

SENATE BILL 2032

By Hensley

AN ACT to amend Tennessee Code Annotated, Title 12, Chapter 3, Part 12 and Title 29, Chapter 20, Part 4, relative to insurance.

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

SECTION 1. Tennessee Code Annotated, Section 12-3-1209(d), is amended by deleting the subsection and substituting instead the following:

(d) For the purposes of this section:

(1) "Providing fiscal agent, financial advisor or advisory services" means a relationship that exists when a person renders or enters into an agreement to render financial advisory or consultant services to or on behalf of an issuer with respect to a new issue or issues of municipal securities, including advice with respect to the structure, timing, terms and other similar matters concerning such issue or issues, for a fee or other compensation or in expectation of such compensation for the rendering of such services; provided, a financial advisory relationship shall not be deemed to exist when, in the course of acting as an underwriter, a municipal securities dealer renders advice to an issuer, including advice with respect to the structure, timing, terms and other similar matters concerning a new issue of municipal securities; and

(2) "Similar services by professional persons or groups of high ethical standards" includes the purchase of an insurance product offered by a private insurance company or agent.

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