

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 758 – SB 1005

February 14, 2023

SUMMARY OF BILL: Establishes it is an unfair and deceptive act or practice under the *Consumer Protection Act of 1977* (Act) to issue or deliver a home service contract to a consumer that does not specify the merchandise and services to be provided, and any limitations, exceptions, or exclusions. Removes advertising a home warranty to consumers in this state without explicitly stating in written detail what items will be covered and fully paid for by the home warranty, from being an unfair or deceptive act under the Act.

FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Pursuant to Tenn. Code Ann. § 47-18-104(b)(56), advertising a home warranty to consumers in this state, or issuing or delivering a home warranty to consumers in this state, without explicitly stating in written detail what items will be covered and fully paid for by the home warranty, is an unfair and deceptive act or practice under the Act.
- The proposed legislation removes advertising a home warranty to consumers without explicitly stating in written detail what items will be covered and fully paid for by the home warranty from being a deceptive act or practice, and establishes issuing or delivering a home service contract to a consumer that does not specify the merchandise and services to be provided, and any limitations, exceptions, or exclusions, is an unfair or deceptive act.
- Any impact on the number of complaints handled by the Attorney General is estimated to be not significant.
- Committing an unfair or deceptive practice under the *Consumer Protection Act of 1977* is a Class B misdemeanor offense.
- There will not be a sufficient change in the number of prosecutions for state or local government to experience any significant impact on revenue or expenditures.
- Based on the Fiscal Review Committee's 2008 study and the Administrative Office of the Courts' 2012 study on collection of court costs, fees, and fines, collection in criminal cases is insignificant. The proposed legislation will not significantly change state or local revenue.

IMPACT TO COMMERCE:

NOT SIGNIFICANT

Assumption:

- Any impact to commerce or jobs in Tennessee is estimated to be not significant.

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". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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