



# State of Tennessee

## PUBLIC CHAPTER NO. 996

### SENATE BILL NO. 1795

By Ketron

Substituted for: House Bill No. 1598

By Eldridge, Sargent, Keisling, Gant, Powers

AN ACT to amend Tennessee Code Annotated, Title 56, relative to commercial risk insurance.

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

SECTION 1. Tennessee Code Annotated, Section 56-5-106(a)(1), is amended by deleting the language "(b) and (c)" and substituting instead the language "(b), (c), and (d)".

SECTION 2. Tennessee Code Annotated, Section 56-5-106, is amended by adding the following new subsection (b) and redesignating existing subsection (b) and the remaining subsections accordingly:

(b)(1) The following insurance coverages are exempt from filing requirements with respect to rates, supplementary rate information, policy forms, and endorsements, where applicable under this chapter, whether the insurance coverage is endorsed to or sold as a stand-alone policy:

- (A) Boiler and machinery;
- (B) Environmental impairment or pollution liability;
- (C) Kidnap and ransom;
- (D) Political risk or expropriation;
- (E) Employment practices liability;
- (F) Media liability; and
- (G) Product liability, product recall, and completed operations.

(2) The exemption from filing requirements in this subsection (b) does not affect any other requirements of this title, including those applicable to cancellation of commercial insurance policies.

(3) The insurer shall deliver to the insured and the producer of record a copy of a policy issued pursuant to this subsection (b). The policy may be delivered to the applicant or policyholder electronically and must contain a disclaimer in language the same as or substantially similar to the following:

**The rate provided for in this policy and all forms utilized are exempt from the filing requirements of Tenn. Code Ann. § 56-5-106.**

SECTION 3. Tennessee Code Annotated, Section 56-5-107(d)(1)(A), is amended by deleting the language "§ 56-5-106(c)" and substituting instead the language "§ 56-5-106(d)".

SECTION 4. Tennessee Code Annotated, Section 56-5-122(a)(1)(D)(iv), is amended by deleting the language "of more than two hundred fifty thousand dollars (\$250,000)" and substituting the language "of at least two hundred thousand dollars (\$200,000)".

SECTION 5. Tennessee Code Annotated, Section 56-5-122(e), is amended by deleting the subsection and substituting instead the following:

(e) Any application or policy issued to an exempt commercial risk policyholder must contain a disclaimer in language the same as or substantially similar to the following:

**The rate provided for in this policy and all forms utilized are exempt from the filing requirements of Tenn. Code Ann. § 56-5-106.**

SECTION 6. This act shall take effect upon becoming a law, the public welfare requiring it.

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PASSED: April 24, 2018

  
RANDY McNABLY  
SPEAKER OF THE SENATE

  
BETH HARWELL, SPEAKER  
HOUSE OF REPRESENTATIVES

APPROVED this 21<sup>st</sup> day of May 2018

  
BILL HASLAM, GOVERNOR