



**State of Tennessee**  
**PUBLIC CHAPTER NO. 84**

**SENATE BILL NO. 646**

**By Tracy, Ketron**

Substituted for: House Bill No. 133

By Lundberg

AN ACT to amend Tennessee Code Annotated, Title 62, relative to professions.

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

SECTION 1. Tennessee Code Annotated, Section 62-13-112, is amended by adding the following language as new, appropriately designated subsections:

(j)(1) If a licensee fails to obtain, maintain or renew the licensee's errors and omissions insurance which meets or exceeds the minimum requirements established by the commission and provide proof of compliance to the commission if such proof is required by subsection (g), then the licensee's license shall be suspended.

(2) The commission shall send notification of the license suspension by regular mail:

(A) To the licensee at the last known business address and home address of the licensee as registered with the commission; and

(B) To the licensee's broker at the broker's address as registered with the commission.

(3) While a license is suspended pursuant to this section, the licensee shall not engage in activities which require a license under this chapter, nor will the license be renewed or a new license issued. Any license suspended pursuant to this section shall remain suspended until the licensee establishes, to the satisfaction of the commission, compliance with this section.

(4) The licensee may, upon written notice to the commission, request a formal hearing on any license suspended pursuant to this section.

(k)(1) A license suspended pursuant to this section shall be reinstated if, within thirty (30) days of suspension, the licensee provides proof of insurance that complies with the required terms and conditions of coverage to the commission without the payment of any fee.

(2) A license suspended pursuant to this section shall be reinstated if, on or after thirty-one (31) days of suspension, the licensee provides proof of insurance that complies with the required terms and conditions of coverage to the commission and the licensee pays:

(A) For a license suspended more than thirty (30) days but less than one hundred twenty (120) days, a penalty fee of not more than five hundred dollars (\$500); or

(B) For a license suspended for more than one hundred twenty (120) days but less than one (1) year, a penalty fee of five hundred dollars (\$500), plus an additional penalty fee of not more than one hundred dollars (\$100) per month for months six (6) through twelve (12).

(l)(1) A license suspended more than one (1) year pursuant to this section shall be automatically revoked without any further action by the commission.

(2) The commission shall send notification of the license revocation by regular mail:

(A) To the licensee at the last known business address and home address of the licensee as registered with the commission; and

(B) To the licensee's broker at the broker's address as registered with the commission.

(3) The licensee may, upon written notice to the commission, request a formal hearing on any license revoked pursuant to this section.

(4) Upon revocation of license, any individual seeking reissuance of such license shall reapply for licensure and pay the penalty fees in subsection (k); provided, however, that the commission may, in its discretion:

(A) Waive reexamination or additional education requirements for such an applicant; or

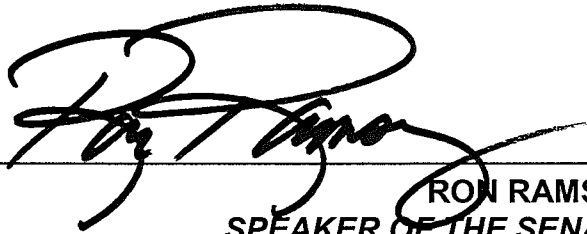
(B) Reinstate a license subject to the applicant's compliance with such reasonable conditions as the commission may prescribe, including, but not limited to, payment of a penalty fee, in addition to the penalty fee provided in subdivision (k)(2)(B), of not more than one hundred dollars (\$100) per month, or any portion thereof, from the time of revocation.

(m) Notwithstanding subsections (k) and (l), if the licensee proves to the commission that the license suspension or revocation pursuant to subsections (k) or (l) was in error and that the licensee obtained, maintained or renewed the licensee's errors and omissions insurance as required by this section, then the commission shall immediately reinstate the license to the date of suspension.

SECTION 2. This act shall take effect July 1, 2013, the public welfare requiring it.

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PASSED: March 28, 2013



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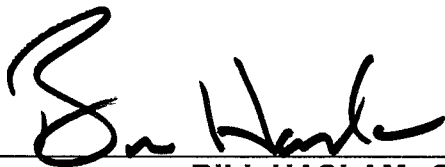
RON RAMSEY  
SPEAKER OF THE SENATE



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BETH HARWELL, SPEAKER  
HOUSE OF REPRESENTATIVES

APPROVED this 12<sup>th</sup> day of April 2013



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BILL HASLAM, GOVERNOR