

**Department of State**  
**Division of Publications**  
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**For Department of State Use Only**

Sequence Number: 09-25-20  
 Rule ID(s): 9403  
 File Date: 9/30/2020  
 Effective Date: 12/29/2020

## Proposed Rule(s) Filing Form

*Proposed rules are submitted pursuant to Tenn. Code Ann. §§ 4-5-202, 4-5-207, and 4-5-229 in lieu of a rulemaking hearing. It is the intent of the Agency to promulgate these rules without a rulemaking hearing unless a petition requesting such hearing is filed within ninety (90) days of the filing of the proposed rule with the Secretary of State. To be effective, the petition must be filed with the Agency and be signed by ten (10) persons who will be affected by the amendments, or submitted by a municipality which will be affected by the amendments, or an association of ten (10) or more members, or any standing committee of the General Assembly. The agency shall forward such petition to the Secretary of State.*

*Pursuant to Tenn. Code Ann. § 4-5-229, any new fee or fee increase promulgated by state agency rule shall take effect on July 1, following the expiration of the ninety (90) day period as provided in § 4-5-207. This section shall not apply to rules that implement new fees or fee increases that are promulgated as emergency rules pursuant to § 4-5-208(a) and to subsequent rules that make permanent such emergency rules, as amended during the rulemaking process. In addition, this section shall not apply to state agencies that did not, during the preceding two (2) fiscal years, collect fees in an amount sufficient to pay the cost of operating the board, commission or entity in accordance with § 4-29-121(b).*

<b>Agency/Board/Commission:</b>	Tennessee Department of Financial Institutions
<b>Division:</b>	Compliance
<b>Contact Person:</b>	Rachel Gatlin, Assistant General Counsel
<b>Address:</b>	Tennessee Tower, 26 <sup>th</sup> Floor, 312 Rosa L. Parks Ave., Nashville TN
<b>Zip:</b>	37243
<b>Phone:</b>	615-418-9743
<b>Email:</b>	<a href="mailto:Rachel.Gatlin@tn.gov">Rachel.Gatlin@tn.gov</a>

**Revision Type (check all that apply):**

- Amendment  
 New  
 Repeal

**Rule(s)** (ALL chapters and rules contained in filing must be listed here. If needed, copy and paste additional tables to accommodate multiple chapters. Please make sure that ALL new rule and repealed rule numbers are listed in the chart below. Please enter only ONE Rule Number/Rule Title per row.)

Chapter Number	Chapter Title
0180-33	Rules Pertaining to Title Pledge Lenders
Rule Number	Rule Title
0180-33-.01	Fees

Chapter Number	Chapter Title
Rule Number	Rule Title

Place substance of rules and other info here. Please be sure to include a detailed explanation of the changes being made to the listed rule(s). Statutory authority must be given for each rule change. For information on formatting rules go to <https://sos.tn.gov/products/division-publications/rulemaking-guidelines>.

Chapter 0180-33  
Rules Pertaining to Title Pledge Lenders

Chapter 0180-33 Rules Pertaining to Title Pledge Lenders is repealed in its entirety.

Authority: T.C.A. §§ 45-1-107 and 45-15-108

Rule 0180-33-.01 Fees is repealed in its entirety.

Authority: T.C.A. §§ 45-1-107 and 45-15-108

A copy of the present rules to be repealed is attached hereto as Attachment 1.

\* If a roll-call vote was necessary, the vote by the Agency on these rules was as follows:

Board Member	Aye	No	Abstain	Absent	Signature (if required)

I certify that this is an accurate and complete copy of proposed rules, lawfully promulgated and adopted by the Commissioner (board/commission/other authority) on 08/10/2020 (date as mm/dd/yyyy), and is in compliance with the provisions of T.C.A. § 4-5-222. The Secretary of State is hereby instructed that, in the absence of a petition for proposed rules being filed under the conditions set out herein and in the locations described, he is to treat the proposed rules as being placed on file in his office as rules at the expiration of ninety (90) days of the filing of the proposed rule with the Secretary of State.

Date: 08/10/2020

Signature:   
Digitally signed by Greg Gonzales  
DN: cn=Greg Gonzales, o=Tennessee Department of Financial  
Institutions, email=greg.gonzales@dfi.tn.gov, c=US  
Date: 2020.08.10 13:16:45 -0500

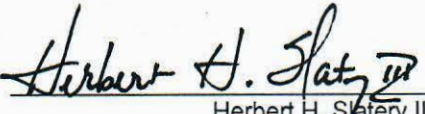
Name of Officer: Greg Gonzales

Title of Officer: Commissioner

Agency/Board/Commission: Tennessee Department of Financial Institutions

Rule Chapter Number(s): Chapter 0180-33; Rule 0180-33-.01


All proposed rules provided for herein have been examined by the Attorney General and Reporter of the State of Tennessee and are approved as to legality pursuant to the provisions of the Administrative Procedures Act, Tennessee Code Annotated, Title 4, Chapter 5.

  
Herbert H. Slatery III  
Attorney General and Reporter  
9/8/2020  
Date

**Department of State Use Only**

Filed with the Department of State on: 9/30/2020

Effective on: 12/29/2020

  
Tre Hargett  
Secretary of State

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PUBLICATIONS

## **Regulatory Flexibility Addendum**

Pursuant to T.C.A. §§ 4-5-401 through 4-5-404, prior to initiating the rule making process, all agencies shall conduct a review of whether a proposed rule or rule affects small business.

The repeal of Chapter 0180-33 and Rule 0180-33-.01 will not result in any change to the regulated activities of state-licensed title pledge lenders.

### **Impact on Local Governments**

Pursuant to T.C.A. §§ 4-5-220 and 4-5-228 “any rule proposed to be promulgated shall state in a simple declarative sentence, without additional comments on the merits of the policy of the rules or regulation, whether the rule or regulation may have a projected impact on local governments.” (See Public Chapter Number 1070 (<http://publications.tnsosfiles.com/acts/106/pub/pc1070.pdf>) of the 2010 Session of the General Assembly.)

The repeal of Chapter 0180-33 and Rule 0180-33-.01 will not have any impact on local governments.

**Additional Information Required by Joint Government Operations Committee**

All agencies, upon filing a rule, must also submit the following pursuant to T.C.A. § 4-5-226(i)(1).

- (A) A brief summary of the rule and a description of all relevant changes in previous regulations effectuated by such rule;

This rulemaking repeals Chapter 0180-33 and Rule 0180-33-.01 in their entirety. This repeal is a housekeeping repeal because Public Chapter 736 of the Acts of 2014 (effective April 21, 2014 for rulemaking purposes, and July 1, 2015 for all other purposes), rendered Chapter 0180-33 and Rule 0180-33-.01 ineffective. Specifically, Public Chapter 736, amended, in pertinent part, the Tennessee Banking Act at T.C.A. § 45-1-118, authorizing the Department to assess persons regulated and supervised by the Department’s compliance division, including persons licensed under the Tennessee Title Pledge Act, an annual supervision fee (instead of being assessed initial filing/licensing fees, annual licensing renewal fees and fees for routine examinations and investigation (See, T.C.A. § 45-15-106(d)(1) and (i) and T.C.A. § 45-15-108(b)). With respect specifically to title pledge lenders, prior law required title pledge lenders to submit to the Department initial filing fees, prescribed by rule of the commissioner, which if the Department granted the license, constituted the licensing fee for the first year as well as annual licensing renewal fees, also prescribed by rule of the commissioner. And, the Department, in Chapter 0180-33 of the Rules of the Department of Financial Institutions, established those initial filing/licensing fees and annual licensing renewal fees. However, because Public Chapter 736 replaced the provisions in the Title Pledge Act referencing initial filing/licensing fees and annual licensing renewal fees with reference to the supervision fee set forth in T.C.A. § 45-1-118(i), Public Chapter 736 rendered Chapter 0180-33, establishing those initial filing/licensing and annual licensing renewal fees, ineffective.

- (B) A citation to and brief description of any federal law or regulation or any state law or regulation mandating promulgation of such rule or establishing guidelines relevant thereto;

T.C.A. §§ 4-5-101 et seq., Uniform Administrative Procedures Act (UAPA), establishes provisions for rulemaking for Tennessee agencies; T.C.A. § 45-1-107(h) grants the commissioner of the Department of Financial Institutions power to enact reasonable substantive and procedural rules to carry out the purposes of any and all chapters within the commissioner’s regulatory authority as conferred by law; T.C.A. § 45-15-108 grants the commissioner authority to promulgate reasonable regulations in accordance with UAPA for the enforcement of the Tennessee Title Pledge Act; T.C.A. § 45-1-118(i) authorizes the Department to assess persons regulated and supervised by the Department’s compliance division an annual supervision fee; T.C.A. § 45-15-106(d) and (i) make the supervision fee applicable to persons licensed under the Tennessee Title Pledge Act.

- (C) Identification of persons, organizations, corporations or governmental entities most directly affected by this rule, and whether those persons, organizations, corporations or governmental entities urge adoption or rejection of this rule;

Although this chapter and rule apply to state-licensed title pledge lenders, their repeal will not significantly impact any such persons, because, due to the enactment of Public Chapter 736, each provision of Chapter 0180-33 and Rule 0180-33-.01 is ineffective. State-licensed title pledge lenders have been subject to the supervision fee implemented by Public Chapter 736 since July 1, 2015 and are not likely to object to this repeal since the rule has been ineffective since that date.

- (D) Identification of any opinions of the attorney general and reporter or any judicial ruling that directly relates to the rule or the necessity to promulgate the rule;

There are no known attorney general opinions that directly relate to this rule.

- (E) An estimate of the probable increase or decrease in state and local government revenues and expenditures, if any, resulting from the promulgation of this rule, and assumptions and reasoning upon which the estimate is based. An agency shall not state that the fiscal impact is minimal if the fiscal impact is more than two

percent (2%) of the agency's annual budget or five hundred thousand dollars (\$500,000), whichever is less;

As each provision of this rule and chapter was rendered ineffective by the enactment of Public Chapter 736, the Department estimates that there will be no probable increase or decrease in state and local government revenues and expenditures resulting from the repeal of this rule and chapter. This is a housekeeping repeal.	
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- (F) Identification of the appropriate agency representative or representatives, possessing substantial knowledge and understanding of the rule;

Nicole Chamblee, Assistant Commissioner; Rachel Gatlin, Assistant General Counsel	
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- (G) Identification of the appropriate agency representative or representatives who will explain the rule at a scheduled meeting of the committees;

Nicole Chamblee, Assistant Commissioner; Rachel Gatlin, Assistant General Counsel	
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- (H) Office address, telephone number, and email address of the agency representative or representatives who will explain the rule at a scheduled meeting of the committees; and

Nicole Chamblee, Assistant Commissioner Tennessee Department of Financial Institutions 312 Rosa L. Parks Ave., 26 <sup>th</sup> Floor/TN Tower Nashville, TN 37243 Phone: (865) 591-5155 E-mail: <a href="mailto:Nicole.Chamblee@tn.gov">Nicole.Chamblee@tn.gov</a>
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- (I) Any additional information relevant to the rule proposed for continuation that the committee requests.

None.
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**RULES  
OF  
TENNESSEE DEPARTMENT OF FINANCIAL INSTITUTIONS**

**CHAPTER 0180-33  
RULES PERTAINING TO TITLE PLEDGE LENDERS**

**TABLE OF CONTENTS**

0180-33-.01 Fees

**0180-33-.01 FEES.**

- (1) The commissioner hereby prescribes the following fees:
  - (a) An application for a license as a title pledge lender shall be accompanied by a filing fee of seven hundred dollars (\$700.00). The filing fee shall not be subject to refund, but shall constitute the license fee for the first license year or part thereof for each title pledge office location. Each title pledge lender shall pay a license renewal fee of seven hundred dollars (\$700.00) for each title pledge office location to the commissioner on or before October 1 of each year for the following year's license commencing on November 1.
  - (b) Fees for licensure of each title pledge office location.
    - 1. Initial license.....\$700.00
    - 2. Annual renewal of license .....\$700.00
- (2) Fees paid to the commissioner are non-refundable.

*Authority:* 2005 Tenn. Pub. Acts, Chapter 440. *Administrative History:* Original rule filed June 28, 2005; effective October 28, 2005.



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**CHAPTER 0180-33  
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