



226 Anne Dallas Dudley Blvd, Suite 508 Nashville, Tennessee 37243-0760

Phone: (615) 741-3012 Fax: (615) 532-2443 www.tn.gov/tacir

MINUTES OF THE TENNESSEE ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

September 6, 2018

Meeting Called to Order

The Tennessee Advisory Commission on Intergovernmental Relations met in House Hearing Room II of the Cordell Hull Building at 1:09 p.m., Chairman Mark NORRIS presiding.

Present 14	Absent 9
Metropolitan Trustee Charles Cardwell	Mayor Tom Bickers
Representative Mike Carter	Mayor Brent Greer
City Commissioner Betsy Crossley	Senator Thelma Harper
Deputy Commissioner Paula Davis	County Executive Jeff Huffman
Ms. Christi Gibbs	Representative Antonio Parkinson
Representative Harold Love Jr	Representative Charles Sargent
Mayor A. Keith McDonald	Mayor Larry Waters
Regional Director Iliff McMahan	Senator Bo Watson
Senator Mark Norris	Mr. Kenneth Young
Vice Mayor Kay Senter	
Comptroller Justin Wilson ¹	
Representative Tim Wirgau	
Senator Ken Yager	
Senator Jeff Yarbro	

¹ Kristina Podesta represented Justin Wilson

1. Call to Order and Approval of the Minutes

Chairman Mark NORRIS called the meeting to order at 1:09 p.m., dispensed with the calling of the roll, and requested approval of the minutes of the May 2018 meeting. Regional Director Iliff MCMAHAN moved approval, and Vice Mayor Kay SENTER seconded the motion, which passed unanimously.

2. Commission and Staff Update

Executive Director Cliff LIPPARD informed the Commission that two of its local government members, former Rutherford County Mayor Ernest BURGESS and former Carroll County Mayor Kenny MCBRIDE, rolled off the Commission when their terms as county mayors expired on August 31, 2018. Mayor BURGESS was a commission member since 2010, and Mayor MCBRIDE was a member since 2008. Dr. LIPPARD noted that resolutions thanking Mayor BURGESS and Mayor MCBRIDE for their service to TACIR, the state, and their local communities were included under tab 2 in the docket book. Research Manager David LEWIS read a resolution honoring Mayor MCBRIDE, who was in attendance. Following the reading of the resolution, Mayor MCBRIDE made brief remarks, saying that he would welcome the opportunity to serve on the Commission again in some capacity in the future.

Next, Dr. LIPPARD asked the Commission to welcome two new research associates to the Commission staff, Rabia Chaudhry and Emma Johnson.

3. House Bill 971/Senate Bill 1075 (Local Revenue and Services) — Update

Dr. LIPPARD provided an update of the Local Revenue and Services study. At its May meeting, the Commission directed staff to conduct a comprehensive study of local government revenue and services, including, but not limited to, out-of-state sales tax collections and state-shared taxes, with a goal of completing an interim or final report by January 2019. Local members of the Commission had two meetings over the summer with the first focused on a review of trends in revenue and current revenue and service obligations of local governments, and the second devoted to a discussion with Commissioner of Revenue, David GERREGANO, about the US Supreme Court's decision in *Wayfair*, which overturned *Quill's* physical presence requirement. Dr. LIPPARD said that following the two meetings, local members of the Commission agreed on three principles that should guide the Commission study:

- The report should provide a comprehensive review of trends in local government revenue and services.
- Because of the complexity of the overall revenue system and the potential for unintended consequences, the report should not propose shifting existing sources of revenue among cities and counties.

• The report should explore whether the state should or could do more to financially support local governments.

Executive Director LIPPARD said local members also agreed that one of the most effective ways to address local government budget issues would be for the state to use some of the likely increase in out-of-state collections of the 7% sales and use tax to increase its Basic Education Program (BEP) funding. They suggested possibly increasing teacher salary and benefits or to changing teacher-student ratios because teacher funding makes up one of the largest portions of the formula. Mayor Keith MCDONALD said the state should fully fund the BEP and determine what full funding should be.

Senior Research Associate Michael MOUNT summarized the figures in the memo in tab 3 of the docket book noting that they show the downward trends in state-shared tax revenue as a percentage of the state's general revenue and the state's total tax revenue. He also summarized the issues covered by Commissioner GERREGANO: the internet (out-of-state) sales tax and the implications of the Wayfair decision. Mr. MOUNT quoted the Commissioner who said the internet sales tax is a fiscal and a fairness issue, and while many out-of-state sellers without a physical presence in Tennessee collect the sales tax, many do not. Mr. MOUNT said a Department of Revenue rule would have required out-of-state sellers with more than \$500,000 in sales in Tennessee to collect sales tax, but the Davidson County Chancery Court put enforcement of that rule on hold, and the General Assembly prohibited the Department of Revenue from enforcing it until further review.

City Commissioner Betsy CROSSLEY asked whether we can take any action until the case that put the rule on hold (American Catalog Mailer Association vs. Tennessee Department of Revenue) has been resolved, and Chairman NORRIS asked about the status of the case. Mr. MOUNT said parties to the case are in conferences and are likely considering a settlement.

Mayor MCDONALD said he would like to see the restriction that legislators placed on the Department of Revenue prohibiting them from requiring out-of-state sellers with more than \$500,000 in sales in the state to collect sales tax to be lifted in January and for Tennessee to become a full member in the Streamlined Sales and Use Tax Agreement.

Mr. MOUNT responded that Tennessee is an associate member of the Streamline Sales and Use Tax Agreement and said Commissioner GERREGANO explained to the local members group that there are three paths for Tennessee to consider regarding membership in the Streamlined Sales and Use Tax Agreement:

- Become a full member of the Streamlined Sales and Use Tax Agreement.
- Remain an associate member.

• Give up membership.

Mr. MOUNT discussed major changes required for Tennessee to become a full member of the Streamlined Sales and Use Tax Agreement. He said for sales that are both delivered and received within the state (intrastate sales) Tennessee would move from origin-based sourcing to destination-based sourcing, meaning the jurisdiction where the delivery is made would be where the tax is remitted to. Mayor MCDONALD said that the report should be specific so that cities understand that, as long as people are coming to their store and buying it there, nothing changes, but when it is shipped, the sales tax revenue goes to the destination. He said, under destination-based sourcing, counties would receive some internet sales tax revenue that they have not previously received, and in all fairness, should.

Senator Jeff YARBRO asked whether the commission is on the same page regarding origin versus destination-based sourcing. Chairman NORRIS said he had a number of constituent locations, cities and otherwise, that were very concerned and did not support destination-based sourcing. He thought it would need to be resolved quickly in the next session of the General Assembly.

Mr. MOUNT said another change resulting from the streamlined sales tax provisions in Tennessee law would go into effect July 1, 2019 would be elimination of out-of-state sellers' collecting at a uniform 2.25% rate for the local option sales tax. Dr. LIPPARD said unless there is some action taken, , the law going in effect on July 1 would also remove the single article cap on local option sales tax for most sales but set up a refund for businesses. The Department of Revenue and some local governments are concerned about how the refund would be implemented.

Dr. LIPPARD said the local members suggested during their working group meetings that the next step should be to focus on the internet streamlined sales tax issues, and suggested staff invite a representative from the Department of Revenue to participate in a panel discussion at the December Commission meeting.

4. Biennial Report For Fiscal Years 2016-17 and 2017-18—Final Report For Approval

Senior Research Associate Nathan SHAVER presented the Commission's biennial report for fiscal years 2016-17 and 2017-18 for approval, pointing out the several focus issues that the report discusses. Regional Director MCMAHAN moved for approval, and Mayor McDONALD seconded the motion, which passed unanimously.

5. Public Chapter 795, Acts of 2018 (Food Deserts) - Update

Senior Research Associate Tyler CARPENTER provided an update of the Commission's study on food deserts. He presented preliminary information including past legislation in Tennessee that would have implemented programs for financing the development of food retailers in food deserts, programs already implemented in other states for

financing the development of food retailers in food deserts, private sector initiatives for financing the development of food retailers in food deserts, and other food-desert relief programs.

In response to questions from Representative Harold LOVE and Chairman NORRIS about the fiscal note for the original bill, Mr. CARPENTER said it would have raised approximately \$26,000 The original fiscal note, which had estimated revenue of approximately \$730,000, applied the .0625% to the entire sales of sugar-sweetened beverages instead of applying it to the revenue generated from the sales tax on sugar-sweetened beverages, which are taxed as food at 4%. He said staff consulted with the Fiscal Review Committee staff, which provided TACIR staff with the revised number.

Senator Ken YAGER asked how a grant for startup costs would correct the problem of businesses struggling to succeed in low-income areas because of low profit margins. Mr. CARPENTER acknowledged the challenge and provided an example in Memphis where, in addition to entering into a payment in lieu of tax agreement with a food-desert grocer, the city provided \$300,000 in start-up funds for the purchase of a point-of-sale system for the grocery store. Senator YAGER said he doesn't believe a grant for startup costs is the solution. Representative Mike CARTER expressed a similar concern, saying staff should speak with the Buehler's Market grocery store that operated in Chattanooga for many years until recently closing. He said they had no startup costs, did not pay property taxes, and yet could not remain open.

Representative LOVE said health disparities are sometimes increased when people do not have access to fresh fruits and vegetables, especially in African American and rural communities. He said the University of Tennessee and the Tennessee State University extension programs are valuable resources.

Chairman NORRIS said that you can build a great store in a food desert but you may not change habits just because the store is there. Several organizations have started giving grant funds for urban gardens—to teach children about vegetables and how they are grown. Mayor MCDONALD said that the goal is to give people the opportunity to eat more fruits and vegetables, whether from a garden or grocery store. He said that in the Binghampton community in Memphis there is an effort to turn empty blighted lots into places to grow fruits and vegetables.

Dr. LIPPARD explained that there are a number of approaches out there but no single solution. He said that staff would likely arrive at a menu list of things that could be done, including better coordination among public and private entities.

6. Election Study Update-Preliminary Information

Senior Research Associate Jennifer BARRIE presented an update responding to an April 2018 letter from Senator Frank NICELEY to the Commission in which he expressed

concern about new threats to Tennessee's voting system. He requested that the Commission revisit and update its 2007 staff report *Trust but Verify: Increasing Voter Confidence in Election Results,* which examined election security in Tennessee and included several findings and recommendations. He asked the Commission to address two specific topics:

- 1. The most cost-effective and efficient voter-verified paper audit trail (VVPAT) options for Tennessee counties
- 2. Opportunities to offset VVPAT costs with the use of Secure Electronic Transfer (SET), a system used by 35 states to ensure that data from all agencies is available to verify the accuracy of voter rolls

Ms. BARRIE provided preliminary information addressing Senator NICELEY's request and will give a full update at the December 2018 meeting.

Senator YARBRO said it would be helpful to clarify how the ballot marking devices and optical scan machines that count hand-marked paper ballots are different, to include how their upfront and ongoing costs are different. In response to his question about whether counties that purchase paper ballot systems spend more in the long term, Ms. BARRIE said she will try to get more detailed information on cost. Senator YARBRO also asked which counties still have Help America Vote Act (HAVA) funds to spend out of the remaining \$15 million designated for equipment and whether there are other ways to save money, such as the state negotiating contracts with vendors. Ms. BARRIE responded that she will request the HAVA information from the coordinator of elections and that some other states do negotiate contracts with vendors. [Note: The division of elections granted HAVA funding to each county for voting system purchases, leases, and voting machine training. Appendix I was added to the final update, which shows how much each county received and which counties have funds remaining as of November 2018.] She said she is not sure there is a barrier to the state negotiating contracts with vendors in Tennessee.

Mayor MCDONALD commented that requiring a paper trail would be an unfunded mandate because the cost of any mandates for equipment would be borne by the counties without assistance from the state, and Director MCMAHAN agreed that rural areas can't pay for the unfunded mandate. Senator YAGER suggested that it is important to talk to a wide sample of county election administrators across the state, especially in rural counties, to understand why they might be opposed to paper ballot voting systems.

Chairman NORRIS adjourned the meeting at 2.36 p.m.





226 Anne Dallas Dudley Blvd, Suite 508 Nashville, Tennessee 37243-0760 Phone: (615) 741-3012

Fax: (615) 532-2443 www.tn.gov/tacir

MINUTES OF THE TENNESSEE ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

September 7, 2018

Meeting Called to Order

The Tennessee Advisory Commission on Intergovernmental Relations met in House Hearing Room II of the Cordell Hull Building 8:41 a.m., Executive Director Cliff Lippard, presiding.

Present 14	Absent 9
Metropolitan Trustee Charles Cardwell	Mayor Tom Bickers
Representative Mike Carter	City Commissioner Betsy Crossley
Deputy Commissioner Paula Davis	Senator Thelma Harper
Ms. Christi Gibbs	Representative Harold Love Jr
Mayor Brent Greer	Senator Mark Norris
County Executive Jeff Huffman	Representative Antonio Parkinson
Mayor A. Keith McDonald	Representative Charles Sargent
Mr. Iliff McMahan	Mayor Larry Waters
Vice Mayor Kay Senter	Mr. Kenneth Young
Senator Bo Watson	
Comptroller Justin Wilson ¹	
Representative Tim Wirgau	
Senator Ken Yager	
Senator Jeff Yarbro	

¹ Lauren Spires represented Justin Wilson

TACIR 7

-

7. Public Chapter 849, Acts of 2018 (Statutes of Limitation)—Draft Report for Review and Comment

The Commission heard a presentation from a child sex abuse survivor, Ms. Donna COLTER. Ms. COLTER began her presentation by describing her abuse experience. She said that victims often wait many years to open up about their abuse because of the fear and shame that consumes them. She explained that the detrimental effects of child sex abuse last for years, and victims can have physical and emotional health problems as adults. Ms. COLTER testified that aggressive prosecution of offenders can go a long way toward helping victims heal, and recommended that the statute of limitations on child sex abuse crimes be eliminated in Tennessee.

Following Ms. COLTER's remarks, Senior Research Associate Nathan SHAVER presented the draft report on the criminal statute of limitations for review and comment. The report was required by Public Chapter 849, Acts of 2018. Summarizing the draft report's recommendations, Mr. SHAVER said that recognizing the special circumstances of child sexual abuse and the legitimate reasons why a complaint often is not made until many years after the abuse, the draft report recommends that Tennessee should fully eliminate the statute of limitation for most felony child sex abuse crimes. Alternatively, Tennessee should consider eliminating the statute of limitation for felony child sexual abuse crimes in circumstances where corroborating evidence is obtained by the prosecutor. If corroborating evidence is not obtained, then the statute of limitations otherwise in place would apply. He added that Tennessee's law should also be amended to clarify a drafting error found in Tennessee Code Annotated, Section 40-2-101(h)(2) and (i)(2), which has the unintentional effect of shortening the statute of limitation for rape offenses committed against minors when the victim does not report the crime within three years of the offense. Mr. SHAVER said that the draft report also recommends that the state may want to consider either extending or eliminating the statute of limitation for second degree murder. The final report is scheduled to be presented at the December meeting.

Mayor Keith MCDONALD urged the legislative members of the Commission to find ways to hold abusers accountable. Vice Mayor Kay SENTER agreed, saying the state needs to address this issue.

8. Public Chapter 819, Acts of 2018 (Small Cell)—Update

Policy Coordinator Matthew OWEN provided an update on the results of the federal Connect America Fund Auction (CAF Auction) and on preliminary research on other states that staff have completed for the Commission's study of small cell wireless facilities as directed by Public Chapter 819, Acts of 2018. On August 28, 2018, the Federal Communications Commission (FCC) released the list of winning bids for the CAF Auction, which will assist providers in expanding coverage by offering funding to offset the cost of deploying broadband infrastructure in unserved areas. In Tennessee,

the five bidders with winning bids will receive funding that will collectively total \$8.5 million over 10 years in exchange for expanding coverage in parts of 17 counties.

In response to Representative Tim WIRGAU's question about the number of locations that will receive service as a result of this expansion, Dr. OWEN said that the areas in Tennessee's winning bids contain a total of 3,290 homes and businesses that providers will be required to expand coverage to in exchange for receiving their CAF Auction funding. Representative WIRGAU noted that the state has its own Broadband Accessibility Grant program for expanding broadband coverage separate from the federal CAF programs and that some areas where providers will receive CAF Auction funding are located in counties where providers have also been awarded funding through the state's program, which is administered by the Tennessee Department of Economic and Community Development (ECD). He asked whether ECD considers whether providers have already been awarded federal funding for areas before awarding its own grants. Dr. OWEN responded that he would verify eligibility requirements for the state's program with ECD. [Note: Eligibility for funding through the state's Broadband Accessibility Grant program is limited to projects in areas that lack terrestrial, fixed internet service of at least 10 megabits per second download and 1 megabit per second upload. Applications for areas that don't meet these requirements won't even be scored unless the applicant provides evidence disputing the existing level of service in the area. Areas that are eligible for funding through the FCC's CAF programs—including the CAF Auction—but where service has not yet been deployed also remain eligible for funding through the state's program; however, eligibility for CAF funding will count against applications for those areas for the state's program, according to ECD. Ten points are awarded to every application for areas that aren't eligible for CAF funding.]

Next, Dr. OWEN provided an update on preliminary research on other states that staff have completed for the Commission's study of small cell wireless facilities. Twenty states, including Tennessee, have passed laws creating specific frameworks governing the deployment of small cell wireless facilities, which compared with traditional cell towers, are short-range facilities that are small enough to be located on a variety of structures, including streetlights, electric poles, and buildings. Providers are deploying these small wireless facilities as part of their effort to build the next generation of wireless networks to support a broad range of internet functions by offering faster speeds and better reliability, while reducing network congestion.

Dr. OWEN said that the states that have passed small wireless facility laws have generally followed a similar framework and addressed similar issues, including applications, fees, grounds for denial, issues related to height, size, aesthetics, and location, and pole attachments. The differences identified usually exist along a continuum with states clustering together in the middle. He said that to identify best

practices as directed in the Act, staff will continue to study whether these state laws have an effect either on the deployment of broadband or on state agencies and local governments and will also monitor federal actions governing the deployment of small wireless facilities, including new rules that the FCC is scheduled to consider adopting in September 2018.

Mayor MCDONALD requested that the study include information about the authority of local governments under the Act to address situations where small cell infrastructure deployed in public rights of way is found to interfere with future infrastructure projects, such as when a sewer needs to be expanded. He also requested that the study include information about the maximum annual rates authorized under the Act for attaching to structures in public rights of way and the extent to which the maximum annual attachment rates vary based on whether those structures are owned by local governments or utilities. Representative WIRGAU said that to ensure users' needs for greater access and connectivity are met, fees should remain reasonable so that they do not become a barrier to providers when expanding wireless networks.

9. Public Chapter 693, Acts of 2018 (Excess Property) - Panel

Senior Research Associate Bob MOREO said that Public Chapter 693, Acts of 2018 instructs the Commission to determine the amount of nontax-producing properties held by the state and local governments in Tennessee and make recommendations regarding best uses and ways to make the properties more productive. As part of the research for the study required by the Act, staff invited four panelists to speak with the Commission:

- Bruce NELSON, Director of Special Projects, Tennessee Department of General Services;
- Jeff HOGE, Director of Right-of-Way Division, Tennessee Department of Transportation;
- Ken MORRELL, Manager of Special Projects, Tennessee Comptroller of the Treasury; and
- Lisa NOLEN, Finance Director, Rutherford County.

Mr. MOREO explained that Brent LAMBERT, Mayor of East Ridge was invited to participate in the panel but was unable to attend because of an unexpected personal issue.

Ms. NOLEN provided an overview of the properties owned by Rutherford County. She said that Rutherford County owns a total of 156 parcels of property, 10 of these are designated as surplus properties that are available for sale, and 20 parcels cannot be sold because these were acquired through a Federal Emergency Management Agency flood mitigation program.

Mr. MORRELL described the role of the Comptroller of the Treasury, Division of Property Assessments in providing assistance and oversight of county property assessors. Mr. MORRELL said that 84 of the 95 counties in Tennessee report property assessment information to the Comptroller through the state's computer-assisted mass appraisal system known as IMPACT. His office provided property assessment data to TACIR staff for the county and city-owned properties from the database but acknowledged that it is not possible to produce a definitive list of properties owned by county and city governments because of incomplete and inaccurate information for some properties.

Mr. NELSON said the Tennessee Department of General Services, State of Tennessee Real Estate Asset Management (STREAM) program exists to implement a real estate management strategy for the state of Tennessee. He said there are three guiding principles for the state's real estate strategy: 1) program requirements drive the real estate needs; 2) financial metrics are used in decision-making; and 3) the size of the state's real estate portfolio should be kept to a minimum. Mr. NELSON said that STREAM does not handle property acquisitions for the Tennessee Department of Transportation (TDOT), the Tennessee Wildlife Resources Agency (TWRA), or for any of the higher education institutions. He stated that most dispositions of state property are for properties that are sold on the market through sealed bid, auction, or in some cases through a broker.

Mr. NELSON described the state's process for disposing of properties. He said that public owned properties are offered to other agencies and governments. If it is not wanted, then it is put on the Department of General Service's website and offered for sale. Mr. NELSON commented that he was not aware of anything that would prohibit the state from developing a list of state and local government properties for sale and hosting a website that could serve as a clearinghouse.

Mr. HOGE said that there is an excess property office within TDOT's Right-of-Way Division that handles properties that TDOT does not need. The excess property office is responsible for keeping an inventory of uneconomic remnants and selling, leasing, licensing or changing access or control for properties that TDOT does not need as right-of-way. When the property is going to be sold, it is offered to the original property owner first and then to adjacent landowners.

Mayor MCDONALD said that a lot of the property in Bartlett is expected to be used for drainage projects or parks. He pointed out that even though this property remains vacant it does have a purpose and therefore is not surplus property. He also said there is a problem with sovereign citizens putting public property deeds in their names and challenging ownership, and requested that staff include this issue in the report and make an effort to determine how to stop this burden on local governments.

Mayor Kenny GREER said Henry County works closely with the City of Paris and they have a challenge dealing with tax delinquent properties because these properties cannot

get title insurance. He said Henry County has over 460 properties that are not marketable. Henry County collaborated with the US Department of Agriculture Rural Development program to have them finance low-income buyers to help them purchase at a nominal price and build homes on the property. However, the department could not finance these properties to qualified buyers because the properties did not have a clean title from title insurers. Mayor GREER said title insurers would not give insurance on these tax delinquent properties because there is a risk that potential heirs did not receive proper notice before the tax sale and these heirs could challenge the title.

Mayor GREER asked that the study examine these issues. Ms. NOLEN responded that Rutherford County had not experienced this problem. She said Rutherford County currently has ten properties that are tax delinquent and they have a tax sale each year in June.

Dr. LIPPARD said TACIR looked at tax default issues as part of a past study on blighted property, but that staff will review it as part of this project as well.

Representative Mike CARTER explained that when East Ridge, Tennessee successfully developed a BassPro retail facility on TDOT right-of-way, he thought there might be more opportunities across the state to make use of underutilized government-owned properties. However, it is important to understand what the state and local governments own before anyone can decide what should do with it. Representative CARTER said once the amount of nontax-producing property held by the state and local governments is known then it will be possible to decide what options are best for making this real property more productive. He said fully understanding this issue may take two years or more, but he would like to have a single website where developers can go to see what is available from the state and local governments.

Vice Mayor SENTER said there might be situations where it takes more effort to understand what the government owns fully. For example, Morristown is currently resurveying its parks because the records are old and the boundaries are not well defined.

Senator Bo WATSON asked whether there is a single repository or clearinghouse for information on government-owned property for sale, similar to the list of surplus equipment or financial instruments from the Treasury, but for real properties. He explained that this approach would be a good model for surplus property.

Ms. NOLEN said that local governments would need to be the ones designating the properties as surplus, and reporting them. She explained that just because a property is vacant does not mean it is surplus property.

Senator WATSON inquired about an accepted definition of surplus property. Ms. NOLEN responded that it is "property that is not needed." She explained that surplus property is managed locally and it is not reported to the state. Senator WATSON said that reporting the surplus property to the state seems like a reasonable first step to

disposing of it.

Mayor GREER confirmed that Henry County does define surplus real property as property that is not needed by the local government. He said it would be beneficial to have a state-sponsored website to advertise local government surplus property.

Representative WIRGAU asked how properties are sold once they have been designated as surplus. Mr. NELSON responded that the state's process is to offer properties through a sealed bid, live auction, or through a real estate broker. He said that sealed bids are the most common and using a broker is the most rarely used option.

Mr. HOGE said that TDOT regulations require the agency to sell to either the original owner or the adjoining landowner if the property is sold within ten years of the date acquired. In the case of the BassPro development, the property was sold to the adjoining landowner, so it did follow the standard process for TDOT land dispositions. When the original owner and the adjoining landowner do not want the property, then TDOT would work with the Department General Services to sell it.

Representative CARTER said the unneeded state property should be managed in a way that allows local governments to maximize the property tax from the property. The goal is to increase the income for cities and counties. He said the property needs to be inventoried and reported to the Comptroller, but that local government should decide how to manage the property that they own in a way the benefits them the most.

Other Business

Senator WATSON asked about the status of a study requested by legislative committees on Senate Bill 1989 by Stevens and House Bill 2154 by Hawk, which is a bill related to the Tobacco Master Settlement Agreement. Following some discussion on the report's due date, Dr. LIPPARD said that the plan is to have a panel discuss the issue at the next Commission meeting. [Note: Senate Bill 1989 by Stevens and House Bill 2154 by Hawk as drafted would reduce the number of reasons for which a non-participating manufacturer (NPM) would be excluded from the Tobacco Product Manufacturing Directory for failure to pay an escrow payment governed by the Tobacco Master Settlement Agreement. Representative Hawk made a motion, which passed, in the House Finance, Ways and Means Committee to send the bill to the Commission for additional study with a requested due date of 2020. The Senate Finance, Ways and Means Committee later amended the bill to provide guidelines for a Commission study and listed a due date of March 1, 2019. While the amended bill did not become law, the Commission voted to conduct a study and present the draft report at the December 2019 Commission meeting.]

In other business, Vice Mayor SENTER asked if anyone on the Commission had heard that, as of March 2019, the United States Postal Service (USPS) is going to require

subdivisions to have clusters of mailboxes rather than allowing individual mailboxes. [Note: Per Sandy Alsman, Growth Management Coordinator, Tennessee District, United States Postal Service, "it is the policy of the US Postal Service that mail delivery to all new developments is centralized delivery, most often using cluster box units." From the US Postal Operations Manual 631.1 General: "The Postal Service-approved modes of delivery available for all existing delivery points newly established and extensions of delivery points, are described in 631.24. Centralized delivery is the Postal Service's preferred mode of delivery for all new residential and commercial developments. Curbside, sidewalk delivery and door modes are generally not available for new delivery points, with very rare exceptions as determined by the Postal Service in its sole discretion on a case-by-case basis."]

Dr. LIPPARD adjourned the meeting at 10:25 a.m. The next meeting is scheduled for December 12-13, 2018.