

**PUBLIC CHAPTER NO. 1147**

**SENATE BILL NO. 3536**

**By Overbey**

Substituted for: House Bill No. 3229

**By McCord, Montgomery**

AN ACT to amend Tennessee Code Annotated, Section 62-13-104, relative to vacation lodging services.

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

SECTION 1. Tennessee Code Annotated, Section 62-13-104(a), is amended by placing a period after the language "act is performed" and by deleting the language "; or" and subdivision (7) in its entirety.

SECTION 2. Tennessee Code Annotated, Section 62-13-104(a), is further amended by adding the following language at the end of the subdivision:

In addition, except as provided in subsection (b), no other provisions of this chapter or any rules and regulations promulgated pursuant thereto shall apply to vacation lodging services.

SECTION 3. Tennessee Code Annotated, Section 62-13-104(b)(1), is amended by adding the following language as a new subdivision (C):

(C) "Designated agent" means an owner, principal, officer or upper level manager of a vacation lodging service firm.

SECTION 4. Tennessee Code Annotated, Section 62-13-104(b)(2), is amended by deleting the language "firm license" and by inserting the language "vacation lodging service firm license".

SECTION 5. Tennessee Code Annotated, Section 62-13-104(b)(2), is further amended by deleting the last sentence of the subdivision.

SECTION 6. Tennessee Code Annotated, Section 62-13-104(b)(3)(A), is amended by deleting the language "Firm licenses" and by substituting instead the language "Vacation lodging service firm licenses", and by deleting the period at the end of the subdivision and adding the language ", handicap or familial status."

SECTION 7. Tennessee Code Annotated, Section 62-13-104(b)(3)(B), is amended by deleting the subdivision in its entirety and by substituting instead the following language:

(B)(i) Upon application for a firm license for a vacation lodging service and each renewal of the license, the firm shall designate one (1)

individual from that firm who shall be individually licensed as a designated agent through the Tennessee Real Estate Commission. Such designated agent shall be responsible for the completion of training programs to be taught by an individual in the vacation lodging services business or other person who meets qualifications set by the Tennessee Real Estate Commission. Such training programs shall consist of instruction in the fundamentals of this subsection (b) and related topics. No person shall be licensed by the commission as a designated agent until such person completes the required eight-hour introductory course.

(ii) Every two (2) years, as a requisite for the reissuance of a firm license for a vacation lodging service and for reissuance of the designated agent license, the firm shall furnish certification that the designated agent for the firm has completed eight (8) classroom hours in training programs approved by the commission.

(iii) No examination shall be required for the issuance or renewal of a firm license for a vacation lodging service.

SECTION 8. Tennessee Code Annotated, Section 62-13-104(b), is amended by inserting the following language as a new, appropriately designated subdivision:

( ) (A) If a designated agent, as designated by a vacation lodging service firm, leaves or moves from the vacation lodging service firm, the firm or designated agent for such firm must notify the Tennessee Real Estate Commission within ten (10) days of such action. The vacation lodging service firm must replace the designated agent within sixty (60) days of such action and notify the commission of the name of the new designated agent. During such time period, all rules or regulations related to a vacation lodging service firm shall remain in full force and effect with respect to such a vacation lodging service firm until a designated agent is replaced. Any obligation or duty required to be fulfilled by the designated agent shall be fulfilled by another person in the vacation lodging service firm.

(B) A designated agent may serve as a designated agent for multiple offices of the same vacation lodging service firm within a fifty (50) mile radius of the principal office of the firm, but may not serve as a designated agent for multiple firms.

SECTION 9. Tennessee Code Annotated, Section 62-13-104(b)(3)(C), is amended by deleting subdivision (iii) in its entirety.

SECTION 10. Tennessee Code Annotated, Section 62-13-104(b)(3)(D)(ii), is amended by adding the following language at the end of the subdivision:

A vacation lodging service firm working under an irrevocable letter of credit must submit satisfactory proof of such letter of credit by April 1 of each year. The commission may impose a penalty for failure to disclose such proof by such date.

SECTION 11. Tennessee Code Annotated, Section 62-13-104(b)(4), is amended by deleting the language "All firm licenses" and by substituting instead the language "All firm and designated agent licenses".

SECTION 12. Tennessee Code Annotated, Section 62-13-104(b)(4), is further amended by adding the following language after the first sentence:

The firm license and the license for the designated agent for the firm, and all renewals thereof, shall expire at the same time. If a license is issued to a designated agent following the date the firm license is issued or renewed, the license for the designated agent shall be issued or renewed so that it expires on the date the license of the firm is to expire. The commission is authorized to prorate the license for the designated agent or extend the date for the renewal of such a license to ensure the licenses expire concurrently.

SECTION 13. Tennessee Code Annotated, Section 62-13-104(b)(6), is amended by deleting the language "any person" and by substituting instead the language "any lodging rental customer or lodging rental owner".

SECTION 14. Tennessee Code Annotated, Section 62-13-104(b), is amended by adding the following language as a new subdivision (9):

(9) The Tennessee Real Estate Commission is authorized to promulgate rules and regulations in accordance with the Uniform Administrative Procedures Act, Title 4, Chapter 5, to implement this subsection (b).

SECTION 15. If a person named as a designated agent for a vacation lodging service firm has completed the course required pursuant to this act to be licensed as a designated agent prior to the effective date of this act or between the time this act is signed by the governor and July 1, 2011, such person shall not be required to retake any such course in order to be licensed as a designated agent by the Tennessee Real Estate Commission.

SECTION 16. For purposes of creating and establishing a designated agent license, for purposes of promulgating necessary rules and regulations to implement this act, and for purposes of accepting applications for and administering the required course for a designated agent, this act shall take effect on becoming a law, the public welfare requiring it. For all other purposes, this act shall take effect July 1, 2011, the public welfare requiring it.

**PASSED: June 8, 2010**



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RON RAMSEY  
SPEAKER OF THE SENATE



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KENT WILLIAMS, SPEAKER  
HOUSE OF REPRESENTATIVES

APPROVED this 30th day of June 2010



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PHIL BREDESEN, GOVERNOR