

SENATE BILL 2386

By Finney

AN ACT to amend Tennessee Code Annotated, Section 55-12-102, relative to financial responsibility.

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

SECTION 1. Tennessee Code Annotated, Section 55-12-102(12), is amended by deleting the subdivision in its entirety and by substituting instead the following:

(12) "Proof of financial responsibility" or "proof of financial security" means:

(A)

(i) If proof is required after December 31, 2008, proof means:

(a) A written proof of liability insurance coverage provided by a single limit policy with a limit of not less than sixty thousand dollars (\$60,000) applicable to one (1) accident;

(b) A split-limit policy with a limit of not less than twenty-five thousand dollars (\$25,000) for bodily injury to or death of one (1) person, not less than fifty thousand dollars (\$50,000) for bodily injury to or death of two (2) or more persons in any one (1) accident, and not less than fifteen thousand dollars (\$15,000) for damage to property in any one (1) accident;

(c) A deposit of cash with the commissioner in the amount of sixty thousand dollars (\$60,000); or

(d) The execution and filing of a bond with the commissioner in the amount of sixty thousand dollars (\$60,000);

(ii) An insured holding a policy that complies with the insurance requirements of the financial responsibility law on December 31, 2008,

will not be deemed to be a violation of the law if the policy meets the limits specified in subdivisions (12)(A)(i)(a)-(d) as of the first renewal after December 31, 2008;

(B)

(i) If proof is required after December 31, 2014, proof means:

(a) A written proof of liability insurance coverage provided by a single limit policy with a limit of not less than one hundred thousand dollars (\$100,000) applicable to one (1) accident;

(b) A split-limit policy with a limit of not less than fifty thousand dollars (\$50,000) for bodily injury to or death of one (1) person, not less than one hundred thousand dollars (\$100,000) for bodily injury or to death of two (2) or more persons in any one (1) accident, and not less than twenty-five thousand dollars (\$25,000) for damage to property in any one (1) accident;

(c) A deposit of cash with the commissioner in the amount of one hundred thousand dollars (\$100,000); or

(d) The execution and filing of a bond with the commissioner one hundred thousand dollars (\$100,000);

(ii) An insured holding a policy that complies with the insurance requirements of the financial responsibility law on December 31, 2014, will not be deemed to be in violation of the law if the policy meets the limits specified in subdivision (12)(B)(i)(a)-(d) as of the first renewal after December 31, 2014.

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

it.