

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2044 - SB 2103

February 19, 2020

SUMMARY OF BILL: Requires every insurer licensed to write automobile liability insurance policies in this state to include coverage in those policies for diminution in value on motor vehicles that are three years old or newer and have less than 100,000 miles on the odometer.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumption:

- The proposed legislation pertains to private automobile insurers in this state and will have no significant fiscal impact to state or local government.

IMPACT TO COMMERCE:

NOT SIGNIFICANT

Assumptions:

- The proposed legislation requires every automobile liability insurance policy written in the state to include coverage for diminution in value on new and low-mileage vehicles.
- The proposed legislation is estimated to increase expenditures for automobile insurers in the state paying out additional coverage for damage to newer and low-mileage vehicles; however, it is assumed any increase in business expenditures from higher payouts will result in an increase in premiums for policy holders.
- The net overall impact to commerce and jobs in Tennessee is not significant.

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".

Krista Lee Carsner, Executive Director

/agr