

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 2271 - SB 2313**

March 15, 2024

**SUMMARY OF BILL:** Requires the register of deeds (register) to consult with the county assessor of property (assessor) when a quitclaim deed is recorded and to send a postcard notification of the recording to the address of the person or entity that paid the property taxes on the property that is the subject of the quitclaim deed for the previous tax year.

**FISCAL IMPACT:**

**Increase Local Expenditures – Exceeds \$43,100/FY24-25 and Subsequent Years \***

Assumptions:

- Requiring a register to mail postcard notifications will result in an increase in mandatory local expenditures.
- The Comptroller of the Treasury (COT) administers the state computer-assisted mass appraisal system known as IMPACT, which is used by 86 of the 95 counties.
- Based on information from the COT's IMPACT system, 62,230 quitclaim deeds were filed in 2023 in the 86 counties for which data is available.
- It is assumed that the number of quitclaim deeds in the nine counties not utilizing IMPACT is equal to at least ten percent of the number of deeds in counties for which such data is available. Therefore, the total number of annually filed quitclaim deeds is estimated to exceed 68,453 (62,230 x 1.10).
- Standard postage for a postcard is \$0.53 per stamp, and it is estimated that the printing cost of each postcard is \$0.10; the total cost for postage and printing is estimated to be \$0.63 (\$0.53 + \$0.10) per transaction.
- The mandatory, recurring increase in local government expenditures is estimated to exceed \$43,125 (68,453 x \$0.63) in FY24-25 and subsequent years.

\*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.*

**CERTIFICATION:**

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

Handwritten signature of Krista Lee Carsner in black ink.

Krista Lee Carsner, Executive Director

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