



State of Tennessee

PUBLIC CHAPTER NO. 1042

HOUSE BILL NO. 1926

By Representatives Rudd, Moon, Carter, Towns, Lollar, Moody

Substituted for: Senate Bill No. 2204

By Senators Swann, Pody

AN ACT to amend Tennessee Code Annotated, Title 8; Title 47; Title 66 and Title 71, relative to liens.

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

SECTION 1. Tennessee Code Annotated, Title 66, Chapter 21, Part 1, is amended by adding the following as a new section:

(a) Except as provided in subsection (b), a real property owner who prevails in an action challenging the validity of a lien, including in a slander of title proceeding, shall recover:

- (1) The owner's reasonable attorney's fees;
- (2) Reasonable costs incurred by the owner to challenge the validity of the lien;
- (3) Liquidated damages in an amount equal to ten percent (10%) of the fair market value of the property not to exceed one hundred thousand dollars (\$100,000); and
- (4) Any actual damages incurred by the owner.

(b) A real property owner shall not recover under subsection (a) if the action was brought to challenge a lien that is based on a loan agreement for which the encumbered property was listed as collateral to secure the repayment of the loan.

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

HOUSE BILL NO. 1926

PASSED: April 25, 2018



BETH HARWELL, SPEAKER
HOUSE OF REPRESENTATIVES



RANDY MCNALLY
SPEAKER OF THE SENATE

APPROVED this 21st day of May 2018



BILL HASLAM, GOVERNOR