

Senate State and Local Government Committee 1

Amendment No. 1 to SB1996

**Yager
Signature of Sponsor**

AMEND Senate Bill No. 1996

House Bill No. 1496*

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 8-19-101, is amended by deleting subsection (e) in its entirety and substituting instead the following:

(e) County governments shall either:

(1) Obtain and maintain blanket surety bond coverage for all county employees not covered by individual bonds referenced elsewhere in statute. The minimum amount of such blanket bonds shall be one hundred fifty thousand dollars (\$150,000); or

(2)

(A) Obtain and pay the premiums or other costs with respect to a policy of insurance issued by an insurance company duly authorized to do business in this state or an agreement with a pool established pursuant to § 29-20-401 or any entity established pursuant to § 29-20-401(b)(2) for administration of such agreement, that provides government crime coverage, employee dishonesty insurance coverage, or equivalent coverage that insures the lawful performance by officials and their employees of their fiduciary duties and responsibilities. Any such policy or agreement maintained shall have limits of not less than four hundred thousand dollars (\$400,000) per occurrence;

(B)

(i) A policy or agreement satisfying the requirements set forth in subdivision (e)(2)(A) shall be deemed to be a blanket

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official bond for each official or office identified in the policy or agreement for all purposes, including § 4-4-108 and this chapter;

(ii) A certificate of insurance evidencing the officials and offices covered, the amount of coverage maintained, and the type of coverage provided shall be filed in the register's office for the county in which the official is located;

(iii) A certificate of insurance shall satisfy the requirement for the filing of the official bond by the named officials;

(C) If a governmental entity obtains and pays premiums on an insurance policy or agreement pursuant to this subdivision (e)(2), then the monetary limits pursuant to the Tennessee Governmental Tort Liability Act, compiled in title 29, chapter 20 shall not increase.

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