

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 456 - HB 341

March 24, 2013

SUMMARY OF BILL: Removes the authority of the Commissioner of the Department of Commerce and Insurance to charge monitoring inspection fees under the *Uniform Standards Code for Manufactured Homes Act*.

ESTIMATED FISCAL IMPACT:

Decrease State Revenue - \$271,300

Increase State Expenditures - \$271,300

Assumptions:

- Pursuant to Tenn. Code Ann. § 68-126-211, and under the *Uniform Standards Code for Manufactured Homes Act*, the Department of Commerce is statutorily obligated to inspect all factories, warehouses, establishments, or locations in this state in which manufactured homes are manufactured, sold, leased, or distributed.
- The Department of Commerce and Insurance currently charges an inspection fee equal to \$30 for each floor which a Housing and Urban Development (HUD) label is attached and \$40 per inspector per hour and any reasonable and necessary expenses of the inspector for inspection services in excess of those required by statute.
- In FY11-12, the inspection fee revenue collected totaled \$271,300.
- The Department performs as many inspections as it can afford with the revenue received by such inspection fees. To fulfill duties required under the *Act*, the Department will experience an increase in state expenditures of \$271,300.

CERTIFICATION:

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

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

/jdb

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