

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 1716 – SB 2353**

February 28, 2020

**SUMMARY OF BILL:** Requires every executive, judicial, and legislative agency to notify the court and all parties involved in a wage garnishment case if the judgment debtor, whose salaries, wages, or other compensation are subject to a garnishment, is no longer employed by the garnishee. Requires such notice to be sent by certified mail within 10 days of termination of employment. Once proper notice has been given to the parties, such garnishment is null and void, unless the judgment debtor is reinstated by the garnishee within 90 days of the notice of termination.

Adds an exception to confidentiality provisions regarding information obtained pursuant to the Employment Security Law to authorize disclosure of such information to a requesting judgement creditor to determine a judgement debtor's place of employment for the sole purpose of a wage garnishment case.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$1,700/FY20-21 and Subsequent Years**

Assumptions:

- This legislation will require each state agency to house a database from which it can place hiring and separation of all of its employees.
- This database will be statewide to effectively handle such information and make related information easily accessible for all agencies.
- According to the Department of Finance and Administration (F&A), Strategic Technology Solutions (STS) will build this database.
- It is assumed that this database can be built and maintained using existing resources.
- There will be an increase in state expenditures for state agencies to notify, through certified mail, all parties involved in a wage garnishment case when the debtor is no longer employed by any such agency.
- The exact number of instance in which parties to such cases and furthermore, the number of certified mailings required for each case is unknown.
- It is assumed that this legislation will result in state agencies being required to send at least 500 certified mailings per year.
- Certified mail costs \$3.35 per item.
- An increase in state expenditures of \$1,675 (500 x \$3.35) in FY20-21 and subsequent years.

**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

/jdb