

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 766 - SB 1199

February 24, 2015

SUMMARY OF BILL: Removes the prohibition that any county or municipality requires a state licensee or its employees to pass any county or municipal test or examination for the purpose of obtaining a contractor's license. Removes the prohibition that any county or municipality imposes any additional requirements upon the state licensee or its employees for the purpose of obtaining a contractor's license.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- The bill only modifies explicit provisions relating to local governments; therefore, any fiscal impact to state government is not significant.
- Pursuant to Tenn. Code Ann. § 62-6-111(i)(1), the Board for Licensing Contractors is authorized to issue a license to any person who establishes the person's competency in any classification by successfully passing a proficiency test or examination for measurement of industry expertise in such work that is administered by the board; the license shall authorize the licensee to engage in contracting in this state or any of its political subdivisions.
- The Department of Commerce and Insurance reports that state licensing examinations are administered by third party contractors which collect a transaction fee from potential licensees at no cost to the state.
- State licensing procedures, pursuant to Tenn. Code Ann. § 62-6-111(i)(1), will not change as a result of this bill.
- Removing the prohibitions pursuant to this bill, as the it alters Tenn. Code Ann. § 62-6-111(i)(2)(c), will not effectively authorize local government entities to administer examinations to any state licensee or impose any other additional requirements on any state licensee. In effect, the prohibition language removed by this bill is redundant within the context of the entire statute. Thus, removing it does not appear to alter the general effect of the entire statute.
- If this bill is enacted, the affected statute will still stipulate that a state licensee shall be eligible to contract for work in any county or municipality upon: (1) exhibiting evidence of a current certificate of license to the appropriate local official; (2) paying any local licensing fees in effect on May 8, 1992; and (3) paying any inspection or permit fees customarily required by any county or municipality for such work.
- No change to the number of licensed contractors in Tennessee.

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- No change in the number of jobs that any licensed contractor will perform in Tennessee.

IMPACT TO COMMERCE:

NOT SIGNIFICANT

Assumption:

- Given there will be no change in the number of licensed contractors in Tennessee, and no change in the number of jobs that any licensed contractor may perform, any impact to commerce is estimated to be not significant.

CERTIFICATION:

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



Jeffrey L. Spalding, Executive Director

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