

## FINANCIAL EXPOSURE:

Rating the States on Economic Development Transparency

(read here: <https://goodjobsfirst.org/financialexposure>)

## APPENDIX for Tennessee

Transparency scores for major state programs

(\* see next page for scoring details)

Program Description	Recent Annual Cost	Online Recipient Disclosure	Recipient Disclosure Score*
Data Centers Sales Tax Exemption - sales and use tax exemptions for data center companies investing at least \$100 million and creating 15 jobs; cost is unknown because data is not collected.	unavailable	none	0/100
FastTrack programs - include three types of assistance: grants for infrastructure improvements (Infrastructure Development), customized worker training (Job Training Assistance) and grants or loans for activities not covered by the two other programs (Economic Development).	<a href="#">\$78 million (2020)</a>	<a href="#">Source</a>	48/100
Industrial Machinery Credit - franchise and excise tax credits equal up-to 10% of machinery purchase; available to selected industries.	<a href="#">\$46 million (2020)</a>	none	0/100
Jobs Tax Credit - franchise and excise tax credits for job creation and investment; additional "super credits" are available for larger project.	<a href="#">\$65 million (2020)</a>	none	0/100
Tennessee Film/Tv Production Incentive - a cash rebate equal to 25% or 30% of a production's expenditure in the state.	\$72 million (2020) obtained from agency	none	0/100

<b>Financial Exposure: Rating the States on Economic Development Transparency</b>	<i>Maximum possible score</i>	Data Centers Sales Tax Exemption	FastTrack programs	Industrial Machinery Credit	Jobs Tax Credit	Tennessee Film/Tv Production Incentive
<b>Scoring Details for Tennessee Programs</b>						
<i>Score criteria (point values in parentheses)</i>						
<b>PROJECT INFORMATION</b>						
address/coordinates (8); zip code (5); city or county (3)	<b>8</b>	0	0	0	0	0
month + year of agreement/contract/project (1)	<b>1</b>	0	1	0	0	0
nature of project (1)	<b>1</b>	0	1	0	0	0
<b>ADVANCE NOTICE AND PUBLIC PARTICIPATION</b>						
full applications (5); applicant names + amounts (2); applicant names (1)	<b>5</b>	0	5	0	0	0
cost-benefit analysis at least 15 days in advance (3)	<b>3</b>	0	0	0	0	0
meeting: full proposal (4); program + applicant (3); agenda (2); dates (1)	<b>4</b>	0	4	0	0	0
full draft agreements ahead of approval (3); full agreements after (1)	<b>3</b>	0	0	0	0	0
<b>RECIPIENT IDENTITY</b>						
federal employer identification number (1)	<b>1</b>	0	0	0	0	0
industry classification NAICS code (1)	<b>1</b>	0	0	0	0	0
parent company for all awardees (3)	<b>3</b>	0	0	0	0	0
<b>SUBSIDY INFORMATION</b>						
approved/awarded subsidy value (4)	<b>4</b>	0	0	0	0	0
disbursed/claimed subsidy amount (6)	<b>6</b>	0	6	0	0	0
status + penalty actions (10); status only (5)	<b>10</b>	0	3	0	0	0
<b>JOB CREATION REPORTING</b>						
number of projected new/retained jobs/trainees (6)	<b>6</b>	0	6	0	0	0
number of actual new/retained jobs/trainees (14)	<b>14</b>	0	14	0	0	0
<b>WAGES/PAYROLL REPORTING</b>						
projected wage/payroll for new/retained jobs (5)	<b>5</b>	0	0	0	0	0
actual wage/payroll for new/retained jobs (10)	<b>10</b>	0	0	0	0	0
<b>EXPENDITURE/INVESTMENT REPORTING</b>						
projected capital investment/expenditure/cost (1)	<b>1</b>	0	1	0	0	0
actual capital investment/expenditure/cost (4)	<b>4</b>	0	0	0	0	0
<b>DATA ACCESSIBILITY AND USABILITY</b>						
two clicks from program page (3); - 1 for every additional click	<b>3</b>	0	3	0	0	0
unambiguous data and explanations (2)	<b>2</b>	0	2	0	0	0
five years of data placed together (2); on different pages (1)	<b>2</b>	0	2	0	0	0
downloadable to database applications (3); downloadable to PDF (1)	<b>3</b>	0	0	0	0	0
<b>TOTAL PROGRAM SCORE</b>	<b>100</b>	<b>0</b>	<b>48</b>	<b>0</b>	<b>0</b>	<b>0</b>

see next page for scoring notes

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## Scoring notes for Tennessee

### **Data Centers Sales Tax Exemption**

There is no online recipient disclosure for this program.

### **FastTrack programs**

Disclosure link: <https://www.tn.gov/transparenttn/state-financial-overview/open-eed/openecd/fasttrack-project-database.html>

The Tennessee Department of Economic and Community Development (TNECD) posts recipient-level data to the Transparency Tennessee website, under OpenECD (TNECD also links to this site on its home page). Companies benefiting from FastTrack grants, subsidy amounts, jobs and investment promises, project type and location are under FastTrack Project Database. Under FastTrack Baseline and Performance Reports tab on the same portal, TNECD posts quarterly company job creation data. Under FastTrack Projects Pending Contract, there are projects that await contract execution. A project status could be determined by looking at the Performance Reports, but, overall, it is difficult to determine project status; thus we assign limited points in the status category.

The State Funding Board approves Fast Track awards over \$750,000. The Board's meeting dates and agendas with company names, programs, subsidy amounts as well as applications are posted to the State Comptroller website:  
<https://comptroller.tn.gov/boards/tennessee-state-funding-board.html>

### **Industrial Machinery Credit**

There is no online recipient disclosure for this program.

### **Jobs Tax Credit**

There is no online recipient disclosure for this program.

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**Tennessee Film/TV Production Incentive**

The OpenEDC portal under Film Incentive tab includes biannual reports that list subsidized film and TV productions. Unfortunately, only project titles are available, but not company names. We deemed the program as non-transparent.

<https://www.tn.gov/transparenttn/state-financial-overview/open-ecd/opened/film-incentives.html>