



The special session on Education Reform came to a close this week with the passage of two significant pieces of legislation. The passage of the first piece of legislation was necessary to allow Tennessee to compete for the federal 'Race to the Top' dollars. This legislation, SB 7005 Kyle, was signed by the governor on January 16, 2010. SB 7005 Kyle, changed the requirements for teacher tenure and evaluations in the state. The second piece of legislation, SB 7006 Kyle, was passed by the Senate with 32 votes early Thursday morning and passed by the House Thursday evening.

SB 7006 Kyle, The Complete College Tennessee Act of 2010, creates a system of transferability of courses among Tennessee's community colleges and four year universities. Currently, many courses will not transfer among the colleges and universities and students find themselves repeating courses; thus, creating a longer graduation time. The bill also addresses a collaboration effort with Tennessee's Oak Ridge Laboratory and the Memphis Research Consortium. Legislators and the administration hope this bill will shorten graduation rates and encourage more students across Tennessee to attend college.

Other provisions of the bill include: requiring THEC to engage public universities and colleges for input during the creation of the master plan; requiring THEC to consider factors unique to community colleges in developing an outcomes based model; requiring THEC to report any projected tuition increases for the next academic year to the office of legislative budget analysis and the comptroller of the treasury by December of each year.

The bill filing deadline is approaching and the cut-off is set for January 28, 2010. Regular session of the second session of the 106th General Assembly is scheduled to begin the week of January 25, 2010.

If you have any questions or concerns please give us a call.

Friday, January 22, 2010

BANKING & CREDIT

SB 0036*
HB 0369
[\(Full Text\)](#)

Delaying of foreclosure proceedings and eviction of tenant. Delays foreclosure proceedings and the eviction of a tenant residing in a single-family residence as long as the tenant is current on the lease payments. (S: Kyle; H: Odom)

Senate Status: Taken off notice in Senate Commerce, Labor & Agriculture 04/21/2009.

House Status: Referred to House Commerce Utilities & Banking Subcommittee.

SB 0186
HB 0235*
[\(Full Text\)](#)

Creditors to meet with debtors to avoid foreclosure. Requires a creditor to conduct an in-person meeting with debtors in default to provide options that will allow the debtor to avoid foreclosure. Specifies a creditor must do this only when he has knowledge of the following circumstances of the debtor: an immediate family member of the debtor has died or has a catastrophic illness, the debtor has become unemployed due to circumstances beyond his control, or the debtor is suffering from any catastrophic situation beyond the debtor's control that has caused extreme financial hardship. Details terms for documentation of such meetings and reporting dates. Broadly captioned. (S: Harper; H: DeBerry J.)

Amendment: House Commerce Utilities & Banking Subcommittee amendment 1, as amended, rewrites the bill. Requires a creditor to send notice by certified mail to debtor prior to first published notice of foreclosure. Requires that such certified letter include the return address of the sender. Makes applicable to foreclosures that are initiated for publication on or after September 1, 2009.

Senate Status: Taken off notice in Senate Commerce, Labor & Agriculture 05/05/2009.

House Status: House Commerce Utilities & Banking Subcommittee deferred to 2010.

SB 0711
HB 0008*
[\(Full Text\)](#)

Fee charged for pay-off statement provided to borrower. Limits to ten dollars the fee that high-cost home loan lenders can charge for any additional requests for a pay-off statement during any twelve-month period. (S: Tate; H: Hardaway)

Senate Status: Referred to Senate Commerce, Labor & Agriculture.

House Status: Held on House clerk's desk.

SB 0749*
HB 1926
[\(Full Text\)](#)

Requirements for lenders of high-cost home loans. Requires a lender of a high-cost home loan to verify that the borrower has received appropriate housing counseling. (S: Marrero; H: Richardson)

Senate Status: Taken off notice in Senate Commerce, Labor & Agriculture 04/28/2009.

House Status: Taken off notice in House Commerce Utilities & Banking Subcommittee 04/28/2009.

SB 0828
HB 0099*
[\(Full Text\)](#)

Publication of notice of foreclosure. Increases the time period for the first publication notice in the newspaper of the sale of land to foreclose a loan, mortgage, or deed of trust from 20 days prior to the sale to 90 days prior to sale. (S: Marrero; H: Moore)

Senate Status: Referred to Senate Commerce, Labor & Agriculture.

House Status: Withdrawn in House 05/07/2009.

SB 2279
HB 2316*
[\(Full Text\)](#)
[Public Chapter](#)
[\(PDF\)](#)

TN Residential Lending, Brokerage and Servicing Act. Defines "loan processor or underwriter" as an individual performing clerical or support duties as an employee and not an independent contractor under the supervision of a registrant authorized to make residential mortgage loans. Specifies that the mortgage loan originator is the person who offers or negotiates the terms of a residential mortgage loan. Effective July 31, 2009, prohibits any industrial loan or thrift company, industrial investment company or industrial bank from making residential mortgage loans unless acting as a licensed mortgage loan originator. Requires as part of registration for mortgage loan originator to pay \$100 fee to commissioner of financial institutions and to complete application through the Nationwide Mortgage Licensing System and Registry. Prohibits an endorsement company from making any residential mortgage loans. Removes option to use letter of credit in lieu of surety bond for residential mortgage loans. Allows commissioner to require, as condition of registration or renewal for applicants that propose to make residential mortgage loans, testing and/or educational requirements to be met. Authorizes commissioner to require an applicant for a certificate of registration as an industrial loan and thrift company to consent to a criminal history records check and to provide fingerprints. Rewrites the Tennessee Residential Lending, Brokerage and Servicing Act of 1988. Renames the chapter as the "Tennessee Residential Lending, Brokerage and Servicing Act" and declares the act remedial in nature with intent to ensure a sound system of making residential mortgage loans through licensing, examination and regulation of mortgage lenders, mortgage loan brokers, mortgage loan services and mortgage loan originators and to be compliant with the federal Secure and Fair Enforcement for Mortgage Licensing Act of 2008. Defines "registered mortgage loan originator" as a mortgage loan originator who is an employee of a depository institution, a subsidiary of a depository institution that is regulated by a federal banking institution, or an institution regulated by the Farm Credit Administration who is registered with the Nationwide Mortgage Licensing System and Registry. Prohibits any contractor or home improvement contractor or other person supplying materials and rendering services in real property improvement from making residential mortgage loans or being a mortgage loan servicer or mortgage loan broker in TN, except that the prohibition does not apply to the following: depository

institution, a subsidiary of a depository institution that is regulated by a federal banking institution, or an institution regulated by the Farm Credit Administration, an individual making such loan to an immediate family member, an individual making such loan when the loan is secured by a dwelling that served as the individual's dwelling, or a licensed attorney negotiating on behalf of a client as an ancillary matter. Requires mortgage loan originator to be sponsored by a mortgage lender or mortgage loan broker and to meet pre-licensing and continuing education and written test requirements. Provides for commissioner to issue provisional mortgage loan originator licenses. Authorizes the commissioner, to require an applicant, as a condition of employment with the department, to provide a fingerprint sample and submit to a criminal background check conducted by the TBI. (56 pp.) (Part of Administration Package.) (S: Kyle; H: Pitts)

House Co-Sponsor: Turner M.

Amendment: Senate amendment 1 rewrites certain provisions of the bill. Adds that any individual acting as a loss mitigation specialist would not be required to obtain a mortgage loan originator license until July 30, 2011, or such other date as may be determined by the commissioner of financial institutions with the approval or consent of the U.S. department of housing and urban development. A loss mitigation specialist may refer a mortgagor to a mortgage loan originator for purposes of refinancing the residential mortgage loan without the license if the loss mitigation specialist does not receive any compensation or gain for the referral and the referral is made in accordance with applicable state and federal law. Clarifies that an individual performing the duties of a manufactured home retailer or a dealer of modular building units would not be required to obtain a mortgage loan originator license if: (1) The individual either holds or is employed by a person who holds a manufactured home retailer license or a license to act as a dealer of modular building units; (2) The individual does not offer or negotiate terms of a residential mortgage loan (including by counseling with respect to such terms); and (3) Neither the individual, nor the employing manufactured home retailer or dealer of modular building units, receives compensation or other gain from a mortgage lender, mortgage loan broker, or mortgage loan originator. The provisions described above in 1-3 would not apply if the U.S. department of housing and urban development determines that such individuals must be licensed under the federal Secure and Fair Enforcement for Mortgage Licensing Act of 2008, or that these provisions are otherwise inconsistent with the Act. Prohibits any registrant from making a residential mortgage loan unless each mortgage loan originator of the loan has obtained a mortgage loan originator license and has been sponsored by the registrant. However, this prohibition does not apply to any registrant authorized to make residential mortgage loans on July 30, 2009 in which each mortgage loan originator is registered with the commissioner in affiliation with that registrant on or before July 30, 2009. The registration of a mortgage loan originator expires on December 31, 2009, unless, by such deadline, the individual has applied for a mortgage loan originator license and completed

all pre-licensing requirements, in which case the registration would remain effective until the commissioner has acted on the licensure application, but no later than July 30, 2010. This amendment clarifies that a person would not be required to satisfy the initial educational or testing requirements by December 31, 2009, in order for the person's registration to remain effective. This amendment adds that the registration of a mortgage loan originator would automatically expire if the originator ceases providing services for the affiliated registrant at the office listed in the registration form. The bill authorizes a mortgage loan originator holding a valid registration certificate to extend the authority of their certificate by applying for a mortgage loan originator license and completing all pre-licensing requirements by December 31, 2009. This amendment clarifies that a person does not have to satisfy any educational or testing requirement in order to so extend their certificate. This amendment specifies that a person with such a certificate could only perform origination services for or on behalf of the mortgage lender or mortgage loan broker named in the certificate. If the mortgage loan originator provides origination services for a person other than the one named in the registration certificate, then the certificate would automatically expire. This amendment clarifies that a mortgage loan originator sponsorship would not terminate if the mortgage loan originator changes from one office of the sponsoring registrant to another registered office of the same company. This amendment requires a sponsoring registrant to notify the commissioner of any change in the mortgage loan originator's office within 14 days of the change. The bill requires mortgage loan originators to clearly show: (1) Their name, signature, any mortgage loan originator license number and any different unique identifier, on each residential mortgage loan application form; and (2) Their unique identifier on all solicitations or advertisements, including business cards or Web sites, and any other documents and materials as established by rule of the commissioner. This amendment revises these provisions to instead require the sponsoring registrant, mortgage lender, or mortgage loan broker (sponsoring agent) to ensure: (1) That each application includes the information described above in (1); and (2) That the sponsoring agent's records pertaining to the loan contain the unique identifier (if different from the license number) of each mortgage loan originator that provided services with respect to the loan.

Senate Status: Senate 05/14/2009 passed with amendment 1.

House Status: House passed 06/04/2009.

Other Status: Enacted as Public Chapter 0499 (effective 06/23/2009).

HB 1362*
[\(Full Text\)](#)

Closings under the Tennessee Home Loan Protection Act. Requires all closings under the Tennessee Home Loan Protection Act to be attorney supervised closings. Also specifies that only attorneys with sufficient errors and omission insurance shall be authorized to act as supervising attorneys. (H: Hardaway)

House Status: Caption bill held on House clerk's desk.

HJR 0146
[\(Full Text\)](#)

Urges Congress to act on Homeowners & Bank Protection Act. Urges Congress to implement the Homeowners and Bank Protection Act. (H: Towns)

House Status: House Commerce Utilities & Banking Subcommittee deferred to 2010.

CAMPAIGNS & LOBBYING

SB 0139*
HB 0519
[\(Full Text\)](#)
[Public Chapter](#)
[\(PDF\)](#)

Time frame for contributions to any candidate. Prohibits a multicandidate political campaign committee controlled by a political party from making a contribution to any candidate after the tenth day before an election until the day of the election. (S: Ketron; H: Todd)

Senate Status: Senate passed 05/18/2009.

House Status: House passed 04/13/2009.

Other Status: Enacted as Public Chapter 0319 (effective 05/27/2009).

SB 0728
HB 0105*
[\(Full Text\)](#)

Campaign contributions by corporations. Allows representatives of any corporation doing business with the state to make campaign contributions up to the same contribution limits as individuals, LLCs, or partnerships on behalf of the corporation. (S: Watson B.; H: McCormick)

Senate Status: Referred to Senate State & Local Government.

House Status: Failed in House Elections Subcommittee 04/08/2009.

SB 1423*
HB 1719
[\(Full Text\)](#)

Allows trade and professional association to fund PACs. Permits qualifying trade and professional associations to contribute money to association PACs as long as the association has been in existence in TN for at least 5 years and has regular dues-paying members. (S: Stanley; H: McCormick)

Senate Status: Referred to Senate State & Local Government.

House Status: Failed in House Elections Subcommittee 04/08/2009.

COMMERCIAL LAW

SB 1763*
HB 2218
[\(Full Text\)](#)
[Public Chapter](#)
[\(PDF\)](#)

Foreclosure-related rescue consultant services for a fee. Makes it an unfair or deceptive act under the Consumer Protection Act to charge a fee for engaging in foreclosure-related rescue services before completing or performing all services related to any such foreclosure-related transaction. (S: Herron; H: Gilmore)

Amendment: House amendment 1 rewrites the bill and does the following: clarifies the definition of a foreclosure-related rescue consultant; specifies

which businesses are not included in the definition and which services are included; requires the homeowner receive the contract in writing in at least 12 point font one day prior to the signing date; and requires the consultant give the homeowner three days to consider the agreement if he or she so desires. House amendment 2 exempts from regulation as a foreclosure-rescue consultant an attorney authorized to practice law in this state who is providing legal services to a client. Senate amendment 3 restates the definition of financial institution that is disqualified from being a foreclosure-rescue consultant to specifically include financial institutions that are state or national banks, savings institutions, credit unions, etc. Senate amendment 4 rewrites the bill. Defines "foreclosure-rescue consultant." Prohibits foreclosure-rescue consultants from engaging in or initiating foreclosure-related rescue services without execution of a written agreement with the homeowner. Prohibits the attempted charge, receipt, or collection of payment for foreclosure-related rescue consultant services prior to the completion of all services of the foreclosure-related transaction. Adds violation of this part as an unfair or deceptive act under the Tennessee Consumer Protection Act of 1977.

Senate Status: Senate 04/23/2009 passed with amendment 4 and previously adopted amendment 3.

House Status: House 04/30/2009 concurred in Senate amendments 3 and 4.

Other Status: Enacted as Public Chapter 0198 (effective 05/13/2009).

SB 2016
HB 0704*
[\(Full Text\)](#)

Mortgage counselor to be consulted on ARMs. Requires any person seeking a mortgage to consult a mortgage counselor before an adjustable rate mortgage can be completed. (S: Ford O.; H: Turner L.)

Senate Status: Referred to Senate Commerce, Labor & Agriculture.

House Status: Taken off notice in House Commerce Utilities & Banking Subcommittee 04/14/2009.

CONSTRUCTION

SB 0491*
HB 1627
[\(Full Text\)](#)

Building construction safety standards to apply to homes. Requires minimum statewide building construction safety standards promulgated by the state fire marshal to also apply to one and two family dwellings. (S: Burchett; H: McCord)

Senate Status: Referred to Senate Commerce, Labor & Agriculture.

House Status: Referred to House Commerce Industrial Impact Subcommittee.

SB 2241
HB 2329*
[\(Full Text\)](#)

Convenience fee - cost of receiving construction plans. Allows the state fire marshal to implement a convenience fee to cover the costs of receiving construction plans, specifications, and related fees that are electronically

[Public Chapter](#)
[\(PDF\)](#)

submitted. Prohibits the amount of the convenience fee from exceeding the actual costs incurred in the submission of the plans, specifications or fees electronically (Part of Administration Package). (S: Kyle; H: Cobb T.)

Senate Co-Sponsor: Tate

House Co-Sponsor: Turner M.

Senate Status: Senate passed 04/16/2009.

House Status: House passed 04/30/2009.

Other Status: Enacted as Public Chapter 0210 (effective 05/13/2009).

SB 2283
HB 2328*
[\(Full Text\)](#)

Energy efficiency - building construction standards. Requires the state fire marshal to include provisions relative to energy efficiency in statewide building construction safety standards. Deletes exemption from such standards for one-family and two-family dwellings (Part of Administration Package). (S: Kyle; H: Turner M.)

Senate Status: Referred to Senate Commerce, Labor & Agriculture.

House Status: Referred to House Commerce Industrial Impact Subcommittee.

ENERGY & MINING

SB 0907*
HB 2003
[\(Full Text\)](#)

Energy efficient standards for building contracts. Requires that providers of services, material, and equipment in state and local building contracts meet certain, specified energy efficiency standards. (S: Burks; H: Curtiss)

Senate Status: Taken off notice in Senate State & Local Government 04/20/2009.

House Status: House State Government Subcommittee deferred to 2010.

SB 2300
HB 2318*
[\(Full Text\)](#)
[Public Chapter](#)
[\(PDF\)](#)

Energy efficiency standards - state buildings and vehicles. Requires department of finance and administration to develop a plan for ensuring state-owned facilities have individual energy meters by 2010. Includes electric vehicles in the definition of "energy-efficient vehicle" for purposes of provisions governing fleet of state vehicles. Requires that statewide building construction safety standards include provisions for energy efficiency (Part of Administration Package). (S: Kyle; H: Winningham)

House Co-Sponsor: Hackworth

Amendment: Senate amendment 1 establishes a retrofit initiative for state office buildings to achieve better energy efficiency. This amendment also raises the target goal for the state for energy efficient vehicles. Requires department to ensure that 25 percent of newly purchased passenger motor vehicles procured for use in areas designated by the EPA as ozone nonattainment areas shall be hybrid electric vehicles, provided that such vehicles are available. Requires all future office equipment, appliances, lighting, and heating and cooling products and systems purchased by and for

state agencies to be Energy Star qualified. Senate amendment 2, as amended, does the following: adds clean diesel and natural gas powered vehicles to the list of energy efficient passenger motor vehicles for purposes of the state fleet; clarifies certain language in tax and revenue section; requires the department of commerce and insurance to gather information on residential fire sprinklers; exempts remodels from any new code requirements; and clarifies that construction previously required to have sprinklers is still required to do so. Senate amendment 3 removes the provision whereby energy cost saving measures can be funded by appropriations, including the proceeds of bonds notes or other obligations, as authorized by law, when such bonds, notes or other obligations can be substantially repaid from resulting energy and operational cost savings. House amendment 21 subjects the provisions of the bill to sunset review in 2014. House amendment 22 prohibits the standards in subsection (a) with respect to one-family and two-family dwellings from applying in the counties of Fentress, Morgan, and Overton. House amendment 42 changes the effective date from July 1, 2009, to July 1, 2010, for the provision that requires the state fire marshal to enforce the minimum statewide building construction safety codes with regard to those buildings for which a local jurisdiction has not adopted and is not enforcing codes. House amendment 41 removes the provisions of House amendment 22. Authorizes counties and municipalities to opt out of the provisions of this bill that apply the minimum statewide building construction safety standards to one-family and two-family homes. To opt out of the standards, the legislative body of the county or municipality must, by a 2/3 vote, adopt a resolution to exempt the county or municipality from those provisions. The adoption of such a resolution by a county legislative body would be limited to the jurisdictional boundaries outside any municipality located within the county. The governing body of any county or municipality located in any such county which has adopted the resolution may reverse the action. The presiding officer of the governing body shall notify the state fire marshal of the approval of the resolution. Upon approving the resolution or reversing its action, the presiding officer of the legislative body must notify the state fire marshal of the actions taken. The resolution must take effect on July 1, 2010, or at any date thereafter. The resolution will expire 180 days after the election for the local legislative body next occurring following the adoption of the resolution, or at an earlier expiration date stated in the resolution.

Senate Status: Senate 06/17/2009 concurred in House amendment 2.

House Status: House 06/11/2009 passed with amendments 21, 22, 42 and 41.

Other Status: Enacted as Public Chapter 0529 (effective 06/25/2009).

GOVERNMENT CONTRACTS

SB 1921*
HB 1691

Energy Star qualified products for state agencies. Requires all office equipment, appliances, lighting, and heating and cooling products and

[\(Full Text\)](#)

systems purchased by state agencies to be Energy Star qualified if such Energy Star qualified products and systems are commercially available. (S: Berke; H: Yokley)

Senate Status: Taken off notice in Senate State & Local Government 03/17/2009.

House Status: House State Government Subcommittee deferred to 2010.

GOVERNMENT REGULATION

SB 2645*

HB 2767

[\(Full Text\)](#)

Lien authorization and home improvement contractors. Removes lien authorization for unlicensed residential or home improvement contractor if work is performed in a jurisdiction which requires such persons to be licensed. (S: Burchett; H: Tindell)

Senate Status: Introduced 1/20/2010

House Status: House companion bill introduced. (H: Tindell)

INSURANCE GENERAL

SB 0665

HB 0475*

[\(Full Text\)](#)

Use of credit info to increase premiums. Prohibits using an individual's credit information in any manner to cancel or refuse a new risk or to increase premiums on homeowners and renters policies. (S: Stewart E.; H: Fraley)

Senate Status: Referred to Senate Commerce, Labor & Agriculture.

House Status: Taken off notice in House Commerce Industrial Impact Subcommittee 04/01/2009.

SB 1456*

HB 1688

[\(Full Text\)](#)

[Public Chapter](#)

[\(PDF\)](#)

No reduction in apportioned ratio with property tax. Exempts any insurance company formed as a successor in interest to any insurance company which has already received a reduction in its apportionment ratio for the entirety of the 15 years permitted. (S: Haynes J.; H: Moore)

Amendment: Senate amendment 1 adds language to Section 1 of the original bill to authorize any insurance company formed as a successor in interest in 2006 to receive the reduction to its property tax apportionment ratio during the first five years of its existence to the same extent as a new insurance company not formed as a successor in interest.

Senate Status: Senate 05/20/2009 passed with amendment 1.

House Status: House passed 05/21/2009.

Other Status: Enacted as Public Chapter 0361 (effective 06/05/2009).

INSURANCE HEALTH

SB 0313*

HB 1761

[\(Full Text\)](#)

TN Small Business Employer Health Benefits Fund. Creates a special account in the state treasury to be known as the "Tennessee Small Business Employer Health Benefits Fund." Specifies that money in the health benefits

fund can only be expended in accordance with annual appropriations approved by the general assembly. Also specifies that the health benefits fund is to be used to provide grants to eligible small business employers to reimburse moneys spent by such employers to provide health care coverage to employees and employees' dependents. (S: Black; H: Sargent)

Senate Status: Referred to Senate Commerce, Labor & Agriculture.

House Status: Caption bill held on House clerk's desk.

LABOR LAW

SB 0469
HB 0480*
[\(Full Text\)](#)

English-only policy in the workplace. Specifies that it is not a discriminatory practice under state law for an employer to institute an English-only policy in the employer's workplace based on business necessity. (S: Johnson J.; H: Hill)

Amendment: Senate amendment 1 adds EEOC compliance language, requiring employer to post notice if instituting such policy. House Consumer & Employee Affairs amendment 1 establishes that the employer provides notice to employees of the policy and the consequences of violating the policy.

Senate Status: Senate 03/30/2009 passed with amendment 1.

House Status: Failed in House Consumer & Employee Affairs 05/05/2009.

SB 2104
HB 1997*
[\(Full Text\)](#)

Employment of subcontractors and independent contractors. Clarifies that "employee" includes contractors and subcontractors but not direct sellers relative to employment records. Allows the employer to report using a 1099 form in addition to a W-4. (S: Stanley; H: Moore)

House Co-Sponsor: West

Senate Status: Senate General Welfare deferred to summer study.

House Status: Re-referred to House Children & Family Affairs 05/07/2009 from the House Floor.

LOCAL GOVERNMENT

SB 2578*
HB 2711
[\(Full Text\)](#)

Revisions to zoning ordinance. Authorizes planning commissions to promulgate provisions in its subdivision regulations, and recommend amendments to the zoning ordinance, for the establishment of review and approval powers for site plans and the establishment under zoning provisions for the review and approval of sustainable design and development of property. (S: Haynes J.; H: Turner M.)

Senate Status: Introduced 1/19/2010

House Status: House companion bill introduced. (H: Turner M.)

SB 2579*
HB 2714
[\(Full Text\)](#)

Revisions to regional plan or zoning ordinance. Changes provisions governing legislative approval of amendments to general regional plan or zoning ordinance. (S: Haynes J.; H: Turner M.)

Senate Status: Introduced 1/19/2010

House Status: House companion bill introduced. (H: Turner M.)

LOTTERY

SB 1876*
HB 1954
[\(Full Text\)](#)

Annual event tickets for 501(c)(3) organizations. Requires annual fundraising event tickets to include either the mailing address or telephone number of the 501(c)(3) organization in addition to the name of the 501(c)(3) organization. (S: Kyle; H: Tindell)

Senate Status: Referred to Senate State & Local Government.

House Status: Taken off notice in House State Government Subcommittee 05/06/2009.

SB 2530*
HB 2669
[\(Full Text\)](#)

Lottery: deadline for annual event applications. Extends deadline for applications for 2009-2010 annual events from 15 days after May 7, 2009, to five days after this act becomes law. Requires secretary of state to submit third omnibus list for 2009-2010 annual events. (S: Tracy; H: Carr)

Senate Status: Introduced 1/14/2010

House Status: House companion bill introduced. (H: Carr)

PROFESSIONS & LICENSURE

SB 1413
HB 1249*
[\(Full Text\)](#)
[Public Chapter](#)
[\(PDF\)](#)

Delay on issuance of general contractor's license. Requires that persons who engage or offer to engage in contracting without a license be ineligible to receive such a license until at least 6 months after a determination by the state board for licensing contractors that such a violation has occurred. Authorizes the board in circumstances deemed appropriate, to delay issuing a license for a length of time of their choosing to a person who engages or offers to engage in contracting without a license. (S: Ketron; H: Curtiss)

Amendment: Senate amendment 1 prohibits a licensed contractor who is in violation of any law or rule from recovering damages in any court action other than actual documented expenses. House amendment 2 defines "board" as the state board for licensing contractors.

Senate Status: Senate 06/02/2009 concurred in House amendment 2.

House Status: House 05/21/2009 passed with amendment 2.

Other Status: Enacted as Public Chapter 0482 (effective 06/23/2009).

SB 2075
HB 1938*

Penalty for unlawful sale - air conditioner evaporator coil. Decreases penalty for Class A fine-only misdemeanor offense of unlawful sale of air

[\(Full Text\)](#)

conditioner evaporator coil or condenser to a Class C fine-only misdemeanor if the defendant is certified to repair, replace and install HVAC units containing copper evaporator coils but is not the authorized seller. (S: Burchett; H: Matheny)

Senate Status: Taken off notice in Senate Commerce, Labor & Agriculture 04/28/2009.

House Status: Taken off notice in House Criminal Practice Subcommittee 04/29/2009.

SB 2655

HB 2625*

[\(Full Text\)](#)

Home improvement: licensure revocation and criminal charges.

Establishes that it is a theft if a home improvement provider fails to refund monies paid for residential home improvement if: no substantial portion of work was performed; 45 days elapsed since starting contract date; and a copy of refund request was sent to the consumer protection division. Establishes that a theft has also occurred if: the home improvement provider deviated from material contract plans. Requires the home improvement provider to be penalized by varying criminal and civil sanctions, among other sanctions, based on homeowner's damages. Requires the home improvement provider's licensor to revoke the violator's license. Requires the home improvement provider to notify future customers of this section. Requires the state board for licensing to publicize the home provider's violation and penalty. Allows the board to reissue the license in certain situations. Broadly captioned. (S: Johnson J.; H: Dunn)

House Co-Sponsor: Tindell

Senate Status: Senate companion bill introduced. (S: Johnson J.)

House Status: Introduced 1/16/2010

PROPERTY & HOUSING

SB 0247

HB 0128*

[\(Full Text\)](#)

Seller of real property to provide buyer with energy audit. Requires seller of real property to provide an energy audit estimating the energy usage required at the property to the potential buyer prior to the sale. Also requires such audit to be included in the deed of conveyance. (S: Marrero; H: Hardaway)

Senate Status: Senate Commerce, Labor & Agriculture deferred to 04/07/2009.

House Status: House Commerce Industrial Impact Subcommittee deferred to 1st calendar of 2010.

SB 0249

HB 0126*

[\(Full Text\)](#)

Rental agreement to include energy audit. Requires rental agreement under Uniform Residential Landlord and Tenant Act to include, as an addendum, energy audit of estimated energy usage at dwelling unit. (S: Marrero; H: Hardaway)

Senate Status: Referred to Senate Commerce, Labor & Agriculture.
House Status: House Civil Practice Subcommittee deferred to the second calendar of 2010,

SB 0250
HB 0130*
[\(Full Text\)](#)

Residential property for rent - energy audit required. Requires landlord of residential property to provide an energy audit to tenants before entering into a rental agreement. Specifies that failure of landlord to provide energy audit will bind both parties in a month-to-month tenancy. (S: Marrero; H: Hardaway)

Senate Status: Referred to Senate Commerce, Labor & Agriculture.
House Status: House Civil Practice Subcommittee deferred to the last calendar of 2010.

SB 0883*
HB 1922
[\(Full Text\)](#)
[Public Chapter](#)
[\(PDF\)](#)

Manufactured homes affixed to real property. Requires, rather than allows, the owner of a manufactured home affixed to a parcel of real property, upon the recording of the affidavit of affixation, to surrender certificate of title to the department of revenue for cancellation. Requires, in lieu of certificate of title if the manufactured home is a new home not covered by a certificate of title, the owner to surrender the manufacturer's statement or certificate of origin or a statement stating that the owner is unable to produce the original certificate of origin if it is not found after diligent search and inquiry. (S: Ketron; H: Pitts)

House Co-Sponsors: Eldridge; Curtiss; Johnson P.

Amendment: Senate amendment 1 adds a provision stating that the affidavit of affixation shall be a separate document. Removes provision stating that the affidavit of affixation shall contain the decal number of the permit decal affixed to the manufactured home. Makes such changes as applicable to the affidavit of affixation form provided in the legislation.

Senate Status: Senate 04/16/2009 passed with amendment 1.

House Status: House passed 04/20/2009.

Other Status: Enacted as Public Chapter 0132 (effective 07/01/2009).

SB 0993
HB 0888*
[\(Full Text\)](#)
[Public Chapter](#)
[\(PDF\)](#)

Disclosure of moving a residence before sale. Requires the seller to disclose to the buyer, either in the contract itself or in writing, if the property has been moved from an existing foundation to another foundation. (S: Harper; H: Sontany)

Amendment: House amendment 1 requires that the disclosure of a residence having been moved from an existing foundation to another foundation be made prior to entering the contract with the buyer. Limits a seller's duty to make such disclosure to situations where such information is known to the seller.

Senate Status: Senate passed 05/04/2009.

House Status: House 04/13/2009 passed with amendment 1.
Other Status: Enacted as Public Chapter 0231 (effective 05/20/2009).

SB 1087*
HB 1827
[\(Full Text\)](#)

Crime of removing certain structures from real property. Prohibits any person from removing a movable structure from a space in which it is affixed when located in a trailer park if the owner of the land is renting the space out. Provides that this statute applies only if the renter has paid to the owner all monies owed by such person. Creates a Class C misdemeanor for any person removing such structure. (S: McNally; H: Matlock)

Senate Status: Referred to Senate Judiciary.

House Status: Referred to House Judiciary Criminal Practice Subcommittee.

SB 1278*
HB 1555
[\(Full Text\)](#)

Affidavit of affixation for manufactured homes - separate. Requires an affidavit of affixation for manufactured homes attached to real property to be a separate document. (S: Bunch; H: Hackworth)

Senate Status: Taken off notice in Senate Commerce, Labor & Agriculture 04/21/2009.

House Status: Referred to House Transportation Rural Roads Subcommittee.

SB 1341
HB 0023*
[\(Full Text\)](#)

Homeowners' Emergency Assistance Fund Loans. Authorizes the THDA to make uninsured homeowners' emergency mortgage assistance fund loans to certain, eligible homeowners. Establishes the Homeowners' Emergency Mortgage Assistance Fund. Specifies that to be eligible, a homeowner must be in default, or at risk of default due to an interest rate reset on a conventional subprime adjustable rate mortgage loan used to purchase the homeowner's principal residence. Stays all foreclosure action against any homeowner actively pursuing a homeowners' emergency mortgage assistance fund loan under certain circumstances. (S: Tate; H: Hardaway)

Senate Status: Referred to Senate Commerce, Labor & Agriculture.

House Status: Taken off notice in House State Government Subcommittee 05/06/2009.

SB 1521
HB 0691*
[\(Full Text\)](#)

Tennessee Employer Assisted Housing Development Program. Requires THDA to establish a program to help employers develop an employer assisted housing development program and an employer assisted housing fund. Specifies that all employees of an employer whose annual household income is equal to or less than 120 percent of the area median income are eligible to participate in the program or receive funds from it. Requires 25 percent of such aid be distributed to employees whose annual household income is equal to or less than 80 percent of the area median income. Prohibits more than 30 percent of an employer's real property being zoned as commercial or nonresidential from being used for this program. Requires real property in this state sold, leased or donated by the employer for the program to be sold

or rented to employees who meet the income requirements set forth in this part and meet any further requirements set forth by the agency. Specifies that employers must designate a private for-profit or not-for-profit developer that is not an affiliate, subsidiary, or other entity of such employer to be responsible for the sale, rental, day-to-day management and operation of the housing units. Allows employers to claim a credit from the taxpayer's franchise tax liability of one dollar for the current or any fiscal year for every one dollar of the assessed value of real property contributed to or used in any such fiscal year up to \$5,000,000 annually. Permits any tax credit not used in the tax year during which the investment was made to be carried forward for the five immediately succeeding tax years until the full credit has been allowed. Allows two or more taxpayers to participate jointly in one or more programs under this part. Prohibits the sum of the tax credits granted under this subsection from exceeding \$100,000 annually per taxpayer. Also prohibits the total amount of all tax credits allowed to all taxpayers under this subsection from exceeding \$2,000,000 in any fiscal year. (S: Burchett; H: Fincher)

Senate Status: Referred to Senate General Welfare.

House Status: Taken off notice in House State Government Subcommittee 03/18/2009.

SB 1535
HB 0979*
[\(Full Text\)](#)

Monitoring inspection fee for manufactured homes. Abolishes monitoring inspection fee for manufactured homes. (S: Burchett; H: McCord)

Senate Status: Referred to Senate Commerce, Labor & Agriculture.

House Status: Referred to House Commerce Industrial Impact Subcommittee.

SB 1576
HB 1394*
[\(Full Text\)](#)

Notice to terminate tenancy - foreclosure. Requires any person or entity that acquires a residential property to provide 30 days' written notice prior to terminating the tenancy of a residential tenant who occupies the residential property at the time of the sale. Establishes that this section applies to all residential rental property including, without limitation, residential rental properties located in any county governed by the Uniform Residential Landlord and Tenant Act. (S: Crowe; H: Johnson P.)

Senate Status: Taken off notice in Senate Commerce, Labor & Agriculture 05/05/2009.

House Status: House Judiciary Committee deferred to summer study.

SB 1676
HB 0049*
[\(Full Text\)](#)

Negotiation period for owner-occupied single family homes. Specifies that the required advertisements published prior to any sale of land to foreclose a deed of trust, mortgage or other lien must be published at least 60 days prior to the sale when they involve owner-occupied single family residences. Requires the trustee or financial institution to offer a good faith negotiation

period of no more than seven months to any debtor who indicates a desire to arrive at an equitable and just solution within ten days of the date the notice was sent to him. Sets a cap for the monthly payment amounts the debtor can be charged at thirty-one percent of the debtor's gross monthly income. Authorizes the debtor to pay a higher percentage upon agreement with the financial institution. (S: Tate; H: Gilmore)

Senate Status: Referred to Senate Commerce, Labor & Agriculture.

House Status: Taken off notice in House Commerce Utilities & Banking Subcommittee 04/28/2009.

SB 1764*
HB 2103
[\(Full Text\)](#)

Delaying the sale of foreclosed property. Requires the first publication of notice of the sale of any owner-occupied single family residence to be given at least 60 days previous to such sale. (S: Herron; H: Shepard)

Senate Status: Referred to Senate Commerce, Labor & Agriculture.

House Status: Caption bill held on House clerk's desk.

SB 1937*
HB 1443
[\(Full Text\)](#)

Time extension for foreclosure notices. Extends the time for the initial public foreclosure notice from 20 days to 90 days. Requires that notice be given to the borrower about foreclosure counseling. Requires mortgage loans be based upon ability of borrower to repay such loans. (S: Ford O.; H: Turner L.)

Senate Status: Senate Commerce, Labor & Agriculture deferred to first calendar of 2010.

House Status: Referred to House Commerce Utilities & Banking Subcommittee.

SB 1940*
[\(Full Text\)](#)

Affidavit of affixation for manufactured homes. Requires the affidavit of affixation to be a separate document for a manufactured home. (S: McNally)

Senate Status: Referred to Senate Commerce, Labor & Agriculture.

SB 2307
HB 2314*
[\(Full Text\)](#)

Revises various provisions regarding manufactured homes. Authorizes commissioner of commerce and insurance to set fees by rule for installers of manufactured homes, to adopt installations standards set by National Fire Protection Association. Maintains definition of manufacturer as any person engaged in manufacturing or assembling manufactured homes, adding that this includes but is not limited to the rebuilding, reassembling, refurbishing, or any other such act as to construct or prepare a manufactured home for sale to a consumer. Places regulation of park trailers under authority of the motor vehicle commission. (Part of Administration Package). (S: Kyle; H: Jones U.)

Senate Co-Sponsor: Tate

House Co-Sponsor: Turner M.

Senate Status: Taken off notice in Senate Commerce, Labor & Agriculture 04/21/2009.

House Status: House sponsor changed from Turner M. to Jones U. on 03/12/2009.

SB 2311
HB 2323*
[\(Full Text\)](#)

Penalty for failure to enter acceptance of partial payment. Requires mailing address of property owner be included on deed of conveyance of real property that is received for recording by any register of deeds. Increases penalty for failure to enter acceptance of partial payments in a timely manner. Makes other changes concerning recorded instruments. (Part of Administration Package) (S: Kyle; H: Turner M.)

Senate Status: Referred to Senate Commerce, Labor & Agriculture.

House Status: Referred to House Judiciary Civil Practice Subcommittee.

SB 2524
HB 2545*
[\(Full Text\)](#)

Housing Relief Restricted Special Revenue Act. Enacts the "Housing Relief Restricted Special Revenue Act" to provide grants to homebuyers purchasing a newly constructed residence. Subject to availability of funds, the Tennessee Housing Development Agency shall award a grant of \$6,000 to a person who finances a newly constructed residence using a 30-year fixed interest rate note and mortgage and who meets the specified income limits. Excludes single persons making more than \$75,000 or married couples making more than \$150,000. Establishes Housing Relief Restricted Special Revenue Fund to be comprised of monies received from the American Recovery and Reinvestment Act of 2009. Monies deposited in the fund shall be reserved for the purposes consistent with this act and will not revert to the general fund if funds are left over at the end of the fiscal year. (S: Johnson J.; H: Casada)

Senate Status: Introduced 1/13/2010

House Status: Introduced 1/12/2010

RETAIL TRADE

SB 0486*
HB 1709
[\(Full Text\)](#)

Efficiency standards for certain products. Requires the commissioner of commerce and insurance to adopt rules establishing minimum efficiency standards for new products, including bottle-type water dispensers, commercial hot food holding cabinets, DVD players and recorders, portable electric spas, as well as other products. Specifies minimum efficiency standards for these products. (21 pp.) (S: Marrero; H: Stewart M.)

Senate Status: Referred to Senate Commerce, Labor & Agriculture.

House Status: Referred to House Commerce Industrial Impact Subcommittee.

TAXES PROPERTY

SB 2037*
HB 1990
[\(Full Text\)](#)
[Public Chapter](#)
[\(PDF\)](#)

Liens for uncollected property taxes. Provides that trustee's failure to publish notice of enforcement of lien for uncollected property taxes cannot be used as a defense in any suit for tax collection. Includes property taxes due or delinquent on the property in the lawful charges to preserve the value of the property that a court must order a person redeeming the property to pay. (S: Norris; H: Fitzhugh)

Amendment: House amendment 1 corrects typographical errors by changing "country" to "county" and "suites" to "suits." Senate amendment 2 removes the provision of this bill which specifies that failure of the trustee to make publication is not a defense in a legal action to collect taxes.

Senate Status: Senate 04/20/2009 passed with amendment 2.

House Status: House 04/27/2009 concurred in Senate amendment 2.

Other Status: Enacted as Public Chapter 0185 (effective 05/07/2009).

TAXES SALES

SB 0390*
HB 1572
[\(Full Text\)](#)

Sales tax exemption for residential wind and solar energy. Exempts from state sales and use taxes the installation and purchase of solar and wind energy systems that are exclusively for residential use. (S: Black; H: West)

Senate Status: Taken off notice in Senate Finance Tax Subcommittee 02/20/2009.

House Status: Referred to House Finance Budget Subcommittee.

SB 0657
HB 0131*
[\(Full Text\)](#)

Report on sunseting sales tax exemptions. Requires the commissioner of revenue to report by January 15, 2010, on the feasibility of assigning expiration dates in a staggered manner to sales tax exemptions. Specifies that, if determined feasible, each exemption would be reauthorized every 10 years. Broadly captioned. (S: Stanley; H: Hardaway)

Senate Status: Referred to Senate Finance, Ways & Means.

House Status: House Rep. McDaniel Study Committee Subcommittee deferred to January 2010.

SB 1118*
HB 1690
[\(Full Text\)](#)

Reduces sales tax on Energy Star qualified products. Reduces the sales tax rate on Energy Star qualified products to 3.5 percent. (S: Berke; H: Yokley)

Senate Status: Taken off notice in Senate Finance Tax Subcommittee 03/18/2009.

House Status: Referred to House Finance Budget Subcommittee.

SB 1167
HB 1162*
[\(Full Text\)](#)

Exemption - Energy Star qualified products. Creates sales tax exemption for Energy Star qualified washers, air conditioners, programmable thermostats, light fixtures and bulbs, and refrigerators when purchased by building contractor for use and installation in newly constructed residential

homes. (S: Ford O.; H: Fincher)

Senate Status: Taken off notice in Senate Finance Tax Subcommittee 04/01/2009.

House Status: Referred to House Finance Budget Subcommittee.

SB 1670
HB 1197*
[\(Full Text\)](#)

Abolishes sales and use taxes. Deletes entire portion of code dealing with transactions subject to sales and use taxes. Broadly captioned. (S: Finney L.; H: Pitts)

Senate Status: Taken off notice in Senate Finance Tax Subcommittee 04/01/2009.

House Status: Caption bill held on House clerk's desk.

SB 1801*
HB 2024
[\(Full Text\)](#)

Reduced sales tax for Energy Star products. Reduces the sales tax rate on Energy Star qualified products to 3.5%. (S: Herron; H: Maddox)

Senate Status: Taken off notice in Senate Finance Tax Subcommittee 03/18/2009.

House Status: House Budget Subcommittee 06/15/2009 deferred to next calendar.

TRANSPORTATION VEHICLES

SB 0025*
HB 2068
[\(Full Text\)](#)

Registration plates for front and back of certain trucks. Requires all trucks and truck tractors, other than trucks with a three-quarter ton rating or less and motor homes, to have registration plates attached to both the front and rear of such vehicles. (S: Harper; H: Lynn)

Senate Status: Referred to Senate Transportation.

House Status: Referred to House Transportation Public Safety Subcommittee.

SB 0092
HB 0149*
[\(Full Text\)](#)

Violation of traffic law by commercial driver. Increases to 15 days from 10 days the time in which the department of safety must notify the licensing authority in the state that issued the commercial driver's license that driver had violated a traffic law. Also increases to 15 days from 10 days the time in which the clerk of the court of jurisdiction shall notify the department of the conviction. (S: Tracy; H: Casada)

Senate Status: Referred to Senate Transportation.

House Status: Caption bill held on House clerk's desk.

SB 0323*
HB 0661
[\(Full Text\)](#)
[Public Chapter](#)

Remote sensing motor vehicle inspection. Authorizes the air pollution control board in any county to provide an enhanced inspection and maintenance program utilizing remote sensing devices that will identify vehicles that comply with the air quality criteria determined by the board.

[\(PDF\)](#)

Encourages the board to utilize technologies that can increase motorist convenience and compliance with air quality criteria. (S: Johnson J.; H: Sargent)

Amendment: Senate amendment 1 limits the bill upon becoming law to those counties that have been designated by the air pollution control board to have an inspection and maintenance program. Requires any board, entity or vendor that contracts to perform annual emissions testing to purge all identifying information regarding motor vehicles that are not registered in a county that has been designated by the board to have an inspection and maintenance program.

Senate Status: Senate 03/19/2009 passed with amendment 1.

House Status: House passed 04/20/2009.

Other Status: Enacted as Public Chapter 0123 (effective 05/05/2009).

SB 0966*
HB 1333
[\(Full Text\)](#)

Notification regarding violations by commercial drivers. Extends from 10 days to two calendar weeks when the department is required to notify the driver licensing authority of a conviction of any resident or nonresident holder of a commercial driver license of any violation relating to motor vehicle traffic control. (S: Tracy; H: Harmon)

House Co-Sponsors: Dean; Fraley

Senate Status: Referred to Senate Transportation.

House Status: Referred to House Transportation Public Safety Subcommittee.

SB 1135
HB 0068*
[\(Full Text\)](#)

Registration for owners of multiple commercial vehicles. Directs commissioner of revenue to establish system of registration for owners of four or more commercial freight vehicles to allow annual registration for all such vehicles to expire on February 28 each year instead of alternate, interval renewal for each vehicle. (S: Burks; H: Fincher)

Senate Status: Taken off notice in Senate Transportation 04/14/2009.

House Status: Referred to House Transportation Public Safety Subcommittee.

SB 1279*
HB 1599
[\(Full Text\)](#)

Transferring new liens on certificates of title. Increases to \$5.50 from \$5 the fee due the department of revenue for noting new liens or encumbrances on certificate of title and transferring liens or encumbrances from one lienor to the lienor's assignee upon a certificate of title when the transaction does not involve a change of ownership. (S: Bunch; H: Swafford)

Senate Status: Taken off notice in Senate Transportation 04/21/2009.

House Status: Failed in House Transportation Public Safety Subcommittee 04/21/2009 for lack of a motion.

SB 1325
HB 1312*
[\(Full Text\)](#)

Trailers, semi-trailers, pole trailers over 10,000 lbs. Requires the department of safety to inspect and certify all trailers, semi-trailers, and pole trailers, with a gross vehicle weight rating of 10,000 pounds or more that are not required to be titled and registered, for compliance with safety rules and regulations. (S: Berke; H: Harmon)

Senate Status: Taken off notice in Senate Transportation 04/21/2009.

House Status: House Transportation Public Safety Subcommittee deferred to last calendar.

SB 1551
HB 0853*
[\(Full Text\)](#)

Fire extinguishers on certain trucks. Expands existing equipment requirement of fire extinguishers on certain trucks to include pickup trucks commercially registered. (S: Burchett; H: Mumpower)

Senate Status: Referred to Senate Transportation.

House Status: Referred to House Transportation Public Safety Subcommittee.

SB 2289
HB 2331*
[\(Full Text\)](#)

Payment of titling and registration fees by credit card. Authorizes the commissioner of revenue to accept credit and debit cards for payment of titling and registration fees and taxes. Allows commissioner to impose a surcharge or convenience fee for use of such cards. Increases from \$5.00 to \$5.50 the fee for noting on a certificate of title the extension of any mortgage therein described and noted thereon. Specifies that personal buses that are not used in a trade or business are subject to registration fees for Class B. Revises other various provisions governing taxation, titling, registration, and regulation of motor vehicles. (Part of Administration Package) (S: Kyle; H: Miller L.)

House Co-Sponsor: Turner M.

Senate Status: Senate Transportation deferred to 05/27/2009.

House Status: House Transportation Rural Roads Subcommittee deferred to the call of the chair.

SB 2699
HB 2486*
[\(Full Text\)](#)

LED lights required for rear of certain vehicles. Requires motor vehicles or trailers transporting a load of logs, long pulpwood, poles or posts which extend more than four feet beyond the rear of the vehicle, at night to mount strobe or LED light at back of projecting loads. (S: Stewart E.; H: Harmon)

Senate Status: Senate companion bill introduced. (S: Stewart E.)

House Status: Introduced 1/12/2010

HB 2528*
[\(Full Text\)](#)

Notification regarding commercial driver violations. Increases to 15 days from 10 days time in which department must notify licensing state and commercial driver license information system that commercial driver has violated traffic law. Also increases to 15 days from 10 days time in which

clerk must notify department of conviction of commercial driver violating traffic law. (H: Casada)

House Status: Introduced 1/12/2010

UTILITIES

SB 1232
HB 0913*
[\(Full Text\)](#)

Businesses to enroll on Do Not Call registry. Allows business telephone subscribers to enroll on the Tennessee Do Not Call Register. (S: Bunch; H: Hill)

Senate Status: Taken off notice in Senate Commerce, Labor & Agriculture 04/21/2009.

House Status: Withdrawn in House 04/09/2009.

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