

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2473 - SB 2471

March 27, 2016

**SUMMARY OF ORIGINAL BILL:** Extends, from 10 to 12 days, the time period a scrap metal dealer must request a hearing from the Department of Commerce and Insurance (DCI) after receiving a notification regarding a violation. If the dealer fails to request a hearing in such time period, the hearing is waived and the DCI may impose any appropriate disciplinary measure.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

IMPACT TO COMMERCE OF ORIGINAL BILL:

NOT SIGNIFICANT

**SUMMARY OF AMENDMENT (014933):** Deletes all language of the original bill. Establishes that a motor vehicle dealer's license is not required for a person to sell a motor vehicle to a licensed motor vehicle dismantler and recycler, a scrap metal dealer, or a scrap metal processor, if such vehicle is being sold solely for recycling, dismantling, or scrap, and if the vehicle has been designated by the seller as a non-repairable vehicle. An effective date of July 1, 2016.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Unchanged from the original fiscal note.**

Assumptions for the bill as amended:

- Currently, individuals or entities which sell motor vehicles to motor vehicle dismantlers, scrap metal processors, or to scrap metal dealers, when the purpose is for selling parts, dismantling, or scrap, are not specifically addressed in statute or in rules governing scrap metal.
- Based on information provided by the Department of Commerce and Insurance, this legislation will result in no significant impact on the number of motor vehicle dealer licenses issued by the Motor Vehicle Commission.

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- Pursuant to Tenn. Code Ann. § 4-29-121, all regulatory boards are required to be self-supporting over any two-year period. The Motor Vehicle Commission had surpluses of \$282,456 in FY13-14, \$618,571 in FY14-15, and a cumulative reserve balance of \$2,240,017 on June 30, 2015.

**IMPACT TO COMMERCE WITH PROPOSED AMENDMENT:**

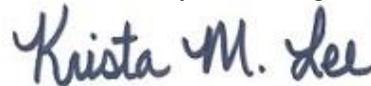
**Unchanged from the original fiscal note.**

Assumption for the bill as amended:

- This proposed legislation will have no significant impact on commerce or jobs in this state.

**CERTIFICATION:**

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



Krista M. Lee, Executive Director

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