

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 1752 - SB 1919**

February 7, 2014

**SUMMARY OF BILL:** Reduces the registration fee structure for charitable organizations, professional solicitors, and fundraising counsels that intend to solicit contributions in the state of Tennessee.

**ESTIMATED FISCAL IMPACT:**

**Decrease State Revenue -**

**\$350,000/Secretary of State/FY14-15**

**Exceeds \$350,000/Secretary of State/FY15-16 and Subsequent Years**

Assumptions:

- Based on information provided by the Secretary of State (SOS), it is estimated that fees derived from the specified sources generated approximately \$1,557,500 in FY12-13.
- Based on information provided by the SOS, a six percent annual growth rate for fee collections.
- FY13-14 collections are estimated to be \$1,650,950 ( $\$1,557,500 \times 106.0\%$ ) under current law.
- The proposed reductions to the charitable organization registration fee schedule equates to 20 percent fee reductions.
- Registration fee revenue is retained by the Charitable Solicitations and Gaming Division of SOS.
- The decrease in state revenue to the SOS in FY14-15 as a result of this bill is estimated to be \$350,001 [ $(\$1,650,950 \times 106\%) \times 20.0\%$  reduction].
- The recurring decrease in state revenue to the SOS in FY15-16 and subsequent years is estimated to exceed \$350,000 as a result of continued growth in collections.

**IMPACT TO COMMERCE:**

**Other Commerce Impact – Passage of this bill will result in a cumulative and recurring reduction in expenses for various charitable organizations exceeding \$350,000 per year.**

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## **Jobs Impact – Not Significant**

Assumptions:

- There will be a cumulative and recurring decrease in expenditures for various charitable organizations estimated to exceed \$350,000 per year.
- Any impact to Tennessee jobs is considered not significant because the reduction in expenditures accruing to any one charitable organization is considered not significant.

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Lucian D. Geise, Executive Director

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