

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 538 - SB 1493

March 12, 2019

SUMMARY OF ORIGINAL BILL: Deletes the requirement that an owner of a garage, trailer park, or parking lot must provide a written report to the Department of Revenue (DOR), if an unknown vehicle has been stored or parked on such property for more than 30 consecutive days. Deletes the provision stating that any person who fails to submit the report forfeits all claims for storage or parking of the vehicle, and further deletes the related Class C misdemeanor offense for failure to report. Deletes exemption to requirements for unclaimed or abandoned vehicles located on leased or rented residential property. Authorizes certain garage keepers and towing firms, who have received a waiver from local law enforcement to sell vehicles taken into custody, to do so immediately, rather than having to wait 30 days after receiving such waiver.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (005652): Adds language to the original bill that prohibits such garage keepers and towing firms, now authorized to sell vehicles immediately after receiving the law enforcement waiver, from keeping proceeds of the sale. Adds language to increase the Towing Advisory Board by two members, one appointed from the Tennessee Trucking Association and one from the American Car Rental Association.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- The DOR will not incur a significant decrease in expenditures or staffing requirements for no longer processing abandoned vehicle reports.
- The proposed legislation will not substantially reduce the number of Class C misdemeanor prosecutions for state or local government to experience any significant decrease in revenue or expenditures.

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- Removing the exemption applicable to reporting unclaimed or abandoned vehicles located on leased or rented residential property to the DOR will not result in any fiscal impact to state or local government.
- Allowing garage keepers and towing firms to sell abandoned vehicles up to 30 days sooner than required under current law is not expected to result in any significant change in title and registration fee revenue or sales and use tax revenue.
- Pursuant to Tenn. Code Ann. § 55-16-110(g), a member of the Board shall not receive compensation, benefits, per diem, or travel expenses for the member's service.
- Increasing the number of members of the Board will not result in any fiscal impact to state or local government.

CERTIFICATION:

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



Krista Lee Carsner, Executive Director

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