

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 2293 - HB 2581

March 30, 2022

SUMMARY OF BILL: Requires lawful claims against a governmental entity to be paid in not more than eight equal annual installments rather than ten. Applies to claims approved on or after the date of enactment.

FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Pursuant to Tenn. Code Ann. § 29-20-312(b), installment payments bear interest at six percent per annum on the unpaid balance.
- The change in payment schedule applies only to claims approved on or after the date of enactment. As a result, no current claims or payment schedules will be affected.
- Any cost avoidance for state or local governments associated with the decrease in the maximum number of authorized installments for future claims is unknown but is estimated to be not significant as it is assumed that most governmental entities currently utilize payment methodologies that minimize their total costs.

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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