



**SENATE BILL 865**  
**By Stevens**

**HOUSE BILL 705**

By Gant

AN ACT to amend Tennessee Code Annotated, Title 56,  
relative to insurance.

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

SECTION 1. Tennessee Code Annotated, Section 56-2-904(a), is amended by deleting the language "no later than June 1" wherever it appears and substituting "no later than July 1".

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

Amendment No. 1 to HB0705

Kumar  
Signature of Sponsor

**AMEND Senate Bill No. 865**

**House Bill No. 705\***

by deleting all language after the enacting clause and substituting:

SECTION 1. Tennessee Code Annotated, Title 56, Chapter 7, Part 23, is amended by adding the following as a new section:

(a) Except as provided in subsection (b), a group policy delivered or issued for delivery in this state that provides hospital, surgical, or major medical expense insurance, or any combination of these coverages, on an expense incurred basis, but not a policy that provides benefits for specific diseases or for accidental injuries only, must provide that an employee or member whose insurance under the group policy has been terminated for any reason, except discontinuance of the group policy in its entirety or with respect to an insured class, and who has been continuously insured under the group policy, and under any group policy providing similar benefits that it replaces, for at least three (3) months immediately prior to termination, is entitled to have the coverage nonetheless continued under the group policy for the remainder of the month in which the policy is terminated, plus the next three (3) subsequent months upon payment in advance to the employer of the full group policy premium for this continuation of coverage, including any portion of the premium customarily paid by the employer on or before the beginning of each month's coverage.

(b) An employee or member is not entitled to have coverage continued pursuant to subsection (a) if:

(1) The group policy was terminated in its entirety or was terminated with respect to an insured class of which the employee was a member; or

(2) Termination of the employee's insurance under the group policy occurred because of any of the following reasons:

(A) The employee failed to pay any required contribution;

(B) The employee is eligible for medicare under Title XVIII of the federal Social Security Act (42 U.S.C. § 1395 et seq.); or

(C) The discontinued group coverage was replaced by similar group coverage within thirty-one (31) days.

(c) This section applies to group policies issued, renewed, or amended on or after the effective date of this act.

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

Amendment No. 2 to HB0705

Kumar  
Signature of Sponsor

**AMEND Senate Bill No. 865**

**House Bill No. 705\***

by deleting SECTION 2 and substituting:

SECTION 2. Tennessee Code Annotated, Section 56-6-104(b)(10), is amended by deleting "portable electronics insurance" and substituting "portable electronics or optical products insurance".

SECTION 3. Tennessee Code Annotated, Section 56-6-110(8), is amended by deleting the subdivision and substituting:

(8) Portable electronics or optical products insurance; or

SECTION 4. Tennessee Code Annotated, Section 56-6-1101(2), is amended by deleting "purchases portable electronics or services" and substituting "purchases portable electronics, optical products, or services".

SECTION 5. Tennessee Code Annotated, Section 56-6-1101(4), is amended by deleting "portable electronics" wherever it appears and substituting "portable electronics or optical products".

SECTION 6. Tennessee Code Annotated, Section 56-6-1101(6), is amended by deleting the subdivision and substituting:

(6) "Portable electronics":

(A) Means equipment that is portable in nature, has electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities, which operate using batteries, rechargeable power sources, or other energy sources; and

(B) Includes:

(i) Equipment that:

(a) Is used for communication, data processing, viewing, listening, recording, gaming, computing, navigation, household, health or activity monitoring, or similar uses; and

(b) May incorporate features responsive to user input or environmental conditions; and

(ii) Accessories and services related to the use of the equipment;

SECTION 7. Tennessee Code Annotated, Section 56-6-1101(7), is amended by deleting "Portable electronics insurance" wherever it appears and substituting "Portable electronics or optical products insurance"; and deleting "portable electronics" wherever it appears and substituting "portable electronics or optical products".

SECTION 8. Tennessee Code Annotated, Section 56-6-1101(8), is amended by deleting "Portable electronics transaction" and substituting "Portable electronics or optical products transaction"; and by deleting "portable electronics" wherever it appears and substituting "portable electronics or optical products".

SECTION 9. Tennessee Code Annotated, Section 56-6-1101(10), is amended by deleting "portable electronics transactions" and substituting "portable electronics or optical products transactions".

SECTION 10. Tennessee Code Annotated, Section 56-6-1101, is amended by adding the following as a new subdivision:

( ) "Optical products" means smart glasses and non-electronic eyewear, and includes prescription and non-prescription eyeglasses and sunglasses;

SECTION 11. Tennessee Code Annotated, Section 56-6-1102, is amended by deleting "portable electronics" wherever it appears in subsections (a) and (b) and substituting "portable electronics or optical products".

SECTION 12. Tennessee Code Annotated, Section 56-6-1103, is amended by deleting "purchase or lease portable electronics or services" from subdivision (a)(2) and substituting

"purchase or lease portable electronics, optical devices, or services"; and by deleting "portable electronics" wherever it appears and substituting "portable electronics or optical products".

SECTION 13. Tennessee Code Annotated, Section 56-6-1104(a), is amended by deleting "portable electronics" wherever it appears and substituting "portable electronics or optical products".

SECTION 14. Tennessee Code Annotated, Section 56-6-1104(b)(1), is amended by deleting the subdivision and substituting:

(1) The charges for portable electronics or optical products insurance coverage may be billed and collected by the vendor of portable electronics or optical products. Any charge to the customer for coverage that is not included in the cost associated with the purchase or lease of portable electronics, optical products, or related services must be separately itemized on the enrolled customer's bill. If the portable electronics or optical products insurance coverage is included with the purchase or lease of portable electronics, optical products, or related services, then the vendor shall clearly and conspicuously disclose to the enrolled customer that the coverage is included with the purchase or lease of the portable electronics, optical products, or related services.

SECTION 15. Tennessee Code Annotated, Section 56-6-1104(b)(3), is amended by deleting "portable electronics" and substituting "portable electronics or optical products".

SECTION 16. Tennessee Code Annotated, Section 56-6-1105, is amended by deleting "portable electronics" wherever it appears and substituting "portable electronics or optical products".

SECTION 17. Tennessee Code Annotated, Section 56-6-1106, is amended by deleting "portable electronics" wherever it appears and substituting "portable electronics or optical products".

SECTION 18. Tennessee Code Annotated, Section 56-6-1107(d), is amended by deleting "portable electronics" wherever it appears and substituting "portable electronics or optical products".

SECTION 19. The commissioner of commerce and insurance is authorized to promulgate rules to effectuate this act. The rules must be promulgated in accordance with the Uniform Administrative Procedures Act, compiled in Tennessee Code Annotated, Title 4, Chapter 5.

SECTION 20.

(a) For the purpose of rule promulgation, this act takes effect upon becoming a law, the public welfare requiring it.

(b) For all other purposes:

(1) Sections 2-18 of this act take effect July 1, 2026, the public welfare requiring it; and

(2) The remaining sections of this act take effect upon becoming a law, the public welfare requiring it.