

SENATE BILL 180

By Massey

AN ACT to amend Tennessee Code Annotated, Title 56  
and Title 66, relative to automobiles.

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

SECTION 1. Tennessee Code Annotated, Title 56, Chapter 7, Part 11, is amended by  
adding the following as a new section:

(a) As used in this section:

(1) "Insurer" means the provider of an automobile insurance policy,  
including automobile liability insurance or collision insurance; and

(2) "Total loss" means a status declaration by the insurer of the  
automobile that the cost to return the automobile to its pre-loss condition exceeds  
the market value of the vehicle, or that the automobile would be unsafe to drive  
even after it is repaired.

(b)

(1) Except as provided in subdivision (b)(2), if an insurer deems an  
automobile to be a total loss, the insurer shall remove the automobile from the  
repair facility's property within five (5) business days of the date upon which the  
automobile is deemed a total loss.

(2)

(A) The individual to whom the policy belongs shall remove the  
automobile within five (5) business days of the date upon which the  
automobile is deemed a total loss if the policy issued by the insurer does  
not require that the insurer provide such service, and the insurer refuses  
to remove the automobile.

(B) The insurer shall remove the automobile within three (3) business days of receiving notice from the repair facility that the individual to whom the policy belongs and who is required to remove the automobile pursuant to subdivision (b)(2)(A) has failed to remove the automobile. An insurer that pays for the cost of removing the automobile may charge the cost of the removal to the individual to whom the policy belongs.

(c) A violation of this section constitutes a violation of the Tennessee Unfair Trade Practices and Unfair Claims Settlement Act of 2009, compiled in chapter 8, part 1 of this title. A violation of this section constitutes an unfair claims practice and is subject to the penalties and remedies as provided in the Tennessee Unfair Trade Practices and Unfair Claims Settlement Act of 2009.

SECTION 2. Tennessee Code Annotated, Section 56-8-105, is amended by adding the following as a new subdivision:

( ) Failing to ensure removal from a repair facility of an automobile deemed a total loss in response to a claim filed by the insured in accordance with Section 1;

SECTION 3. This act takes effect July 1, 2023, the public welfare requiring it, and applies to policies issued, delivered, entered into, amended, or renewed, and conduct occurring, on or after that date.