



*Blount County Courthouse*

## County Spotlight: **Blount**

Population: 105, 823  
County Seat: *Maryville*

### Did you know...

*Maryville College was among the first southern schools to open its doors to Native Americans, African Americans and women.*

*Lynn Swann, NFL Hall of Fame wide-receiver and former ABC sports broadcaster, was born in Alcoa.*

\*For more information, visit:  
<http://tennesseencyclopedia.net>  
[www.profootballhof.com](http://www.profootballhof.com)

## Federal Stimulus Delays Tennessee Budget Decisions – Impact On State’s Counties Continues To Be Uncertain

President’s Day remains the target for final approval of a federal economic recovery plan, a \$790 billion combination of tax breaks and new spending, including an estimated \$3-4 billion over the next two years for Tennessee.

The U.S. Senate and House have worked out differences between separate versions of the stimulus package. What passed this week in the Senate was a plan vastly different from the one approved last month by the House. The announcement came February 11 that negotiations were successful and that a conference report will now go back to the houses for final approval. It remains the hope of most in Congress that a final bill will be on President Obama’s desk by next Monday, February 16, President’s Day.

What this means for the 95 counties here remains unclear. What is known is that Tennessee counties are hurting much like the state, which faces an economic crunch that could force lawmakers here to reduce next year’s state budget significantly. The federal stimulus funds would help the matter for the short term, according to the Bredesen administration.

The compromise, reduced to its current \$790 billion size, calls for specific allocations for education, highway projects that are considered “shovel ready,” and at least \$1 billion for Tennessee legislators and the governor to spend on what they consider to be high-priority items. Exact numbers are not readily available as they are continually changing as negotiations between the two houses continue.

Meanwhile, Governor Bredesen is holding onto his budget for FY2009-2010, awaiting details of the federal stimulus. During his annual state-of-the-state address on February 9, he reminded state legislators that any federal money received by the state should be considered nonrecurring and off limits for such expenditures as recurring salary increases.

Almost \$500 million has been cut in the current year’s state budget. An additional \$900 million had been originally planned for cuts in the FY2009-2010 state budget. That was prior to the federal stimulus legislation gaining so much momentum and growing into such a large nationwide package. The major shortfalls facing the state are magnified by similar revenue holes at the county level.

“It is clear that we will have a substantial amount of money to help soften the blow of this economy,” Bredesen told members of the Tennessee Senate and House. “Please let me make it clear that no proposed version of the stimulus bill is any panacea or silver bullet; substantial cuts (to the state budget) are still needed under any circumstances. Furthermore, it is vital to remember that this stimulus money is one-time funds.”

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During his address, Governor Bredesen reiterated his intent to spare K-12 education from budget cuts; continuing his emphasis on basic education funding. His intent is to add in the neighborhood of \$75-80 million to school funding as the state’s part. Counties would be required to provide a match to the new monies.

As for other areas impacting counties, the governor’s staff will look further at the federal stimulus before making decisions. The administration plans to release its budget plan to the General Assembly sometime in March.

County associations in Tennessee are watching the stimulus legislation closely in hopes of putting together some type of information session in early March at one of their annual meetings. County Government Day is the target for the training, assuming state officials have enough details about the stimulus to educate county officials about how they foresee the money being used at the state and local levels. The session would be geared toward those county officials who are registered and paid delegates to the meeting.

How those federal stimulus funds might reach the county level remains a major question for Congress itself, as senators and representatives continue to debate the way those funds will be disseminated. In some cases, processes already exist allowing a federal dollar to go straight to the county courthouse or school board. In other cases, the state becomes the agency in charge of doling out federal funds.

## WHAT SHOULD YOUR COUNTY DO?

With the presumed signing of the federal stimulus package into law as early as President’s Day, county officials should start assessing their role in the process. While some major questions remain on how much might reach the state and local courthouses, county officials can work now to prepare for the ultimate passage of this major legislation.

Specifically, county officials can do two basic things:

- First, take a hard look at your local infrastructural needs.

Whether yours is an urban or rural county, you have been making biennial reports to your development district about specific construction, facility and infrastructure needs, along with an estimate of what those projects might cost. Pull those reports, update them, and identify which ones are “shovel ready.”

Much has been said by President Obama about the need to hit the ground running on new projects once the stimulus bill is passed. In fact, some believe there might be a limited window, as short as 90 days, in which communities will need to make their needs known so they can tap into these federal resources. While it is unclear whether or not such a window will exist, counties should have their own lists ready as soon as possible so they can make their cases for those projects if it becomes necessary.

At the very least, this planning exercise will make county officials more ready at a moment’s notice to meet and discuss their infrastructure needs if called upon.

- Secondly, register to attend County Government Day on March 3-4 in Metro Nashville-Davidson County. Associations representing Tennessee counties are working with CTAS and various state departments on a tentative two-hour informational session for delegates registered and paid to attend the conference. The session has been tentatively planned for 10 a.m. Wednesday, March 4, at the end of County Government Day. State department officials and the governor’s office are being asked to participate so they can share what they know about the stimulus and how it might reach the local level.

Details of the informational/education session remain tentative and could change depending on a number of factors. For updated conference information as it becomes available, see the TCSA and COAT websites: [www.tncounties.org](http://www.tncounties.org) and [www.coatn.org](http://www.coatn.org).

## New I-9 Form Delayed

The U.S. Citizenship and Immigration Services (USCIS) has announced a 60-day delay in implementing the new Form I-9 and its accompanying rule “Documents Acceptable for Employment Verification.” The delay allows an opportunity for further consideration of the rule, and also provides the public more time to submit comments regarding the rule.

Employers are required to complete Form I-9 for all newly hired employees to verify their identity and authorization to work in the United States.

The I-9 Form dated 6/5/07 should be used until April 3, when the new I-9 Form dated 2/2/09 will take effect. To access both forms, [click here](#).

Have comments or suggestions for this newsletter?  
Contact Claire Marsalis at [claire.marsalis@tennessee.edu](mailto:claire.marsalis@tennessee.edu).

### CALENDAR OF EVENTS

Feb. 17	COAT Board Meeting, Nashville
Feb. 17-19	TNCPE Excellence in TN Conference, Franklin
Feb. 19	Understanding Workstyles Workshop, Knoxville
Feb. 24	Understanding Workstyles Workshop, Franklin
March 3-4	County Government Day, Nashville
March 11-13	LGC Resource Conference, Gatlinburg
March 18-19	County Finance Workshops, Franklin
March 30-31	County Finance Workshops, Jackson

### Make Plans Now to Attend COCTP Finance Workshops

This spring, the CTAS County Officials Certificate Training Program (COCTP) will deliver a three-part series dealing with managing county finances. The series was developed by CTAS consultants and includes workshops pertaining to capital budgeting, county debt management and the county operating budget. The sessions will begin in the month of March in Franklin and Jackson, and will wrap up in April with classes in Dunlap, Cookeville, Knoxville and Johnson City. To view a detailed class schedule and register for a session, visit [www.ctas.tennessee.edu](http://www.ctas.tennessee.edu). Select the Training tab from the menu on the left, and click Classroom Training.

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