



# *State of Tennessee*

## **PUBLIC CHAPTER NO. 428**

**SENATE BILL NO. 116**

**By Johnson, Rose**

Substituted for: House Bill No. 516

By Gant

AN ACT to amend Tennessee Code Annotated, Title 56 and Title 67, relative to legal service plans.

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

SECTION 1. Tennessee Code Annotated, Section 56-43-103, is amended by deleting the word "or" at the end of subdivision (4)(C)(iii), deleting the word "and" and substituting the word "or" in subdivision (4)(C)(iv), and inserting the following as a new subdivision (4)(C)(v):

(v) A plan entered into by a person and an intermediary organization as defined by, and that is registered in compliance with, the rules of the Tennessee Supreme Court whereby:

(1) The person pays a fee and is eligible to receive legal services specified in the plan;

(2) The intermediary organization contracts with a licensed attorney or a law firm that includes one (1) or more attorneys licensed to practice law in this state, where the attorney or law firm agrees to provide, or facilitate arrangements with other licensed attorneys to provide, the legal services specified in the plan; and


(3) The intermediary organization does not assume any risk or obligation to pay or reimburse for the cost of the legal services specified in the plan, and the payment of a fixed administrative fee from the intermediary organization to the attorney or law firm is not considered payment or reimbursement for the legal services specified in the plan; and

SECTION 2. This act takes effect upon becoming a law, the public welfare requiring it.

SENATE BILL NO. 116

PASSED: April 27, 2021

  
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RANDY McNALLY  
SPEAKER OF THE SENATE

  
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CAMERON SEXTON, SPEAKER  
HOUSE OF REPRESENTATIVES

APPROVED this 13<sup>th</sup> day of May 2021

  
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BILL LEE, GOVERNOR