

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 907 - HB 992**

March 18, 2015

**SUMMARY OF BILL:** Enacts the Transportation Network Company Services Act, for the purpose of establishing rules, regulations, and guidelines for transportation network companies (TNCs) operating within the state.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures – Not Significant**

**Forgone Local Revenue – Exceeds \$20,000 per year/Permissive**

Assumptions:

- Metro-Nashville Davidson County (MNDC) confirms plans to begin charging any operating TNC an annual fee of \$4,250.
- There are at least two TNCs operating in MNDC. Passage of this bill will prevent the county from going forward with its current plans to, permissively, charge this fee.
- MNDC estimates that passage of this bill would cause them to forgo approximately \$8,500 per year.
- Assuming similar plans are currently being negotiated in Chattanooga, Knoxville, and Memphis, and further assuming this bill would prevent the collection of any future fees for these cities, the total forgone amount of revenue could exceed \$20,000 per year statewide.
- This bill places no regulatory responsibility on any state department or agency; therefore, any impact to state revenue or expenditures is considered not significant.
- In addition, the bill places no regulatory responsibilities on any local government entity; as a result, any change in current local revenue or current local expenditures is considered not significant.
- The bill establishes the legal framework for any such TNC to self-regulate.
- Any other impact as a result of this bill will be borne by private parties.

**IMPACT TO COMMERCE:**

**Increase Business Expenditures – Unknown**

**Jobs Impact – Not Significant**

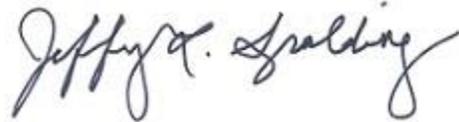
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Assumptions:

- TNCs are already operating in the four largest municipalities in the state under similar conditions.
- This bill will require additional business expenditures for ensuring compliance with the act; however, the extent of any such increased business expenditures is unknown and dependent upon the extent to which any TNC complies with the act.
- Given companies currently operate within the state as TNCs, any impact to jobs is considered not significant.

**CERTIFICATION:**

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

A handwritten signature in black ink, reading "Jeffrey L. Spalding". The signature is written in a cursive, flowing style.

Jeffrey L. Spalding, Executive Director

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