



State of Tennessee

PUBLIC CHAPTER NO. 718

SENATE BILL NO. 2074

By Haile

Substituted for: House Bill No. 2309

By Wirgau

AN ACT to amend Tennessee Code Annotated, Title 55, relative to motor vehicles.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 55-2-101, is amended by adding the following language at the end of the section:

The commissioner of revenue shall have the authority to delegate to the county clerks any functions and duties regarding the administration of chapters 1-6 and chapter 21 of this title; provided, however, that such authority shall not extend to the functions and duties regarding the administration of chapter 3, part 2 of this title. Such delegation shall be in a written form acceptable to the commissioner. The county clerk shall have the option of accepting or rejecting any such delegation.

SECTION 2. Tennessee Code Annotated, Section 55-3-114, is amended by deleting the language of subsection (a) in its entirety and by substituting instead the following language:

(a)(1) The commissioner shall, upon receipt of an application for a certificate of title, and after determining by an examination of its records that the applicant is entitled to a certificate of title, issue the same.

(2) The several county clerks are designated deputies to perform, at their option, duties in connection with services normally performed by the department related to the issuance of titles, the notation of liens and encumbrances, the extension of mortgages, or issuance of replacement certificates of title.

(3) For each certificate of title issued by a county clerk, the department shall pay the clerk a fee of two dollars (\$2.00).

(4) For each certificate of title issued by a county clerk, the department shall pay the clerk an additional fee of thirty-five cents (35¢), which funds shall be earmarked for office supplies and equipment required to perform titling and registration services. Such funds shall be preserved for these purposes and shall not revert to the county general fund at the end of a budget year if unexpended.

(5) For purposes of this subsection (a), the clerk shall be deemed to have issued the certificate of title if the clerk performed the examination of the application for a certificate of title and entered the required data into the state computer system for the purpose of printing or electronically producing the certificate of title.

SECTION 3. Tennessee Code Annotated, Section 55-3-114, is further amended by deleting the language of subsection (e) in its entirety and by substituting instead the following language:

(e) With respect to the delegation of duties and the resultant performance of services, the commissioner is authorized to compensate the county clerk at the rates set forth in applicable statutes, upon receipt from the county clerk of confirmation of services in a form acceptable to the commissioner. The prior requirement of a written contract is eliminated.

SECTION 4. Tennessee Code Annotated, Section 55-4-132, is amended by deleting the first sentence in subsection (b) and by substituting instead the following language:

All revenues received from the fees shall be earmarked and used for the operation, maintenance, modernization, improvement, enhancement, or replacement of the titling and registration system.

and is further amended by inserting the following language at the end of subsection (c):

Such purposes shall also include the acquisition, maintenance, modernization, enhancement, or replacement of software or equipment and related necessary supplies used in the operation of the titling and registration system by the county clerks. All fees or payments under § 55-6-104(b) – (d) shall be paid to the county clerks out of such funds.

SECTION 5. Tennessee Code Annotated, Section 55-6-104, is amended by redesignating the current language as subsection (a) and adding the following language as new subsections:

(b)(1) The county clerks, as deputies to the commissioner under § 55-3-114(a)(2), shall be entitled to the following fees from the department, to be paid on a regular basis as determined by the commissioner, for the following services:

(A) For issuing certificates of title pursuant to § 55-3-114, the sum of two hundred fifty dollars (\$250) per month; or

(B) The fee under subdivision (b)(1)(A) shall be the sum of four hundred dollars (\$400) per month; provided, that the county clerk scans documents related to the issuance of titles and submits such images to the department electronically.

(2) Funds payable as fees under subdivision (b)(1) shall be earmarked for the provision of services directly related to titling and registration and shall not revert to the county general fund at the end of a budget year if unexpended.

(c) In the event that the number of certificates of title issued by a county clerk in a calendar month divided by the number of applications for a certificate of title received by that county clerk in that calendar month yields a ratio of less than fifty-one percent (51%), then the applicable amount provided for in subsection (b) shall be reduced to the amount that results from multiplying the applicable amount in subsection (b) by the ratio calculated in this subsection (c).

(d) The commissioner is authorized to establish a reasonable transactional based payment to compensate the county clerks for the acquisition, maintenance, modernization, enhancement, or replacement of software or equipment and related necessary supplies used in the operation of the titling and registration system.

SECTION 6. Tennessee Code Annotated, Section 55-6-105, is amended by deleting the semicolon ";" at the end of subdivision (a)(5) and by substituting instead a period ".", and by adding the following new language at the end of the subdivision:

All applications, certificates and other forms, documents or information required by this subdivision (a)(5) to be forwarded to the department may be electronically scanned and forwarded to the department by electronic means;

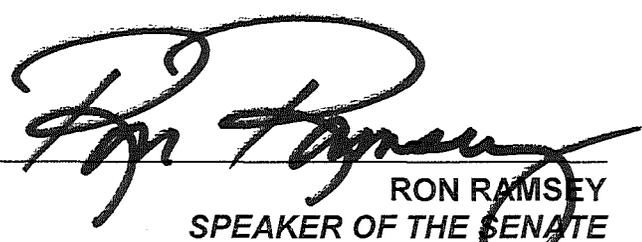
SECTION 7. Tennessee Code Annotated, Section 55-6-105, is further amended by deleting the last sentence of subdivision (a)(7) and substituting instead the following language:

All reports, applications, and other forms or documents required by this subdivision (a)(7) to be forwarded to the department, or any other listings pertaining to such documents that may be required by the commissioner, may be electronically scanned and forwarded to the department by electronic means;

SECTION 8. This act shall take effect upon becoming a law, the public welfare requiring it.

SENATE BILL NO. 2074

PASSED: March 31, 2014



RON RAMSEY
SPEAKER OF THE SENATE



BETH HARWELL, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 16th day of April 2014



BILL HASLAM, GOVERNOR