

FISCAL NOTE

SB 1077 - HB 1146

February 25, 1999

SUMMARY OF BILL: Provides that no insurer doing business in Tennessee shall require the insured to execute a reimbursement contract prior to paying benefits to such insured or a reimbursement contract that purports to create an automatic lien on the insured's recovery. Further, it provides that no subrogation claim filed by an insurer shall be binding upon the parties unless such claim is filed within 30 days of settlement on such claim. Any violation of the provisions of this bill will be punishable as a Class C misdemeanor as provided in TCA 56-1-801.

ESTIMATED FISCAL IMPACT:

Increase Local Govt. Revenues - Not Significant
Increase Local Govt. Expenditures - Not Significant

Impact depends upon the number of persons convicted of this offense and the resulting increased cost to local governments to confine such persons versus the increased revenues to local governments from fines levied and collected under the provisions of this bill.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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