

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 513 – SB 1105**

February 26, 2009

**SUMMARY OF BILL:** Increases the liability limits for bodily injury, death, or destruction of property under the Governmental Tort Liability Act.

**ESTIMATED FISCAL IMPACT:**

**Increase Local Expenditures – Exceeds \$5,000,000\***

Assumption:

- The state is not subject to the Act and there will be no impact to the State's Risk Management Fund.
- Self-insured local governments will pay higher judgments.
- Insured local governments will pay higher premiums.
- Increasing the Act limits will cause local governments to see an increase in the amount and duration of litigation.
- Any increase in caseloads for the state trial courts and appellate courts can be absorbed within existing judicial resources.

\*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

**CERTIFICATION:**

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

A handwritten signature in black ink that reads "James W. White".

James W. White, Executive Director

/kmc