LEGISLATIVE UPDATE - 2023

Don Scholes, General Counsel
Tennessee Association of Utility Districts

©2023. Tennessee Association of Utility Districts





The Legislature Speaketh Again





CITY OF SPARTA 6 Liberty Square P.O. Box 30 Sparta, Tennessec 38583 931.836.3941 fax www.spartatn.com

AGENDA

BOARD OF MAYOR AND ALDERMEN

Thursday, June 1, 2023 - 5:00 PM Sparta City Hall, 2nd Floor

- 1. Approval of the Minutes of the May 18, 2023 regular meeting.
- 2. Special order of business. Swearing in officers Austin McCoy and Ronald Vance.

ORDINANCES

 Ordinance 23-962 – An Ordinance to amend Title 12 Chapter7 Section 701 of the Sparta Municipal Code adopting the International Energy Code 2018 Edition with charts from the



Before:

Sunshine law not require publication of board meeting agenda before regular meeting



After:

- Governing body of local government must:
 - Make its meeting agenda available to the public
 - Place accessible to the public
 - At least 48 hours before the meeting

Accessible to public means:

- Website
- Local government's office
- Newspaper publication



- Agenda must reasonably describe matters to be deliberated or acted upon during meeting
- Cannot withhold its from agenda to avoid public disclosure of business
- Is failure to meet these requirements a Sunshine Law Violation?

Good news is...

Applies only to governing bodies of cities, towns, counties and metro governments

Does not apply to

- Utility districts
- Utility authorities
- County boards of public utilities
- Municipal utility boards created by public or private act

PC 300 Public Comment Period at Board Meetings

- Governing boards of local governments must:
 - Reserve time for public to comment on matters which are germane to items on the agenda of a utility's board meeting
 - Take all practicable steps to ensure that opposing viewpoints are represented fairly, if any, during a public comment period



PC 300 Public Comments Period at Meetings

- Governing boards of local governments may:
 - Require that any member of the public who wants to offer comments at meeting give advance notice of desire to offer comments
 - Place reasonable restrictions on comments period such as

PC 300 Public Comments Period at Meetings

- Length of period
- Number of speakers
- Length of time that each speaker may comment
- If the utility requires advance notice, then the public notice of every meeting must indicate the how a person who wants to comment must give such advance notice.

PC 300 Public Comments Period at Meetings

Observations and questions to date:

- If no advance notice of public comment required, no need to change current public notice
- Can you still permit public comments on the agenda item when it is being considered?
- Is this the same thing as being placed on the agenda?

- Rewrites current law on providing commissioner medical insurance and life insurance coverage and permits utility district to pay for such coverages in three ways
 - 1) Commissioner may participate in utility district group medical and group life insurance plan (unchanged)

2) Utility district may reimburse a commissioner for premiums paid for non-group medical insurance policy or non-group life insurance policy (new)

Reimbursement cannot exceed premium paid for utility district's employee insurance coverage

3) Utility district may reimburse a commissioner for premiums paid medical insurance coverage under Medicare and Medicare Supplement (Medigap) policies (new)

Medicare Parts A, B, and D
Medicare Part C (Medicare Advantage Plans)
Medicare Supplement (Medigap) policy premiums

- Does not change the IRS rules on "employer payment plans" under ACA
- Employer reimbursement plans are not permitted under ACA unless they are "integrated" with an employer's group medical plan
 - Commissioner must be eligible to participate in ACA-compliant group plan
 - Must decline to participate in utility district group medical plan

- "Integration" is not required when only one person participates in employer payment plan
- Individual medical insurance policies cannot be "integrated" so only reimburse when only one person receives reimbursement
- Failure to follow IRS rules subjects utility district to excise tax of \$100 a day or \$36,500 per year per commissioner

PC 274 Changes to Tenn811 Act

- Hand digging as defined now requires a locate request
- Definition of hand digging excludes
 - Property owner who is hand digging on their property
 - Utility who is hand digging to depth of 12 inches or less for routine maintenance

PC 274 Changes to Tenn811 Act

- Authorizes use of electronic white lining to mark proposed excavation area in lieu of physical marking with white paint or flags
- Authorizes Tenn811 to collect data on large projects so it can recommend alternatives to alleviate repeat notifications
 - Projects encompassing more than 2,000 feet
 - Projects taking more than 90 days to complete

PC 224 Size of Executive Committee of UUDEB

- Size of the executive committee of Underground Utility Damage Enforcement Board (UUDEB) increases from 3 to 5
- Any member of the UUDEB may be appointed to these two new seats because act no specify the industry from which seat must be filled
- UUDEB currently has 17 members

PC 37 Administrator of Ethics Code

- In 2006 all local governments had to adopt ethical standards which were filed with the Tennessee Ethic Commission (TEC)
- This act requires each local government to notify the TEC of the person responsible administering and enforcing its Ethics Code
- Notification in writing or by email by January 1, 2024
- Notification of any change in such person within 30 days of changes

PC 45 No Local Prohibitions on Energy Source

- No political subdivision can adopt a policy which prohibits
 - Connection or reconnection of utility service to an individual based upon the type or source of energy
 - Sale or installation of an appliance used for cooking, space heating, water heating or other end use based on type and source of energy
- Policy means ordinance, resolution, regulation, code, or any other requirement imposed by a political subdivision of this state

PC 154 Energy Mandates to Public Utilities

- If a political subdivision mandates a public utility to use a source of "clean energy," the utility must use at least one or more clean energy source
- "Clean energy" means energy from a source known to produce significantly lower carbon emissions than traditional fossil fuels
- Act lists 17 clean energy sources

PC 154 Energy Mandates to Public Utilities

- If a political subdivision mandates a public utility to use a source of "renewable energy," the utility must use at least one or more renewable energy source
- "Renewable energy" means energy from a source that is naturally replenishing or that is virtually inexhaustible on a human timescale
- Act lists 8 renewable energy sources

PC 154 Energy Mandates to Public Utilities

- 1) Solar energy
- 2) Photovoltaic cells and panels
- 3) Hydropower
- 4) Wind power

- 5) Hydrogen fuel
- 6) Geothermal energy
- 7) Biomass
- 8) Renewable natural gas, as defined in § 65-5-114.

PC 316 Appointees to State Boards and Commissions

- Provides all appointees to state boards and commissions remain in office until a successor is appointed and qualified
- Provides the appointing authority can remove a member of a state board or commission at any time "with or without cause"

PC 225 Utility Distict Commissioner Terms

 Eliminates the two consecutive term limit for commissioners of utility districts which located in Franklin County or Marion County which exists under current law

PC 345 Utility District Commissioner Per Diem

 Increases the maximum per diem allowable for commissioners of utility districts in Morgan or Roane County from \$300 to \$500 per board meeting

PC 276 Local Government Purchasing

- Increases the competitive bidding threshold from \$50,000 to \$100,000 for the superintendent of an electric power board or the president of a municipal energy authority
- If the electric power board or municipal energy authority operates a water, sewer, or gas system, this same threshold applies to purchases for these systems by the superintendent
- Permits any local government to purchase goods or services without competitive bidding when the state building commission has a contract to purchase the same goods or services

PC 309 Local Government Control Over Employers

- Local governments:
 - Cannot impose any legal requirement on employers regulating the hours worked, scheduling, or output during work hours of employees
 - Are preempted from imposing mandates on private employers regarding additional wages paid or employee benefits

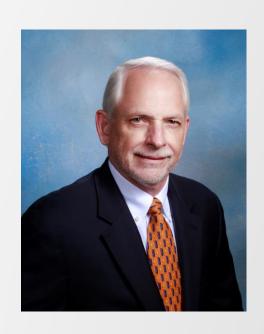
PC 309 Local Government Control Over Employers

- Local governments cannot seek to control or affect the wages or employee benefits of its vendors, contractors, or service providers
 - through its purchasing or contracting procedures; or
 - by evaluation of factors, qualifications for bidders, or award preferences

More Public Chapters

- PC 157 Person requesting public records is not entitled to special or more expeditious access to records due to the person's occupation or association with a specific profession
- PC 216 Authorizes the local government insurance committee to establish basic health plan benefits and voluntary benefits for all retired local government employees who use the local government insurance plan

Contact Information



Don Scholes *General Counsel*

Tennessee Association of Utility
Districts
Phone: (615) 896-9022
donscholes@taud.org

©2023. Tennessee Association of Utility Districts