

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 805 - SB 868

February 11, 2023

SUMMARY OF BILL: Extends the prohibitions, requirements, and penalties that apply to telephone solicitations to text message solicitations.

FISCAL IMPACT:

**Increase State Revenue – \$22,100/FY23-24 and Subsequent Years/
Tennessee Public Utility Commission**

Assumptions:

- The proposed legislation:
 - Requires the Tennessee Public Utility Commission (TPUC) to add persons objecting to receiving text solicitations to the Do Not Call Register (Register);
 - Requires a person or entity desiring to make text solicitations to pay an annual registration fee of \$500 to receive access to the Register; and
 - Prescribes a maximum penalty of \$2,000 dollars for each violation of a text solicitation to a person on the Register.
- The TPUC received the following amount in registration fee revenue over the last three fiscal years:
 - FY19-20: \$227,400;
 - FY20-21: \$216,400;
 - FY21-22: \$218,100; and
 - Therefore, the average amount of registration fee revenue is \$220,633 [$(\$227,400 + \$216,400 + \$218,100) / 3$] per year;
- Under the proposed legislation, a person or entity already registered to make telephone solicitations would not have to pay a separate registration fee to make text solicitations.
- It is not known how many new persons or entities will elect to register to make text solicitations, but it can be reasonably estimated that the amount of registration fee revenue will increase by 10 percent.
- There will be a recurring increase in state revenue of \$22,063 ($\$220,633 \times 10\%$) beginning in FY23-24.
- According to TPUC, there have been no penalties assessed in the last three fiscal years. Therefore, prescribing a maximum \$2,000 penalty for violators will not result in any increase to state revenue.
- Any increase in expenditures to TPUC will be not significant.

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IMPACT TO COMMERCE:

Increase Business Expenditures – \$22,100/FY23-24 and Subsequent Years

Assumptions:

- It is not known how many new businesses will elect to register to make text solicitations, but it can be reasonably estimated that the amount of business expenditures for registration fees will increase by 10 percent.
- There will be a recurring increase in business expenditures of \$22,063 ($\$220,633 \times 10\%$) beginning in FY23-24.

CERTIFICATION:

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



Krista Lee Carsner, Executive Director

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