

State of Tennessee

PUBLIC CHAPTER NO. 50

SENATE BILL NO. 103

By Gardenhire

Substituted for: House Bill No. 611

By Hawk, Lynn, Todd, Howell, Ragan

AN ACT to amend Tennessee Code Annotated, Title 8, Chapter 31 and Title 8, Chapter 6, relative to nepotism.

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

SECTION 1. Tennessee Code Annotated, Section 8-31-102(1), is amended by deleting the subdivision and substituting:

- (1)(A) "Governmental entity" means a state agency, authority, board, commission, department, or office within the executive or judicial branch of state government or any autonomous state agency, authority, board, commission, department, office, or institution of higher education; provided, that "governmental entity" does not include an agency or office of the legislative branch; and
- (B) The receipt of funding from various state, federal, or local governmental sources, including county or municipal funding, does not change the status of a state agency as a state governmental entity or office under this chapter or otherwise exclude the state agency from the definition of "governmental entity" under subdivision (1)(A);

SECTION 2. Tennessee Code Annotated, Title 8, Chapter 31, is amended by adding the following new sections:

8-31-108.

- (a) A state employee who knowingly or intentionally violates § 8-31-103, and thereafter willfully fails or refuses to remove or remedy the violation as provided by § 8-31-104, commits a Class A misdemeanor.
- (b) Upon a violation of § 8-31-103 by a state employee, there is created a rebuttable presumption that a willful failure or refusal to remove or remedy the violation as provided by § 8-31-104 constitutes an actionable basis to institute ouster proceedings under chapter 47 of this title; impeachment proceedings under chapter 46 of this title; or quo warranto proceedings under title 29, chapter 35.

8-31-109.

A person who receives a salary or other compensation from or through a governmental entity is an employee of the governmental entity for purposes of this chapter regardless of whether the governmental entity receives funding for the employee's salary or compensation from a source other than this state.

SECTION 3. Tennessee Code Annotated, Section 8-6-112(a), is amended by adding the following new subdivision:

The attorney general and reporter receives a report of a violation of § 8-31-103.

SECTION 4. This act takes effect July 1, 2023, the public welfare requiring it.

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PASSED:	March 6, 2023	·
	Rody N	RANDY MCNALLY
	SF	RANDY MICHALLY PEAKER OF THE SENATE
		REN SEXTON, SPEAKER E OF REPRESENTATIVES
APPROVED t	his <u>2 ⁵⁺</u> day of <u>Mourc</u>	<u></u>
J'a	Bris Cec	
BILL LEE, GOVERNOR		