



Regulatory Reform Report



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I. Process

The Department of Economic and Community Development (ECD) was tasked with the responsibility of regulatory review as part of Gov. Haslam's Jobs4TN plan. The goal of this task was to produce a report and set of recommendations to the governor in order to make improvements to our state government's regulatory system as well as the way it conducts business. During this process, ECD worked with existing Tennessee businesses, business advocacy groups and state departments to identify federal and state laws, regulations and processes inhibiting job growth.

The regulatory review process involved three different steps. First, ECD worked with third party groups to distribute a broad survey to businesses. The results of this survey, explained in the following section, revealed challenges facing businesses in this state.

Second, a series of roundtables and discussions were conducted regarding business interaction with the state of Tennessee. These roundtables and discussions, detailed in the following section, were conducted throughout numerous business sectors, small and large, as well as in every region of the state.

Third, each state department was asked to self-assess regulations that they feel are unnecessary, unduly burdensome or come at excessive cost to businesses.

The information collected from businesses, industry groups and state departments was analyzed to produce this report. Certain issues presented in this report may have been or are being addressed through the "top-to-bottom" review the governor required departments to undertake earlier this year.

II. Survey Process

A. Survey Background

With the goal of understanding which Tennessee laws and regulations are most burdensome to Tennessee business, ECD developed a broad four question survey that was distributed throughout the state by the state and local chambers of commerce.¹ The survey asked responders to identify laws, rules and/or departmental procedures and policies which are unnecessarily burdensome on business. Additionally, the survey asked for identification of federal laws and regulations that are burdensome on business. Although federal regulations are generally difficult for states to impact, the information was collected in order to find opportunities for this administration to work closely with our federal delegation regarding troublesome regulations.

In this process, more than 150 surveys were completed, and the results varied as to detail and relevance.² This survey allowed ECD to understand certain areas of importance and develop certain themes that help guide these discussions throughout this process.

¹ A copy of the survey is included in Appendix 1.

² Copies of the survey results are included in Appendix 2.

B. Survey Results

As of August 1, 2011, ECD received and reviewed survey responses involving numerous rules and laws.³ The responses were widely varied and addressed numerous aspects of how state government conducts business. The common concerns addressed within the survey responses are listed below:⁴

- the need to remedy internal and external government inefficiency, including the need to improve customer service aspects of state government;
- the need to provide transparency and certainty with regard to how inspectors interpret and enforce certain regulations;
- the lack of oversight and accountability of the state boards and commission system;
- the need to provide transparency of our regulatory system and processes and;
- the need to address and improve numerous laws and regulations.

This information provided valuable initial input from stakeholders which was used to develop a question framework for the roundtables that were held later in this process.

³ The completion date for survey responses was originally July 15, 2011. Submissions were accepted past that date.

⁴ The summary of common survey concerns are presented in no particular order.

II. Roundtable/Meeting Process

During the months of August through October, 2011, ECD, in conjunction with numerous chambers of commerce and businesses, conducted roundtables and meetings seeking input regarding regulatory and government inefficiencies that make it difficult to do business in the state.⁵ Throughout this process, ECD had the opportunity to hear the input of nearly 200 businesses from across the state. The map below represents many of the locations where input was taken from businesses, associations or local officials in roundtables or other outreach meetings.



The results of these meetings provided a significant amount of feedback regarding our regulatory system, doing business with our state government, as well as numerous other issues focusing on current laws and suggestions for future initiatives.⁶ As the summary indicates, the subject matter addressed by businesses during these roundtables was much broader than just regulatory matters. Businesses took the opportunity to voice concerns on numerous subjects. The most common concerns addressed during the roundtables are listed below:⁷

- numerous and serious complaints regarding government inefficiencies and the level of customer service state government provides;
- the lack of transparency involving departmental methods for interpreting regulation;
- the lack of certainty involving future federal regulations and the ability to conduct business because of those regulations;
- the need for a properly educated and skilled workforce; and
- workers' compensation and unemployment laws and regulations.

⁵ It is important to note that roundtables were offered to be held throughout the state, some chambers did not choose to participate, canceled due to lack of participation, or simply chose not to respond to requests to hold a round table.

⁶ A summary of roundtable results are included in Appendix 3.

⁷ The summary of common roundtable concerns is presented in no particular order.

These results parallel much of the information we received during the survey process, however, this information was very detailed in nature.

IV. Interdepartmental Process

On June 27, 2011, Dep. Gov. Claude Ramsey issued a request for each department to evaluate regulations within the areas of their jurisdiction that could be streamlined, eliminated or are burdensome to business. ECD worked with the various departments to obtain these lists.

The results have identified numerous regulations that can be modified, streamlined, or eliminated.⁸ Furthermore, many of the departments are addressing or have addressed regulatory inefficiencies within their departments as a result of their top-to-bottom reviews.

V. Findings and Recommendations

A. Findings

Much of the input that was received during this process indicated that Tennessee does not have the specific problems with individual regulations that plague other states in our country; however, this process highlighted numerous regulatory and operational issues within our government. The most common findings are detailed below⁹:

Regulatory Interpretation

Numerous examples were provided during this process regarding uneven regulatory interpretation and the lack of transparency of such interpretation in our state. The common problem addressed involves situations where departmental regulators or inspectors enforce the same regulation inconsistently in different regions of the state even when there is no apparent reason for doing so. Businesses expressed that playing a regulatory “guessing game” was inefficient, expensive and contributed to uncertainty that would give businesses hesitancy to further invest in this state.

Regulatory Enforcement Inefficiency

Whether individuals who enforce regulations in certain departments are given the proper training or have the proper skill set required to enforce regulations is a concern across the state. Additionally, there is a perceived lack of accountability in regards to state inspectors. Many concerns were expressed regarding inspector misconduct, such as poor treatment or perceived intimidation of businesses they are inspecting.

⁸ Lists of suggested regulations are included in Appendix 4.

⁹ These findings are presented in no particular order.

Relationship with Federal Agencies

The relationships certain departments have with federal agencies and whether a state department will adequately represent Tennessee's interests or simply capitulate to the wishes of the federal agency should also be evaluated. The most common complaint addressed situations where the state departments have latitude to interpret a regulation differently than a federal agency and instead simply rely on "guidance" from the federal agency, regardless of whether this "guidance" is appropriate or not.

Transparency

The lack of information set forth by boards, commissions and departments regarding the regulatory process in the state makes it difficult to monitor this process and perpetuates inconsistencies. Many expressed concern that there was not proper oversight and accountability of the boards and commissions process.

Departmental Culture

In addition to the concerns regarding the regulatory process, there were an overwhelming number of concerns regarding the lack of "customer service" the state provides. Serious and severe problems were addressed and involved: departmental inefficiencies; lack of response to constituents; poor attitude; rude treatment of constituents; threats made towards constituents; and general lack of management and accountability.

B. Recommendations¹⁰

Assessing Future Regulations

Implement a process that assesses all regulations prior to becoming final. This process should include requirements for boards, commissions and departments to ensure a full and open regulatory process, ensure stakeholders have proper input in the process, and include a written statement from the promulgating body as to why the rule is needed and whether the affected stakeholders have been considered. This information should be included on the regulatory transparency website.

Culture of Compliance

Require regulatory enforcement entities to make efforts to work with constituents to help them comply with regulations and to help them understand inspector expectations. One of the more common complaints received during this process was the perception that certain departments and inspectors play a game of "gotcha" instead of working with the businesses to assist them in complying with regulations.

¹⁰ Recommendations are presented alphabetically.



Culture of State Government

Assess reforming aspects of the state employment process. Many of the complaints during this process surrounded the lack of accountability of state employees and the lack of professionalism encountered while interacting with the state government. Employees should be held accountable for their actions. State employees that do not properly conduct themselves or fulfill their duties should be easily disciplined or dismissed by their supervisors.

The state should assess the benefits of providing customer service training to employees and developing customer service standards. Employee performance reviews should take into account these standards and hold those accountable for not complying with these standards.

Eliminating Unnecessary Regulation

Direct each department to begin the process of eliminating or modifying the regulations provided during the departmental review of this process.

Federal Regulations

Conduct an annual survey to businesses tracking problematic federal regulations. The results of this survey will further guide the state's ability to work with the Tennessee congressional delegation to improve or eliminate these regulations.

Interdepartmental Interaction

Review all procedures or processes that are performed by more than one department to assess whether these procedures and processes can be streamlined. A number of complaints during this process revolved around departments failing to work together on the same matter. This failure leads to costly delays for businesses.

Legislative Opportunities

Search for legislative or regulatory opportunities to address business concerns regarding certain laws such as worker's compensation or unemployment laws.

Regulatory Interpretation

Require that every department enforcing regulations create uniform regulatory guidance, where applicable, in order to promote regulatory certainty and oversight within this process. Implementing this process would provide businesses with certainty and add transparency to the regulatory system.

Regulatory Transparency

Develop an interactive, “one stop” website. Develop an interactive website that allows constituents to easily find regulatory information and require each department, board, or commission to post notices on this website and to create an updating service that constituents can receive all notices regarding potential rulemaking. A fairly common complaint, especially among small- and medium-size businesses, was that it was very difficult to engage in the regulatory process without the costly process of hiring an attorney. All agreed that having an easier method for finding information would be beneficial and make the regulatory system easier to navigate.

Assess the necessity of each board and commission. Many concerns addressed the necessity of certain boards and commissions within this process and whether these entities have proper oversight and accountability. Many of these entities are duplicative, unnecessary, or can be consolidated. This system tends to lead to confusion regarding the rulemaking process. Where appropriate, boards and commissions that fit this description should be eliminated or consolidated.

Appendix 1

Reform Survey Website Page

WELCOME TO THE REGULATION REFORM SURVEY!

Purpose of Survey

The purpose of this survey is to gain perspective on federal and state regulations that are burdensome to Tennessee businesses. Please note that "burdensome," in the context of this survey, is defined as an unreasonable rule or regulation which limits, restricts, or hinders the normal course of business. This survey is for informational purposes only and will be used to assess the state's regulatory system. This survey is anonymous.

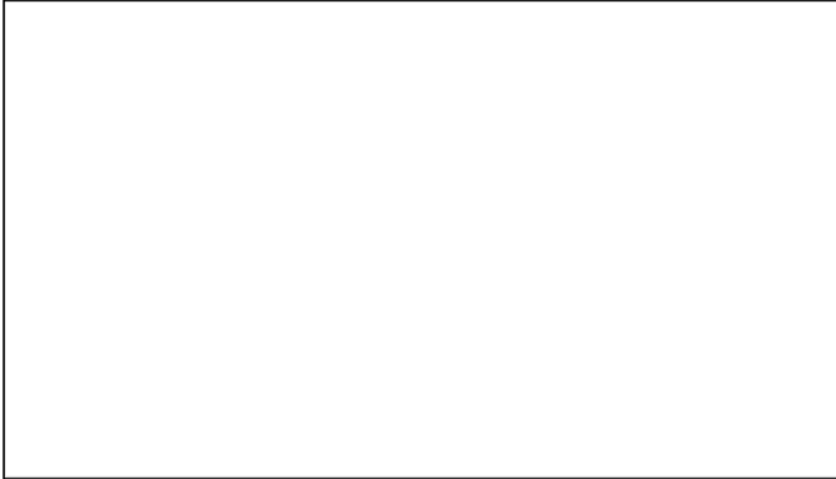
You are encouraged to be as detailed as possible in answering this survey. Answers will be most helpful if they include: (i) references to a specific rule or regulation (including rule or regulation number); (ii) the federal or state department charged with overseeing compliance for each rule or regulation referenced; and (iii) the approximate cost and/or man hours required to comply with each rule or regulation referenced.

If you have any questions, please feel free to contact Paul Fassbender at paul.fassbender@tn.gov

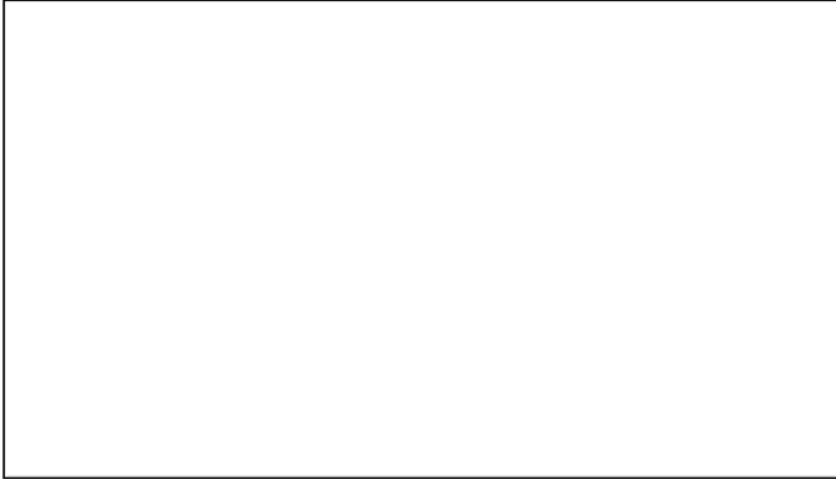
Regulation Reform Survey

1) Please specify any State of Tennessee rules or regulations that are burdensome to businesses and that you believe should be repealed or modified.

2) Please specify any antiquated, duplicative, or outdated State of Tennessee rules or regulations that are burdensome to businesses and that you believe should be eliminated.



3) Please specify any State of Tennessee departmental procedures or enforcement processes that are burdensome to businesses and how these procedures and/or processes could be improved.



4) Please specify the most burdensome federal regulations and/or regulatory processes.

Appendix 2

Regulatory Reform Survey Results

Survey Results

With the goal of understanding which Tennessee laws and regulations are most burdensome to Tennessee business, ECD developed a broad four question survey that was distributed throughout the state by the state and local chambers of commerce. The survey asked responders to identify laws, rules and/or departmental procedures and policies which are unnecessarily burdensome on businesses. Below is summary of the topics mentioned and comments received on the survey.

<u>No.*</u>	<u>General Subject</u>	<u>Likely Department/ Board**</u>	<u>Survey Responder Comments</u>
1	Licensing	Agriculture	Too many forms and multiple licenses required to conduct a business.
2	Pest Control	Agriculture	No input on changes. Review procedures inadequate.
3	Pest Control	Agriculture	Excessive paperwork and confusion regarding new rules.
4	Pest Control	Agriculture	Bonds for damage repair warranty in industry required; unnecessary burden: no investigation is required and no fault must be determined.
5	Shelling of Pecans	Agriculture	Should be a small producer exception for shelling of pecans (less than \$3,500 in sales annually) that they can produce labeled as uninspected with a single state permit in lieu of all other permits, taxes and reporting.
6	ABC	Alcohol and Beverage Commission	Alcohol and Beverage Commission is not trying to promote compliance; it is merely trying to garner fines.
7	Categorizing Alcohols	Alcohol and Beverage Commission	Difficult to categorize a coffee liqueur with 10% alcohol to the satisfaction of the Alcohol Reg Board.
8	Catering	Alcohol and Beverage Commission	Requiring caterers to report the event where and rates of alcohol charged is burdensome.
9	Food in Liquor Stores	Alcohol and Beverage Commission	Not allowing food (cheese, chocolates) to be sold in wine and liquor stores is antiquated.
10	Licensing	Alcohol and Beverage Commission	Separation of beer, wine, and liquor licenses is antiquated. Numerous complaints identify this issue.
11	Licensing	Alcohol and Beverage Commission	Allow beer and wine to be sold at the same stores with one entrance instead of two segregated areas for wine and beer. Numerous complaints identify this issue.

12	Licensing	Alcohol and Beverage Commission	Wineries can only attend eight wine tasting events per year which makes no sense and unnecessarily restricts business.
13	Licensing	Alcohol and Beverage Commission	Renewal of liquor license applications is the same as first time application (three pages and must be notarized) duplicative work year after year. Several complaints identify this issue.
14	Licensing	Alcohol and Beverage Commission	Not allowing Tennessee wineries to charge for wine-tasting.
15	Moonshine	Alcohol and Beverage Commission	If the state is actively supporting local vineyards, it should also embrace the moonshine industry as it is an untapped tourist attraction because of illegality.
16	Servers and TIPS	Alcohol and Beverage Commission	Requiring all servers in the state to have a TIPS card regardless of if the restaurant serves alcohol is an \$80 annual cost to servers.
17	Tax	Alcohol and Beverage Commission	15% surplus tax on restaurants if they sell Tennessee wines. Several complaints identify this issue.
18	Elevator Board	Boards and Commissions	Useless.
19	Website	Commerce and Insurance	Website for state should be upgraded to allow insurance salesman to renew and check on CE hours online.
20	Building codes	Commerce and Insurance / Building Codes	Municipalities can adopt their own building codes (so to correct problems, cities must amend rules).
21	Fire Codes	Commerce and Insurance/ Building Codes	Overly restrictive. Several complaints identify this issue.
22	Conflict of Interest	Commerce and Insurance/ Boards and Commissions	Create law to make it a conflict of interest for anyone to sit on multiple boards and commissions. The law identified talks about dept. creating conflict of interest when pest control boards are involved.
23	Real Estate Commission	Commerce and Insurance/ Boards and Commissions	Archaic and useless regulations.
24	Codes Department	Commerce and Insurance/ Building Codes	Inefficiency of Codes Department. Numerous complaints identified this issue.

25	Conflicting Codes	Commerce and Insurance/ Building Codes	State Fire Marshall uses 2006 International Building Code, but Health Department, Care Facilities use the Life Safety Code 101 and International Fire Code. Makes it unclear for businesses which codes to follow. Several complaints identify this issue.
26	Review Process	Commerce and Insurance/ Building Codes	There needs to be a maximum time limit for review of building plans; the sometimes long delays can cause major problems.
27	FastTrack	Economic and Community Development	Approval process for FastTrack Infrastructure Development Program needs to be streamlined (state funding board is too involved).
28	FastTrack	Economic and Community Development	Once committed, the state can unilaterally terminate the grant and can terminate at will for lack of funding. "Commit" should be more committed.
29	FastTrack	Economic and Community Development	FastTrack is incorrectly titled (as it's directly the opposite according to this survey).
30	Joint ECD Boards	Economic and Community Development	Joint ECD boards established under Chapter 1101 should not be required to receive state ECD and other state grants (counties meet requirements only so they can qualify for state grants).
31	Three-Star	Economic and Community Development	Three-Star is outdated. It requires too much staff time for little rewards. Points should be equal regardless of Three -Star as it's useless.
32	Title VI	Economic and Community Development	Language is inconsistent on the burden of compliance on Title VI. Title VI sometimes can be construed to apply to companies when it should not include companies.
33	Awarding of State Funds	Education	Colleges with SACS accrediting get preferential treatment in awarding of state funds from lottery proceeds (claim says DOE and TRACS were their accreditation and they cannot win).
34	Education Funding increases	Education	Child birth rates are trending down, but TN consistently increases educational funding. It should be the opposite.
35	Meeting Required to be Face to Face	Education	THEC requires a rep of the school to come to Nashville for a 30 minute meeting to get approved. This is unnecessary and burdensome.
36	New Degree Programs	Education	New degree programs must be specifically approved by DOE which is an extensive process and very burdensome.
37	Annual Waste Reports	Environment and Conservation	Annual Waste Reports: have to mail forms to three different places in the L&C building. Forms are confusing.

38	Bureaucracy and Increased Costs	Environment and Conservation	Central Office: duplicative processes, slow processing (certified letter demanding answer in 20 days instead of just email or phone call). Several complaints identified this issue.
39	Bureaucracy and Increased Costs	Environment and Conservation	TDEC not uniform, had to send the same report to two different groups.
40	Departmental Relations	Environment and Conservation	Too much overlap between government agencies especially in regards to new business in TN: ECD tells a business new to TN one thing and TDEC tells them another. Several variations of this complaint were received.
41	E. Coli and Nutrient Limitations in Discharge Permits	Environment and Conservation	E. coli and nutrient limitations are now being included in discharge permits from industrial wastewater treatment facilities; this is unduly burdensome (testing is difficult, cumbersome, and often inaccurate).
42	Erosion Control and Monitoring	Environment and Conservation	Erosion control approvals/inspections and monitoring is overly restrictive and burdensome. Filing a SWPP and then following up every week noting rainfall amounts, etc. is burdensome. Continuing education is burdensome as well. The federally based rule, Required Storm Water Pollution Prevention Plans, is overly burdensome and costly, because of delays caused by compilation of plans, review and receipt of Notice of Coverage is too burdensome. Numerous complaints identified these issues.
43	Greenhouse Gases	Environment and Conservation	TDEC tailoring rule for inclusion of “greenhouse gases” in the PSD/NSR & Title V permitting programs. Eventually, the full ramifications of EPA permitting CO2 as a pollutant will be devastating for large industry.
44	Inspection and Record Review	Environment and Conservation	TDEC inspection must be at the same time as record review. They will not come back. It must be done at the same time, so the record keeper must come and wait for inspector.
45	Lead paint	Environment and Conservation	Lead paint removal required before installing new windows or new flooring: impossible to afford.
46	Lead Paint Repair Program Increased Fees	Environment and Conservation	Proposed rule changes for Lead Paint: Renovation, Repair, and Painting program will have increased fees on pre-1978 housing when there is already certification fees and other fees necessary.

47	NOV correction	Environment and Conservation	By being forced to use a state approved corrective action contractor, marketers pay up to 10 times as much to clean up spills. Recently, we were made to spend our \$20,000 deductible towards clean up at a site. The only thing that has physically been done at this site is one soil sample has been pulled and sent to lab. The rest has been spent on paperwork and meetings. It's been two years now, and we are letting the ground clean itself. We could have pulled the same soil sample under the supervision of the UST field agent, sent it to a third party lab and had the results for less than a \$1,000. The CAC list is simply a license to steal.
48	Permit Inspectors	Environment and Conservation	Unreliable and unknowledgeable permit workers coming to give permits. Additionally, lots of irregularities in interpretation.
49	Rain Water Runoff Fines	Environment and Conservation	Rain water runoff from parking lots incurs a fine or charge, which is unduly burdensome (as a result, company itself stops up the drains while they clean lots to avoid paying large fines). Several complaints identified this issue.
50	Agriculture	Federal	Horse slaughtering law is ridiculous: owners cannot slaughter their horses when they become unmarketable or useless: forced to sell bad horses or essentially pay a slaughterer to take it or continue keeping it alive.
51	Agriculture	Federal	Farm Bill: you can qualify for funds to buy equipment if you have 50 head of cattle, but the equipment includes items you should have if you are trying to maintain 50 head of cattle; pointless.
52	Agriculture	Federal	Subsidy farms: millions are paid to farmers not to grow.
53	Banking	Federal	Banking laws on lenders are overly restrictive, shutting down development completely.
54	Bankruptcy	Federal	Bankruptcy laws are unfair to companies that have to extend credit on an unsecured basis. Asks creditors to repay all money received in 90 days leading up to filing even if it is the entire sale amount. A fairer alternative would allow a vendor to repay money made from the transaction since most of the cost of delivering the service has been incurred and is not retrievable to vendor.
55	Corporate Tax Loophole	Federal	Corporate tax loop holes burden all of us.

56	EPA	Federal	Environmental compliance/ energy restrictions: increases costs for consumers.
57	EPA	Federal	EPA fuel economy regs will make it difficult to buy truck that can pull heavy loads needed in construction, not to mention the added costs for the vehicles.
58	Explosive Manufacturing	Federal	We are in the explosive mfg. business. We are regulated by the Bureau of Alcohol, Tobacco, Firearms and Explosives and the regulations spelled out in the ATF publication 5400.7 is very vague and left up to local agents interpretation.
59	Explosive Manufacturing	Federal	Too many violations are written up for the explosives industry that cannot be addressed as a company when each location you may have has different interpreted rules.
60	Federal Tax Code	Federal	Federal tax code is very complicated and needs a complete overhaul.
61	Financial Reporting Tool	Federal	The Federal 990 form is also extremely cumbersome. What was once a financial reporting tool has now become a full business report and is more about governance than the financial results/accounting. It takes significant time and cost to prepare the report.
62	FLSA Wage and Hour Regulations	Federal	The complexity, unclear analysis and risk increase associated with the FLSA/wage and hour regulations. It has led to significant unsubstantiated lawsuits which have decreased productivity and increased staff and legal costs.
63	FMLA and ADA Regulations	Federal	While commendable, the increased administration, regulations and protections around FMLA and ADA have dramatically increased company costs and required significant internal administration (now required to have dedicated personnel just to administer FMLA and ADA standards).
64	FMLA Interpretation is Poor	Federal	Intermittent FMLA; the concept of the law was great but the interpretation went way beyond the concept, so now it is a “free day off” card for many employees.
65	Government Employee Retirement Age	Federal	Government employees should have same retirement age as those in private sector; not just when they decide to retire.
66	Government Operations	Federal	Complimentary travel for presidential offices and other federal employees is ridiculous; should have to pay.

67	Healthcare	Federal	Repeal new healthcare legislation. This kind of regulation makes small business owners scared. Also the federal government's clear lack of vision and lack of budget reform has crippled business. The future seems uncertain without clear leadership. Nervous people facing uncertain federal regulation and taxation do not spend money. Numerous complaints identified this issue.
68	Healthcare	Federal	Insurance coverage for employees in new health law is ridiculous: easier to just pay the penalty and force employees to self-insure.
69	Immigration	Federal	Illegal aliens should not get free medical care.
70	Lead Renovation Rules	Federal	Lead renovation rules regarding pre-1978 built homes that have been put into place. The potential fines are outrageous. I can be fined up to \$32,000 per occurrence. The procedures are cumbersome and hard to follow.
71	Marijuana Legalization	Federal	Marijuana legalization should be a state decision; drug testing without probable cause should not be legal and should be an invasion of privacy.
72	NLRB	Federal	NLRB ruling requiring quick elections, requiring posting of union propaganda, etc.
73	Nonprofits	Federal	Nonprofits that have to have 501C3 and submit annual reports is unduly burdensome.
74	Parental Rights	Federal	Require mothers to list fathers on birth certificate.
75	Payment Card Industry Burdensome for Non-Profits	Federal	The administrative requirements associated with the Payment Card Industry Compliance (PCI) process are extreme and burdensome for non-profits. Specifically, the follow up and auditing requirements take significant staff and administrative time. Organizations desire to be PCI compliant, but are overly burdened by the auditing and reporting and follow-up requirements.
76	Social Services	Federal	Federal government should be required to use SS, Medicare, and other retirement and health care the citizens live with.
77	Tax	Federal	Extremely high fines for lack of bonding. IRS should notify managers of profit sharing plans to eliminate this.
78	Transportation	Federal	Require DOT to start jobs only when they can finish them promptly.
79	Banking	Financial Institutions	Discrepancy between state law and federal law.

80	Minority- and Women-Owned Business	General Services-Purchasing Division	Federal certification should be sufficient: too much work to get certified at both state and federal level.
81	Minority- and Women- Owned Business	General Services-Purchasing Division	Women- and minority-owned businesses are given too many points in evaluating bids. Such classification is rated higher than small businesses and does not take into account whether a woman is simply a figurehead to take advantage of the system.
82	Catering	Health	Enforcement of regulations on catering businesses is unequal and non-uniform that lets many caterers get unfair competitive advantages in pricing.
83	CHOICES Program	Health	CHOICES program is making things hard on nursing home. Nursing home needs 85% occupancy required to get bed hold at the hospital. This is too high of a standard with CHOICES in effect.
84	Fats, Oils, and Grease Procedures	Health	Fats, oils and grease procedures are burdensome on small businesses.
85	Home Catering	Health	Catering from one's home has overly strict criteria.
86	Inspections	Health	Inspections come at inopportune times and vary based on inspector. There should be more reasonable health code standards for inspections.
87	Medication Administration Training	Health	20+ hours of medication administration with curriculum; DIDD curriculum (http://www.tn.gov/didd/clinical_services/Training/MedAdminTrainingManual.pdf) is highly advanced and over inclusive. DIDD requires agency to carry around a copy of every prescription medication.
88	Restaurants	Health	Requiring the posting of calories on menus is overly burdensome.
89	Sanitation	Health	Gloves on food handlers is not safer, adds costs and slows production.
90	Senior Care	Health	Small care-giving company for seniors is classified as Department of Mental Health and Developmental Disabilities which costs a lot more. Not easy to understand, and that's not what they are.
91	EEOC	Labor	Baseless EEOC complaints should have some penalty for claimant.
92	EEOC Request for Information	Labor	EEOC request for information is unduly burdensome (too much information must be submitted for any claim). There should be a short defense from company (summary judgment type thing) before a full blown response should be necessary.

93	E-Verify	Labor	Requirement to use E-Verify for all employees is burdensome. Federal I-9 compliance takes care of screening for non-citizens so the state legislation is redundant. Plus, qualification to use E-Verify is individually based, not company based, so every new HR person must re-qualify.
94	Illegal Aliens	Labor	Requirement to track illegal aliens with a cash penalty for failure to be done properly is unduly burdensome.
95	Inefficiency	Labor	Not sufficient enough time to answer claims sometimes from TDOL, and paperwork regarding terminated employees should be streamlined.
96	Retroactivity in Unemployment Payments	Labor	TDOL raised unemployment rates, but they are being applied retroactively: businesses did not budget for such massive increases in unemployment costs.
97	Workers' Compensation	Labor	Adversarial process of Workers' Compensation is harmful to employee-employer relationship.
98	Workers' Compensation	Labor	Small contractors and retail businesses cannot comply and be competitive when it comes to TN Workers' Compensation laws.
99	Workers' Compensation	Labor	Tennessee's poor worker's compensation system puts state at a disadvantage when compared to neighboring state.
100	Workers' Compensation	Labor	Workers' Comp insurance is required if you have 5 or more employees regardless of hours worked (disincentivizes businesses from hiring more people).
101	Workers' Compensation	Labor	Should be some regulation to prevent non-work related pre-existing ailments from being considered work injuries without requiring proof by claimant.
102	Workers' Compensation	Labor	Increase in SUTA as a percentage of wage/payroll is anti-business.
103	Workers' Compensation	Labor	Vendors utilized by company will be counted in the company's workers' comp rates unless they have their own policy (in effect, forced to pay workers' comp for a painter or plumber, because they don't have their own policy).
104	Workers' Compensation	Labor	Employee can knowingly violate safety rule, hurt themselves and employer is still responsible despite training, etc.
105	Attitude	Miscellaneous	Many surveys identified this issue: state employee attitude is bad.
106	Ban on Casinos	Miscellaneous	Ban on casinos is ridiculous in West TN when lottery is now legal in TN. Makes it an uneven playing field when two states bordering Memphis allow casinos.

107	Commercial Helicopter	Miscellaneous	Prohibiting of commercial helicopter landings within nine miles of the national park. Already a limited number of flights over park by Air Tour Management Act (Fed).
108	Deceptive Business Practices	Miscellaneous	Enforcing law against deceptive business practices is great, should be expanded to cover many other activities.
109	Exemptions	Miscellaneous	Exemptions for high tech businesses do not include building a transformer factory even though the information having to be shared would not normally be turned over to competitors and is highly confidential to the parent nation of the company.
110	Inspection Practices	Miscellaneous	Inspection practices seem to be poor quality and unjustified and not uniform. Please outsource since government doesn't have quality people performing inspections.
111	Smoking in Public	Miscellaneous	Smoking ban in public places is a burdensome rule that should be let to property owner's discretion.
112	Unclaimed Property	Miscellaneous	Statute of limitations currently is too unequivocal and causes higher risk for new owners of unclaimed property.
113	Vacant Buildings and Lots	Miscellaneous	Lack of minimum standards for vacant buildings and lots: citizens should be able to use these properties for taxes only for three years or something in order to clean up the cities. There should be renovation and repair rules.
114	Boiler Permits	Miscellaneous	There are no boiler inspections, so why is there an annual bill for inspection?
115	Commercial Vehicle	Miscellaneous	There is no commercial vehicle title and registration office in Shelby County so citizens are forced to travel to Nashville to get licensed. Several complaints identified this issue.
116	New Business Licenses	Miscellaneous	New business license based on sales not net income which is not ideal.
117	New Product	Miscellaneous	If a new method or product is not regulated, the TDOC&I rules that it is forbidden, because it is not specifically allowed. New products should be allowed unless specifically prohibited. Several complaints identified this issue.
118	Repeat Licenses	Miscellaneous	Small family restaurant has to have eight different licenses to operate the business. This should be streamlined/consolidated.

119	Certificate of Occupancy	Miscellaneous	Certificate of occupancy for small office is too involved to be approved (6-8 inspectors come by in 4 hour blocks, etc.); should be streamlined.
120	Greenhouse Licensing	Miscellaneous	Greenhouse businesses have increased fees (\$200 per location) and DOT fees which destroy the business contrary to a pro-business environment and contrary to a pro-environment state. Several complaints identified this issue.
121	Retainage Balances	Miscellaneous	Contractors have to pay interest on retainage balances for subcontractor accounts. These are unduly burdensome to calculate (too much time for tiny amounts): change to over \$500.
122	Subcontractor Taxes	Miscellaneous	Contractors are responsible for subcontractor's business taxes if they do not pay them, which is unfair and unduly burdensome.
123	Public Pool Drains	Miscellaneous	Public pools are required to have bottom drains with automatic shut off installed. There should be an exemption for low suction pools.
124	Bid and Performance Bonds	Procurement	Companies participating in service contracts must post a Bid Bond and a Performance Bond.
125	Bidding for Interior Furnishing Procurement	Procurement	Procurement for interior furnishing items does not create a fair or reasonable evaluation model, and it is a sole source contract which restricts business.
126	Furniture Procurement	Procurement	Departments of GS and F&I are using a 15-year-old specification for statewide furniture procurement.
127	Website for Purchasing	Procurement	State of TN purchasing website is not user friendly and does not allow more than one office of the same company to have access to the site.
129	Additional Bed Tax for Hotels	Revenue	Additional bed tax for hotels is burdensome when counties add taxes as well.
129	Annual Reports	Revenue	Annual reports for limited liability entities should be due to coincide with due date for TN F&E returns for such entities.
130	Corporate Excise Tax	Revenue	Corporate excise tax net operating loss carryover provision rules have a flaw: excludes intercompany dividends appropriately but reduces net operating loss carryovers generated in a year by intercompany dividends.
131	Death Tax	Revenue	State Death Tax needs repeal. Several complaints identified this issue.

132	Excise Tax	Revenue	Excise tax is essentially an income tax on small businesses: it is punitive and should be reduced or eliminated. Currently, for example, a company may be forced to sell off equipment to stay afloat and half of cash raised has to go to taxes. Numerous complaints identified this issue.
133	Franchise Tax	Revenue	Franchise tax computation is outdated.
134	Franchise, Excise, Hall Tax	Revenue	Franchise, excise, and hall tax need repealing. Numerous complaints identify this issue.
135	Gross Receipt Taxes	Revenue	TDOR ignores laws regarding gross receipt taxes and mandates different rates and policies without legislative backing.
136	Hall, Franchise Tax	Revenue	Hall tax, franchise tax on sold inventory in year of corporate liquidation is non-sensical
137	Hotel Tax including Houseboats	Revenue	Pickett County is considering hotel tax which includes houseboats on Dale Hollow Lake that makes TN less competitive with KY marinas on the other side
138	Professional Privilege Tax	Revenue	If you are a professional, you have to pay \$400 annually for a profession license regardless of type of professional or income. Sliding scale is a suggestion.
139	Internet Sales Tax	Revenue	Re-work the internet sales tax.
140	Internet Sales Tax	Revenue	Imbalanced and unfair divide between retailers who collect sales tax and don't; it effectively gives a 10% price advantage.
141	Liquor Taxes	Revenue	Liquor taxes are assessed against the restaurant instead of wholesaler when the restaurant has to pay taxes on retail value of broken bottles, stolen bottles, etc.
142	Non-Profit Paying Tax on Properties	Revenue	It is burdensome for non-profits to pay tax on property that the state does not deem specifically utilized for direct mission activities.
143	Payroll Tax	Revenue	Payroll tax is burdensome. Numerous surveys identified this issue.
144	Personal Income Tax	Revenue	6% on interest and dividend income is burdensome.
145	Personalalty Tax	Revenue	Duplicative tax on items already taxed. Restaurant fee for right to have restaurant has tripled in 5 years and has late fees way too high of a percentage of the total tax (up to 35% sometimes).
146	Privilege Tax	Revenue	Privilege tax on real estate brokers is burdensome for small companies and/or sole proprietors.

147	Reasonable Rent Statute	Revenue	Reasonable rent statute as it relates to F&E taxes is costly to TN businesses.
148	Removal of Personal Property Exemption	Revenue	Removal of personal property exemption when calculating gross receipts is burdensome and very costly to TN businesses.
149	Retail Tax	Revenue	Should be able to pay retail tax online to eliminate paperwork.
150	Sales and Use Tax	Revenue	Discount for collecting and filing sales and use tax early was removed.
151	Sales Tax + Wholesale Tax	Revenue	Wholesale tax based on sales and sales tax together is double taxation.
152	Sales tax for Contractors on Real Property	Revenue	Sales tax for contractors on real property: contractors don't charge customers sales tax, instead the contractor pays use tax and is forced to do sales markup to cover taxes (burdensome because no tax software on the market addresses this).
153	Tax on Feed and Seed is Burdensome	Revenue	Tax on feed and seed is burdensome.
154	Unemployment Tax	Miscellaneous	Unemployment tax has had a massive increase (triple and quadruple) on businesses lately.
155	Work Opportunity Tax Credits	Revenue	Can take up to two years to certify; long delays cause more paperwork in filing of amended tax returns: should be 90 days max.
156	Crystalline Silica Exposure Limit	TOSHA	Exposure limit for crystalline silica is much more restrictive than federal rule.
157	Should be an Appeal Process	TOSHA	When found in violation, there is no appeal process and no way to dispute TOSHA findings.
158	Certificate of Deposit	TVA	Forced to continue to increase the certificate of deposit with local utilities, when not once have they been late. Utilities blame TVA.

* In no particular order

** Anticipated entity addressing the regulations based on survey response; however, these are subject to change.

Appendix 3

Roundtable Notes

The following is a summary of the topics of discussion occurring at the roundtables held across the state. Topics are organized alphabetically.

A. Knoxville

The Knoxville roundtable was conducted on August 31, 2011 and hosted by the Knoxville Area Chamber of Commerce. The roundtable included numerous business sectors including businesses from the financial, oil and gas, manufacturing, health care, telecom, staffing, accounting and legal sectors. Specific examples/topics of discussion are as follows:

Customer Service

There was a general consensus that the customer service levels the state provides are substandard. Examples provided were as follows: a poor level of service from the state fire marshal; general departmental inability to answer specific questions regarding current regulations - such as telling a business how to comply with the regulation; TDEC employees having personal agendas and enforcing regulations consistent to these agendas; and inconsistent application of regulation. It was remarked that the state should be promoting a culture of compliance - working with businesses in a way that would allow them to understand what it takes to comply with regulation rather than playing a game of “gotcha.”

Departmental Coordination

All of the businesses present expressed a need for better departmental coordination, especially in areas where process is duplicative.

Franchise Tax

The state’s franchise tax is unfairly calculated, because the taxpayer is being taxed on assets rather than income. The current system allows no consideration whether or not the “assets” are leveraged, thereby rendering large tax liabilities on businesses regardless of income.

Health Care

All of the businesses present expressed concern regarding the new health care regulations and the cost to business. They cautioned that the roll out of health care changes, if any, should be done very carefully and private industry input should be taken into consideration prior to doing so.

Regulation by Litigation

It was cautioned that, at times, state regulators are reluctant to make decisions due to the treatment these decisions may receive in litigation. These regulators are not performing

their duties, in turn, this puts businesses in limbo in regards to projects that need regulatory guidance.

Regulatory/Legislative Effect on Business

There was general consensus that newly proposed legislation and regulation should be assessed in regards to the cost and burden on business. Currently, the state does not perform these assessments except in the case of regulating small businesses (under 50 employees). These participants all agreed that regulation and legislation are not a “one size fits all” processes. Business size should be considered during the rulemaking process and this is something that the state does not consider.

Workers Compensation

Several concerns were expressed that courts were still part of the workers compensation process. Additionally, an effort to curb employees from being able to claim injuries incurred during prior employment should be implemented.

B. Memphis

On September 7-8, 2011, the Memphis Area Chamber of Commerce hosted four roundtables. These roundtables were designed to each represent an important sector in the Memphis area economy. Specific examples/topics of discussion are as follows:

1. Logistics and Transportation

This roundtable was attended by numerous businesses involved in either the logistics or transportation sector. These businesses are involved in the shipping of goods or the logistics aspect of the supply chain. Specific examples/topics of discussion are organized alphabetically and are as follows:

Departmental Coordination

There was extensive discussion regarding how various departments within the state government communicate. It was the general feeling of this roundtable that multiple departments conduct the same processes, and if these processes were combined, the amount of delay due to government action could be shortened. It was the general feeling of these businesses that certain processes could and should be streamlined, that both of these departments should work together to produce reports on the same time schedule. At no time were these businesses suggesting that the regulations that prompt these studies be removed, simply that the process be streamlined.

Education

Concerns were expressed regarding the lack of a trained work force, specifically in the area of logistics process. The suggestion was made that there should be more of a

regional focus, specific to the Memphis area, in the education area of training individuals in logistics programs.

Fire Marshal

Concerns were voiced regarding the responsiveness of the state of Tennessee Fire Marshal. General concerns such as non-cooperation and the lack of responsiveness were expressed.

Infrastructure Priorities

There were concerns regarding the process in which TDOT prioritizes infrastructure projects. It was expressed that road projects that have large economic impact be given a higher priority. In particular, two local projects were mentioned - the US Hwy 78/Lamar Ave project and the I-69 project. Specifically, the US Hwy 78/Lamar Ave. project affects a large number of distribution facilities along this route. This stretch of road is crucial to the completion of the I-22 corridor that would connect Memphis to Atlanta. Currently, I-22 is complete to the Mississippi state line. Because the Tennessee stretch of the interstate is not complete, the delays this road is causing to these distribution facilities are costing these businesses an extreme amount of money and time in shipment. It was mentioned that if a viable solution is not put forth soon, inactivity could result in relocation of businesses to other neighboring states.

Processing of Federal Dollars

There was general consensus that TDOT's processing of federal dollars in acting as a "pass through" for federal money is inordinately slow. The suggestion was made that this process should be streamlined in order to allow local governments quicker access to funding the projects in which the money was intended.


Regulatory/Legislative Effect on Business

It was suggested that prior to future regulation, an analysis be performed on proposed regulation that would take into consideration the necessity of the regulation and the effect on business.

Taxation of Logistic Services

Although there is currently no Tennessee taxation of logistics services for inventory, it was cautioned that any effort to impose an inventory tax could result in a loss of business to Tennessee. Specifically, and unique to the Memphis area, it was suggested that if a tax is imposed these businesses could simply locate to surrounding states that have not imposed this tax.

2. Financial Institutions



This roundtable was attended by institutions involved in the financial sector. Specific examples/topics of discussion are as follows:

Department of Financial Institutions

This department received very good comments during this roundtable. The leadership of the department was regarded highly as well as the ease of access while working with the department.

Infrastructure

Similar to the logistics roundtable, concerns were expressed regarding Memphis transportation infrastructure and the need to find a solution to the issues involving Lamar Ave. in regards to the economic growth of the city. There was general fear that the Memphis area would lose businesses to neighboring states due to infrastructure deficiencies.

Regulatory/Legislative Effect on Business

It was suggested that prior to future regulation, an analysis be performed that would take into consideration the necessity of the regulation and the cost to business. Furthermore, there should be a full scale effort in removing as much state “red tape” as possible.

Workforce Training

Concerns were expressed regarding the lack of a trained work force in the Memphis area. Suggestions were made regarding better cooperation with community colleges as well as a need for more of a regional focus in training.

3. Life Science

This roundtable was attended by numerous life science companies. These are companies involved in the direct care of patients, manufacturing of medical devices, “start up” companies focused on health care and research facilities. This industry did not have significant regulatory or state law issues. Specific examples/topics of discussion are as follows:

Health Care

All of the businesses present expressed concern regarding the new health care regulations and the cost to business. They cautioned that businesses will not be able to handle the expense of exchange participation.

Professional Privilege Tax

There was general concern regarding the expense this tax places on certain professions.



Workforce training

Lack of skilled manufacturing labor is a growing problem for this industry and was discussed in depth. Labor possessing skills in math and science as well as methods involving best practices is needed.

4. Small Business

This roundtable was attended by numerous small businesses in the Memphis area. The topics of discussion were varied, and all dealt with the effects State government has on small businesses. Specific examples/topics of discussion are as follows:

Customer Service

The majority of this roundtable involved general complaints regarding the poor level of service the state provides to businesses. The time involved in dealing with the state in this regard is detrimental to small business due to the lack of dedicated staff these businesses have that are able to deal with these matters. Specific examples were given involving numerous departments in situations involving the following: difficulty dealing with rude staff members; inability to find the correct people to address issues; loss of paperwork; poor levels service; and uneven enforcement of regulations.

Health Care

Concerns were expressed regarding potential health care exchanges. These businesses were concerned regarding the expense that would be incurred and how the exchanges may inhibit growth.

Workforce Training


There was a general discussion regarding the lack of workforce training and the inability to find qualified employees.

C. Greenville

The Greenville roundtable was conducted on September 13, 2011 and hosted by the Greene County Partnership. The roundtable included numerous businesses involved in the manufacturing sector. Specific examples/topics of discussion are as follows:

Customer Service

There were general comments regarding the lack of services provided by state employees. One example provided the loss of application paperwork for a fairly significant permit a business had submitted to a department. There was general



frustration that this business could not submit paperwork online and that they had to “baby-sit” the state department whose responsibility it was to collect paperwork.

Federal Regulations

Businesses are currently overwhelmed by onerous federal regulations. These regulations come at a significant cost to these businesses and are being created by people who have never worked within these industries and do not understand the consequences of the implemented regulations. Businesses need clarity regarding state interpretation of these regulations and need departments to communicate how these interpretations will affect their businesses.

Regulatory/Legislative Effect on Business

It was suggested that prior to future regulation, an analysis be performed that would take into consideration the necessity of the regulation and the cost to business.

Regulatory Interpretation

The state has a general issue with how regulations are interpreted. These companies gave numerous examples regarding the differences in interpretation between individual regulators, especially within TDEC.

Regulatory Transparency

There were considerable comments during this roundtable regarding the transparency of the regulatory system in this state. Businesses, without full time regulatory staff, are unaware of what they should adhere to as far as regulations. Regulations are difficult to find, notices from the various regulatory agencies are difficult to locate and the process in general is not easy to navigate. The government should make this process user friendly.

TOSHA

TOSHA was used as a frequent example in this roundtable of consistent application of regulations and a department that works with constituents in order to help them comply with regulations. Participants suggested that this was a welcomed change in how this department used to conduct itself. The businesses at this roundtable look at this department as one who acts as a “partner” with businesses in order to help them achieve regulatory compliance. Many of these businesses were afraid to ask certain departments for help for fear of penalty, but this is not the case with TOSHA.

Unemployment Benefits

It was the general feeling of this roundtable that unemployment benefits are extended for too long of a period of time. The people who receive these benefits are not vetted

carefully enough to insure they are actually seeking employment as opposed to completing applications.

Work Force Training

There was a general discussion regarding the lack of work force training and the inability to find qualified employees. One participant mentioned that community colleges should be better targeted to suit the training needs of the region. Additionally, these institutions should have proper apprentice programs. Another participant used examples from other states that have effectively instituted a career track model for students interested in trade professions.

Workers' Compensation

Several concerns were expressed that courts were still part of the workers' compensation process.

D. Nashville

On October 4, 2011, the Nashville Area Chamber of Commerce hosted a business operations based roundtable. Primarily, the companies at this roundtable were involved in the financial services or accounting industry. Specific examples/topics of discussion are as follows:

Customer service

Concerns were expressed regarding poor constituent services. There was a remark that government employees should be forced to sit in the customer seat when dealing with state government. The majority of this roundtable involved comments regarding poor constituent service.


Department of Financial Institutions

This department received good remarks during this roundtable. The only criticism expressed was that the state regulators are apt to capitulate to the wishes of Federal Reserve regulators even in cases in which it is not necessary to do so.

Departmental Coordination

There is a need for better departmental cooperation in order to prevent duplicative processes or uneven enforcement of regulation. The example used was the regulation of food service establishments. Currently, the Department of Health and Agriculture enforce these regulations. There are currently significant differences in how each of these departments enforce these regulations.

Ease of Starting a Business



The State should make it easy to start a business in Tennessee. Processes and requirements for starting a business should be reviewed and streamlined. “One stop shops” should be developed, forms should be moved on line, and when possible departments should be allowed to coordinate services for ease of access.

Eliminating Outdated Laws and Regulations

It was expressed that this was a general problem at both the state and federal level. It was the impression that the state does not pay attention to the laws and regulations that are in effect and whether they are outdated or are enforced and useless.

Local Governments

There was a general discussion involving the difficulties of dealing with local governments and the myriad of ordinances these governments impose.

Removing Uncertainty

There was a general consensus that state government should do everything in its power to remove uncertainty for businesses. Assessment of the effect that proposed laws and regulations have on businesses would be helpful. Currently, businesses do not want to make significant capital investment due to the current uncertainty - most of this uncertainty is currently caused by the federal government.

Unemployment System

There was a general discussion regarding the unemployment system. It was generally believed that individuals were provided incentive to not look for a job due to unemployment benefits they are provided and the length of these benefits.


Workforce Training

Concerns were expressed regarding the lack of properly trained workforce. Specifically, it was mentioned that it is becoming exceedingly difficult for employers to find properly trained IT candidates.

E. Tennessee Chamber of Commerce

On October 7, 2011, the Tennessee Chamber of Commerce hosted a roundtable that focused on compliance with environmental regulation. This roundtable included businesses from each region of Tennessee and associations that represent businesses all over the state of Tennessee. Specific examples/topics of discussion are as follows:

Customer Service



There were general comments regarding the lack of service provided by state employees. Many of these businesses stated it was necessary to reform aspects of state government in order to be able to discipline or discharge poor employees.

Departmental Expertise

There were general comments regarding the lack of expertise of the individuals issuing various permits. There were concerns that some inspectors do not have the adequate knowledge of the regulations and the laws they enforce. There were concerns that these inspectors lack adequate training and mentoring from senior personnel which could lead to problems with inconsistent inspections and poor inspection practices.

EPA Relationship

There is a general feeling that the state simply follows EPA guidance even when it is not necessary to do so. Numerous examples were provided involving “violations” issued to businesses not in regards to a specific regulation but “soft guidance” provided by EPA. There was an understanding that the state must follow EPA regulation; however, it was expressed that there should be some consideration regarding certain aspects of the state and constituents prior to simply “going along” with the wishes of EPA.

Federal Regulations

Businesses are currently overwhelmed by onerous federal regulations. These regulations come at a significant cost to these businesses and are being created by people who have never worked within these industries and do not understand the consequences of the implemented regulations. Businesses need clarity regarding state interpretation of these regulations and need departments to communicate how these interpretations will affect their businesses.

Inspector Conduct

There were numerous comments regarding state inspectors and attempts to intimidate businesses to conduct activities that are not required, but the inspector believes should be done. This is especially in the case of small- to medium-sized businesses that are deemed “too small to fight back.”

Many expressed concern that some inspectors had a “pattern” of intimidation. There were many accounts of inspectors making unreasonable demands, threats, “slow walking” inspections to unnecessarily use business resources and being advocates for personal philosophical agendas.

Issues Regarding Notice of Violation

TDEC inspectors are routinely issuing violations based on policies, interpretations or guidance that has not been subject for public review and comments or highlighted on

TDEC's website. TDEC inspectors should be required to either the regulatory cite and/or the permit provision that has been violated, many do not. Additionally, comments, suggestions and recommendations should not be classified as violations and many times they are. One example provided was a TDEC inspector issuing a violation and using, as justification, a page from a PowerPoint recommendation that he claimed was "guidance." Lastly, many were concerned that violations were being issued for paperwork issues that, at times, are rather simple to correct. Many believe that TDEC should make priorities to enforce and assist the constituent with correcting small or insignificant errors.

Regulatory/Legislative Effect on Business

It was suggested that prior to future regulation, an analysis be performed that would take into consideration the necessity of the regulation and the cost to business. Several associations were present to provide areas where the government could reform within their sectors.

Regulatory Interpretation/Transparency

The state has a general issue with how regulations are interpreted. These companies provided numerous examples regarding the differences in interpretation between individual regulators. These examples involved inspectors enforcing beyond standard EPA regulations even when the state regulation did not specify that extra protection was required.

There were also numerous concerns expressing the lack of public accessibility to various regulatory interpretations. Numerous inspectors interpret the same regulation differently. Businesses that have different locations throughout the state are required to comply differently with the same regulation due to the inspector who has responsibility over the site. Because there is not uniform guidance regarding certain regulation, businesses are uncertain how to comply with these regulations.


TOSHA

TOSHA was used as a frequent example in this roundtable of consistent application of regulations and a department that works with constituents in order to help them comply with regulations. Many of these participants remarked that departments should take their lead and act as a "partner" with the business.

F. Bradley Co. Chamber

The Cleveland roundtable was conducted on October 11, 2011 and hosted by the Bradley Co. Chamber of Commerce. The roundtable included numerous businesses involved in the manufacturing sector as well as area small businesses. Specific examples/topics of discussion follow:

Customer Service



There were general comments regarding the lack of service and professionalism provided and exhibited by state employees. Many of these businesses stated state employees should be held accountable for their actions like any other employee.

Departmental Coordination

All of the businesses present expressed a need for better departmental coordination, especially in areas where process is duplicative.

Inspector Conduct

There were numerous comments regarding state inspectors and attempts to intimidate businesses. Many expressed concerns that inspectors unnecessarily use business resources and are advocates for personal philosophical agendas.

Regulatory/Legislative Cost to Business

It was suggested that prior to future regulation, an analysis be performed that would take into consideration the necessity of the regulation and the cost to business.

Regulatory Transparency

There were considerable comments during this roundtable regarding the transparency of the regulatory system in this state. Businesses, without full time regulatory staff, are unaware of what they should adhere to as far as regulations. Many expressed concerns that certain fees were raised without adequate notice to businesses.

Removing Uncertainty

There was a general consensus that state government should do everything in its power to removing uncertainty for businesses. These businesses were extraordinarily concerned with the regulatory environment at the federal level.

Small Business Concerns

The small businesses participating in this roundtable expressed concern that the state does not do a good enough job incentivizing small business growth. Additionally, the state is not aggressive enough in promoting benefits to small businesses.

TOSHA

TOSHA was used as an example of a department that works with constituents in order to help them comply with regulations. Participants stated that although there are at times differing interpretations between inspectors, the department will try to work with the businesses to achieve compliance.



Unemployment System

There was a general discussion regarding the unemployment system. It was generally believed that individuals were provided incentive to not look for a job.

Workers' Compensation

Several concerns were expressed that courts were still part of the workers' compensation process. Additionally, an effort to curb employees from being able to claim injuries incurred during prior employment should be implemented.

Work Force Training

There was a general discussion regarding the lack of work force training and the inability to find qualified employees. One participant mentioned that community colleges should be better equipped to train students in skilled trades. Additionally, these institutions should have proper apprentice programs.

G. Dyersburg

The Dyersburg roundtable was conducted on October 13, 2011 and hosted by the Dyersburg Chamber of Commerce. The roundtable included numerous businesses involved in the manufacturing sector as well as area small businesses. Specific examples/topics of discussion follow:

Customer Service

There were general comments regarding the lack of service provided by state employees. Many of these businesses stated it was necessary to reform aspects of state government in order to be able to discipline or discharge poor employees.

Energy


Several of the businesses expressed concerns regarding the rising cost of energy for business. These businesses stated that they did not believe that TVA was no longer effective in keeping costs to businesses low.

Regulatory/Legislative Cost to Business

It was suggested that prior to future regulation, an analysis be performed that would take into consideration the necessity of the regulation and the cost to business.

Removing Uncertainty

There was a general consensus that state government should do everything in its power to removing uncertainty for businesses. Assessment of the effect that proposed laws and



regulations have on businesses would be helpful. Currently, businesses do not want to make significant capital investment due to the current uncertainty - most of this uncertainty is currently caused by the federal government.

Unemployment System

There was a general discussion regarding the unemployment system. It was generally believed that individuals were provided incentive to not look for a job due to unemployment benefits they are provided and the length of these benefits.

Work Force Training

There was a general discussion regarding the lack of work force training and the inability to find qualified employees. One participant mentioned that community colleges should be better equipped the train students in skilled trades. Additionally, these institutions should have proper apprentice programs.

Workers Compensation

Several concerns were expressed that courts were still part of the workers compensation process. Additionally, an effort to curb employees from being able to claim injuries incurred during prior employment should be implemented.

H. Chattanooga

The Chattanooga roundtable was conducted on October 26, 2011 and hosted by the Chattanooga Area Chamber of Commerce. The roundtable included numerous business sectors including businesses from the financial, manufacturing, health care, telecom, government and legal sectors. Specific examples/topics of discussion are as follows:


Customer Service

There were general comments regarding the lack of service provided by state employees, especially in the area of poor process and the employees managing this process. Many of these businesses stated it was necessary to reform aspects of state government in order to be able to discipline or discharge poor employees.

Energy

Numerous energy topics were discusses. Many of the business that attended felt it would be beneficial to implement state strategic plan for the growth of utilities. Additionally, several of the businesses expressed concerns regarding the rising cost of energy for business.

Environmental Regulations



The state should articulate a clear position on environmental regulations. One business used an example of the current status of greenhouse gas emissions and how there is uncertainty involving these regulations.

Health Care

The certificate of need process for health care facilities needs to be streamlined to make a more efficient process. The delays in the process are costly to health care facilities.

Immigration

Some companies expressed concern regarding undocumented working issues in Tennessee. Additionally, concern was expressed regarding the inefficiencies of our country's visa system and the regulatory hurdles in regards to training foreign workers.

Incentives

A few businesses expressed concerns regarding the state's business incentive programs and how the state should not be in the business of picking winners and losers.

Regulatory Interpretation

There was a consensus that the state does not interpret and apply regulations in a consistent manner.

Removing Uncertainty

There was a general consensus that state government should do everything in its power to remove regulatory or legislative uncertainty for businesses. Many businesses expressed concern regarding risking significant capital investments prior to the settling of this uncertainty (mainly at the federal level).

Appendix 4

Departmental Regulatory Review

Departmental Regulatory Review

Each department was asked to evaluate regulations within the areas of their jurisdiction that could be streamlined, eliminated or deemed burdensome to business. The results have identified numerous regulations that can be modified, streamlined or eliminated. Furthermore, many of the departments are addressing or have addressed regulatory inefficiencies within their departments as a result of their top-to-bottom reviews.

<u>No*</u>	<u>General Subject</u>	<u>Department</u>	<u>Regulation</u>	<u>Brief Description</u>
1	Bread	Agriculture	0080-04-06	No function at this time.
2	Camellia Flower Blight	Agriculture	0080-06-09	No function at this time.
3	Fertilizer	Agriculture	0080-5-10.09	Requirement to report quarterly the fertilizer tonnage sold in the state. 224 companies report this.
4	Frozen Food Lockers	Agriculture	0080-04-07	No function at this time.
5	Milk	Agriculture	0080-03-.05; TCA § 3-2-	Enforcement of “unfair trade practices” of offering milk and milk products below cost of the product to the retailer plus the cost of doing business or 10%.
6	Milk	Agriculture	0080-03-.06; TCA § 3-2-	Enforcement of “unfair trade practices” of offering ice cream below cost of the product to the retailer plus the cost of doing business or 10%.
7	Pesticides	Agriculture	0080-6-16-.03	Separate continuing educational units (CEUs) for similar certification categories. Combining (Public Health Pest Control and Industrial Pest Control) would ease burden.
8	Seed	Agriculture	0050-4-6-.14	Requirement to report quarterly the seed distribution in TN. 210 companies report and the majority of the reports are not worth the effort (small amounts).
9	Strawberry Plant Growers	Agriculture	0080-06-02	No function at this time.
10	Vegetable Plant Certification	Agriculture	0080-06-18	No function at this time.
11	White-fringed Beetles	Agriculture	0080-06-08	No function at this time.

12	90 Day “Working Capital” Requirement	Children Services		Requirement that any agency applying for licensure provide proof that the program has access to funding supportive of 90 days worth of operation. This can be burdensome and precludes some agencies from being licensed.
13	Age-Related Admission Requirements in DCS	Children Services	TCA § 37-5-501(b)(2)	Child is defined as person under 18, but the department can maintain original jurisdiction until the child is 19. Agencies are therefore precluded from admitting such children. There needs to be an exception to the definition to include children up to 19 in Children Services.
14	Audits of Children Service Agencies	Children Services		Any Tennessee agency incorporated is required to submit an independent financial audit by a CPA, with opinion, on an annual basis. This cost can be burdensome and should be less stringent.
15	Child Advocacy Centers in CAPA Regulation	Children Services		Child Advocacy Centers are currently subject to regulation under the Child Abuse Prevention Agency licensing regulations which is burdensome (Directors sometimes will not meet academic requirements in CAPA).
16	Maternity Home Licensing	Children Services	TCA § 37-5-501(b)(14)	May incorrectly include requirement for licensing for homes that their primary purpose be Maternity Home. Primary purpose requirement is overly stringent.
17	Alarm Systems Contractors Board	Commerce and Insurance	0090-01-.04; 0090-01-.08	Duplicative: Streamline by combining related rules.
18	Alarm Systems Contractors Board	Commerce and Insurance	0090-03; 0090-04	Duplicative: Streamline by combining related rules.
19	Annual Filing Required for HMOs	Commerce and Insurance	0780-01-28	This rule is redundant after being included in accreditation requirement in 0780-01-37.
20	Annual Report Filing Required	Commerce and Insurance	0780-01-37	This rule can be streamlined to only require an electronic filing and eliminate hard copy paper filing.

21	Certified Mail with Fire Marshal's Office	Commerce and Insurance	0780-02-16-.01(1)	Every application or document regarding certification must be sent by certified mail which is unduly burdensome (also will allow electronic submission).
22	Construction Law	Commerce and Insurance	0780-02-03.01(c);0780-02-03.01(m)	State building and state leased building are considered two different things which adds confusion and burdensome intricacy.
23	Contractor Licensing	Commerce and Insurance	TCA § 62-6-120(a)(2)	Law makes anyone ineligible to receive a license for 6 months who offers to work without a license. Amend to grant the board some discretion in these matters.
24	Cosmetology	Commerce and Insurance	0440-2-.06(4); 0440-2-.07(6)(7)(8)	Requirement that owners of prospective cosmetology shops that are operated with other businesses housed in a single structure: that they make certain structural modifications to qualify for a shop license.
25	Dealers of Fractional Interests in Oil and Gas	Commerce and Insurance	0780-04-03-.03; TCA § 48-2-110 (f), 48-2-102 (13)(c) & (4)(a)	Statutes and rules that require registration of dealers in fractional interests in oil and gas; seldom used; provides no substantive punishment and lots of exceptions; useless.
26	Electrical Inspection	Commerce and Insurance	0780-02-01-.04(2)(b)	Required two electrical inspections on all installations is overly burdensome especially for simple fixes.
27	Electrical Installations	Commerce and Insurance	0780-02-01-.05(2); 0780-02-01-.05(4)(b)	Alarm systems contractors cannot purchase electrical permits which is burdensome. Should be a low voltage exception.
28	Exemption Form	Commerce and Insurance	0780-4-1-.04(4)(a) 6	Form U7 SCOR is redundant. Alternative exemptions exist and are used more frequently.
29	Financial Institution Regulation	Commerce and Insurance	0780-01-27	Rule governing financial institution is in Insurance Division rules. Insurance Division does not regulate financial institutions.
30	Funeral Home Apprentices	Commerce and Insurance	TCA § 62-5-305 & 62-5-307; 0660-5-.01	Apprentice is defined as "bona fide paid employee of an establishment working no less than 40 hours per week." 40 hours per week is arbitrary and burdensome.

31	Funeral Home Apprentices	Commerce and Insurance	0660-4-.02	Rule requires apprentices to submit a quarterly report of apprenticeship training is excessive.
32	HMO Claim Processing System for TennCare	Commerce and Insurance	0780-01-73; TCA § 71-5-191	This statute and rule has been superseded by Federal HIPAA laws that dictate how claims must be submitted.
33	Holding Securities	Commerce and Insurance	TCA § 56-3-112; 0780-01-46	Permissible Methods of Holding Securities does not allow securities broker dealers to be authorized custodians (current NAIC model allows).
34	Hospital Room and Board Daily Expense	Commerce and Insurance	0780-01-47	Sets \$140 as max limit for room and board daily expense provided in TCA § 56-7-2318. Pointless: statute has a way to calculate this amount.
35	Letter of Credit in Lieu of Cash	Commerce and Insurance	Tenn. Comp. R& Reg 0780-01-41	This rule is obsolete after the passage of the new laws found in Acts 2011, chapter 468. It should be removed.
36	Locksmith Licensing	Commerce and Insurance	TCA § 62-11-110	Person offering locksmithing services without a license is ineligible to receive a license for 6 months, without exception. Commissioner should have discretion to grant license.
37	Manufacture of Park Trailers	Commerce and Insurance	0780-02-04-.01(3); 0780-02-04-.07; TCA § 68-126-205(a)	Eliminate the certification and decal requirements for manufacture of park trailers; HUD's regulations do not address these type of structures; over-regulation.
38	Real Estate Appraiser Commission	Commerce and Insurance	TCA § 62-39-101	Word “biannual” is used instead of “biennial.” Re-certification etc. was all intended to be done in two year cycles, but because of the wording it is every 6 months.
39	Real Estate Commission	Commerce and Insurance	TCA § 62-13-104(a)(6)	Individual who is sole member of an LLC is required to be licensed if that person is selling or leasing real estate held in the name of the LLC. Simplify to exempt sole member licensing requirement.
40	Sale of Insurance inside Banks	Commerce and Insurance	0780-01-51	Guidelines for sale and solicitation of insurance inside banks are obsolete and rules are now found in TCA § 56-8-106.

41	Securities and Exemptions	Commerce and Insurance	0780-4-2-.10 Nasdaq/NMS Exemption	Defunct transactional exemption for certain foreign issuer transactions from registration requirements.
42	Timely Filing of Premium Tax Returns	Commerce and Insurance	0780-01-50	Sets time and manner of filing and payment of premium taxes: this rule is obsolete and contradicts current statutory time and manner of filing.
43	Unfair Trade Practice	Commerce and Insurance	0780-01-04	Credit Line Insurance and Credit Accident and Health Insurance should be combined with other unfair trade practice regulation identified to simplify and streamline unfair trade practice rules.
44	Unfair Trade Practice	Commerce and Insurance	0780-01-59	Aftermarket Crash Parts Regulation should be combined with other unfair trade practice regulation identified to simplify and streamline unfair trade practice rules.
45	Unfair Trade Practice	Commerce and Insurance	0780-01-24	Replacement of Life Insurance Policies should be combined with other unfair trade practice regulation identified to simplify and streamline unfair trade practice rules.
46	Unfair Trade Practice	Commerce and Insurance	0780-01-33	Life Insurance Advertising should be combined with other unfair trade practice regulation identified to simplify and streamline unfair trade practice rules.
47	Unfair Trade Practice	Commerce and Insurance	0780-01-40	Relating to Life Insurance Solicitations part should be combined to simplify and streamline unfair trade practice rules.
48	Unfair Trade Practice	Commerce and Insurance	0780-01-19	Rules and regulations governing the correlated sales of life insurance policies and mutual funds are now found in TCA § 56-6-125.
49	Community Corrections Program	Corrections	0420-2-2	Obsolete.
50	Correctional Services Contracting	Corrections	0420-1-1	Unnecessary repetition of law.
51	Corrections Incentive Program	Corrections	0420-2-1	Obsolete.

52	Guidelines	Corrections	0420-3-2	Subject matter no longer falls within definition of rule under TCA § 4-5-102 (12) because pertains to inmates.
53	Prisoner Performance Sentence Credits	Corrections	0420-3-1	Subject matter no longer falls within definition of rule under TCA § 4-5-102 (12) because pertains to inmates.
54	Urinalysis Drug Screening Program	Corrections	0420-3-3	Subject matter no longer falls within definition of rule under TCA § 4-5-102 (12) because pertains to inmates.
55	Administrative Fee Schedule	Environment and Conservation	1200-03-26-.02	Fees for annual emissions for major sources are too low and need to be revised or the Division will be unable to fund the major source operating permit program for the upcoming year. EPA would then withdraw approval of the major source operating permit program and can institute sanctions.
56	Conformity of Transportation Plans, Programs, Projects	Environment and Conservation	1200-03-34-.01	Rule provides criteria and procedures for development of Transportation Plans, Projects, and Programs. They must be made to comply with federal Clean Air Act and its regulations.
57	Construction and Annual Emission Fees	Environment and Conservation	1200-03-26-.02	Proposed increase of non-Title V emission fees from 12.50 per ton to 18.75 per ton. Without this increased revenue, the Division may have delays in issuing permits.
58	Construction and Annual Emission Fees	Environment and Conservation	1200-03-26.02	Date was incorrect for when conditional major permit review fee becomes effective. It says April 2010 and needs to be changed to one month after the effective date of the rule.
59	Construction and Operating Permits	Environment and Conservation	1200-03-09-.01, .02	Proposed change will add requirements of EPA Greenhouse Gas Tailoring Rule to Division rules. GHGs are now considered pollutants and therefore, the current applicability threshold should be changed to 10,000 tons per year rather than 100 to 250 tons like other pollutants. GHGs are in much larger quantities than other pollutants.

60	Construction and Operating Permits	Environment and Conservation	1200-03-09-.01	Incorporates the federal new source permitting requirements for sources of fine particulate matter (PM2.5) into the Division's rules. Under grant obligations and fed. reg., TN must have State Implementation Plan to maintain National Ambient Air Quality standards without which EPA could ultimately consider a "failure to submit."
61	Construction Permits and Operating Permits	Environment and Conservation	1200-03-09-.01	Proposed revisions will add provisions to the Prevention of Significant Deterioration regulations and major source operating permit regulations that will remove the permitting requirements for sources of greenhouse gas emissions if there is a change in federal law removing these provisions. Without change, Dept. rules may be more restrictive than Federal Rules.
62	Exemptions from Motor Vehicle Inspections	Environment and Conservation	1200-03-29.02 and .04	Proposed change will make it clear that low and medium speed vehicles (less than 3,000 pounds and cannot exceed 35 mph e.g. golf cart) were not intended to be included in motor vehicle inspection requirement.
63	General Water Quality Criteria	Environment and Conservation	1200-04-03 and 1200-04-04	Fulfilling mandates from state and federal law to establish a set of clean water goals and to establish a set of appropriate uses of surface waters. Loss of federal grant dollars and withdrawal of federal programs is possible if unamended.
64	Hazardous Air Contaminants	Environment and Conservation	1200-03-11-.01	Revises state's definition of volatile organic compounds. This revision excludes propylene carbonate and dimethyl carbonate (mirroring the federal revision already in effect).
65	Hazardous Waste	Environment and Conservation	1200-01-11-.05, .06	Amendments will identify all environmental liabilities and subject owner/operator to updated criteria for qualifying to self assure their closure/post closure cost obligations. TDEC believes qualifying criteria must be strengthened.

66	Hazardous Waste Management Program	Environment and Conservation	1200-01-11-.01 to .12	Amendments include program retention of records, EPA deletion of the Performance Track language and general editing. Division's policy for record retention will be amended to match rules. Obsolete language eliminated.
67	Inactive Hazardous Substance Sites	Environment and Conservation	1200-01-13-.13	To enable the Dept. to remove a site from regulatory list of superfund sites when all remediation work has been completed.
68	Issuance of Specific Licenses	Environment and Conservation	1200-02-10-.12	Amendments will identify all environmental liabilities and subject owner/operator to updated criteria for qualifying to self assure their closure/post closure cost obligations. TDEC believes qualifying criteria must be strengthened.
69	Lead-based Paint Abatement	Environment and Conservation	0400-13-01	Ensure training for individuals conducting lead-based paint abatement in house with children 6 years and younger.
70	Licensing and Registration	Environment and Conservation	1200-02-04-.04; 1200-02-10-.31, .33, .37	Division may have to cut services at current level of funding. Proposed change will make radioactive material processing cost two cents per pound instead of one and half cents.
71	Licensing and Registration	Environment and Conservation	1200-02-10-.24 and .31	These amendments increase fees and add a fee for staff members of a registered facility who performs inspections or assembles, installs or services equipment. And adds another fee category for nuclear work.
72	Licensing and Registration	Environment and Conservation	1200-02-10-.24	Add an exemption for public safety agencies (bomb squads) from paying fees as was intended. Clarification only.
73	Limits on Emissions Due to Malfunction (Startup and Shutdown)	Environment and Conservation	1200-03-20-.03 and .04	Allows facilities to consolidate current quarterly reporting requirements of Title V: mirrors current federal regulations. Eliminates unnecessary burden.

74	Monitoring of Source Emissions, Recording, and Reporting	Environment and Conservation	1200-03-10-.02	Allows facilities to consolidate current quarterly reporting requirements of Title V: mirrors current federal regulations. Eliminates unnecessary burden.
75	Nuclear Regulatory Commission Inspections	Environment and Conservation	1200-02-04-.04 to .13; 1200-02-10.17, .24, .26, and .30	A revision concerning baseline dates for registered inspections needs to be promulgated (will affect approximately 1,000 facilities). If they are not, TN will not keep its Agreement State status.
76	Oil and Gas	Environment and Conservation	1040-01-01 though 1040-08-01	Address the lack of definitions for certain terms for enforcement purposes; to increase bonding amounts for all oil and gas wells; and to provide a means for abandoning the wells so they can be addressed in a timely manner.
77	Operating Permits	Environment and Conservation	1200-03-09-.02	Rule currently requires major air sources to certify whether compliance with their permit conditions is based on continuous or intermittent data. Slight inconsistency as federal rule is based on whether compliance with permit conditions is continuous or intermittent rather than data is continuous or intermittent.
78	Operating Permits	Environment and Conservation	1200-03-09-.02	Division is required to tell major air pollution sources when their operating permit applications are due. Division often does not know when new sources are built or when an existing small source increases emissions. Amendment removes requirement that Division tell source to obtain a Title V permit. This gets EPA involved which could negatively impact EPA's approval of the Title V operating permit program.
79	Petroleum Liquid Storage in Fixed Roof Tanks	Environment and Conservation	1200-003-18-.29	Proposed rule would require a complete inspection of cover and seal whenever fixed roof tank is emptied for non-operational reasons or at least every 10 years. This mirrors federal requirements because emissions are lower if they empty every 5 years.

80	Quarterly Reporting	Environment and Conservation	1200-03-16-.01, .22 and .53	Allows facilities to consolidate current quarterly reporting requirements of Title V: mirrors current federal regulations. Eliminates unnecessary burden.
81	Radiation	Environment and Conservation	1200-02-04, 05, 07, 10, and 11	Amendments revise TN regulations to be compatible with latest comparable version of the Nuclear Regulatory Commission's regulations in order to maintain status as an Agreement State.
82	Rare Plants	Environment and Conservation	0400-06-02-.03, .04	Update lists of rare plants in TN to reflect the actual rarity of species on list. Failure to update would be inconsistent with state law.
83	Requirements for Financial Assurance	Environment and Conservation	1200-01-07-.03	Amendments will identify all environmental liabilities and subject owner/operator to updated criteria. TDEC believes regulations regarding Financial Test and Corporate Guarantee need amending to strengthen qualifying criteria.
84	State Park Entrance Fees and Camping Fees	Environment and Conservation	0400-01-01-.03; 0400-02-02-.0; 0400-02-05-.03	Amendments include: Tennessee State Park Passport is being capped at \$30 for senior citizens, use of golf cars is limited to paved surfaces and to persons with a valid driver's license, and only bike riders under 16 must wear helmet.
85	Underground Storage Tank Program	Environment and Conservation	1200-01-15-.01, .03 and .16	To meet EPA mandate from the Energy Policy Act of 2005 regarding the training of Underground Storage Tank Operators, every tank owner must have an A, B, and C level trained operator. If not done, TN could lose primacy for Petroleum Underground Storage Tank Program and lose federal funding.
86	Underground Storage Tank Program	Environment and Conservation	1200-01-15-.17	Prohibit underground storage tanks from storing greater than 10% alcohol in order to protect the Petroleum Underground Storage Tank Reimbursement Fund.

87	Underground Storage Tank Program	Environment and Conservation	1200-01-15-.01, .02, .03, and .07	To allow property owners to remove tanks from their property in accordance with regulations and to clarify that tank owners and operators are required to use UL listed dispensers.
88	Water	Environment and Conservation	0400-40-17; 1200-04-03; 1200-04-05; 1200-04-07	New amendments in TCA § 69-3-101 require commissioner to develop rules to ensure accurate and consistent wet weather conveyance determinations and that only CAFOs subject to federal permitting would receive permits under NPDES. Otherwise, CAFOs would have to each make their own rules consistent with federal.
89	Automated External Defibrillator Programs	Health	1200-12-01-.19 (6)	Current rule is archaic and would require a rule change just to start a business and a potential one year wait. Unduly burdensome.
90	Commercial Breeders	Health	1200-33-01-.06 (1)	Clarify the time frame meant by term “annual report.”
91	Conrad 30 J-1 Visa Waiver Program - Eligibility	Health	1200-20-11-.04	The primary care health care work force shortage has affected all areas of Tennessee making it necessary to attract practitioners to both urban and rural areas. Expanding the Top 30 HRSA to 40 will allow placement in 10 additional underserved counties, benefit TDOH clinics located in a TOP 40 HRSA, waiving the HRSA requirement for FQHCs will broaden placement opportunities. Waiving the timeframe restriction would allow for specialist placement throughout the entire cycle and increase the likelihood of filling available positions; Lowering the hospital percentage of patient served reside in a HPSA/MUA from 50% to 30% would increase hospital participation.

92	Dog and Cat Dealers	Health	0080-2-15.01 (3)	Should clarify by prefacing “except for any person who.....buys from or sells to a private person at a flea market any dog or cat”. (NOTE: Because TCA 44-17-102 (4) requires a license for any flea market buyer or seller---also conflict or ambiguity with TCA 44-17-104 (b) which requires a fee for sales up to 50 of \$125.00).
93	Dog and Cat Dealers	Health	0080-2-15-.04 (3)	Should allow some reasonable grace-period for re-instatement (i.e. 30 days).
94	Dog and Cat Dealers: Records	Health	0080-2-15-.10 (2)	Semi-annual reports should be based on calendar year since it is impossible to renew by a specific date and include records for that specific date or the days immediately preceding.
95	Emergency Medical Services Equipment and Supplies	Health	1200-12-01-.03-(12)(b)8.	The expense of diuretics having to be carried on ambulances is not necessary to EMS services but board would have to vote to eliminate the rule.
96	Emergency Medical Technician	Health	1200-12-01-.04((7)(b)3.	Reinstatement rules require an individual to complete the Paramedic course in its entirety to reenter profession is unduly burdensome. Should be a refresher course and allow for lapsed licenses to be recaptured.
97	Emergency Medical Technician	Health	1200-12-01-.04(12)(a)1.	Reinstatement rules require an individual to pay all past due renewal fees as well as a reinstatement fee in order to reenter the profession. Unduly Burdensome.
98	Health Access Incentive Grant Program	Health	1200-20-3-.04	The Rule change would provide the opportunity for additional recruitment in the most needed health departments for medical practitioners. Change rules to make employees of LHD clinics always eligible for practice incentive grants.

99	Health Access Program	Health	1200-20-3-.03	Broaden eligibility for all other community health center providers by changing Top 30 state health resource shortage area requirements to the Top 40 HRSA requirement. Including FQHCs, RHCs LDHs will provide the opportunity of additional medical practitioner placement.
100	Nursing Home Services Licensing Fee	Health	1200-28-1	The entire chapter can be eliminated. It is out of date and addressed by statute.
101	Organized Camps	Health	1200-1-5	DOH should not have to inspect water supply, water pollution, and groundwater which can be conducted by the Department of Environment and Conservation.
102	Schedule of Fees	Health	1200-12-01-.06 (c) (d) (e)	Reinstatement rules require Ambulance Services to pay all past due renewal fees as well as a reinstatement fee in order to reenter the profession. Unduly burdensome.
103	Schedule of Fees	Health	1200-12-01-.06(7)(a)(b)(c)	Current rule is archaic because information is available on the internet for free.
104	Ignition Interlock Device	Homeland Security	1340-1-14	Current rules require providers to provide department with monitoring reports concerning violations of ignition interlock restrictions.
105	Ignition Interlock Device	Homeland Security	1340-1-14	Providers must submit applications annually. Reduce application for renewals.
106	Inspection of homemade trailers	Homeland Security	1340-03-02	Repealed once rules above are approved to make one less set of rules to impact businesses.
107	Supervision and Control of Motor Vehicles and Buses	Homeland Security	1340-6-1; TCA § 65-15-106 and 113	Delete outdated requirements and bring department into compliance with federal regulations so TN can get federal funding.
108	Fire Code Requirements	Human Services		Proposed modification of fire code requirements for small family child care homes.
109	Volunteers in child care licensing	Human Services	1240-04-03.07(8)	Only volunteers who provide services for more than twenty hours per calendar week must be fingerprinted and have criminal background check.

110	Abuse Registry	Mental Health	TCA § 68-11-1001	Should be a promulgation of rules clarifying placement and adding a possibility of removal from the registry.
111	Certificate of Need	Mental Health	TCA § 68-11-1607(a)(2) and (5)	Certificate of need is too burdensome to potential providers of home health services or psychiatric or hospital-based alcohol and drug treatment for adolescents.
112	Licensing	Mental Health	TCA § 33-2-420	Statute allows license of home health service to satisfy licensing for personal support license, but TennCare requires company to be separate licensed company and obtain license from TMDH contrary to law.
113	Medication Administration	Mental Health	TCA § 63-7-102 and § 68-1-904	If agency does not contract with DIDD or DCS, they cannot administer medication without hiring medical professionals at a much higher cost to agency.
114	TennCare	TennCare		Outsourcing certain TennCare functions may be more cost-efficient. For example, TennCare could contract out many of the functions associated with eligibility determinations.
115	Common Air Carriers - Supervision and Control	Transportation	TCA § 42-2-219; Chapter 1680-01-01	Requires certificate for operation from state if they don't have it from FAA; but Federal law requires FAA certificate, so law is obsolete.
116	Cutting and Baling of Hay on Interstate Right-of-Ways	Transportation	TCA § 54-5-134; Chapter 1680-02-02	Sets minimum liability insurance requirements which are no longer adequate to cover state's potential liability under Claims Commission Act. Also, it's obsolete.
117	Outdoor Advertising	Transportation	Chapter 1680-02-03	Department is currently rewriting entire chapter. To be filed before the end of the year.
118	Overweight and Overdimensional Movements on TN Highways	Transportation	Chapter 1680-07-01	Time restrictions and other requirements may be overly restrictive. Department to have proposed amendments ready for end of year.

119	Railroads	Transportation	Chapter 1680-09-02	Update legislation by deleting provisions pre-empted by federal law and rewriting other provisions to make substantive requirements easier to understand.
120	Bidder Number Process	Veteran Affairs		Bidder number process involves getting an item number, but you cannot get item number from vendor until item is purchased. Long process and not all items are listed in Edison catalog.
121	Remit Address Process	Veteran Affairs		If Remit Address does not match, vendor cannot be paid. Delays them getting paid and causes Vendors to void contracts.
122	Vendor Contracts	Veteran Affairs		If Contract Expires before request has been approved for purchase, request must be resubmitted to go through the same process again.

* *In no particular order*