

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 676 - SB 699

April 16, 2019

**SUMMARY OF ORIGINAL 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.

FISCAL IMPACT OF ORIGINAL BILL:

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

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

**SUMMARY OF AMENDMENT (008311):** Deletes language within Section 2 of the original bill which established that certain refusals to accept an interest in or power over property were not a transfer, assignment, or release.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

**Unchanged from the original fiscal note.**

Assumptions for the bill as amended:

- The proposed legislation modifies statutes 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.

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**CERTIFICATION:**

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



Krista Lee Carsner, Executive Director

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