

State of Tennessee Public Chapter No. 399

SENATE BILL NO. 389

By Kelsey

Substituted for: House Bill No. 948

By Lollar, Coley, Hardaway, Camper

AN ACT to amend Tennessee Code Annotated, Title 39 and Title 66, relative to drawing of deeds without actual ownership.

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

SECTION 1. Tennessee Code Annotated, Title 39, Chapter 17, Part 1, is amended by adding the following new, appropriately designated section thereto:

- (a)(1) It is an offense of any person to knowingly cause to be prepared, sign, or file records of any property transfer document when the transferor, grantor or person applying for registration knows or should know by an examination of the public records, that the transferor or grantor has no legal nor equitable interest to convey, or when there is no reasonable basis for assumption that the transferor or grantor has any interest in the property.
- (2) As used in this subsection (a), "person" includes any individual, corporation, firm, company, partnership, or association.
- (b) Upon a final conviction for an offense pursuant to this section, any court having or exercising circuit court jurisdiction may order the filing of an order of said court declaring the offending transfer document or documents to be void and of no legal effect and removing any cloud on the title that may have arisen because of said documents.
- (c) This statute shall not be applicable to any licensed attorney who, in good faith, prepares such a transfer document in the course of representation of a client.
 - (d) A violation of subsection (a) shall be a Class A misdemeanor.
- SECTION 2. Tennessee Code Annotated, Section 66-3-104, is amended by designating the existing language as subsection (a) and adding the following language as a new subsection (b):
 - (b) Any person who transfers or applies for recordation of any transfer of land by execution of either a general warranty deed or quitclaim deed, or any other devise, with knowledge that the transferor or grantor has no legal nor equitable interest to convey such land commits a Class A misdemeanor.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.

PASSED:	May 21, 2011
	For Former
	RON RAMSEY SPEAKER OF THE SENATE

BETH HARWELL, SPEAKER HOUSE OF REPRESENTATIVES

APPROVED this _____ day of ______ 2011

BILL HASLAM, GOVERNOR