

HOUSE BILL 43

By Butt

AN ACT to amend Tennessee Code Annotated, Title 71,
relative to restrictions for welfare recipients.

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

SECTION 1. Tennessee Code Annotated, Section 71-3-126, is amended by adding the following language as a new, appropriately designated subsection:

(i)

(1)

(A) A recipient of public assistance benefits shall not knowingly use an electronic benefits transfer card to purchase food items that are high in calories, sugar, and fat without any nutritional value, including, but not limited to, soda, ice cream, candy, cookies, and cake, as recommended by the United States department of agriculture.

(B) To the extent permitted by federal law, any person who violates subdivision (i)(1)(A) shall reimburse the department for the purchase.

(C) The department shall notify all recipients of electronic benefits transfer cards of the prohibitions in subdivision (i)(1)(A) and the penalties under law for knowingly using an EBT card in any prohibited business location.

(2)

(A) A person or business entity, or any agent or employee of the person or business entity shall not knowingly accept public assistance benefits from an electronic benefits transfer card for the purchase of food

items that are high in calories, sugar, and fat without any nutritional value, including, but not limited to, soda, ice cream, candy, cookies, and cake, as recommended by the United States department of agriculture.

(B) Any person or business entity who knowingly violates this subdivision (i)(2) shall be subject to the following civil penalties:

(i) One thousand dollars (\$1,000) for the first violation;

(ii) Two thousand five hundred dollars (\$2,500) for the second violation within five (5) years from the first violation; and

(iii) Five thousand dollars (\$5,000) for a third or a subsequent violation within five (5) years from the first violation.

The appropriate district attorney general may bring an action to suspend the business licenses and permits of the person or business entity for one (1) year for any violation under this subdivision (i)(2). The department is authorized to bring an action to enforce any civil penalty under this subdivision (i)(2) in a complaint filed in the chancery court of the county where the merchant is located.

(3) The department is authorized to seek a waiver pursuant to the Food Stamp Act (7 U.S.C. § 2011 et seq.) from the United States department of health and human services to establish a list of food that is prohibited for purchase by a recipient of an electronic benefits transfer card under this subsection (i). The list and waiver shall use the standards recommended by the United States department of agriculture.

SECTION 2. This act shall take effect July 1, 2017, the public welfare requiring it.