

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 676 - SB 699

March 8, 2019

SUMMARY OF BILL: Makes various changes to procedures governing disclaimers of property, investments and modifications of trusts, and judicial proceedings regarding trusts. Requires certain entities to pay a fee to and be subject to examination by the Department of Financial Institutions (DFI) as a condition of being exempt from certain regulation.

ESTIMATED FISCAL IMPACT:

Increase State Revenue – Exceeds \$1,000/Department of Financial Institutions

**Increase State Expenditures –
Exceeds \$1,000/Department of Financial Institutions**

Assumptions:

- The proposed legislation modifies statues regarding certain processes occurring between private parties and estates. The courts will not experience an increase in caseloads; therefore, any impact to the court system is estimated to be not significant.
- Corporations or limited liability companies formed to act as a trust protector or trust advisory may be exempted from regulation under Title 45, if they agree to be subject to examination by DFI and pay an initial fee of \$1,000 and a fee of \$1,000 each year afterward in which the entity exists.
- DFI is a self-funded entity; therefore any increase in revenue will be utilized to facilitate examinations conducted of such entities. It is assumed at least one entity will be in existence each year; therefore, there will be a recurring increase in revenue, and an equal corresponding increase in expenditures, for DFI estimated to exceed \$1,000.

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

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