

HOUSE BILL 2882

By Coley

AN ACT to amend Tennessee Code Annotated, Title 39, Chapter 17, relative to placing liens on real or personal property without reasonable basis or legal cause.

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 as a new section:

(a)

(1) It is an offense for any person to knowingly sign or file any lien or other document that is intended to act as an encumbrance on any real or personal property when such person has no reasonable basis or any legal cause to place such lien on such real or personal property.

(2) As used in this subsection (a), "person" includes any individual or entity.

(b) A violation of this subsection (a) shall be punishable as forgery under § 39-14-114.

(c) Upon conviction for an offense pursuant to this section, any court having or exercising circuit court jurisdiction may order the removal from any record of that encumbrance or document evidencing that encumbrance, and order that the document be void and of no legal effect, and, if so ordered, the court shall cause the removal of any cloud on a title that may have arisen because of that document.

(c) This section shall not be applicable to any licensed attorney who, in good faith, prepares a document in the course of representation of a client.

SECTION 2. This act shall take effect upon becoming law, the public welfare requiring it.