadlines for both Houses have not been announced, but project mid-February as the final cut-off. Issues likely to emerge as front-line are: changes in the funding formula for K-12, expansion of the lottery funded HOPE scholarships, increasing the minimum wage, hiking the gas tax, hiking the cigarette tax (watch for any sin tax to enter the discussion), lowering the tax on groceries, and freezing the property tax for seniors.

### **The Economy**

The macro economic signals are rather mixed. While the auto and housing market remain somewhat soft, non-residential construction is expected to grow at a rate of 8% this year due in part to surging office rents that rose 9% in the year 2006. Nationally, it seems that the labor market is a bit softer – the number of those filing claims for unemployment increased slightly this past week. However, Tennessee did not follow the national trend; fewer unemployment claims were filed here. By historical standards the labor market is still fairly tight – among college graduates the unemployment rate stood at 2%. Other sectors that should experience strong growth include high-tech manufacturing, mining, oil and gas field machinery, and pharmaceuticals and medicine. The Federal Reserve Bank held interest rates steady in their last meeting (mid-December) and has taken a neutral position with respect to interest rates. If inflation increases beyond expectation, rates might rise, but if there is more evidence of slower growth, rates could be cut.

Tennessee House of Representatives  
105<sup>th</sup> General Assembly  
Committee Assignments

**Agriculture**

Bone	Chairman
Borchert	Vice-Chairman
Bibb	Secretary

Bass	Baird
Litz	Bell
Shaw	Crider
Windle	Dunn
	Ford
	Gresham
	Lollar
	McDaniel
	Swafford

**Children & Family Affairs**

John Deberry	Chairman
Sherry Jones	Vice-Chairman
Marrero	Secretary

Brown	Kevin Brooks
Cooper	Casada
Favors	Floyd
Maddox	Hill
Shaw	Kelsey
Mike Turner	Rowland
Vaughn	

**Commerce**

Curtiss	Chairman
Shepard	Vice-Chairman
Curt Cobb	Secretary

John Deberry	Hawk
Favors	Kelsey
Ferguson	Lynn
Fitzhugh	Lundberg
Gilmore	Matheny
Hackworth	McCord
Harmon	McCormick
Pitts	McManus
Rowe	Montgomery
Towns	Roach
Yokley	Sargent
	Strader
	Todd

**Conservation**

Buck	Chairman
Tidwell	Vice-Chairman
Gilmore	Secretary

Borchert	Baird
Fraley	Floyd
Kernell	Hawk
	McCord
	Nicely

**Consumer & Employee Affairs**

McDonald	Chairman
Mike Turner	Vice-Chairman
Hackworth	Secretary

Sherry Jones	Kevin Brooks
Moore	Campfield
Larry Turner	Casada
	Nicely
	Rowland

**Education**

Winningham	Chairman
Brown	Vice-Chairman
Towns	Secretary

Cooper	Harry Brooks
Hood	Coley
Ulysses Jones	Gresham
Maddox	Harwell
McDonald	Phillip Johnson
Larry Turner	Lollar
Windle	McCormick
	Montgomery

**Finance, Ways & Means**

Fitzhugh	Chairman
Tindell	Vice-Chairman
Shaw	Secretary

Armstrong	Harry Brooks
Bone	Dunn
Briley	Harrison
Brown	Harwell
Coleman	McDaniel
Curtiss	Mumpower
Lois Deberry	Overbey
Hood	Roach
Maddox	Sargent
Miller	Williams

Odom  
Pinion  
Rinks  
Sontany  
Vaughn

**Government Operations**

Kernell	Chairman
Cooper	Vice-Chairman
Rowe	Secretary

Lois Deberry	Bell
Marrero	Campfield
Neal	Casada
Odom	Jim Cobb
Rinks	Lynn
	Mumpower
	Swafford

**Health**

Armstrong	Chairman
Pruitt	Vice-Chairman
Favors	Secretary

John Deberry	Jim Cobb
Lois Deberry	Crider
Ferguson	Dubois
Sherry Jones	Eldridge
Marrero	Harrison
Odom	Hensley
Shepard	Maggart
Mike Turner	Mumpower
	Overbey
	Williams

**Judiciary**

Briley	Chairman
Coleman	Vice-Chairman
Sontany	Secretary

Bass	Dubois
Buck	Lundberg
Fincher	Matheny
	Watson

**State & Local Government**

Ulysses Jones	Chairman
Yokley	Vice-Chairman
Moore	Secretary

Bibb	Coley
Litz	Dean
Miller	Eldridge
Pitts	Hensley
Pruitt	Curtis Johnson
Rinks	Matlock
Tindell	McManus
West	Strader
	Todd

### **Transportation**

Pinion	Chairman
Fraley	Vice-Chairman
Harmon	Secretary

Curt Cobb	Dean
Fincher	Ford
Neal	Hill
Tidwell	Curtis Johnson
Vaughn	Phillip Johnson
West	Maggart
Winningham	Matlock
	Watson

### **Calendar & Rules**

Miller	Chairman
Hood	Vice-Chairman
Vaughn	Secretary

### **Deputy Speaker**

Larry Turner

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