

FISCAL NOTE

HB 2549

January 17, 2008

SUMMARY OF BILL: Adds new subdivision to the definition of “proof of financial responsibility” that increases from \$10,000 to \$15,000 the minimum amount of split-limit property damage liability insurance required for one accident, for the purpose of compliance with the Tennessee Financial Responsibility Law of 1977 after December 31, 2008.

ESTIMATED FISCAL IMPACT:

State Revenue – Net Impact - Not Significant
Increase State Expenditures – Not Significant

Local Gov’t. Revenue – Net Impact – Not Significant
Increase Local Gov’t. Expenditures – Not Significant

Assumptions:

- According to the Department of Safety, this bill would not require any program changes or additional resources.
- The increase of premium tax revenue resulting from increased cost of premiums is estimated to be not significant.
- Compliance with the Tennessee Financial Responsibility Law of 1977 is estimated to remain constant.
- Revenue generated from motor vehicle registrations, renewals, and local government wheel tax is not expected to be impacted by this bill.
- The provisions of this bill are not expected to significantly impact state or local government expenditures.

CERTIFICATION:

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

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A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a prominent initial "J" and a distinct "W".

James W. White, Executive Director

/rnc