

Destination	Current	Proposed
Counties, Cities, School Districts	70 percent	70 percent
RDAAF	(Does not exist)	15 percent (Limited to \$6 million)
General Fund	30 percent	Remainder (at least 15 percent)

The Consensus Forecasting Group projects that TVA in-lieu-of-tax revenues allocated to the General Fund will be approximately \$12.58 million in fiscal year 2017–2018, \$12.81 million in fiscal year 2018–2019, and \$13.04 million in fiscal year 2019–2020.

Since, under this bill, money is moved to the RDAAF for fiscal years starting on or after July 1, 2018, there is no fiscal impact in fiscal year 2017–2018. However, starting in fiscal year 2018–2019, the General Fund will lose half of its projected revenue from the TVA in-lieu-of-tax payments. This is estimated to be in excess of \$6 million. Since the bill includes a statutory cap of \$6 million redirected from the General Fund, the loss to the General Fund will never exceed \$6 million.

The diversion of general fund moneys to the impacted counties represents funding in addition to the TVA funds they currently receive. Impacted counties are those counties that have TVA property located within the county. Fund-eligible counties are those counties that were either served by a utility that purchases power from the TVA, distributes TVA power in Kentucky, the situs for any TVA property, or one of the following counties:

Adair	Caldwell	Edmonson	Henderson	McCracken	Ohio	Union
Allen	Calloway	Fulton	Hickman	McCreary	Russell	Warren
Ballard	Carlisle	Graves	Livingston	Metcalfe	Simpson	Wayne
Barren	Christian	Grayson	Logan	Monroe	Todd	Webster
Bell	Clinton	Harlan	Lyon	Muhlenberg	Trigg	Whitley
Butler	Cumberland	Hart	Marshall			

Part III: Differences to Local Government Mandate Statement from Prior Versions

The Part II section above pertains to the bill as introduced and there are not any prior introduced versions of the bill to complete the Part III section.

Data Source(s): LRC Appropriations and Revenue Staff; Tennessee Valley Authority

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