

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



**CORRECTED
FISCAL MEMORANDUM**

HB 1903 - SB 2858

June 11, 2020

SUMMARY OF ORIGINAL BILL: Authorizes electronic submission of the annual report all domestic and foreign Limited Liability Companies (LLC) transacting business in this state are required to file with the Secretary of State (SOS).

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

IMPACT TO COMMERCE OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (016910): Deletes all language after the enacting clause. Effective October 15, 2020, exempts the requirement for a motor vehicle dealer license to sell previously-titled antique or unique motor vehicles at an automobile auction at a motor vehicle festival held in Chattanooga, Tennessee. Repeals the exemption on October 20, 2020.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

On March 16, 2020, a fiscal note issued for this legislation estimated a fiscal impact as follows:

Decrease State Revenue - \$1,200/FY20-21/Motor Vehicle Commission

Pursuant to Tenn. Code Ann. § 4-29-121, all regulatory boards are required to be self-sufficient over any two-year period. The Motor Vehicle Commission experienced a deficit of \$92,832 in FY17-18, a surplus of \$351,518 in FY18-19, and had a cumulative reserve balance of \$2,455,055 on June 30, 2019.

Based on new information received from the Department of Commerce and Insurance, the estimated fiscal impact has been corrected as follows:

(CORRECTED)

Unchanged from the original fiscal note.

Corrected Assumptions for the bill as amended:

- The Chattanooga Motorcar Festival will be held in Chattanooga, TN on October 16-18, 2020.
- Anyone who sells more than five motor vehicles in one year is required to be licensed as a motor vehicle dealer through the Motor Vehicle Commission (MVC).
- According to the MVC, during prior instances of the festival auction, a work-around was utilized so sellers were not required to obtain licensure as a motor vehicle dealer.
- It is assumed that participants in the festival auction would not be required to obtain licensure in the absence of the bill.
- No significant fiscal impact to the MVC.

IMPACT TO COMMERCE WITH PROPOSED AMENDMENT:

(CORRECTED)

Unchanged from the original fiscal note.

Corrected Assumption for the bill as amended:

- No significant impact to jobs or commerce in Tennessee.

CERTIFICATION:

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



Krista Lee Carsner, Executive Director

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