

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 757 - SB 1172

February 18, 2019

SUMMARY OF ORIGINAL BILL: Limits the types of liens for which a real property owner can recover damages when prevailing in an action challenging the lien's validity.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

IMPACT TO COMMERCE OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (004202): Deletes all language after the enacting clause. Removes the ability of a real property owner who prevails in an action challenging the validity of a lien to recover certain damages.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- Pursuant to Tenn. Code Ann. § 66-21-108, real property owners who prevail in challenging the validity of a lien are authorized to recover certain damages from the other party. Such damages are assessed against and paid to private parties.
- The proposed legislation is not estimated to result in a significant increase in the number of liens filed; therefore, any fiscal impact to state and local government is estimated to be not significant.

IMPACT TO COMMERCE WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

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Assumptions for the bill as amended:

- Pursuant to Tenn. Code Ann. § 66-21-108(b), real property owners were not able to recover damages on liens based on a loan agreement for which the encumbered property was listed as collateral.
- The proposed legislation will not result in any significant impact to jobs or commerce in Tennessee.

CERTIFICATION:

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

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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