

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 730 - SB 796

March 28, 2021

SUMMARY OF BILL: Requires the county registers, the Secretary of State, and any other officials who may receive any instrument other than for liens on motor vehicles to record an instrument of indebtedness that is transferred to a new lienholder within 60 days of the instrument's effective date. Creates a \$250 penalty for instruments of indebtedness offered for recordation after 60 days from the instrument's effective date.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- According to the Department of Revenue (DOR), this legislation codifies existing practices, making any increase in expenditures with regard to systems upgrades or other administrative costs not significant.
- In FY19-20, only 4 of the 95 counties reported any penalties related to recordation of indebtedness timeliness, it is estimated that by codifying these practices, the number of penalties would be reduced to zero, making any increase in state revenue from the newly created penalty not significant.

CERTIFICATION:

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

Krista Lee Carsner, Executive Director

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