

# HB 359 – SB 375

## FISCAL NOTE



Fiscal Review Committee  
Tennessee General Assembly

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Fiscal Analyst: Natalie Dusek | Email: [natalie.dusek@capitol.tn.gov](mailto:natalie.dusek@capitol.tn.gov) | Phone: 615-741-2564

**SUMMARY OF BILL:** Enhances the penalty for driving a motor vehicle upon a highway without an appropriate valid driver license from a Class C misdemeanor to a Class B misdemeanor for a first offense, and to a Class A misdemeanor for second and subsequent offenses.

### FISCAL IMPACT:

LOCAL GOVERNMENT		
REVENUE	Permissive	Mandatory
FY25-26 & Subsequent Years	-	\$561,800

  

EXPENDITURES	Permissive	Mandatory
FY25-26 & Subsequent Years	-	\$7,428,900

Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.

#### Assumptions:

- Pursuant to Tenn. Code Ann. § 55-50-301(a)(1), no person shall drive any motor vehicle upon a highway in this state unless the person has a valid driver license for the type or class of vehicle being driven.
- Pursuant to Tenn. Code Ann. § 55-50-601(6), a violation of this requirement is a Class C misdemeanor.
- The proposed legislation enhances the penalty for driving a motor vehicle upon a highway without an appropriate valid driver license from a Class C misdemeanor to a Class B misdemeanor for a first offense, and to a Class A misdemeanor for second and subsequent offenses.
- Average incarceration times for convictions of misdemeanor offenses are assumed to be as follows:
  - Class A: 15 days in jail
  - Class B: 1 day in jail
  - Class C: 0 days in jail
- According to the Department of Safety, over the last five years, there have been an average of 14,979 convictions statewide each year for a violation of driving a motor vehicle upon a highway without an appropriate valid driver license.
- It is not known how many of those convictions were for first offenses and how many were for second or subsequent offenses.

- For the purpose of this analysis, it is assumed that these convictions are comprised equally of first offenses and second or subsequent offenses.
- Therefore, the proposed legislation is estimated to result in an additional 7,490 (14,979 convictions x 50%) Class B misdemeanors per year, and an additional 7,490 (14,979 convictions x 50%) Class A misdemeanors per year.
- The increase in incarceration days in local facilities each year is thus estimated to be 119,840 days [(7,490 Class B x 1 day) + (7,490 Class A x 15 days)].
- Based on cost estimates provide by local government entities throughout the state and reported bed capacity within such facilities, the weighted average cost per day to house an inmate in a local jail facility is \$61.99.
- The increase in local expenditures related to incarceration is therefore estimated to be \$7,428,882 (119,840 days x \$61.99) in FY25-26 and subsequent years.
- There is no specific fine established for the current Class C misdemeanor offense. It is assumed to be \$50, resulting in \$748,950 (14,979 x \$50) in local revenue each year.
- It is assumed that, under this legislation, a Class B misdemeanor conviction would result in a fine of at least \$75 and a Class A misdemeanor conviction would result in a fine of at least \$100.
- The increase in local revenue related to fines is therefore estimated to be \$561,800 {[ (7,490 Class B x \$75) + (7,490 Class A x \$100)] - \$748,950} in FY25-26 and subsequent years.

## **CERTIFICATION:**

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



Bojan Savic, Executive Director