



City of Oak Ridge, Tennessee 2023 State Legislative Agenda

(1) Continue funding and support for the proposed general aviation airport in Oak Ridge.

In July 2020, the City of Oak Ridge assumed sponsorship of the proposed Oak Ridge general aviation airport from the Metropolitan Knoxville Airport Authority, a project which had been initiated by local parties dating back to 2009. Broad support for the project includes industrial/business development for avionics, provision of enhanced delivery and processing of medical isotopes, electronic aviation services, aviation education, and increased access to advanced nuclear energy initiatives. The project is now recognized by the Federal Aviation Administration as part of the National Plan of Integrated Airport Systems (NPIAS). The project is now ready to release with an Environmental Assessment and completion of a 30% design.

(2) Restore the sales tax revenue formula historically shared with municipalities to provide tax relief to millions of Tennesseans as prioritized with the Tennessee Municipal League (TML).

In 2002, the State of Tennessee enacted measures designed to increase state revenues and intended to stave off an impending budget crisis. Two such measures altered the historic state-shared sales tax relationship between the state and Tennessee's municipalities, which was established in 1947, and in which the state returned 4.6% of the state's total annual sales tax revenues designated for the general fund to the state's municipalities. TML's legislation fully restores this historic revenue-sharing relationship, which by TML's estimate would have increased the City of Oak Ridge's state-shared sales tax revenue by \$579,121.00 in FY21-22. The returned revenue would provide relief to City taxpayers, allow local governments to meet funding demands that are necessary to maintain vital infrastructure, provide essential services to our citizens, fuel economic expansion, and afford the quality of life that has allowed Tennessee to prosper.

(3) Support funding and prioritization by the Tennessee Department of Transportation (TDOT) for the Edgemoor Road (SR170) construction project, urging the priority of the western portion as Phase 1. Support City officials on final designs that incorporate pedestrian and bicycle trafficways, and the Oak Ridge Fire Station #5 construction site.

The proposed widening of Edgemoor Road from 2-lanes to 4-lanes has been in TDOT's planning stages for two decades. The expansion is vital (1) to relieving heavy traffic and congestion to/from the region's employment centers in Oak Ridge; (2) to ensure safe access to the City's planned Fire Station; and (3) for the beneficial repurposing of the TVA's Bull Run Fossil Plant property. In 2012, the project was pledged by the then-TDOT Commissioner to be expedited when he made the decision to cancel the Knoxville beltway project. This decision significantly exacerbated the transportation burden on Edgemoor Road. In September 2022,

TDOT proposed delaying the project from 2030 to 2035 and changing the phasing of the project so that the shorter, western portion located in Oak Ridge would be the last section to be completed. The changes were made without consultation or advance warning to the City of Oak Ridge, which is inconsistent with recommendations in the report recently released by the Tennessee Advisory Commission on Intergovernmental Relations (TACIR) regarding coordination and communications between State of Tennessee agencies and impacted local communities.

(4) Ensure Oak Ridge's participation in decisions related to federal facilities in Oak Ridge, particularly the legal settlement by the Tennessee Attorney General of the Oak Ridge Natural Resources Damages Assessment (NRDA) and development of funding implementation processes.

In mid-August 2022, the U.S. Department of Energy (DOE) and the State of Tennessee issued a press release announcing the parties have entered into an "Agreement in Principle" related to natural resource damages on the DOE's Oak Ridge Reservation, located in the Oak Ridge city limits. The draft NRDA plan reveals that the parties agree to natural resources damages of \$42 million to resolve DOE's liability for remaining natural resource damages in Oak Ridge. Half of the damages would be funded through repurposing a perpetual care fund for the Environmental Management Waste Management Facility (EMWMF), which was a requirement of the Record of Decision issued for this facility in the early 2000's. The City does not support the plan as written, and views the proposed settlement as detrimental to community. City Council adopted a Resolution in October 2022 requesting that TDEC pause the process until the City can be provided with, review the supporting documents, and engage with TDEC to ensure the best interests of the community are incorporated into the restoration and compensation plan.

(5) Require and budget for the Tennessee Wildlife Resources Agency (TWRA) to make annual Payment-in-Lieu of Taxes (PILT) on the proposed transfer of the Black Oak Ridge Conservation Easement (BORCE) and associated federal properties at a rate no less than the amount paid annually by the U.S. Department of Energy (DOE) on real property in Oak Ridge.

In late 2021, the U.S. Department of Energy and TWRA signed an "Agreement in Principle" (AIP) to transfer approximately 3500 acres of DOE property in Oak Ridge to TWRA. For decades, the DOE has paid annual PILT payments to the City of Oak Ridge, Roane and Anderson Counties on the real property, which includes the BORCE and Clark Center Park. According to the AIP, TWRA will propose a formal natural resource and wildlife management plan that will include a budget associated with the additional resources required to implement the plan. The proposed plan will permanently remove the property from future private sector development that would provide much needed revenue for the affected local governments. The City will continue to seek engagement with TWRA on the proposed plan, but urges the Tennessee General Assembly to enact provisions and budgets to ensure the affected local governments continue to receive annual PILT payments in an amount to at least match DOE's current formula.

(6) Support the Tennessee Municipal League initiative to authorize local governments to modernize by allowing remote participation during times when the requirement for physical presence can impede the conduct of city business and discussion if a quorum cannot be achieved.

During the pandemic, Tennessee local government bodies gained extensive experience with conducting remote meetings and with individual members participating remotely in physical

meetings. From this experience, cities and towns determined that remote meetings can be efficient and can be conducted without infringing on the right of the public to observe or participate. Revision and reintroduction of SB971/HB1029 would amend the Emergency Powers Act to authorize local governing bodies to conduct remote meetings during an emergency. Senate Bill 301/HB327 would authorize individual members of local governing bodies to participate in a scheduled meeting remotely under certain circumstances.

(7) Support local opt-in/opt out on legislative initiatives, such as non-smoking in public spaces, that otherwise promote local preemption.

Each year, bills are introduced in the Tennessee General Assembly which propose changes in state law that have the effect of restricting local governing bodies from making decisions that local elected officials may determine are in the best interests of their constituents. The City urges the General Assembly to support legislation which preserves local authority by including opt-in/opt out provisions requiring adoption by the local governing body.

(8) Oppose legislation that forces local governments to take on unfunded mandates/fiscal liabilities through changes in State procedures or needs.

Each year, bills are introduced in the Tennessee General Assembly which propose changes in state law with fiscal notes that include unfunded financial burdens to local governments. The City urges the General Assembly to oppose legislation that places unfunded mandates on local taxpayers.

(9) Review and consider sunset of various sales tax exemptions. Some of these are outdated, long-lived, and should have a sunset provision.

In 2018, the City of Oak Ridge and Roane County were notified to return significant sales tax revenue to the State for which a refund was applied by the submitting vendor pursuant to a new sales and use tax exemption law enacted by the Tennessee General Assembly in 2015. The law authorizes sales and use tax exemptions for certain research and development equipment. Numerous additional tax credits and sales/use tax exemptions are authorized for exemptions for facilities such as “qualified data centers”, and certain “headquarters” designations. The City urges the General Assembly to require regular evaluation and review of tax exemptions to determine economic impact, including costs and benefits to the local jurisdiction, with a recommendation to modify, discontinue, or take no action with respect to each exemption. Such exemptions should have a sunset date, as is required of local governments’ PILOT programs.

(10) Oppose school voucher programs and urge the General Assembly to limit implementation until impacts are systematically examined and mitigated.

Oak Ridge citizens have a long tradition of supporting and investing in public education. The City of Oak Ridge opposes voucher programs and urges the Tennessee General Assembly to limit implementation until impacts are systematically examined and mitigated.