



# State of Tennessee

## PUBLIC CHAPTER NO. 789

SENATE BILL NO. 2247

By Norris, Watson, Roberts, Bowling, Green, Stevens

Substituted for: House Bill No. 1822

By Hawk, Casada, Howell, Boyd, Gant, Carter, Mark White, Jones, Favors, Gilmore, Cooper, Towns, Beck, Rogers, Akbari, Camper, Fitzhugh, Shaw

AN ACT to amend Tennessee Code Annotated, Title 71, Chapter 1, Part 1; Section 71-3-104; Section 71-3-105; Section 71-5-314 and Section 71-5-316, relative to public assistance.

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

SECTION 1. Tennessee Code Annotated, Section 71-1-105(a), is amended by adding the following as a new subdivision:

(17) When conducting any investigation pursuant to subdivision (a)(16)(A) or (a)(16)(B):

(A) Have the power to issue subpoenas to compel the attendance of witnesses, the examination of witnesses under oath, and the production of books, accounts, papers, records, and documents relating to an investigation, provided that:

(i) The materials to be produced are relevant to the investigation;

(ii) The materials to be produced are specified with reasonable particularity; and

(iii) The subpoenas command production of the materials covering only a reasonable period of time;

(B) Have the power to compel the production of employment records during an investigation. For purposes of this subdivision (a)(17)(B), "employment records" includes records of future, past, or present employees who are applying for or have received a form of public assistance or are members of the household of a person who is applying for or has received a form of public assistance from this state or another state;

(C) Have the authority to refer any matter to the appropriate enforcement authority for criminal prosecution;

(D) Have the authority to refer any matter to the appropriate enforcement authorities for civil proceedings, including, but not limited to, referral to the attorney general and reporter for civil recovery;

(E) Have the authority to cooperate with other state agencies to investigate fraud and abuse in programs administered by the department;

(F) Have the authority to furnish information to educate the public about the fraud and abuse laws pertaining to programs administered by the department; and

(G) Have the authority to contract with entities as necessary to carry out the required duties of subdivisions (a)(17)(C)-(F);

SECTION 2. Tennessee Code Annotated, Title 71, Chapter 1, Part 1, is amended by adding the following new section:

**71-1-116.**

(a)(1) If a person, firm, or corporation subpoenaed pursuant to authority granted pursuant to § 71-1-105(a)(17)(A) fails to comply with the subpoena, after reasonable notice to the person, firm, or corporation, the department may seek judicial enforcement of the subpoena by filing, through the attorney general and reporter, a petition with the circuit or chancery court of Davidson County or of the judicial district in which such person, firm, or corporation resides.

(2) A petition filed pursuant to subdivision (a)(1) must incorporate or be accompanied by a certification regarding the notice given and the failure of such person, firm, or corporation to attend or produce the items requested.

(3) Upon the filing of a petition pursuant to subdivision (a)(1) in the proper form, the court shall order the person, firm, or corporation named in the petition to appear and show cause why the person, firm, or corporation should not be required to comply with the subpoena or be held in contempt for failure to comply. The court may employ all judicial power provided by law to compel compliance with a subpoena requested pursuant to subdivision (a)(1), including the powers granted in §§ 29-9-103 - 29-9-106. The court is authorized to impose costs and sanctions against any person, firm, or corporation against whom a petition is filed pursuant to subdivision (a)(1) in the same manner and on the same bases as may be imposed for failure to comply with judicially issued subpoenas under the Tennessee Rules of Civil Procedure. The court may order the person, firm, or corporation to comply with the subpoena and may punish each day of noncompliance with the order as a separate contempt of court.

(4) The subpoena enforcement remedies set forth in subdivision (a)(3) are cumulative and not exclusive of any other remedies provided by law.

(b) Employment records, as defined in § 71-1-105(a)(17)(B), shall be open to inspection and copying by a department representative at any reasonable time and as often as may be necessary.

(c) The department shall also have the right to compare information reported to the department by applicants or recipients with data maintained by the credit bureaus.

SECTION 3. Tennessee Code Annotated, Section 71-3-104(b), is amended by adding the following as a new subdivision (3):

(3)(A) A family that becomes financially ineligible for temporary assistance due to an increase in a caretaker relative's earned income, but continues to meet all other eligibility criteria, including compliance with the program's work requirements, shall be eligible for transitional temporary assistance for no more than six (6) months.

(B) The amount of the transitional temporary assistance shall be based upon the family's income and household size.

(C) Receipt of transitional temporary assistance shall count toward the recipient's maximum time limit under subsection (d).

(D) The department is authorized to promulgate rules to effectuate this subdivision (b)(3) in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

SECTION 4. Tennessee Code Annotated, Section 71-3-105(f), is amended by deleting subdivision (2) and substituting the following:

(2)(A) Notwithstanding subdivision (f)(2)(B), the maximum grants for the temporary assistance program, expressed as a percentage of the standard of need, may be raised if approved as a line item in the annual appropriations act. An increase in the maximum grants for the temporary assistance program shall not be approved by rules.

(B) The maximum standard grant for the temporary assistance program shall be determined as follows:

(i) For an assistance group size of one (1) person, the maximum standard grant shall be twenty-two percent (22%) of the fiscal year 2018-2019 standard of need for an assistance group size of one (1) person; and

(ii) For each additional member added to an assistance group, an additional two percent (2%) shall be added to twenty-two percent (22%), and the maximum standard grant for each respective assistance group size shall be the resulting percentage of the fiscal year 2018-2019 standard of need for that assistance group size.

(C) The department is authorized to promulgate rules to effectuate this subsection (f) in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

SECTION 5. Tennessee Code Annotated, Section 71-5-314, is amended by adding the following as a new, appropriately designated subsection:

( ) The department shall implement the following procedures regarding electronic benefits card replacement requests:

(1) The department shall, upon the third request within a twelve-month period, notify the recipient to provide information regarding fraud, abuse, and trafficking and inform the recipient of the consequences that result from a fourth request within a twelve-month period, as provided in subdivision ( ) (2);

(2) The department shall, upon the fourth replacement request within a twelve-month period, notify the recipient that the recipient's case is being monitored for suspicious activity and has been referred to the department's Office of Inspector General for investigation; and

(3) If a third-party vendor provides replacement cards directly to recipients on behalf of the department, the vendor shall notify the department upon a third request within a twelve-month period by a recipient and upon any subsequent request thereafter.

SECTION 6. Tennessee Code Annotated, Section 71-5-316, is amended by deleting subsection (b) and substituting the following:

(b) The department of human services shall, upon approval from the secretary of the United States department of agriculture, take any steps necessary to enter into an intra-agency agreement joining a multi-state cooperative that identifies individuals who are currently receiving benefits in other surrounding states to minimize dual participation.

SECTION 7. For rulemaking purposes, this act shall take effect upon becoming a law, the public welfare requiring it. For all other purposes, this act shall take effect December 1, 2018, the public welfare requiring it.

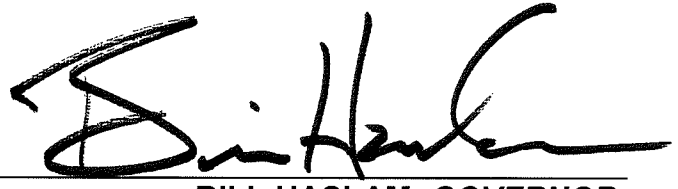
SENATE BILL NO. 2247

PASSED: April 9, 2018

  
RANDY McNALLY  
SPEAKER OF THE SENATE

  
BETH HARWELL, SPEAKER  
HOUSE OF REPRESENTATIVES

APPROVED this 20<sup>th</sup> day of April 2018

  
BILL HASLAM, GOVERNOR