

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 231 - HB 913

March 8, 2019

SUMMARY OF BILL: Requires a register of deeds to send notification to property owners prior to the recordation of certain liens.

ESTIMATED FISCAL IMPACT:

Increase Local Expenditures – Exceeds \$84,800*

Assumptions:

- Registers of deeds, within 10 days of receiving certain notification of a lien judgement, will send written notice, via registered or certified mail, to property owners prior to recordation of a lien against the property.
- Based on responses to the 2017 Local Government Survey conducted by the Fiscal Review Committee staff, participating registers of deeds reported an average of 20,945 liens being filed each year statewide.
- According to the United States Postal Service price chart, the base cost to send a letter certified mail is \$4.05 (\$3.50 certified mail fee + \$0.55 postage), while the base price to send a letter by registered mail is \$12.95 (\$12.40 registered mail fee + \$0.55 postage).
- Assuming the annual average number of liens remains constant and each lien requires only one notice to be mailed, it will result in a recurring mandatory increase in local government expenditures estimated to exceed \$84,827 (20,945 average annual liens x \$4.05 based registered mail price).

IMPACT TO COMMERCE:

NOT SIGNIFICANT

Assumption:

- The proposed language will not result in any significant impact to jobs or commerce in Tennessee.

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*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

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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