



A Final Report on the 2015 Legislative Session

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NASHVILLE, June 5, 2015 -- The first session of the 109th Tennessee General Assembly adjourned on April 22, 2015 to become a part of Tennessee history after passage of a balanced budget which invests in education and job creation and helps to ensure the state remains one of the best managed governments in the nation. The 2015 legislative session will also be known for passage of a number of significant public safety laws. This includes several bills aiding crime victims, continuing the state's efforts to curb prescription drug abuse, strengthening Tennessee's DUI laws and cracking down on human trafficking.

In addition, the General Assembly passed two major bills implementing the constitutional amendments adopted by voters in November. Those amendments gave the General Assembly the authority to implement commonsense protections for women having an abortion and allowed veterans groups the right to raise funds through an annual event like other charitable organizations.

Following is a report on the issues acted upon during the 2015 legislative year:

BUDGET

The 2015 legislative session was highlighted by the passage of a balanced budget that invests primarily in education and workforce development, while continuing a thoughtful approach to making government work more efficiently and effectively. The appropriations bill, which is effective July 1, assumes a conservative three percent revenue growth rate.

The \$33.79 billion budget is a small 2.3 percent increase over last year's budget of \$33 billion. It reflects almost \$200 million in budget reductions. Strategic cuts have allowed Governor Bill Haslam and the General Assembly to shift money realized by the savings to improve education and increase opportunities for more high quality jobs. With this budget, Governor Haslam and the General Assembly will have reduced government spending by approximately \$450 million over the past four years.

Investing in Education -- At the same time, state spending on K-12 education during this period has increased at a rate more than double the national average. The budget includes \$44 million in new money to account for growth in the Basic Education Program, \$100 million for increasing teacher salaries, \$30 million for 11th month health insurance for teachers and \$5 million to create the Educators' Liability Trust fund to offer liability insurance to teachers at no cost.

The budget includes new money of over \$80 million in state dollars for higher education, driven by fully funding the outcomes-based funding formula, and providing a \$19.5 million salary pool.

Highlights -- Other highlights of the budget include:

- \$260 million for capital projects, including new science facilities at both Jackson State Community College and the University of Tennessee, nearly \$25 million for improvements to colleges of applied technology across the state, and funding for a fine arts classroom building at East Tennessee State University;
- \$10 million for need-based scholarships for students;
- \$2.5 million for statewide outreach efforts geared toward adult students, technical assistance to local communities that are finding ways to support adult learners, and a one-stop portal for adults;
- \$2.5 million to support the success of the SAILS (Seamless Alignment and Integrated Learning Support) program which addresses remediation in high school;
- \$1.5 million to provide last dollar scholarships to adults with some post-secondary credit to attend community college modeled after Tennessee Promise;
- \$1 million to establish competitive grants to 2-year and 4-year institutions to develop initiatives specifically designed for veterans;
- \$32.3 million for state employee pay raises and compensation tied to performance and ongoing market adjustments
- \$4.7 million to fund group health insurance cost increases for state employees and \$2.5 million to fund their 401 K match plan; and
- \$41.3 million to complete the phase out of Tennessee's inheritance tax which is set to expire in 2016

One-time Event Improvements -- The budget also reflects \$300 million in improvements due to Franchise and Excise tax collections exceeding estimates in an unusual one-time event along with other revenue collections and program savings. These funds will be spent as follows: \$120 million for a new Tennessee State Museum which will be matched with \$40 million in private donations; \$57 million for economic development projects to help bring more high-quality jobs to Tennessee; \$40 million to complete renovations of the Cordell Hull building; \$12 million for maintenance and improvements to higher education facilities across the state; \$5 million to fund new equipment in Tennessee's Colleges of Applied Technology to meet job training demands across the state; and, \$1.9 million for the Department of Mental Health and Substance Abuse Services to fund adolescent residential alcohol and drug treatment grants.

Tax Relief -- The state budget continues the efforts of the General Assembly to provide tax relief to Tennesseans by raising the exemption level so more senior citizens can qualify for Hall Tax relief and completing the final step to phase out Tennessee's inheritance "death" tax, which is set to expire in 2016. The budget also contains funds to eliminate the sales tax on diabetic testing supplies.

The General Assembly has passed several tax relief measures over the past four years, including the reduction of the state sales tax on food from 5.5% to 5.0%, elimination of the gift tax, and the phase out of Tennessee's inheritance tax. This is in addition to the ratification of Amendment 3 to the Tennessee Constitution during the last election preventing imposition of a state income tax.

Rainy Day Fund -- The budget provides for an additional \$76.5 million for the Rainy Day Fund, bringing the total reserve to 5.48 percent of state revenues. This is the highest level since 2008. The Rainy Day Fund acts as the state's savings account in case of an emergency and helps ensure the state's financial stability with credit rating agencies.

Sound Financial Practices -- Tennessee's sound financial practices have earned the state top-notch credit ratings with Wall Street rating agencies. This credit rating helps determine how much interest state and local governments must pay when they borrow money to fund projects such as new schools and roads. Tennessee has the lowest state debt per capita in the nation and the second lowest state and local total tax burden per capita according to the Tax Foundation.

([Senate Bill 1399](#) / Sponsors: Norris, McNally / Status: [Public Chapter 427](#) / Effective Date: July 1, 2015 provided, however than any provision of this act which authorizes prior or immediate expenditures and any section or item which specifies an immediate effective date shall take effect upon becoming a law)



EDUCATION / K-12

*(Repeat on budget numbers / See **Budget** for full K-12 overview)*

The 2015 legislative session saw continued action to improve K-12 education in Tennessee. The General Assembly passed legislation to expand opportunities for students, enhance teacher benefits and empower parents with children with severe disabilities to have more of a say in their child's education. At the same time, lawmakers took action to ensure that Tennessee maintains sovereignty over how students are educated.

Since 2011, the state has seen historic growth in TCAP results for K-12 students. The percentage of Tennesseans with a high school diploma or equivalent has also increased from 85.6 percent to 87.8 percent from 2008-2013. Tennessee's growth rate ranks first nationally for the largest increase over this time period.

State spending on K-12 education over the past four years has increased at a rate more than double the national average. The K-12 budget includes \$44 million in new money to account for growth in the Basic Education Program, \$100 million for increasing teacher

salaries, \$30 million for 11th month health insurance for teachers and \$5 million to create the Educators' Liability Trust fund to offer liability insurance to teachers at no cost.

Common Core – Major legislation was approved this year which sets up a process to replace the controversial Common Core education standards with a new set of standards crafted solely by Tennesseans. The new law embraces the work and the effort of Governor Bill Haslam's review process, adding in a new Recommendation Committee to provide another opportunity for stakeholders, educators and the general public to weigh in on the new Tennessee-specific standards. The Recommendation Committee will be comprised of ten members, with four appointed by the Governor, three appointed by the Speaker of the Senate, and three appointed by the Speaker of the House of Representatives.

The Governor set up a process in October 2014 for education professionals to vet the standards and allow for public comments. The Standards Recommendation panel will utilize the best practices obtained through the Governor's review panel, passing it through a filter that is more representative of the people of the state. In addition, the bill calls for the final draft of the Standards Review and Standards Recommendation panels to be placed back on the Internet for 60 days so stakeholders, parents, teachers and administrators will have another opportunity to view and address the body of work being produced before it is adopted.

The bill also helps to ensure that no standards will be imposed on the state by the federal government in the future. The legislation requires the State Board of Education to cancel the "Memorandum of Understanding" that had previously been agreed upon concerning Common Core State Standards.

([Senate Bill 1163](#) / Sponsors: Bell, Massey, Bowling, Green, Hensley, Norris, Stevens, Tracy / Status: / [Public Chapter 423](#) / Effective Date: Upon becoming Law on May 11, 2015)

Resolution Opposes Federal Intervention in Education -- A resolution which opposes federal intervention into education passed the General Assembly during 2015. The measure expresses Tennessee's opposition to a national school board. The resolution urges Congress to stop "what amounts to the imposition of a national school board and to end the decades of federal intrusion in state and local education policy decisions."

The 10th Amendment of the U.S. Constitution reserves to the States all "powers not delegated to the United States by the Constitution." Federal law establishing the U.S. Department of Education in 1979 prohibited the U.S. Secretary of Education or any other officer of the department from exercising "any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution, school, or school system."

Over the past twenty years, federal laws, including the No Child Left Behind Act and the Race to the Top competitive grant program, as well as the Department of Education's use of conditional waivers, have exceeded the appropriate role of the federal government

under the 10th Amendment. The resolution says this has, “in effect, resulted in what amounts to a national school board run by the U.S. Department of Education.”

State and local school systems should be free from federal mandates, rules and requirements concerning academic standards, tests and performance targets for student achievement expectations.

([Senate Joint Resolution 107](#) / Sponsors: Ketron, Bailey, Bowling, Massey / Status: Signed by Governor on April 4, 2015.)

Local School District Opt Out – Similarly, state lawmakers voted this year to allow school boards to opt out of onerous federal regulations without penalty from the state. The U.S. Constitution gives authority over education to the states; however, the federal government has inserted itself into the process by utilizing grant money with strings attached. The bill passed this year fights back against that federal encroachment into education by allowing school districts to refuse federal mandates without state penalty. Federal spending accounts for less than one percent of some local school districts’ budgets.

([Senate Bill 63](#) / Sponsors: Kelsey, Bowling, Bailey, Crowe, Niceley / Status: [Public Chapter 197](#) / Effective Date: April 20, 2015)

Individualized Education Act -- Members of the General Assembly approved legislation this session to give parents of children with special needs the flexibility to customize their child’s education by directing funding to the schools, courses, programs and services that best fit the student’s needs through an Individualized Education Account (IEA). The bill is designed to help children with the most severe disabilities whose current school situation is not meeting their needs.

In order to be eligible to participate in an IEA, a student must have an Individualized Education Plan (IEP) which is a document mapping out how a school will meet the needs of students receiving special education services as required under the federal Individuals with Disabilities Act (IDEA). The measure only applies to about 18,000 of the 120,000 students with IEPs as participants must be students with autism, deafness or other hearing impairments, intellectual disabilities, orthopedic impairments, traumatic brain injuries, and blindness or other visual impairments.

The Individualized Education Act authorizes for the Department of Education to deduct up to four percent from IEA funds to cover the costs of administering the program. Both the state and local school districts are projected to save money under the program. The Individualized Education Act also:

- Requires the Department to ensure funds are used only for educational purposes;
- Provides parents with a written explanation of the allowable uses of the money and their responsibilities;
- Provides for random, quarterly and annual audits;
- Sets up fraud reporting; and
- Has the ability to suspend or terminate any school or provider that fails to comply.

The State Board of Education will consult with the Department of Education to promulgate rules for the application and approval process for non-public school and providers to participate in the program. The bill requires participating students to partake in annual testing with results to be reported.

([Senate Bill 27](#) / Sponsors: Gresham, Ketron, Haile, Kelsey, Stevens, Bowling / Status: [Public Chapter 431](#) / Effective Date: Effective upon becoming law for rules. For all other purposes, including development by the department of education of administrative procedures to effectuate the first award of individualized education accounts during the 2016-2017 school year, this act shall take effect January 1, 2016)

Achievement School District / Eligibility -- State lawmakers have approved a bill that expands the eligibility for enrollment in charter schools authorized by the Achievement School District (ASD) that obtains an achievement growth score of “at expectations” or higher. Under the measure, first priority for enrollment will be given to students enrolled in or zoned to attend the ASD school. After the initial enrollment period, however, ASD charter schools with a capacity to serve additional students will be allowed to enroll students who meet one or more of the following criteria:

- The student is a child of a teacher or staff member or sponsor or member of the governing body;
- The student has been assigned to or was previously enrolled in a school identified as a priority school as defined by the state’s accountability system;
- During the previous school year, the student failed to test proficient in the subjects of reading and language arts or math in grades 3-8 on the TCAP if classrooms are not at capacity; or
- The student is eligible for free or reduced price lunch.

These additional students may not comprise more than 25 percent of the ASD charter school’s total student enrollment. The legislation also provides that the ASD can charge an authorizer fee of up to three percent to charter schools of the ASD. The Commissioner of Education will be responsible for setting up the fee structure for the next school year by May 1.

([Senate Bill 293](#) / Sponsor: Gresham / Status: [Public Chapter 507](#) / Effective Date: July 1, 2015)

Teacher Protection Act -- Teachers and student teachers will automatically have professional liability insurance under legislation passed by the General Assembly. “The Educator Protection Act of 2015” provides insurance coverage to about 78,000 full-and/or part-time teachers and 9,000 student teachers at no cost to the educators, so they do not have to worry about the liability of lawsuits during the course of their employment.

Currently, teachers must find their own coverage if they are not protected by professional liability insurance provided by their local school system. The new law creates a special account within Tennessee Department of Treasury that will be invested by the Treasurer

and administered by the state's Board of Claims to provide liability coverage. The budget provided \$5 million to implement the new act.

([*Senate Bill 604*](#) / Sponsors: Norris, Crowe, Haile / Status: [*Public Chapter 493*](#) / Effective Date: Upon becoming law on May 20, 2015)

Teacher Evaluations -- The Tennessee Teaching Evaluation Enhancement Act was approved this year to adjust and improve the state's teacher evaluation law. The legislation came after receiving teacher feedback regarding the matter. The bill adjusts the current weighting of student growth data in a teacher's evaluation to lessen the evaluation score impact of new assessments in English language arts and math (called TNReady), as well as social studies and science. It provides for a phase-in approach so that new assessments will factor in a teacher's evaluation as 10 percent of the overall evaluation in the first year of administration (2015-16); 20 percent in year two (2016-17); and 35 percent in year three (2017-18). During the school years 2015-16 through 2017-18, a teacher's most recent student growth data will account for the entire individual growth score if such use results in a higher evaluation rating for the teacher.

Student growth data for teachers in non-tested grades and subjects currently counts for 25 percent of overall evaluation. The weight will lower to 10 percent in 2015-16 and move to 15 percent in subsequent school years.

Local school districts will have discretion in how they factor student achievement data into employment decisions like promotion, retention, termination and compensation. They will also have the discretion to develop and submit their own model for the observation portion of teacher evaluation. A teacher otherwise eligible for tenure status will not lose tenure eligibility due to lack of an evaluation score for situations such as intra-district transfers or approved extended absences.

([*Senate Bill 119*](#) / Sponsors: Norris, Gresham / Status: [*Public Chapter 158*](#) / Effective date: Upon becoming law on April 16, 2015)

Teachers / Reporting inaccuracies / Discipline -- Legislation was approved by the General Assembly this year that prohibits local education agencies from discouraging or disciplining teachers for reporting inaccuracies, errors or potentially inflammatory information in textbooks or instructional materials to a supervisor, parent or guardian. The new law prohibits teachers from being asked to waive their rights to make such reports as a condition of employment.

([*Senate Bill 1105*](#) / Sponsors: Beavers, Niceley, Bell, Harper, Roberts, McNally, Gresham / Status: [*Public Chapter 165*](#) / Effective Date: July 1, 2015)

Teachers / Notice of Dismissal -- Teachers must be given timely notice regarding their dismissal or if their position is being abolished under legislation which was approved by the General Assembly. Under the new law, teachers must be notified within five business days following the last instructional date of the school year if they are going to lose their job. The bill applies beginning with the 2015-2016 academic year.

([Senate Bill 893](#) / Sponsor: Briggs / Status: [Public Chapter 232](#) / Effective date: July 1, 2015)

TCAP / Final Grades -- The General Assembly voted this year to allow Local Education Agencies (LEAs) to opt out of including a student's TCAP scores in his or her final grades if the LEA doesn't receive the scores at least five instructional days before the end of the school year. Present law prescribes the use of a student's TCAP scores as a percentage of his or her final grade for the spring semester. The legislation follows the late release of TCAP scores for the Spring 2014 semester.

([Senate bill 285](#) / Sponsor: Briggs, Bowling / Status: [Public Chapter 256](#) / Upon becoming law on April 24, 2015)

Students with Felonies / School Assignment -- Legislation was passed this year which gives school authorities more of a say in the assignment or reassignment of a student upon returning to school after being charged or convicted of a felony. The bill gives the principal of the school where the student is enrolled, as well as the director of schools, the ability to determine the appropriate educational assignment, including an alternative school, for the student released for readmission.

([Senate Bill 182](#) / Sponsor: Hensley / Status: [Public Chapter 501](#) / Effective date: July 1, 2015 and shall apply to any violent felonies or violent felony delinquency acts occurring on or after that date)

Students in Foster Care / Graduation -- Lawmakers have voted to prohibit a Local Education Agency (LEA) from requiring any student in the custody of the Department of Children's Services and who is in the eleventh grade or higher to meet more than the minimum graduation requirements set out by the State Board of Education.

Students in foster care are often transferred from one school to the next and may not have time to meet additional graduation standards required by school boards when moved at that grade level. This new law will help these students receive their high school degree and move on to post-secondary education or the workplace.

([Senate Bill 537](#) / Sponsor: Gresham / Status: [Public Chapter 357](#) / Effective Date: July 1, 2015)

STEM Hubs -- Legislation designed to amplify and accelerate regional STEM (Science, Technology, Engineering and Mathematics) education in Tennessee was approved by lawmakers during the closing week of the 2015 session. The new law requires the Tennessee STEM Innovation Network to establish a STEM innovation hub that is dedicated to serving rural areas of Tennessee, including the northwest portion of the state. It also calls for making a curriculum available to all middle schools that educate students on the variety and benefits of STEM careers.

STEM and STEM-related completions at Tennessee institutions were approximately 28,800 in 2013, which is an increase of 31 percent in just five years.

([Senate Bill 453](#) / Sponsors: Gardenhire, Gresham, Stevens, Tate, Bowling, Jackson, Norris, Tracy, Watson, Yarbrow / Status: [Public Chapter 489](#) / Effective date: Upon becoming law on May 20, 2015)

Go Build Tennessee -- The State Senate and House of Representatives passed legislation to promote and encourage the recruitment of students in the construction industry. The measure sets up a program to provide a one-stop resource for students, parents and educators alike to discover new careers and opportunities in the industry. It is modeled after a successful program in Georgia which works to dispel misconceptions about the skilled trade industry and inspires students to consider building a career as a skilled tradesman. The bill utilizes a small portion of the fees already being collected from the industry which will go to a non-profit 501(c) (3) organization set up to support the program.

([Senate Bill 127](#) / Sponsors: Tracy, Overbey, Harper / Status: [Public Chapter 500](#) / Effective date: Upon becoming law on May 20, 2015)

Civics Education -- Legislation promoting civics education in Tennessee has passed the General Assembly. The new law makes components of the test administered by the United State Citizenship and Immigration Services to those seeking citizenship one of the tools used in assessing student progress under Tennessee's civics education program.

The legislation calls on local education agencies to utilize 25 to 50 of the 100 questions posed by the U.S. Citizenship and Immigration Services in the citizenship test. The test, which will be administered during high school, may be taken by the student multiple times until he or she scores the 70 percent minimum required for graduation. Students with an Individualized Education Program (IEP) are exempt from the requirement under certain circumstances as provided by the bill.

Students will continue to receive the project-based civics assessments provided under a 2012 law.

([Senate Bill 10](#) / Sponsors: Norris, Kelsey, Stevens / Status: [Public Chapter 499](#) / Effective date: January 1, 2017)

Medal of Honor Character Program – State lawmakers approved a bill which encourages and authorizes Local Education Agencies (LEAs) to adopt as their course of instruction in character education the Congressional Medal of Honor Character Development Program. Under the new law, the program can be adapted for the appropriate grade levels and integrated into a number of academic subjects including government, history, sociology, language arts, leadership and mathematics. Tennessee requires character development as part of the academic standards.

The Congressional Medal of Honor Character Development Program has been endorsed by many school systems across the nation, but Tennessee was the first state to endorse its use statewide under a [resolution](#) approved by the General Assembly in 2013. The curriculum includes the six characteristics promoted by the Congressional Medal of Honor recipients: courage, commitment, sacrifice, patriotism, integrity and citizenship. The program is provided free online and accessible to any public school.

([Senate Bill 1021](#) / Sponsors: Gresham, Briggs, Bowling, Gardenhire, Crowe, Haile / Status: [Public Chapter 251](#) / Effective date: Upon becoming law on April 24, 2015)

Students / Cystic Fibrosis – State lawmakers voted to approve a new law that allows students with Cystic Fibrosis, with a care plan, to take their medications in the classroom and at meal time. Children with the disease are typically very susceptible to infections and may have to take certain enzymes to aid in digestion. The students must currently go to the nurses’ station to have these enzymes administered, where they could be exposed to children with contagious conditions. The association that helps families of Cystic Fibrosis children claims that these children are completely competent to take their medications on their own.

([Senate Bill 724](#) / Sponsor: Green / Status: [Public Chapter 321](#) / Effective Date: July 1, 2015)



EDUCATION / HIGHER (Repeat on budget numbers / See **Budget** for full higher education overview)

The General Assembly continued efforts this year to give students in Tennessee more opportunities to realize the dream of a college education. Over the past four years, legislation has been approved to identify and proactively fill the skills gaps of the future through attainment of higher education credentials. Legislative action has been taken to better prepare students by helping to reduce the need for remedial courses; increase dual enrollment and dual credit; enhance programs to increase graduation rates; provide high school students with the opportunity to go to a community college; and to better serve the adults with some college but no degree.

Legislation passed by the General Assembly this year enhances the state’s ambitious “Drive to 55” initiative with the goal of increasing the percentage of Tennesseans with college degrees or certifications from 32 percent to 55 percent by the year 2025. To meet this goal, the 2015-2016 state budget provides \$1.5 million for a pilot program, modeled after the Tennessee Promise, to provide scholarships for adults with some post-secondary credit to return to complete their associate degree at a community college. It also provides \$5 million to fund projects at Centers for Applied Technology to help Tennessee adults enroll, succeed and enter the workforce quickly.

Higher Education represents more than 40 percent of the budget’s \$844 million in capital appropriations, including new buildings such as the Science and Lab Building at UT in Knoxville, a classroom building at ETSU, and a Fine Arts Building expansion at Austin Peay. It also allocates \$12 million for maintenance and improvements to higher education facilities across the state.

Community College / Reconnect Grants -- The State Senate approved major legislation during the 2015 legislative session which will launch a pilot program to help adults complete their degree in Tennessee’s community colleges. The new law, which was part of Governor Bill Haslam’s legislative package, establishes a Community College Reconnect Grant. The program provides last-dollar scholarship assistance to adults who

want to return to community college and complete their associate's degree in applied science. It is modeled after the Tennessee Promise Program which provides students a last-dollar scholarship at any of the state's 13 community colleges, 27 colleges of applied technology or other eligible institutions offering an associate degree program.

Under the measure, adults who meet all of the qualifications can enroll in a Tennessee public community college in the 2016-2017 academic year. Key qualifications to receive the grant include: Tennessee residency for at least one year preceding the date of application for the grant; completion of at least 30 hours towards completing an associate of applied science degree; and, an adjusted gross income of less than \$36,000. Grant recipients must maintain a 2.0 GPA and enroll in at least 9 semester hours in the fall and spring semesters. In order to fund this program, there will be a one-time expense to the lottery fund of \$1.5 million, which will cover roughly 800 recipients.

([Senate Bill 605](#) / Sponsors: Norris, Green, Stevens, Gresham, Yager / Status: [Public Chapter 363](#) / Effective date: For the purpose of rules it is effective upon becoming law. Section 2 of the bill takes effect July 1, 2015 at 12:01 a.m. For all other purposes it takes effect July 1, 2016.)

SARA / Higher Education – State lawmakers voted this year to authorize the Tennessee Higher Education Commission (THEC) to enter into the State Authorization Reciprocity Agreement (SARA). This program establishes national standards for interstate offering of postsecondary distance education courses and programs. Once institutions join SARA, they are authorized to offer online courses in each state that is part of the agreement without having to get approval from each state individually. Nineteen states have passed legislation and 24 more states are considering the agreement. SARA saves participating universities money by eliminating costly authorization processes that have to be done in each state in which it operates.

([Senate Bill 299](#) / Sponsor: Gresham / Status: [Public Chapter 444](#) / Effective date: Upon becoming law)

Veterans / Access, Choice and Accountability Act – Final approval was given to legislation updating the state's laws pursuant to the Veterans Access, Choice and Accountability Act of 2014. The new law adds spouses and dependent children as parties eligible for in-state tuition rates.

Since a veteran can assign their benefits to a spouse or children, they will also qualify for these tuition and fee rates. It also shifts the period of eligibility after discharge for in-state tuition rates from two years to three years. In addition, the new law requires the Tennessee Higher Education Commission (THEC) to convene the University of Tennessee (UT) and Tennessee Board of Regents systems to review processes related to awarding academic credit to veterans. This is known as "PLA" or "prior learning assessment" and ensures that veteran students receive as much academic credit as possible for training or skills obtained during their service.

([Senate Bill 976](#) / Sponsor: Norris, Briggs, Crowe, Green, Gresham, Yarbrow, Bailey, Beavers, Bell, Bowling, Dickerson, Gardenhire, Haile, Harper, Harris, Hensley, Jackson, Johnson, Kelsey, Ketron, Kyle, Massey, McNally, Niceley, Overbey, Roberts, Southerland, Stevens, Tate, Tracy, Watson, Yager, Ramsey / Status: [Public Chapter 219](#) / Effective date: Upon becoming law on April 20, 2015.)

Veteran's Day / College Campuses -- Legislation which will help ensure that students on Tennessee's college campuses have the opportunity to observe Veteran's Day has passed. The bill was brought to the legislature after it was recognized that most college campuses do not observe Veteran's Day. The new law requires that all Tennessee Board of Regents and University of Tennessee colleges and universities hold a local Veteran's Day event honoring the sacrifices made by veterans for the freedoms enjoyed by citizens across this nation. The campus can remain open, but all faculty, staff and students who are veterans will be afforded the opportunity to participate in the Veteran's Day activity. The event will be held on or near the day recognized as a national holiday which is November 11.

([Senate Bill 1345](#) / Sponsors: McNally, Gresham, Bell, Briggs, Norris / Status: [Public Chapter 482](#) / Effective date: Upon becoming law on May 18, 2015)

HOPE Scholarships / Military Children -- Legislation was approved this year that specifies that dependent children of members of the Armed Forces and the Tennessee National Guard whose home of record is Tennessee must qualify as in-state students for purposes of the HOPE Scholarship. This measure closes a loophole so that children who move due to their parent's deployment or reassignment will not be penalized and charged out-of-state tuition in Tennessee's colleges and universities.

([Senate Bill 461](#) / Sponsors: Bell, Green, Bowling, Tracy, Watson / Status: [Public Chapter 491](#) / Effective date: Upon becoming law on May 20, 2015 but shall apply to students seeking financial assistance for the 2015-2016 academic year and thereafter)

GED / HiSet / HOPE Scholarship -- Students who score a minimum of 15 on the HiSET test will be eligible for the HOPE scholarship under legislation approved by state lawmakers. The new law revises the required GED score under the HOPE scholarship eligibility requirements to conform to the scale used for the new version of the test, setting a score of 170 to qualify.

The legislation authorizes a student who met the GED, HiSET, ACT and SAT test score requirements to be awarded a HOPE scholarship in the 2014-2015 academic year for the 2013-2014 academic year, provided that the student is not otherwise ineligible for the scholarship and is enrolled in the 2014-2015 academic year in an eligible postsecondary institution.

([Senate Bill 624](#) / Sponsors: Gresham, Bowling, Watson / Status: [Public Chapter 495](#) / Effective date: July 1, 2015 at 12:01 am)

Career and Technical Education -- Members of the General Assembly approved legislation that changes references in Tennessee law from vocational education to career and technical adult education. The bill, which comes from Governor Bill Haslam, helps align Tennessee with its goal of creating a ready workforce with the skills needed to compete for new and better paying jobs.

([Senate Bill 87](#) / Sponsors: Norris, Jackson, Bowling, Yager, Yarbrow, Haile, Harper / Status: [Public Chapter 55](#) / Effective date: Upon becoming law on April 6, 2015)

University of Memphis -- The legislature passed a bill this year which adds the University of Memphis to the provisions of state law that applies to Austin Peay State University to give in-state tuition to residents who live in neighboring counties outside the state which are adjacent to Shelby County.

([Senate Bill 333](#) / Sponsor: Norris / Status: [Public Chapter 447](#) / Effective date: July 1, 2016)

JOBS / COMMERCE / CONSUMERS

On the jobs front, lawmakers continued to make strategic investments to bring new and better paying jobs to Tennessee. Over the past several years, the General Assembly has made great strides in preparing students for the 21st century marketplace and in creating a business-friendly climate which draws new and better paying jobs to Tennessee. These efforts include passage of a number of job creation initiatives such as tort reform and workers' compensation reform. As a result, Tennessee's net private sector employment has increased by 219,900 since 2011. Legislation passed this year aims to keep Tennessee a low-tax, low-debt, business-friendly state.

In 2014, Tennessee exported over \$32.9 billion in goods worldwide, an increase of 60.9 percent over the last five years. Other facts regarding Tennessee's economic and job creation successes include:

- Tennessee's manufacturing sector has increased by 29,500 since 2011, making it first in the Southeast and seventh in the nation for net new jobs;
- Tennessee's personal income growth rate is 22.6 percent, the highest in the Southeast, and 14th highest in the U.S.;
- Tennessee ranks second in the Southeast and 10th in the nation for its growth rate of compensation of employees;
- Tennessee ranks first in the Southeast for the state's real GDP which has grown by 6.97 percent over the last three years and now totals \$269.6 billion; and
- Tennessee ranks first in the Southeast for private sector real GDP with a 7.80 growth rate.

The 2015-2016 budget continues the state's successful FastTrack Infrastructure and Job Training Program which aids businesses across the state in securing funding for expansion projects and ensuring employees are trained to their fullest potential. This includes job investments in the automotive sector which has grown tremendously over the past several years.

According to the Brookings Institution, Tennessee has the largest concentration of automotive industry employment in the Southeast. The automotive sector touches virtually every corner of the state with 80 of the state's 95 counties having automotive operations.

The budget also included an increase in funding for Tennessee's nine regional development districts to help local governments implement important infrastructure projects and recruit new businesses. In addition, it included funds to recruit and develop the state's film and television industry which has steadily grown in recent years and has helped bring in millions of film and tourism dollars.

Revenue Modernization Act -- The General Assembly passed legislation this year designed to protect Tennessee's status as a low tax state and the taxpayers from feeling the effects of tax base erosion due to unfair tax advantages by out-of-state companies who do business within our borders. Out-of-state companies that do business in Tennessee are not always required under present law to pay the same taxes as in-state companies.

The new law, which modernizes Tennessee's tax code to be on par with other states, provides for the following:

- It requires out-of-state online retailers to collect sales and use tax from Tennessee customers if the online retailer pays an in-state party a fee or commission to route customers to the online retailer's website. Fourteen (14) states, including North Carolina and Georgia, have so-called "click through nexus" laws.
- It requires an out-of-state company to pay Franchise and Excise (F&E) tax and the state business tax if the company has more than \$500,000 in sales or \$50,000 in property or payroll in the state. Currently, a company must pay the F&E tax and the business tax if it has a physical presence in the state with this legislation expanding that definition to say these taxes are due if the company has an economic presence, not just a physical presence, here. Thirty-one (31) states have adopted this so-called "economic nexus" standard.
- It taxes, for F&E purposes, services that are delivered to customers in Tennessee, regardless of the seller's location. Under current law the income is sourced to the location of the business providing the service, which is often not in Tennessee. This "market based sourcing" standard has been adopted by twenty (20) other states, including Alabama and Georgia.

The new law also keeps up with technological advances in the marketplace like software and video games which are used remotely over the Internet and are currently not being taxed, putting them on par with those which are taxable when purchased in a box at a store or downloaded.

In addition, the legislation changes the apportionment formula for determining how much of a multi-state company's income sales factor is subject to the state's 6.5 percent excise tax, triple-weighting. Currently, Tennessee apportions income using a formula, the numerator of which includes the percentage of in-state to out-of-state property, payroll and sales of multi-state entities, with the sales factor of the formula being double-weighted.

The legislation will likely make Tennessee more attractive for companies considering the relocation of larger corporate headquarters and manufacturing facilities.

([Senate Bill 603](#) / Sponsor: Norris / Status: [Public Chapter 514](#) / Effective date: Sections 3, 4, 5, 6, 7, 14, and 15 of this act shall take effect January 1, 2016 and shall apply to all tax years beginning on or after January 1, 2016. Sections 9, 10, 11, 12, 17, 18, 19, and 20 of this act shall take effect July 1, 2016 and shall apply to all tax years beginning on or after July 1, 2016. Sections 21, 22, 23, 24, 25, and 27 of this act shall take effect July 1, 2015. Section 2 of this act shall take effect July 1, 2016. All other sections of this act shall take effect upon becoming a law on May 20, 2015)

Updating Business Law – A new law passed this year which brings the state’s Business Corporation Act and Nonprofit Corporation Act into the 21st century with acknowledgement of the Internet and email. The legislation clarifies revisions made to the laws over the past several years on such matters as the use of electronic signatures. The bill also allows companies that have different classes of common or preferred stock to elect to have class voting through their charter or by agreement, restoring the law back to its status prior to 2012 when that option was removed.

([Senate Bill 144](#) / Sponsor: Johnson / Status: [Public Chapter 60](#) / Effective date: Upon becoming law on April 6, 2015)

Captive Insurance -- The General Assembly has approved legislation which makes revisions to the state’s captive insurance law. Tennessee has been considered among the most attractive states to organize a captive insurance company since the Revised Tennessee Captive Insurance Act was enacted in 2011. In 2014, Tennessee was a finalist, along with Vermont and Delaware, for Captive Domicile of the Year.

The new law continues efforts to make the state attractive for captive insurance by correcting an error in existing statutes to make Tennessee a viable state for forming workers’ compensation insurance captives. It authorizes the approval of workers’ compensation rating plans to provide companies additional flexibility in determining rates. It also makes various changes to the state’s protected cell requirements to streamline and/or clarify application fees and investment strategy reporting. Finally, it clarifies that multiple entities owned by a single company should be taxed as multiple entities, rather than a single entity.

([Senate Bill 80](#) / Sponsors: Norris, Overbey / Status: [Public Chapter 156](#) / Effective date: Upon becoming law with the exception of Section 11 which takes effect January 1, 2016)

Credit Card Processors / Transparency – A new law giving business owners greater transparency regarding contracts with credit card processors has passed. The legislation requires that when the merchant signs a lease finance agreement with a credit card services processor, that company must disclose their monthly charges, the total charge for the duration of the contract, as well as how much it would cost to purchase the machine outright. Violation for not complying with the new law calls for allowing the merchant to terminate the contractual agreement without penalty.

([Senate Bill 911](#) / Sponsors: Johnson, Tate / Status: [Public Chapter 911](#) / Effective date: January 1, 2016 and applies to agreements entered into or renewed on or after that date. It does not apply to agreements that are renewed via automatic renewal provision if it was initially entered into before January 1, 2016.)

Similarly, legislation passed this year that requires billing statements from credit card processors must contain information regarding what they charge in payments and fees for transactions. The statement must include the number of transactions accepted by the business and the amount of fees that are deducted from each transaction. The new law also requires that the billing statement provide the merchant with the total cost and what percentage of the transaction is being withheld as payment from the credit card processing company. In addition, the processing company must provide information to those who contract with them about how they process fees and any other rules used in adding payment charges. If the credit card processor fails to comply with provisions of the act, the merchant can terminate the contract without penalty.

([Senate bill 316](#) / Sponsors: Johnson, Tate / Status: [Public Chapter 175](#) / Effective date: Section 47-22-402(3)(C) shall take effect March 1, 2016, and shall apply to agreements entered into or renewed on or after that date. All other provisions of this act shall take effect January 1, 2016, and shall apply to all agreements entered into or renewed on or after that date.)

E-Filing / Department of Labor -- A new law updating the e-filing system in the Tennessee Department of Labor to bring it into the 21st century passed during the 2015 session of the Tennessee General Assembly. The act requires electronic filing of an employer's quarterly wage and premium report for employers that employ 100 or more people. The measure allows for an opt-out for employers that employ between ten and 99 employees. The conditions for the opt-out are similar to criteria used by other departments of state government, like businesses that do not have access to a computer or the Internet. In addition to providing ease of filing as a result of technological advances, the legislation will result in tremendous cost savings.

([Senate Bill 102](#) / Sponsors: Norris, Johnson, Ketron / Status: [Public Chapter 95](#) / Effective date: July 1, 2015.)

Consumers / Identity Theft -- State lawmakers have approved a bill that aims to help guard against consumer identity theft. Currently, Tennessee has no restrictions that prevent businesses or individuals from requesting or requiring that a customer provide their social security number on a personal check before it is accepted. The new law prohibits the printing of social security numbers on checks in order to receive a benefit, goods, services or other items of value, unless the person provides written permission or the disclosure is required by the state or federal law.

The legislation will increase inherent consumer protections against crimes of identity theft by preventing consumers from being asked to disclose more personal information than is necessary to transact business.

([Senate Bill 336](#) / Sponsor / Jackson / Status: [Public Chapter 127](#) / Effective date: July 1, 2015)

Consumers / Credit Information Security -- A new law has been passed which allows a parent of a minor under the age of 16 to place a security freeze on their child's credit file information so it cannot be used for fraudulent purposes. The measure also applies to a conservator or guardian of an incapacitated person.

[*Senate Bill 1158*](#) / Sponsor: Massey / Status: [*Public Chapter 282*](#) / Effective date: Sections and 2 take effect July 1, 2015, with remaining sections on January 1, 2016

Constitutional Amendments

Legislative action was taken during the 2015 session of the Tennessee General Assembly on two of the four constitutional amendments adopted by voters in November. The amendments passed by voters included: Amendment 1, which gave the General Assembly greater ability to enact abortion policy; Amendment 2, which changes the way appellate judges are appointed and retained in the state; Amendment 3, which forbids enactment of an income tax; and Amendment 4, which empowers legislators to authorize annual charitable gaming events for veterans' groups like those allowed for 501 (c) (3) organizations.

Legislation implementing a judicial plan in accordance with Amendment 2 was deferred until next year, while there was no legislation required for Amendment 3 banning a state income tax.

Amendment 1 / Abortion -- Legislation which restores commonsense protections for women seeking an abortion was given final approval this year. The new law calls for informed consent and a 48-hour waiting period for women and girls considering an abortion, while another measure adopted this year requires abortion facilities performing more than 50 abortions a year be held to the same health and safety standards as other out-patient surgical facilities.

The Tennessee Supreme Court handed down a ruling in 2000 that went a step beyond the U.S. Supreme Court's landmark *Roe v. Wade* decision. That action struck down legislation passed by the Tennessee General Assembly that called for women to receive "informed consent" information about the surgery and to wait 48 hours before they receive an abortion. Similarly, in 2002 the Tennessee Court of Appeals ruled the Tennessee Department of Health's requirement for licensure and inspection of abortion facilities was not constitutional.

As data from the Centers for Disease Control notes, one out of four abortions in Tennessee is performed on women residing in another state, the third highest out-of-state abortion rate in the nation. Such numbers have resulted in Tennessee becoming known as an abortion destination.

([*Senate Bill 1222*](#) / Sponsors: Beavers, Bell, Green, Johnson, Gresham, Gardenhire, Stevens, Bailey, Jackson, Roberts, Yager / Status: [*Public Chapter 473*](#) / Effective date: July 1, 2015 and [*Senate Bill 1280*](#) / Sponsors: Hensley, Bell, Green, Johnson, Bailey, Beavers, Gresham, Yager, Gardenhire, Stevens, Bowling, Briggs, Jackson, Roberts / Status: [*Public Chapter 419*](#) / Effective date: July 1, 2015)

Amendment 4 / Veterans / Charitable Gaming -- Final approval was given on legislation to allow 501 (c) (19) veterans organizations to raise funds for charitable purposes. The new law is the final step in ensuring that Amendment 4 to the State Constitution, which won approval by voters in November, is enacted. The amendment gives veterans groups

the same opportunity as 501 (c) (3) organizations to conduct an annual fundraising event like duck races, cake walks, raffles, and other games of chance.

Amendment 4 received 69.6 percent of the vote, outpacing all other constitutional amendments on the ballot. Any funds raised by the games under the amendment must go to purposes that benefit the community, veterans, or retired veterans.

([Senate Bill 325](#) / Sponsors: Norris, Crowe, Yager, Green / Status: [Public Chapter 134](#) / Effective date: April 14, 2015)

CRIME

The General Assembly approved a wide range of legislation attacking crime during the 2015 legislative session. Bills were passed tackling human trafficking, providing justice for crime victims, addressing domestic abuse and curbing prescription drug abuse.

Money to fight crime was also included in the 2015-2016 fiscal year budget. This includes funds for three new forensic scientists at the Tennessee Bureau of Investigation (TBI) to process forensic evidence in rape kits at no charge to local law enforcement, money for TBI training to crack down on human trafficking and an appropriation for TBI meth clean-up. The budget also contained \$47 million to fund a new contract for the Trousdale County Correctional Facility to house over 2,500 state inmates, a new offender management system, the final phase of the required Radio System upgrade, a salary differential for correctional staff and a grant for the Amachi Mentoring Program that provides mentors for at-risk youth.

Human Trafficking – Legislation was approved this year that builds on the General Assembly’s ongoing efforts to attack the problem of human trafficking. The legislature has approved a series of bills over the past four years addressing the problem after a 2011 Tennessee Bureau of Investigation (TBI) report showed 73 of the state’s 95 counties have reported the crime within their borders. A [follow-up](#) to the 2011 report was released last year that shows sex trafficking of minors occurs in rural and urban areas of Tennessee and has an effect in both wealthy and poor households. It was also discovered that minors who come from impoverished households are especially vulnerable to victimization.

This year’s legislation includes a bill to give law enforcement and other officials more training to identify, investigate and prosecute cases of human trafficking. The new law calls on the Tennessee Bureau of Investigation (TBI) to implement such training courses, which will also include information to help first responders and caseworkers find services to assist victims of the crime. It provides for four additional special TBI agents to implement the new program.

([Senate Bill 16](#) / Sponsors: Ketron, Kelsey, McNally, Bowling, Harris, Roberts, Gresham, Overbey, Crowe, Kyle, Norris, Tate, Tracy, Watson, Yager, Yarbrow / Status: [Public Chapter 503](#) / Effective date: July 1, 2015)

The General Assembly approved another bill that adds Commercial Human Trafficking to the list of offenses for which a District Attorney may apply for a law enforcement wiretap. The organized crime and conspiratorial nature of this type of offense, commercial human sex trafficking, justifies this enhanced investigatory option for law enforcement.

([Senate Bill 43](#) / Sponsors: Kelsey, Overbey, Bowling, Yager, Bailey, Beavers, Bell, Briggs, Crowe, Dickerson, Gardenhire, Green, Gresham, Haile, Harper, Harris, Hensley, Jackson, Johnson, Ketron, Kyle, Massey, McNally, Niceley, Norris, Roberts, Southerland, Stevens, Tate, Tracy, Watson, Yarbrow, Ramsey / Status: [Public Chapter 435](#) / Effective date: July 1, 2015)

State lawmakers voted this year to enable a Juvenile Court Judge of a jurisdiction that has shelter care facilities to allow police to transport the juvenile victims of prostitution to the facility in order to coordinate the release of the juvenile to the parent or legal guardian. These juveniles are often victims of human trafficking. Under current law, when police locate a juvenile victim of prostitution, they simply provide them with a telephone number for the national human trafficking resource center hotline and release the juvenile to the custody of a parent or legal guardian.

Under the new statute, the designated shelter care facility can make the minor or the minor's family aware of services that are available to juvenile victims of prostitution, and it can facilitate notification of the Department of Children's Services if it is determined that there are neglect/dependency issues involved.

([Senate Bill 795](#) / Sponsor: Kelsey, Yarbrow / Status: [Public Chapter 264](#) / Effective date: Upon becoming law on April 24, 2015)

State lawmakers also approved a new law which changes the hotline that law enforcement provides to minor victims of prostitution from the National Human Trafficking Resource Center Hotline to the Tennessee Human Trafficking Resource Center Hotline.

([Senate Bill 305](#) / Sponsor: Kelsey / Status: [Public Chapter 67](#) / Effective date: July 1, 2015)

The statute of limitations to prosecute promoting prostitution will be extended under a bill approved during the 2015 legislative session. Often times, minors do not realize they have been a victim of this crime until well after they are 18. This new law extends the statute of limitations from 10 years to 25 years after the victim becomes 18 years of age to give victims more time to address the issue and prosecutors more time to prosecute offenders who are promoting prostitution.

([Senate Bill 373](#) / Sponsors: Ketron, Kelsey, Bowling, Kyle, Massey, Overbey, Stevens / Status: [Public Chapter 310](#) / Effective date: July 1, 2015)

Justice for Rape Victims – The 109th General Assembly passed a bill during the 2015 legislative session which aims to provide justice for victims of rape. The new law sets up procedures for the collection and storage of rape kits and requires law enforcement agencies to submit kits to the Tennessee Bureau of Investigation (TBI) for testing within

60 days. It also directs the Domestic Violence State Coordinating Council to develop a model policy for law enforcement agencies for responding to reports of sexual assault and requires law enforcement agencies to adopt a written policy on responding to reports of sexual assaults.

The General Assembly approved legislation last year to require all local law enforcement agencies to inventory back-logged rape kits across the state. Last September, the TBI reported 9,062 kits remained untested statewide. In 2013, Memphis reported an initial backlog of 12,000 kits which now has been reduced by over 5,000.

([Senate Bill 981](#) / Sponsors: Norris, Kelsey, Gardenhire, Tate, Watson / Status: [Public Chapter 253](#) / Effective date: Upon becoming law on April 24, 2015 and applies to all sexual assault evidence collected on or after this date)

Photographs of Victims – A bill passed during the 2015 legislative session which allows prosecutors to use pre-crime photographs of victims during their accused killers’ trials. Under current law and rules of evidence, a pre-crime photograph of a victim can be admitted into evidence if it is relevant and not overly prejudicial. Some courts, however, do not allow such photographs for fear that they will be reversed based on those instructions. This means that Tennessee courts can vary from one county to the next in this regard. The new law provides that in a prosecution of any criminal homicide, an appropriate photograph of the victim while alive shall be admissible evidence when offered by the district attorney general.

([Senate Bill 933](#) / Sponsors: Bowling, McNally, Roberts, Haile, Norris, Yager / Status: [Public Chapter 527](#) / Effective date: July 1, 2015)

Crime Victims / Strangulation -- The full Senate and House of Representatives approved legislation to help victims of strangulation, a crime often involved in domestic violence. The legislation redefines strangulation to include: “intentionally or knowingly impeding normal breathing or circulation of the blood by applying pressure to the throat or neck or by blocking the nose and mouth of another person, regardless of whether that conduct results in any visible injury or whether the person has any intent to kill or protractedly injure the victim.”

Currently the definition of strangulation requires the act must be “intentional,” which is a higher standard of proof. Adding “knowingly” puts the definition of strangulation more in line with other similar criminal acts. Present law also requires a visible injury in cases of strangulation. In some cases, visible injury cannot be seen unless the victim dies and an autopsy is performed and does not account for cases in which the victim escaped. Strangulation victims are seven times more likely to become victims of homicide. Fifty percent of all domestic violence homicide victims are strangled at least once before they are murdered.

([Senate Bill 428](#) / Sponsors: Massey, Ketron, Dickerson, Briggs, Kyle, Overbey, Yager, Yarbrow / Status: [Public Chapter 306](#) / Effective date: July 1, 2015)

Domestic Abuse Victims—In another effort to address domestic violence, the General Assembly gave final approval to legislation which removes the provision in state law that allows judges and magistrates to waive the 12-hour “cooling off” period during which a person charged with a domestic violence offense or an elder abuse offense cannot be released on bail. Under current law, individuals charged with domestic violence can be held for up to 12 hours to allow the victim adequate time to gather belongings and ensure his or her safety. However, a “magistrate or other official duly authorized” can release the accused earlier if they deem the risk to the victim has passed. The new law still allows for judicial discretion based on the individual circumstances but requires judges to list in the record why a waiver was given while also making every effort to notify the victim before the waiver is approved.

([Senate Bill 610](#) / Sponsors: Dickerson, Harris, Harper, Yarbrow, Haile, McNally / Status: [Public Chapter 375](#) / Effective date: Upon becoming law on May 8, 2015)

Child Abuse / Conditions of Bail -- Similarly, legislation was approved this year which allows a magistrate to set conditions of release on bail for a person arrested for child abuse, child neglect, child endangerment, aggravated child abuse, aggravated child neglect or aggravated child endangerment, like those set in domestic violence cases. The bill came to the legislature after a case of molestation in Hamilton County where the magistrates wanted to add certain conditions of release to the bail bond to ensure the safety of the victim and could not do so under current law.

([Senate Bill 677](#) / Sponsor: Gardenhire / Status: [Public Chapter 245](#) / Effective date: Upon becoming law on April 24, 2015)

Domestic Abuse / Deaf Children -- A bill has been signed into law to help protect deaf children who are victims of domestic violence by requiring any investigator or law enforcement officer use an interpreter when interviewing the hearing impaired child, rather than a parent or family member. The legislation calls for the child to be interviewed outside of the presence of the potential abuser. The sign language interpreter can be called in to interpret or law enforcement can utilize one from a remote location through video remote interpreting. Law enforcement agencies will maintain a list of interpreters developed from a list provided by the Tennessee Council for the Deaf, Deaf-Blind and Hard of Hearing.

([Senate Bill 594](#) / Sponsors: Haile, Harper, Yager / Status: [Public Chapter 231](#) / Effective date: Upon becoming law on April 21, 2015)

Andy’s Law / Terrorism – Legislation was passed this year authorizing the seizure of a terrorist’s assets, including money derived from, used or intended for use in acts of terrorism. The new law applies upon conviction of the terrorist. The legislation empowers law enforcement to prevent terrorists or attempted terrorists from keeping their assets.

The bill also allows victims of a terrorist attack and law enforcement that participated in the investigation or prosecution of the terrorist offense to make claim, upon conviction,

for damages or costs. It further allows victims of terrorism to bring a lawsuit against those who committed the terrorist act and those who provided material support. The legislative act is known as “Andy’s Law” in honor of U.S. Army Private William “Andy” Long, who was shot and killed outside a Little Rock, Arkansas, recruiting center in 2009 by a Jihadist terrorist, Abdulhakim Mujahid Muhammad (formerly known as Carlos Bledsoe).

[*Senate Bill 180*](#) / Sponsor: Ketron, Bowling, Tate / Status: [*Public Chapter 441*](#) / Effective date: July 1, 2015

Crime / Neighborhoods – The General Assembly has passed a new law giving homeowner associations, neighborhood watch groups or other similar organizations the ability to petition a court to get a restraining order against repeat offenders who have committed crimes within their boundaries. The measure applies to an offender who has committed three or more separate offenses if he or she is convicted of burglary, rape, criminal homicide, dealing drugs, criminal gang activity, prostitution, theft over \$500 or vandalism.

The restraining order can remain in effect for one year if granted by the court, and can be renewed by the judge upon a motion of the organized residential entity. The bill aims to keep residents from being repeatedly victimized by criminals who commit crimes in their neighborhood.

([*Senate Bill 638*](#) / Sponsors: Johnson, Harris / Status: [*Public Chapter 365*](#) / Effective date: July 1, 2015, and applies to any person whose third or subsequent applicable offense is committed on or after that date)

Sex Offenders -- The General Assembly approved a bill which adds to the residential and work restrictions for sexual offenders to prohibit them from being alone with a minor in addition to being prohibited from residing with a minor.

([*Senate Bill 679*](#) / Sponsor: Massey / Status: [*Public Chapter 516*](#) / Effective date: July 1, 2015)

Racial Profiling Prevention Act – Legislation requiring Tennessee law enforcement agencies to implement policies against racial profiling was approved by the General Assembly this year. The “Racial Profiling Prevention Act” defines the discriminatory practice and calls for all law enforcement agencies in the state to adopt a written policy on the subject by January 1, 2016. The measure defines racial profiling as the detention, interdiction, or other disparate treatment of an individual based solely on perceived race, color, ethnicity or national origin. The new law applies to any law enforcement agency responsible for preventing and detecting crime and enforcing laws or local ordinances if their employees are authorized to make arrests for crimes. It also applies to officers employed by colleges and universities.

([*Senate Bill 6*](#) / Sponsors: Kelsey / Status: [*Public Chapter 335*](#) / Effective date: Upon becoming law on May 4, 2015.)

Animal Fights -- The State Legislature voted to strengthen penalties against spectators attending animal fights. Currently, it is a Class C misdemeanor with a \$50 fine to be a spectator at a cock fight; while it is a Class B misdemeanor with a \$500 fine to be a spectator at a dog fight.

The new law increases the current penalty for being a spectator at any animal fight to a Class A misdemeanor. It also establishes the offense of taking a minor under 18 years of age to an animal fight as a Class A misdemeanor with a minimum \$1000 fine. Finally, it closes the loophole allowing the distribution of animals with the intent to fight.

The purpose of the legislation is to provide punishment stiff enough to put a dent in the pocketbook of animal fight organizers. Animal fighting attracts such criminal elements as the Mexican drug cartel that ran multi-ton quantities of meth and heroin through such events in Tennessee.

[*Senate Bill 1024*](#) / Sponsors: Ketron, Tate, Briggs, Dickerson, Haile, Yarbrow / Status: [*Public Chapter 406*](#) / Effective date: July 1, 2015

Police and Rescue Animals – Legislation was adopted in the 2015 session of the Tennessee General Assembly requiring any conviction for intentionally killing a police dog, fire dog, search and rescue dog, or police horse to be punished as a Class E felony. This would apply unless the grading of the value of the animal results in a higher classification.

([*Senate Bill 1114*](#) / Johnson, Bell, Dickerson, Haile, Overbey, Roberts / [*Public Chapter 409*](#) / Effective date: Upon becoming law on May 8, 2015)

Animals in Danger / Liability Protection – The State Legislature voted this year to extend civil liability protection for Tennesseans who rescue an animal locked in an automobile that is in imminent danger of dying. The original liability protection law, which was passed by the General Assembly last year, protects those who break a car window in an attempt to rescue a minor locked in a vehicle if they believe the situation threatens the child's well-being.

Under the new law, the good Samaritan must determine that the vehicle is locked or there is no reasonable method for the minor child or animal to exit. The rescuer must also contact emergency law enforcement or fire personnel first before forcibly entering the vehicle. They must remain with the minor child or animal in a safe location that is reasonably close to the vehicle until emergency responders arrive.

[*Senate Bill 616*](#) / Sponsor: Hensley / Status: [*Public Chapter 166*](#) / Effective date: July 1, 2015

Assault on Correctional Officers -- Legislation aiding correctional officers who are assaulted by inmates has been approved by the State Legislature. Under the new law a court can order restitution in aggravated assault cases when the victim is a correctional officer, guard, jailer, or other full-time employee of a penal institution, local jail, or

workhouse and the offender is an inmate. The measure requires at least 50 percent of the restitution to come from the inmate's commissary account or a similar account.

([Senate Bill 833](#) / Sponsors: Yager, Bailey, Bowling, Dickerson, Norris / Status: [Public Chapter 283](#) / Effective date: July 1, 2015, and shall apply to any applicable aggravated assault committed on or after that date)

Sex Offenders / Correctional Officers -- Correctional officers who are convicted of having sexual contact with prisoners will have to register as sex offenders under a bill approved by state lawmakers. This legislation closes a loophole in the law that has allowed these officers to be free from the Registry requirement that is mandated for other sexual offenders. The measure was brought to the legislature by representatives of the Sheriff's office of Davidson County who felt that the loophole needed to be closed.

([Senate Bill 853](#) / Sponsor: Overbey / Status: [Public Chapter 284](#) / Effective date: July 1, 2015, and shall apply to acts committed on or after that date)

Palcohol – The full Senate and House of Representatives voted to approve legislation that bans the sale of powdered or crystalline alcohol in Tennessee. The new statute makes it a Class A misdemeanor offense to sell the product, which is currently pending approval by the U.S. Food and Drug Administration (FDA).

Palcohol is the brand name for the new product whose label was approved by the federal Alcohol and Tobacco Tax and Trade Bureau in March. When mixed with water the powdered alcohol becomes a cocktail. The product is creating concern nationwide that it is an easy and accessible target for abuse by underage drinkers. There is also concern that the product could be misused by adults if it is sprinkled onto someone's food or in their drink without the other person's knowledge.

Powdered alcohol products are not defined as an alcoholic beverage under current Tennessee law because it is not a liquid and is free from regulation by the Tennessee Alcoholic Beverage Commission. This means it could be sold directly to minors in grocery stores, over the Internet, or in any other location.

([Senate Bill 374](#) / Sponsor: Ketron / Status: [Public Chapter 311](#) / Effective date: May 1, 2015)

Prescription Drug Abuse / Pain Management Clinics -- Legislation tightening the requirements for medical directors and owners of pain management clinics was approved during the 2015 legislative session as the General Assembly continued to address prescription drug abuse in Tennessee. Opioid pain relievers such as oxycodone, hydrocodone, fentanyl and hydromorphone are responsible for three-fourths of all prescription drug overdose deaths according to the Center for Disease Control (CDC). The CDC [reports](#) that Tennessee's overdose death rate of 16.9 per 100,000 population is significantly above the national rate of 12.4 percent.

The legislature has made great strides to crack down on bad operators of pain clinics over the past several years, including requiring state oversight and a monitoring program for

certain prescription drugs. The new law makes changes to current pain clinic certification requirements, including that the medical director or owner must be a licensed physician who holds the required continuing medical education and subspecialty certification in pain medicine. Medical directors must meet the new requirements by July 1, 2017.

[*Senate Bill 1266*](#) / Sponsors: Yager, Briggs, Crowe, Massey, McNally, Bowling / [*Public Chapter 475*](#) / Effective date: July 1, 2015

Addiction Treatment Act of 2015 -- Legislation which aims to save the life of a person seeking medical assistance for a drug overdose has been signed into law. The Addiction Treatment Act of 2015 prevents certain criminal drug charges from being filed against an individual who is seeking emergency medical assistance upon experiencing an illegal drug overdose if it is their first time. The protection also applies to good Samaritans assisting them in seeking medical care. The bill does not prohibit police officers from charging either of these individuals with other crimes based on evidence.

Another section of the bill restricts the prescription of Buprenorphine, a semisynthetic opioid with a variety of formulations like Subutex and Suboxone, to the treatment of opiate dependence in accordance with Federal Drug Administration (FDA)-approved limitations. This action prevents the drugs from being used for pain management, keeping Buprenorphine from being prescribed for indications not approved by the FDA and in amounts that are not within recognized parameters.

In addition, the measure repeals a section of Tennessee law that allows insurers to refuse payment for a patient if they are under the influence of alcohol or illegal drugs.

Finally, the legislation authorizes the Commissioner of Health to make available recommendations for training first responders in the appropriate use of opioid antagonists, specifically naloxone hydrochloride. The recommendations must include a provision concerning the appropriate supply of opioid antagonists to first responders to administer consistent with the requirements of this bill.

The new law was supported by the addiction treatment and recovery community in collaboration with the Tennessee Medical Association.

([*Senate Bill 871*](#) / Sponsors: Dickerson, Yager / Status: [*Public Chapter 396*](#) / Effective date: July 1, 2015)

Prescription Drug Abuse / Top Prescribers in Rural Counties -- A new law passed this year that requires the top ten prescribers of controlled substances in counties having a population of less than 50,000 to submit an explanation to the Department of Health justifying the amounts of controlled substances prescribed. The counties will be combined to determine the top 10 prescribers utilizing the state's Controlled Substance Monitoring Database in the same way it is currently done to identify the top 50 statewide.

Top prescribers must demonstrate that these amounts were medically necessary for the patients treated and that the supervising physician reviewed and approved the prescribing amounts of advanced practice nurses and physician assistants. The bill aims to help

identify potential for abuse outside of the major metropolitan areas where most of the top 50 prescribers are located due to the high volume of patients.

([Senate Bill 1287](#) / Sponsor: Hensley / Status: [Public Chapter 476](#) / Effective date: Upon becoming law on May 18, 2015.)

Opioid Abuse / Intractable Pain Treatment Act -- The General Assembly moved this year to repeal Tennessee's Intractable Pain Treatment Act in an effort to reduce opioid abuse in Tennessee. The legislation was supported by the state's district attorneys and the Tennessee Bureau of Investigation. The Intractable Pain Treatment Act was passed in 2001 and included a "Pain Patient's Bill of Rights" which gave patients a great amount of responsibility to choose opiate medications as a first line of treatment even through other modalities of pain relief exist. Under the law's "Patient Bill of Rights," physicians were required either to provide requested opiate medication or refer to physicians who will.

Since the passage of the 2001 law, Tennessee has experienced multiple negative consequences, including being ranked second in the nation for the rate of opioid pain relievers sold per 10,000 persons. Prescription opioids also rank as the worst abused drug among individuals receiving state-funded treatment services in Tennessee.

([Senate Bill 157](#) / Sponsors: Bowling, McNally, Yager, Watson, Jackson, Bailey, Haile, Kyle / Status: [Public Chapter 26](#) / Effective date: July 1, 2015)

Opioid Abuse Reduction Act – The Senate and the House of Representatives voted this year to authorize a working group to examine the problem of opioid abuse in Tennessee. The working group will primarily focus on persons enrolled in TennCare and the potential impact of abuse-deterrent opioids approved for use by the Federal Drug Administration. The Commissioner of Mental Health and Substance Abuse Services will convene the working group who will look at recent trends and data regarding opioid abuse; the various tools and resources available to providers to address abuse, the direct and indirect costs associated with abuse, the latest products approved by the U.S. Food and Drug Administration as abuse-deterrent opioids; and any other related issues. The working group will submit a report on its finding and recommendations by January 1, 2016.

([Senate Bill 570](#) / Sponsor: Dickerson / Status: [Public Chapter 389](#) / Effective date: Upon becoming law on May 8, 2015)

Children / Parents with Drug Abuse – Parents whose children have been removed from their care due to drug abuse must demonstrate a commitment to responsible parenting before regaining custody under legislation approved by the General Assembly this year. Before the child can be returned the parent must not be the subject of a criminal investigation for at least 90 days, resolve any former and pending investigations by child protective services to the satisfaction of the court, and pass two consecutive drug screens.

([Senate Bill 681](#) / Sponsors: Massey, Bowling / Status: [Public Chapter 236](#) / Effective date: July 1, 2015.)

Dextromethorphan— Legislation passed this year which aims to prevent teenagers from abusing the drug dextromethorphan (DM) (DXM). The new law calls for those selling the product to verify proof of age. Customers under age 18 will be directed to the pharmacist, who can either write a prescription or refuse the sale.

Dextromethorphan is an ingredient found in cough and cold medicines. Although the product is quite safe when taken as recommended, large doses can cause hallucinogenic trips and pose serious risks. According to a [study](#) cited by WebMD, one in 10 American teenagers has abused products with DXM to get high, making it more popular in that age group than cocaine, ecstasy, LSD and meth.

([Senate Bill 45](#) / Sponsor: Haile / Status: [Public Chapter 82](#) / Effective date: January 1, 2016)

Drugs / Synthetic Drugs -- The synthetic cannabinoids quinoliny lindolecarboxylate, naphthoylindazoles, methylindazolecarboxamindobutanoate and naphthaleny lindolecarboxylates have been added to the state's Schedule I controlled substances law under legislation adopted this year. The first violation is a Class D felony, under the bill, with a second being a Class C offense. The General Assembly has passed legislation to ban other chemical compounds used in synthetic drugs; however, unscrupulous chemists manufacturing the drugs continue to modify molecules in the organic compounds to avoid prosecution. The new law aims to keep these illegal drug compounds, which produce a dangerous hallucinogenic effect, out of the hands of Tennesseans.

([Senate Bill 932](#) / Sponsors: Bowling, McNally, Briggs, Status: [Public Chapter 401](#) / Effective date: July 1, 2015)

DUI / Aggravated Vehicular Homicide / Sentencing -- Legislators continued to make progress in addressing drunk driving during the 2015 legislative session with passage of a bill which prohibits the release eligibility for those convicted of vehicular homicide until the offender has served at least 60 percent of their sentence. In addition, sentence reduction credits earned by the offender for good behavior cannot reduce the sentence imposed below 45 percent.

The purpose of the bill is to ensure that those convicted of aggravated vehicular homicide serve more of the sentence imposed upon them. Before the passage of the new law, such an offender was eligible for release after serving only a mere 30 percent of their punishment.

The legislation is named after Ben Woodruff and Mike Locke, both of whom were struck and killed by drunk drivers. The individual who struck Mr. Woodruff with his vehicle had seven prior DUI convictions, and was sentenced to 18 years in prison. However, because state law allowed that sentence to be reduced to 30 percent based on credits and time served, the individual was released after only three years in jail.

According to statistics from the Tennessee Department of Correction, the average sentence received for aggravated vehicular homicide over the last ten years is 19.64

years. However, the average time served for the same crimes over the same period averages only 7.87 years.

([Senate Bill 30](#) / Sponsors: Overbey, Bowling, Stevens, Norris / Status: [Public Chapter 433](#) / Effective date: July 1, 2015, and shall apply to acts committed on or after that date)

DUI / Vehicular Homicide / Transdermal Monitoring -- The State Legislature has approved legislation to require the use of a transdermal monitoring device as a condition of a person's bail agreement if a person is charged with a second or subsequent offense of vehicular assault or vehicular homicide resulting from the driver's intoxication. The new law is designed to address "the worst of the worst" DUI offenders.

Transdermal alcohol monitoring is a technology that can detect the use of alcohol by offenders and report it to authorities. All expenses associated with the person being subject to a transdermal monitoring device as a condition of bail will be paid by the offender under the bill. The judge may waive, modify or affirm an order requiring a person to be subject to transdermal monitoring if there are medical reasons why the person is unable to participate.

([Senate bill 456](#) / Sponsors: Bell, Bowling, Haile / Status: [Public Chapter 490](#) / Effective date: July 1, 2015, and shall apply to all applicable bond orders issued on or after that date)

DUI / Vehicular Assault or Homicide / Penalties -- The Senate and House of Representatives have passed a bill that provides a mandatory minimum sentence for those convicted of vehicular assault or homicide as a result of driving under the influence of alcohol or drugs (DUI). The legislation puts these offenses under the same mandatory minimum requirements for jail time as other DUI-related crimes. The bill comes after circumstances which have occurred in Tennessee where individuals convicted of vehicular homicide or assault served no jail time. This new law ensures that those convicted of vehicular assault or homicide while under the influence will at least serve a range of mandatory minimum sentences from 48 hours in jail if it is a first offense and up to 150 days if the offender has three or more convictions for alcohol-related offenses.

([Senate Bill 1315](#) / Sponsor: McNally / Status: [Public Chapter 125](#) / Effective date: July 1, 2015)

DUI / Serious Bodily Injury / Repeat Offenders -- Legislation increasing penalties against repeat drunk drivers who cause serious bodily injury to a person has been approved this year. The bill creates a new Class C felony offense for aggravated vehicular assault for those with multiple DUI convictions within the last 20 years who have crashed into someone and hurt them badly.

Currently, there are enhanced penalties if the person dies, but if they are injured it is a Class D felony, subject to two years to 12 years imprisonment, loss of driving privileges for one year to five years, and a fine of up to \$5,000. This bill elevates the offense from a D felony to a C felony if a person is seriously injured and the intoxicated driver has a BAC of 0.2 or more and has a prior conviction for driving under the influence or for the habitual motor vehicle offender law; or commits vehicular assault and has two or more

prior convictions for driving under the influence, habitual motor vehicle offender law, vehicular assault, or vehicular homicide.

The penalty for a Class C felony is three years to 15 years imprisonment and a fine of up to \$10,000. This measure requires that a fine of \$5,000 to \$15,000 be imposed on any person who commits aggravated vehicular assault. Additionally, a person who commits aggravated vehicular assault will lose driving privileges for one year to five years.

([Senate Bill 1316](#) / Sponsor: McNally / Status: [Public Chapter 125](#) / Effective date: July 1, 2015)

DUI / Confiscation of Property -- Legislation has received final approval which addresses the issue of confiscation of personal property without due process under Tennessee's DUI statutes. Current law provides that upon being charged with a second DUI violation, the accused offender's property and vehicle may be seized and forfeited. This new law makes it clear that a conviction is required before seizure or forfeiture can occur.

([Senate Bill 986](#) / Sponsor: Norris / Status: [Public Chapter 463](#) / Effective date: Upon becoming law.)

ROADS AND RULES OF THE ROAD

Three of the most significant bills passed during the 2015 legislative session were transportation-related. These include the County Road Relief Act, which will help local governments access needed funds to improve roads; the uninsured motorist's bill, which provides an instant verification system to enforce Tennessee's financial responsibility law; and the Network Company Services Act, which sets up a legislative framework for app-based ridesharing services across Tennessee. The General Assembly also took action on customer-friendly legislation regarding the issuance of driver's licenses by the state.

County Road Relief Act -- Legislation which changes the way Tennessee currently manages its State Aid Road Grant Program to make it easier for counties to access state funds to upgrade, repair and improve roads has been signed into law. Currently, to receive funding through the State Highway Aid System, a 25 percent local match must be made by local governments. The new law allows a county to use state highway aid for a project, as long as the county contributes at least two percent of the approved project cost or provide in-kind work as approved by the Department of Transportation.

The "County Road Relief Act of 2015" is modeled after the "County Bridge Relief Act of 2014," which lowered the match to allow local governments to access unused funds in Tennessee's State Aid Bridge Grant Program. That program has allowed counties to access unused funds to improve bridges which had fallen into disrepair.

([Senate Bill 1005](#) / Sponsors: Yager, Bowling, Bailey, Green, Haile, Massey, Ramsey, Stevens, Tracy / Status: [Public Chapter 195](#) / Effective date: Upon becoming law on April 22, 2015)

Uninsured Motorists -- A major bill establishing an online verification program to help ensure compliance with Tennessee's Financial Responsibility Law was approved by state lawmakers this year. The legislation aims to reduce the state's uninsured motorist rate, which is currently at 23-24 percent. There are approximately 40,000 crashes a year that involve uninsured motorists.

The new law will allow for the enforcement of Tennessee's Financial Responsibility Law with a real-time system of auto liability policy verification to protect the public on Tennessee's roads. Tennessee law requires drivers to have a driver's license, vehicle registration and insurance; however, there is no verification system to track the insurance requirement. The bill requires that a notice procedure be provided to any driver found to be uninsured, allowing them 15 days to provide proof of insurance or exemption. If there is no response, the owner will be sent a second notice stating that they have 30 days to provide proof of insurance. Failure to comply will result in a \$25 coverage failure fee on the first notification and a \$100 fee on the second. The bill also increases the fine for failure to provide proof of insurance from \$100 to \$300, and if a driver fails to provide proof of insurance to an officer, the officer may tow the vehicle as long as the officer's agency has adopted a policy for such procedure.

Forty-six other states have similar auto liability verification systems.

([Senate Bill 648](#) / Sponsors: Ketron, Watson / Status: [Public Chapter 511](#) / Effective date: Upon becoming law on May 20, 2015 for promulgation of rules and contracting to implement the legislation. For all other purposes the act shall take effect January 1, 2016)

Leaving the Scene of an Accident -- The Senate and House of Representatives gave final approval to a bill which strengthens penalties against those who are involved in a car crash and leave the scene of an accident. The bill provides that if he or she flees the scene of an accident that the Department of Safety shall revoke their license if they are not in compliance with the state's Financial Responsibility Law. The suspension is pursuant to an administrative hearing. If the monetary value of the property damage does not exceed \$500, the offense is a Class C misdemeanor and the offender may be ordered to attend driving school. If the monetary value of the property damage exceeds \$500, the offense is a Class C misdemeanor and the offender's driving privileges may be revoked.

([Senate Bill 1181](#) / Sponsor: Crowe / Status: [Public Chapter 523](#) / Effective date: July 1, 2015)

Network Company Services Act -- Legislation which establishes requirements governing application-based Transportation Network Companies (TNC) was approved by the General Assembly on the closing day of the 2015 legislative session. The new law provides statewide rules for TNC ride-hailing services, like those offered by Uber and Lyft. It aims to ensure transparency and safety requirements that protect both the riders and the drivers and requires the TNCs to fully comply in any law enforcement investigation.

The legislation establishes end-to-end insurance coverage for the transportation networks and their drivers with \$1 million liability coverage while a pre-arranged ride is occurring.

This is 10 times what is required under the current taxi system. It also requires a zero tolerance policy for the use of drugs and alcohol and mandates comprehensive background checks on all drivers. In addition, the new law requires a local, state and federal background check and sex offender registry match and motor vehicle history search.

Once enacted, TNCs will be able to continue safely and responsibly to grow jobs and improve accessibility to affordable and reliable transportation to millions of Tennesseans as technology continues to change the face of the 21st century marketplace.

([Senate Bill 907](#) / Sponsors: Watson, Johnson, Bailey, Bowling, Briggs, Dickerson, Stevens / Status: [Public Chapter 520](#) / Effective date: Upon becoming law on May 20, 2015, however, the insurance requirement section does not go into effect until January 1, 2016)

Seat Belt Law – A bill which is designed to boost the number of Tennesseans who wear seat belts has been signed into law. Seat belts reduce serious crash-related injuries and deaths by 50 percent.

Tennessee currently has one of the lowest fines in the country for violating the state's mandatory seat belt law. The new law increases the fine for first-time offenders who are not wearing a seat belt from \$10 to \$25 and from \$20 to \$50 for repeat offenders, which is the same fine imposed for many other traffic violations, while raising the fine from \$20 to \$25 for 16-17 year olds for all offenses.

According to a 2010 NHTSA study, states that increase their fines by \$35 can expect usage to increase by nearly four percentage points and also make people 16 percent more likely to wear seat belts.

The bill was supported by AAA, Tennessee's Chiefs of Police, the Department of Safety and the Governor's Highway Safety office.

([Senate Bill 177](#) / Sponsors: Ketron / Status: [Public Chapter 296](#) / Effective date: January 1, 2016)

Welcome Centers / Highway Fund -- Legislation has passed this year which authorizes the Department of Transportation (TDOT) to establish a sponsorship program that allows a person or entity to sponsor a Tennessee welcome center or rest area. The bill also allows for TDOT to acknowledge that sponsorship. Any funds generated from the legislation will go to the state's highway fund.

([Senate Bill 728](#) / Sponsor: Southerland / Status: [Public Chapter 454](#) / Effective date: July 1, 2015.)

Traffic Enforcement / Speed Cameras -- The Senate and House of Representatives gave final approval to legislation which prohibits speed cameras statewide, except for in marked school zones and on roads with an S-curve. The act applies to traffic enforcement camera contracts entered into or renewed on or after July 1, 2015. Existing contracts can continue until their expiration date.

([Senate Bill 1128](#) / Sponsors: Gardenhire, Harris, Beavers, Niceley, Crowe / Status: [Public Chapter 468](#) / Effective date: July 1, 2015, and applies to contracts entered into or renewed on or after that date.)

Tennessee Drivers Licenses -- Among legislation passed this year to make Tennessee's driver's license process more customer-friendly is a bill that increases the time period a driver's license is valid from five to eight years. The new law will cut the wait time at the state's driver's license centers, as well as provide greater convenience to license holders. The move means the state will issue approximately 900,000 licenses per year, instead of the current level of 1.5 million.

In addition to convenience to the driver, the bill also includes a reduction in the price paid for the privilege of holding a driver's license. Class D, M, and Photo ID license fees will be reduced by around 10 percent each.

([Senate Bill 209](#) / Sponsor: Niceley / Status: [Public Chapter 348](#) / Effective date: January 1, 2016)

Electronic Driver's Licenses -- Another customer-friendly bill approved in the 2015 legislative session allows the Department of Safety and Homeland Security to develop an electronic driver's license system. The system allows citizens to use a mobile application, instead of a physical driver's license, to present evidence of a valid Tennessee driver's license. Under the new law, citizens will not be required to use the electronic driver's license; rather, they would have to have the choice of an electronic, physical or both forms. The states of Iowa, Delaware and Arizona are also moving forward with similar legislation.

([Senate Bill 651](#) / Sponsors: Jackson, Harris, Yarbro / Status: [Public Chapter 509](#) / Effective date: Upon becoming law on May 20, 2015)

Foster Children / Driver's License -- Children in foster care will find it easier to receive their driver's license under legislation approved by the General Assembly. The new law authorizes a foster parent or an authorized representative of the Department of Children's Services (DCS) to sign an application for a driver's license or an instructional permit for an individual under the age of 18. Current law allows parents, step-parents or guardians to sign for their minor child, but foster parents or DCS representative may not do that.

([Senate Bill 1271](#) / Sponsors: Yager, Overbey / Status: [Public Chapter 330](#) / Effective date: Upon becoming law on April 28, 2015)

HEALTH / HEALTH INSURANCE

The Tennessee General Assembly looked for ways to keep healthcare costs for Tennesseans down through the passage of new laws this year which aim to reduce the price of prescription drugs and bring greater access to care for citizens through telehealth services, community health centers and free clinics. Legislation was also passed to provide more transparency regarding the cost of care during the 2015 legislative session.

Some of the highlights regarding healthcare in the 2015-2016 budget include:

- The budget appropriates \$1.5 million for increasing the capacity of community health centers in Tennessee to provide medical care to uninsured adults;
- TennCare will receive additional funding of \$62 million recurring for the pharmacy and MCO programs because of market pressures on the prices for generics and specialty drugs, and increased pharmacy utilization;
- TennCare will also receive an additional \$9 million as a result of an increase in the HMO Tax from 5.5 percent to 6 percent, and \$10.4 million (\$5.2 million recurring and \$5.2 million non-recurring) to restore Mental Health Level 2 funding;
- Using TennCare reserves, the budget restores for one more year the provider rate and pharmacy reduction. The TennCare Reserve balance at June 30, 2016 is expected to be \$282.6 million to ensure patients will continue to receive services in the event of a downturn in the economy; and
- Legislation approved this year continues the Hospital Coverage Assessment. This prevents more than \$1.275 billion in potentially catastrophic TennCare cuts which would have negatively affected hospitals, physicians, patients and enrollees across the state. The assessment is used to draw down federal funds available through a Medicaid match program approved by the Centers for Medicare and Medicaid Services (CMS).

Telehealth Services – State lawmakers passed major legislation this year to protect Tennesseans’ access to cost-effective healthcare by ensuring that telehealth services are readily available and consistently safe. The new law also ensures that practitioners who offer telehealth services in the state will be held to the same high standard of professional practice as any other healthcare provider in a traditional healthcare setting. Telemedicine is the delivery of health care services to patients in remote sites by using electronic information and telecommunications technology to connect providers to patients who need them. It is particularly important to people in rural communities who may have to drive long distances to receive healthcare services.

[*Senate Bill 1223*](#) / Sponsors: Bell, Green, Overbey, Gardenhire, Haile, Stevens, Yager / Status: [*Public Chapter 261*](#) / Effective date: July 1, 2015

Biosimilars / Prescription Drugs – Legislation which aims to reduce healthcare costs for patients using prescription drugs passed during the 2015 legislative session. Coined “biosimilars,” these drugs have the same effectiveness as name-brand drugs but are biologically different. Because they are legally in a different category from chemical pharmaceuticals, they are not covered under the current generic substitution laws; so the law needed to be updated to include them.

The new law provides for the substitution of an interchangeable biological product for the name brand product and addresses the communication required by a pharmacist to the prescriber of what product was dispensed when there is an approved substitute the first time the medicine is dispensed. Allowing for the substitution of FDA approved interchangeable products will significantly decrease the cost to consumers.

[*Senate Bill 984*](#) / Sponsor: Norris / Status: [*Public Chapter 371*](#) / Effective date: Upon becoming law on May 4, 2015)

Healthcare / Veterans -- Legislation designed to better support the healthcare needs of military men and women across the state was approved by the Legislature this year. The new law authorizes healthcare providers who are in the National Guard to provide volunteer clinic services in a Tennessee military armory for veterans in need. This provides healthcare services to veterans and other persons who lack health insurance at a free clinic operated on the site of an armory. Currently, no authorization is in place that allows these military members to provide such care. The new program will be referred to as the Mission Tennessee for Veterans Program.

[*Senate Bill 1016*](#) / Sponsor: Dickerson, Bowling, Norris, Roberts / Status: [*Public Chapter 277*](#) / Effective date: July 1, 2015

Fees / Physician Assistants – The General Assembly approved a bill which aims to ensure that patients seeking care from physician assistants are not penalized by insurance companies through higher co-payment fees. Physician Assistants provide thousands of Tennesseans with access to cost-effective healthcare services. The new law prohibits a health insurance company from charging a higher co-payment fee for services rendered by a physician assistant than that charged for similar services rendered by a physician.

([*Senate Bill 54*](#) / Sponsors: Green, Bell / Status: [*Public Chapter 157*](#) / Effective date: July 1, 2015, and shall apply to all contracts with health insurance entities that are entered into or renewed on or after that date.)

Transparency / Patient Costs / Credentialing -- Legislation protecting healthcare consumers from being penalized unfairly by insurance companies while a physician is being credentialed has been approved by the State Senate and House of Representatives. The new law allows medical providers to hold insurance claims until the credentialing is approved by the insurance company. Credentialing of the healthcare provider is necessary before payment for services is remitted by the insurance company.

The bill ensures that all parties are being compensated by allowing doctors and providers to hold the patient's claim until the credentialing process is approved. The measure addresses delays by an insurance company in credentialing in order to defer payment for as long as possible. Insurance companies often refuse to pay a provider as a network provider until the credentialing process is complete, thus creating a financial penalty for innocent patients. Sometimes payment is denied completely or is made at a non-network reimbursement rate.

The bill requires the health insurance entity or its designee to notify in writing a new provider applicant of the status of a credentialing application no later than five business days of the receipt of application. Physicians who are not yet credentialed, but in the process, can now see patients and hold all claims until the process is complete, ensuring payment is made to the physician by the insurance company at the preferred provider rate, instead of the patient having to pay for the treatment themselves out of pocket at a higher rate.

This legislation helps clarify the rules so all parties, including patients, physicians and insurance companies, know whether the provider is credentialed within the health insurance plan.

[*Senate Bill 284*](#) / Sponsors: Briggs, Green, Bowling, Watson / Status: [*Public Chapter 386*](#) / Effective date: January 1, 2016, and applies to new provider applicant credentialing applications submitted to a health insurance entity on or after that date.)

Physician Referral Services / Steerage -- State lawmakers gave final approval to legislation which gives Tennessee physicians and patients a greater voice in their health care by addressing the practice of “steerage” as it pertains to referral services, like radiological tests. For example, a physician may recommend a test be done by a specific service based on the technological reliability of the equipment or the expertise of the staff. Currently the insurance company or their benefits manager can step in and steer the patient to a specific provider without recognizing the ordering physician’s preferences in order to cut their costs.

The new law states that the ordering physician must be given the opportunity on the front end to indicate a particular preference or referral provider for the service. If the insurance company or benefit manager contacts the patient for steerage, they must inform them that the physician made a specific request. Should the patient decide to change that referral and go to the cheaper provider, then the benefit manager or insurer must notify the referring physician that his or her preference was not followed. The patient must be given disclosure that they have the right to discuss the change with the ordering physician.

The bill prescribes civil penalties for a violation under the Tennessee Unfair Trade Practices Act.

([*Senate Bill 358*](#) / Sponsor: Dickerson / [*Public Chapter 518*](#) / Effective date: July 1, 2015.)

Diabetic Testing Supplies / Sales Tax Exemption -- Legislation exempting diabetic testing supplies from state and local sales taxes was approved unanimously this year. The new law exempts lancets, test strips for blood glucose monitors, visual read test strips, and urine test strips, putting them in line with other sales tax exemptions allowed for medical purposes.

Tennessee ranks among the worst states in the nation for the percentage of people with diabetes. The United State Centers for Disease Control and Prevention estimates there were 589,696 adults in Tennessee in 2012 diagnosed with the disease. Diabetic patients on average incur nearly two and a half times the annual medical expenses of a person without the disease. This legislation will provide sales tax relief to help with the daily cost of supplies needed to monitor and regulate blood glucose levels.

[*Senate Bill 33*](#) / Sponsors: Overbey, Haile, Tate, Crowe / Status: [*Public Chapter 274*](#) / Effective date: July 1, 2015

Right to Try / Experimental Drug Treatment -- The General Assembly has approved major legislation that allows a terminally ill patient that has an advanced illness to try an experimental drug that has completed Phase I of clinical trials but is still pending approval by the Federal Drug Administration (FDA). The new law applies to terminally ill patients who have tried all other treatment options that are currently available as long as their physician has recommended it and the diagnosis and prognosis has been confirmed by a second physician.

Drugs and medical devices undergo three phases of clinical trials before they go to the FDA for review. The process can take more than a decade. Other than clinical trials, which are difficult to qualify for, the FDA has provisions for patients who want to access experimental drugs under its compassionate use program, but that process is also lengthy and time-consuming. The bill also releases the physician and treatment facility from liability for using the drug.

([Senate Bill 811](#) / Sponsors: Hensley, Haile, Stevens / Status: [Public Chapter 376](#) / Effective date: July 1, 2015)

Tennessee Health Freedom – The Senate and House of Representatives have passed a resolution requesting the state’s Attorney General (AG) file a lawsuit against the federal government on behalf of Tennesseans who could be fined by the federal government for not having adequate health insurance coverage under the Affordable Care Act. In 2011, the General Assembly passed the Tennessee Health Freedom Act which declares that, consistent with the U.S. Constitution, it is public policy that Tennesseans be free to choose or to decline to choose any mode of securing health care services without penalty or threat of penalty. That legislation also called on the AG to take whatever appropriate legal action necessary in accordance with that policy.

([Senate Joint Resolution 91](#) / Sponsors: Beavers, Bowling / Signed by the Governor on April 30, 2015)

Cannabis Oil / Children with Intractable Seizures -- Lawmakers approved key legislation this year which aims to help children with life-threatening seizures by decriminalizing the possession of cannabis oil which can be used to treat them. The new law requires that the oil must have less than .9% tetrahydrocannabinol (THC), the “high” causing agent in marijuana.

Cannabis oil, which is typically suspended in coconut or olive oil, is a derivative of marijuana that does not produce euphoric effects. It has shown great promise in treating children who suffer from severe intractable seizures, including Dravet Syndrome, a rare and catastrophic form of epilepsy. Parents testifying before the committee said children with this condition can suffer up several hundred seizures each day and that the oil can have a dramatic effect in reducing them. One-third of children with epilepsy do not respond to traditional medication. In order to use the drug in Tennessee, the patient must have a diagnosis from a Tennessee physician for intractable seizures or epilepsy. The oil must also be properly labeled by the manufacturer in the issuing state.

([Senate Bill 280](#) / Sponsors: Massey, Niceley, Kyle, Bowling, Gardenhire, Tate, Yarbrow / Status: [Public Chapter 352](#) / Effective date: Upon becoming law on May 4, 2015)

Mabry Kate Webb Act / Lysosomal Storage Disorders / Newborn Screening -- The 2015 legislative session saw passage of a bill that will enhance newborn screening, including tests for all lysosomal storage disorders. Lysosomal storage disorder includes but is not limited to: Krabbe, Fabry, Gaucher, Pompe, Hurler Syndrome and Niemann-Pick.

The new law is named the Mabry Kate Webb Act, for a Knoxville infant who died of Krabbe disease at 11 months old. Although there is no cure for the disease, stem cell transplants from umbilical cord blood have shown success in babies treated before the symptoms start.

The new law sets up a process with the Department of Health to look at ways to enhance newborn screenings, including lysosomal storage disorders, through development of reliable tests. The process can move forward upon development if they are deemed reliable. The tests will be reviewed and approved by the Department of Health's Genetics Advisory Committee.

The 2015-2016 state budget provided funds to help the department implement provisions of the act that will hopefully save lives in the future through additional newborn screening tests.

([Senate Bill 44](#) / Sponsors: Massey, Bowling, Briggs / Status: [Public Chapter 436](#) / Effective date: Upon becoming law on May 18, 2015)

Youth Athletes / Sudden Cardiac Arrest -- State lawmakers passed legislation this year to help raise awareness and prevent occurrences of Sudden Cardiac Arrest (SCA) in student athletes. SCA is the leading cause of death in student athletes both in youth, high school and collegiate sports. Episodes often occur because coaches are not trained to recognize the symptoms. The new law creates the "Sudden Cardiac Arrest Prevention Act" for the purpose of educating coaches, school administrators, youth athletes and their parents about the nature, risk and symptoms of SCA.

The bill was brought to the Senate by a high school student who has a heart abnormality. Symptoms of SCA include fainting or seizures during exercise, unexplained shortness of breath, chest pains, dizziness, racing heart rate or fatigue. One-third of those who die experienced one of the warning signs of SCA. From 2007 to 2013, there were five student athlete deaths in Tennessee due to the disease but health experts believe the numbers are underestimated since the report relied only on media articles for the count.

([Senate Bill 985](#) / Sponsors: Norris, Massey, Briggs, Crowe, Tate, Yager / Status: [Public Chapter 325](#) / Effective date: January 1, 2016)

Tobacco Vapor Products/Youth—Legislation designed to prevent the use of tobacco vapor products by youth in Tennessee was approved by the full House and Senate. "Vaping," or smoking electronic cigarettes, has become increasingly popular among

teens. According to a study by the Centers for Disease Control (CDC) and Prevention, 29 percent of high school students report using vaping products. The CDC reports that vaping doubles the odds that the user will advance to smoking traditional cigarettes. Vaping products can contain varying levels of harmful substances, some of which can be harmful to brain development for youth.

The new law defines vapor products to include all merchandise used for purposes of vaping liquid nicotine and adds them to the state's Prevention of Youth Access to Tobacco Act, which requires that a purchaser be 18 years or older. The bill renames Tennessee's law the "Prevention of Youth Access to Tobacco and Vapor Products Act." The legislation also mirrors other tobacco restrictions in Tennessee law and requires individual bottles of vaping liquid be sold in a container with a child-resistant cap.

The legislation also requests the Department of Agriculture look at other options to decrease the access to vapor products by those under the age of 18 and directs the Department of Health when developing smoking prevention programs that they look at using a broad range of science when looking at alternatives to smoking.

([Senate Bill 411](#) / Sponsors: Overbey, Massey / Status: [Public Chapter 353](#) / Effective date: Section 13 takes effect on January 1, 2016 with all other remaining sections effective on July 1, 2015)

Med Spas -- The General Assembly has approved a measure which establishes a medical spa registry to be maintained by the Board of Medical Examiners in consultation with the Board of Osteopathic Examination. A medical spa is any business that offers or performs cosmetic medical services. The new law provides customers and patients with transparency and important safety information about the spa. The online registry must include, at a minimum, the name and physical address of the medical spa, the name of the medical doctor and certification information regarding the medical director or supervising physician.

([Senate Bill 613](#) / Sponsors: Hensley, Briggs / Status: [Public Chapter 494](#) / For the purposes of promulgating rules and requiring information to be provided to boards, this act shall take effect upon becoming a law on May 20, 2015. For all other purposes, it is effective January 1, 2016)

Pharmacy Drug Disposal Program – Lawmakers gave final approval to legislation authorizing any licensed pharmacy in this state to participate in a drug disposal program to collect and destroy unwanted or unused prescription drugs. Safe disposal programs help prevent unused drugs from getting into the hands of children who could ingest them or adults who could abuse them. It also helps remove them in a way that is environmentally friendly. The legislation exempts any participating pharmacy's liability regarding theft, robbery, or other criminal activity in regards to a pharmacy's participation in a disposal program.

([Senate Bill 409](#) / Sponsors: Overbey, McNally, Yarbro / Status: [Public Chapter 40](#) / Effective date: Upon becoming law on March 27, 2015 for promulgation of rules, otherwise, it is effective on July 1, 2015)

SECOND AMENDMENT RIGHTS

The first session of the 109th General Assembly included action to protect the Second Amendment rights of law-abiding citizens. The bills passed this year also adhere to Tennessee's constitution which states "the citizens of this State have a right to keep and bear arms."

Second Amendment Rights / Parks – A new law adopted this year gives a law-abiding Tennessean with a handgun carry permit the right to carry a firearm into a city, county and/or municipal park. Current law allows a municipality or county to prohibit the possession of handguns, and therefore one's right to self-defense, while within a public park, natural area, historic park, nature trail, campground, forest, greenway, waterway or other similar public place in which they operate. The new statute removes that prohibition. According to the Tennessee Bureau of Investigation, there were 3 murders, 7 kidnappings, 19 forcible rapes, 6 forcible sodomies, 205 aggravated assaults, 618 assaults, 74 cases of intimidation, 55 burglaries, 122 robberies, 26 motor vehicle thefts, and 448 drug and narcotic violations in parks in the state in 2013.

([Senate Bill 1171](#) / Sponsors: Stevens, Gresham, Ketron / Status: [Public Chapter 250](#) / Effective date: Upon becoming law on April 24, 2015.)

Forfeited or Abandoned Firearms – The Senate and House of Representatives approved legislation which aims to clean up current law by providing a more succinct process for the sale, trade or disposal of confiscated, forfeited or seized firearms. The new law improves the process to return any lost or stolen firearms to their rightful owners as long as they are legally able to acquire the firearm according to state and federal law. The bill allows a law enforcement agency to petition a court for a firearm to be disposed of, sold in a public sale, used in legitimate law enforcement purposes or destroyed, and allows departments in which that weapon has been deemed to be used for legitimate law enforcement purposes to enter into an exchange with the licensed firearms dealer for other firearms, ammunition or body armor suitable for use by the agency.

([Senate Bill 1103](#) / Sponsors: Overbey, Stevens, Yager / Status: [Public Chapter 408](#) / Effective date: Upon becoming law on May 8, 2015 for promulgation of rules. For all other purposes, it is effective July 1, 2015 and provisions requiring the sale or destruction of weapons shall apply to weapons obtained on or after July 1, 2015.)

Enforcement of Federal Laws with State Resources -- Legislation has been signed into law which prohibits public funds or public resources in Tennessee from being allocated towards enforcement of federal laws if that results in a violation of any other Tennessee law, the Tennessee Constitution or Tennessee Common Law. The new law helps to ensure there is no participation on the part of the state if the federal government acts to confiscate firearms in Tennessee.

([Senate Bill 1110](#) / Sponsors: Briggs, Stevens, Yager / Status: [Public Chapter 380](#) / Effective date: Upon becoming law on April 30, 2015.)

Storage of Weapon / Work -- A bill was approved this year which gives employees legal standing to sue an employer if he or she is fired for the sole reason of having a gun stored

in their vehicle at work. Last year, the legislature passed a law that allowed legal gun permit holders to keep their weapon stored in their vehicle in the employer's parking lot while they are working. This year's legislation prohibits an employer from taking an adverse action against an employee who is a legal gun permit holder, solely for the reason of having their gun stored in their vehicle, if he or she is storing it in accordance to Tennessee law.

The employee will have one year to take action under the bill. The measure also provides that the employee has the burden of proof that the sole reason for termination was the storage of a weapon in their vehicle.

([Senate Bill 1058](#) / Sponsors: Green, Bowling, Jackson, Stevens / Status: [Public Chapter 80](#) / Effective date: July 1, 2015.)

Lifetime Handgun Carry Permits -- The General Assembly voted to create a lifetime handgun carry permit during the 2015 legislative session. The new law continues the present permit process, but gives citizens the option to pay a \$500 fee for a permit to carry any handgun that the holder legally owns or possesses without expiration. Like the regular handgun carry permit, the lifetime permit applies unless the holder no longer satisfies the requirements as set by Tennessee law. Criminal history background checks for lifetime permit holders will be conducted every five years under the bill in the same manner as required for permit renewals.

([Senate Bill 700](#) / Sponsors: Niceley, Bailey, Bowling, Roberts, Stevens / Status: [Public Chapter 281](#) / Effective date: July 1, 2015.)

Right of Privacy / Schools -- A bill which prohibits schools from requiring students, parents or employees to provide information on firearm ownership has passed. In addition, the bill prohibits adverse disciplinary or employment action based on information of firearm ownership that is voluntarily provided.

([Senate Bill 633](#) / Sponsors: Bailey, Bowling, Haile / Status: [Public Chapter 214](#) / Effective date: Upon becoming law on April 20, 2015)

Exploding Targets -- State lawmakers voted this year to permit the use of exploding targets in lawful sporting activities as solely intended by the commercial manufacturer, if the person is 18 years of age or older. The bill exempts the use of such materials from the Tennessee Blasting Standards Act of 1975.

([Senate Bill 874](#) / Sponsor: Niceley / Status: [Public Chapter 397](#) / Effective date: Upon becoming law on May 8, 2015)

Self Defense / Large Game -- A new law was passed this year that allows for the killing or injuring of wild animals if it is done in self-defense. The measure requires that the killing of big game, which includes deer, bear, wild turkey and all species of large mammals, must be reported to the Tennessee Wildlife Resources Agency within 24 hours.

([Senate Bill 205](#) / Sponsors: Niceley, Bowling / Status: [Public Chapter 173](#) / Effective date: July 1, 2015.)

SENIOR CITIZENS

Senior citizens were the focus of several bills that were approved by the General Assembly this year. The legislature took action to increase the exemption level for those who are eligible for Hall Tax relief, shored up the state's property tax relief program for seniors and veterans to ensure it is sustainable in the future, adopted a measure to curb elder abuse, and passed legislation to encourage volunteers to help transport seniors to the doctor, pharmacy, or grocery store when they have no other source of transportation. Meanwhile, the state budget provided the final phase-out of Tennessee's inheritance tax.

Hall Income Tax Exemption – The Hall Income Tax exemption level was raised for citizens over the age of 65 to allow more senior citizens to qualify tax relief under legislation passed this year. The Hall Income Tax levies six percent on earnings from stocks and bonds, with 3/8 of the revenue going to cities and counties.

The use of investment savings has grown tremendously as a primary source of retirement income since the Hall Tax was enacted in 1929. This bill raises the exemption level so more seniors can qualify for tax relief as the General Assembly continues to make progress in providing Hall Tax relief to Tennessee citizens.

The legislature voted to raise the level which allows more senior citizens to be exempt in 2011 and 2013, with current income exemption levels at \$33,000 per individual and \$59,000 per couple. Under the new law, the annual Hall Income Tax standard income exemption for taxpayers 65 years of age or older will be \$37,000 for single filers and \$68,000 for joint filer taxpayers beginning in January 2016.

Of the individuals who pay the tax, almost half are age 65 and older. The increase in the income exemption will make the state more competitive in attracting retirees.

([Senate Bill 32](#) / Sponsors: Overbey, Haile, McNally, Bell, Bailey, Beavers, Bowling, Briggs, Crowe, Dickerson, Gardenhire, Gresham, Harper, Harris, Hensley, Jackson, Johnson, Kelsey, Ketron, Kyle, Massey, Niceley, Norris, Roberts, Southerland, Stevens, Tate, Tracy, Watson, Yager, Yarbrow, Ramsey / Status: [Public Chapter 434](#) / Effective date: Upon becoming law on May 18, 2015 but applies to tax years beginning January 1, 2015)

Inheritance Tax / Final Phase-out -- The newly adopted state budget included funds for the final step in phasing out Tennessee's inheritance tax which is due to expire in 2016. State lawmakers began to phase out the tax, which is also called the "death tax," under [legislation](#) adopted in 2012.

Many retirees cited the death tax as a key reason for them relocating outside Tennessee before passage of the law. There was also great concern that the inheritance tax placed a heavy financial burden on family farms and family businesses.

Previously, Tennessee had a higher inheritance tax when compared to its neighbors and was one of only two states that had both an inheritance and a gift tax.

([Senate Bill 1399](#) / Sponsors: Norris, McNally / Status: [Public Chapter 427](#) / Effective Date: July 1, 2015, provided that any provision of this act which authorizes prior or immediate expenditures and any section or item which specifies an immediate effective date shall take effect upon becoming a law)

Shoring up the Property Tax Relief Program for Seniors, Disabled and Veterans – Lawmakers worked this year with the State Comptroller and veterans’ organizations to shore up Tennessee’s program which provides property tax relief to enrollees who are elderly or disabled and veterans with service-related disabilities or their spouses. The program has grown significantly over the past several years, particularly in the number of new veteran enrollees. In the past, there has been uncertainty when rebates for enrollees exceeded funds provided for the program. Due to shortages, rebates were provided on a “first come-first serve” basis until recently when it was pro-rated.

The General Assembly added \$7 million to the state budget this year to help meet the growing needs of the program. At the same time, the new law provides certainty and a floor for the level of state funding which, in turn, can allow local governments to fill any gaps. Without the increased funds or new legislation, the enrollees in the program would have taken a 30 percent cut in their rebates and could have possibly faced greater reductions in the future.

The legislation prescribes that beginning in 2015, the first portion of home value for which tax relief will be reimbursed to the elderly low income and disabled home owners will be reduced from \$25,000 to \$23,000. The first portion of home value for which tax relief will be reimbursed to disabled veteran homeowners will be reduced from \$175,000 to \$100,000. The legislation caps the income eligibility for the disabled veteran home owner tax relief program at \$60,000 for new enrollees who have not received a tax reimbursement prior to the 2015 tax year. Lawmakers hope that in future years the limits can be increased after the program is stabilized.

([Senate Bill 1336](#) / Sponsors: McNally, Crowe, Gresham / Status: [Public Chapter 481](#) / Effective date: Upon becoming law on May 18, 2015)

Good Samaritan Law / Senior Citizens -- Legislation which encourages good Samaritans to volunteer to transport senior citizens to places such as doctor appointments, the grocery store or the pharmacy has received final legislative approval. The Protection of Volunteer-Insured Drivers of the Elderly (PROVIDE) Act helps non-profit Human Resource Agencies and charitable organizations by giving transportation volunteers civil immunity as they seek to provide these citizens the help they need to remain independent.

Tennessee law protects drivers who are volunteering with a government agency, but not through a charitable organization or human service agency. This new law extends volunteer driver protection to any person volunteering through a charitable organization or human service agency as long as the volunteer driver does not commit gross

negligence or willful and wanton misconduct and the sponsoring organization maintains liability insurance with limits at least equal to the limits set forth in the Governmental Tort Liability Act.

According to the U.S. Census Bureau, more than 14 percent of Tennesseans are 65 years of age or older, and the national average is 13.7 percent. Tennessee's number is expected to grow to more than 22 percent by 2020.

([Senate Bill 117](#) /Sponsors: Norris, Yager, Bowling, Ketron / Status: [Public Chapter 430](#) / Effective date: July 1, 2015)

Elder Abuse – State legislators passed legislation which gives law enforcement agencies and the Department of Human Services authority, during the course of an elder abuse investigation, to require medical examination of the person if the agency is not sure whether the elderly person is in imminent danger.

Under current law, a law enforcement agency is not listed as being able to seek an order for an elderly person who is in imminent danger or lacks capacity to consent, to be examined by a physician, or a psychologist in consultation with the physician, or psychiatrist under certain circumstances. The new law allows law enforcement agencies as well as the Department of Human Services to seek such an order.

([Senate Bill 457](#) / Sponsor: Bell / Status: [Public Chapter 387](#) / Effective date: July 1, 2015)

Aging Caregivers / DIDD – Key legislation requiring the Department of Intellectual and Developmental Disabilities to enroll all eligible people on the waiting list with a custodial parent or caregiver age 80 and over passed this year. Approximately 6,200 people are on the DIDD waiting list, with over 130 individuals who are being cared for by family members age 80 and over. These aging caregivers are often facing their own health challenges in addition to the emotional and physical stress of providing care for a loved one with an intellectual disability.

Under the current system, individuals do not receive waiver supports until they are in “crisis” which includes incapacity or death of their primary caregiver, homelessness or being a danger to themselves or others. This means that the individual with the intellectual disability can be faced with the loss of a family member, moving to a strange place, and being supported by strangers at the same time.

It is hoped that providing these individuals with some basic support prior to a “crisis” may reduce overall costs, as well as help them adjust to being supported by people other than their primary caregiver. It also provides aging caregivers who are facing their own healthcare challenges with the peace of mind that their child or family member will be cared for after they pass away.

([Senate Bill 17](#) / Sponsors: Ketron, Haile, Overbey, Tate, Watson, Crowe, Dickerson, Harper, Kyle, Massey, Norris, Tracy, Yager, Yarbrow / Status: [Public Chapter 430](#) / Effective date: July 1, 2015)

Homebelt Program – A new law was approved in the 2015 legislative session which adds an unmarried spouse as a surviving joint tenant so he or she can continue in the Homebelt program after the death of their husband or wife. The Homebelt program affects residential property that is zoned commercially and occupied by an owner or their lineal descendants for a period of 25 years at least nine months of each calendar year. The maximum land size is five acres. Without the program, residents would face large increases in assessments as a result of zoning changes from residential to commercial.

([Senate Bill 1173](#) / Sponsors: Ketron, Yager / Status: [Public Chapter 471](#) / Effective date: Upon becoming law and applies to tax years beginning on or after January 1, 2015)

VETERANS / MILITARY

Legislators worked diligently this year to pass bills that aid Tennessee veterans and their families. From education assistance to extension of veteran's courts, lawmakers have vowed to keep fighting to ensure Tennessee military men and women are taken care of.

Veterans / Access, Choice and Accountability Act (*Repeat / Also see Education Issues*) – Final approval was given to legislation updating the state's laws pursuant to the Veterans Access, Choice and Accountability Act of 2014. The new law adds spouses and dependent children as parties eligible for in-state tuition rates. Since a veteran can assign their benefits to a spouse or children, they would also qualify for these tuition and fee rates. It would also shift the period of eligibility after discharge for in-state tuition rates from two years to three years. In addition, it requires the Tennessee Higher Education Commission (THEC) to convene the University of Tennessee (UT) and Tennessee Board of Regents systems to review processes related to awarding academic credit to veterans. This is known as "PLA" or "prior learning assessment" and ensures that veteran students receive as much academic credit as possible for training or skills obtained during their service.

([Senate Bill 976](#) / Sponsors: Norris, Briggs, Crowe, Green, Gresham, Yarbrow, Bailey, Beavers, Bell, Bowling, Dickerson, Gardenhire, Haile, Harper, Harris, Hensley, Jackson, Johnson, Kelsey, Ketron, Kyle, Massey, McNally, Niceley, Overbey, Roberts, Southerland, Stevens, Tate, Tracy, Watson, Yager, Ramsey / Status: [Public Chapter 219](#) / Effective date: Upon becoming law on April 20, 2015.)

Veterans Treatment Courts -- State lawmakers voted this year to provide the state's first sustainable support for both the establishment and maintenance of Tennessee's Veterans Treatment Court programs. The Criminal Justice Veterans Compensation Act of 2015 (CJVA) increases the assessment fee charged to convicted DUI offenders to expand a successful Veteran's Treatment Court pilot program that has operated in Davidson, Shelby and Montgomery Counties. Tennessee's Veterans Courts are the first in the nation to have such support. The program has given service members in Tennessee the option of pursuing treatment and recovery programs rather than incarceration.

Drug Courts around the state have also designated efforts and assistance to the military men and women seeking services to aid in their return to civilian society. Services

provided include but are not limited to group therapy, job coaching, mentoring by fellow veterans, and specialized treatment of Post-Traumatic Stress Disorder and the substance abuse frequently used by sufferers to self-medicate. The Veterans Courts are operated through the Tennessee Judicial System as a trial court with special emphasis on access to therapy and support services in a necessary partnership with mental health.

([Senate Bill 711](#) / Sponsors: Green, Briggs, Gardenhire, Gresham, Bailey, Bowling, Jackson / Status: [Public Chapter 453](#) / Effective date: July 1, 2015.)

Veterans / Military Drivers – The full Senate and House of Representatives have approved a bill that gives non-resident veterans the same authorization as veterans who are Tennessee residents to use their experience as a military truck driver to receive a commercial driver's license (CDL). The new law allows experienced military drivers to waive the state's CDL skills test requirement upon providing proof of a military license for the class of vehicle for which they are seeking licensure. This would apply as long as their driving record shows no accidents or citations over the past two years.

([Senate Bill 368](#) / Sponsors: Green, Crowe, McNally / Status: [Public Chapter 309](#) / Effective date: Upon becoming law on April 28, 2015.)

Veterans / Charitable Gaming (Repeat / Also see Constitutional Issues) -- Final approval was given to legislation to allow 501 (c) (19) veterans organizations to raise funds for charitable purposes. Action taken on the measure is the final step in ensuring that Amendment 4 to the State Constitution, which won approval by voters in November, is enacted. The amendment gives veterans groups the same opportunity as 501 (c) (3) organizations to conduct an annual fundraising event like duck races, cake walks, raffles, and other games of chance. Amendment 4 received 69.6 percent of the vote, outpacing all other constitutional amendments on the ballot. Any funds raised by the games under the amendment must go to purposes that benefit the community, veterans, or retired veterans.

([Senate Bill 325](#) / Sponsors: Crowe, Yager, Green / Status: [Public Chapter 134](#) / Effective date: Upon becoming law on April 14, 2015.)

Healthcare / Veterans (Repeat / Also see Health Issues) -- Legislation designed to better support the healthcare needs of military men and women across the state was approved by the legislature in 2015. The new law authorizes healthcare providers who are in the National Guard to provide volunteer clinic services in a Tennessee military armory for veterans in need. This provides healthcare services to veterans and other persons who lack health insurance at a free clinic operated on the site of an armory. Currently, no authorization is in place that allows these military members to provide such care. The new program will be referred to as the Mission Tennessee for Veterans Program.

[Senate Bill 1016](#) / Sponsors: Dickerson, Bowling, Norris, Roberts / Status: [Public Chapter 277](#) / Effective date: July 1, 2015

Veterans / Immigrants / Police Officers -- Police agencies can hire a permanent legal resident of the United States who is an honorably discharged veteran under a bill

approved by legislators this year. The law applies as long as he or she applies to become a citizen of the United States.

([Senate Bill 1012](#) / Sponsors: Dickerson, Briggs, Gardenhire, Harris, Massey, Yarbrow / Status: [Public Chapter 498](#) / Effective date: Upon becoming law on May 20, 2015)

HOPE Scholarships / Military Children (Repeat / Also see Education Issues) -- Legislation was approved this year that specifies that dependent children of members of the Armed Forces and the Tennessee National Guard whose home of record is Tennessee must qualify as in-state students for purposes of the HOPE Scholarship. This measure closes a loophole so that children who move due to their parent's deployment or reassignment will not be penalized and charged out-of-state tuition in Tennessee's colleges and universities.

([Senate Bill 461](#) / Sponsors: Bell, Green, Bowling, Tracy, Watson / Status: [Public Chapter 491](#) / Effective date: Upon becoming law on May 20, 2015 but shall apply to students seeking financial assistance for the 2015-2016 academic year and thereafter)

Resolution Opposes Troop Reduction at Fort Campbell -- The Tennessee Senate and House of Representatives adopted a resolution which was signed by Governor Bill Haslam on April 8, 2015 to oppose any measure that would reduce current troop levels at Fort Campbell. The resolution comes after a recent U.S. Army Environmental Command report showed that a reduction of 140,000 troops, plus associated civilian reductions, would be needed in order to achieve the savings required by the Budget Control Act if sequester cuts to the defense budget are reinstated. That action would affect approximately 7,000 troops at Fort Campbell, representing a 22 percent reduction, with a possible decrease of more than 15,000 active duty troops by 2020.

([Senate Joint Resolution 23](#) / Sponsors: Green, Bailey, Roberts / Status: Signed by the Governor on April 8, 2015.)

★★ OTHER

Achieving a Better Life Experience Program -- The General Assembly acted in 2015 to approve a bill establishing a "Achieving a Better Life Experience," or the "ABLE" program in accordance with federal legislation that was passed this past December. The new law authorizes the State Treasurer to establish the ABLE program to offer tax advantage investment plans consistent with the law for disabled individuals to pay for expenses including but not limited to education, housing, transportation, employment, employment training and support, assisted technology, personal support services, and funeral and burial expenses.

The purpose of this legislation is to encourage and assist individuals and families to save private funds to support individuals with disabilities. The private funds saved through the ABLE program supplements benefits provided through private insurance and medical benefits, supplemental social security income, the accounts beneficiary income as well as other sources to help these citizens with essential needs of life.

([Senate Bill 1162](#) / Sponsors: Massey, Dickerson, Yager, Norris / Status: [Public Chapter 470](#) / Effective date: Upon becoming law for promulgating rules and for all other purposes on July 1, 2015.)

Drones – A new law passed this year prohibits the use of a drone at an open-air ticketed event where more than 100 people are gathered without the venue owner and operator’s consent. The new law prevents an amateur drone enthusiast from flying an unmanned aircraft over events, like a Titans game, while it is in progress. The legislation also prevents a drone from flying within or over a fireworks display without consent of the owner or within the grounds of a correctional facility.

([Senate Bill 509](#) / Sponsor: Johnson / Status: [Public Chapter 240](#) / Effective date: July 1, 2015)

Study of Homestead Exemption – The General Assembly approved legislation that requires the Tennessee Advisory Commission on Intergovernmental Relations (TACIR) to study the state’s current homestead exemption amounts to determine whether the exemptions should be increased to accurately reflect the cost of living. The measure calls for TACIR to deliver a written report on the matter to the members of the General Assembly by January 1, 2016. The legislation also calls for the report to detail the various categories of homestead exemptions and compare each category to exemptions permitted in other states.

([Senate Bill 1000](#) / Sponsor: Niceley / Status: [Public Chapter 326](#) / Effective date: Upon becoming law on April 28, 2015.)

Beer Permits / Lawful Residents -- Legislation passed the General Assembly in 2015 which requires a beer permit holder to be a lawful resident of the United States for not less than one year immediately preceding the date upon which the application was made. The new law helps to ensure that counties can do the appropriate background check of the applicant before issuing a beer permit.

([Senate Bill 185](#) / Sponsor: Tracy / Status: [Public Chapter 29](#) / Effective date: July 1, 2015.)

First Responders / Hepatitis C -- Legislation was approved expanding the presumption statute currently in state law to include Hepatitis C as being presumed to have been acquired in the line of duty in all cases involving emergency rescue workers. Currently that burden is on the first responder to prove they got the disease on the job.

([Senate Bill 20](#) / Sponsors: Ketron, Massey, Green, Briggs, Haile, Harper, Yager, Dickerson / Status: [Public Chapter 289](#) / Effective date: July 1, 2015.)

Resolution Condemning Anti-Semitism Movements – State lawmakers voted to approve a resolution which condemns the Boycott, Divestment and Sanctions (BDS) movement and increasing incidents of anti-Semitism. In 1996, Gov. Don Sundquist signed the Tennessee-Israel Cooperation Agreement with the State of Israel, resulting in business, government, art, cultural, educational and university activities that strengthened the historic ties between Tennessee and Israel.

The resolution states, “The elected representatives of Tennessee recognize the importance of expressing their unabridged support for the Jewish people and the State of Israel’s right to exist and right of self-defense.” The resolution says the General Assembly considers the BDS movement, which seeks to undermine the Jewish people’s right to self-determination, unethical and damaging to the causes of peace, justice, equality, democracy and human rights for all peoples in the Middle East. Leaders of the BDS movement have stated their goal is to eliminate Israel as the home of the Jewish people and delegitimize the State of Israel.

([*Senate Joint Resolution 170*](#) / Sponsors: Gresham, McNally, Ketron, Hensley, Harper, Stevens, Beavers, Bell, Bowling, Briggs, Crowe, Green, Johnson, Norris, Roberts, Southerland, Tracy, Yager, Bailey, Haile, Harris, Kyle / Status: Signed by Governor on April 24, 2015.)

Class I Carnivores – Lawmakers voted this year to require any person that obtains a Class I carnivore to have a microchip permanently implanted in the animal within six months of obtaining it. The new law will help track the animal if it escapes. Class I carnivores includes lions, tigers and bears.

([*Senate Bill 1273*](#) / Sponsor: Yager / Status: [*Public Chapter 331*](#) / Effective date: July 1, 2015.)

Buzzards / Destruction of Property – The State Legislature has approved a bill that prohibits state wildlife officials from participating in any federal enforcement or investigation into the killing of black vultures (or buzzards) which are protected under federal law. The measure also aims to raise awareness about the problem buzzards pose to farmers and property owners in Tennessee, especially in the face of the high fines imposed by the federal government for killing them. Lawmakers heard testimony about vultures in the state killing newborn animals, including calves, sheep and goats. One calf can cost a farmer up to \$1,000. This is in addition to mass destruction of personal property. Although Tennessee law does not prohibit the killing of buzzards, those who kill one can face federal penalties of up to 6 months in jail and \$15,000 in fines, as well as the loss of their weapon and vehicle.

([*Senate Bill 204*](#) / Sponsors: Niceley, Bowling / Status: [*Public Chapter 228*](#) / Effective date: Upon becoming law on April 21, 2015.)

Tennessee Athletic Commission – A new law that streamlines and modernizes the Tennessee Athletic Commission has been signed into law. The legislation eliminates obsolete provisions in the Tennessee Athletic Commission Act without changing the commission’s core purpose of overseeing professional boxing and mixed martial arts sporting events in Tennessee. Prior to 2015, the commission was financially insolvent and was in wind down, as it was scheduled to be terminated. The new legislation extends the wind down period for an additional year to June 30, 2016.

Current commission members must vacate the commission by Jan. 1, 2016 and five new members will be appointed for new terms. The commission will no longer employ a director to oversee the commission’s daily operation. Instead, the commission will now be attached to Tennessee Department of Commerce and Insurance’s Division of

Regulatory Boards and the division's director (or his designee) will have supervisory authority.

Any funds collected by the commission must be carried forward to cover future commission expenses. No monies from the General Fund can be used to cover commission expenses. Promoters must cover procedures such as participants' physical examinations and blood tests as well as the costs of referees, a ringside physician, a neurologist and an ambulance.

([Senate Bill 212](#) / Sponsors: Bell, Tate / Status: [Public Chapter 351](#) / Effective date: Sections 1 and 2 are effective upon becoming law on May 4, 2015 with all other provisions effective on January 1, 2016.)

Clergy Sermons / Abuse of Power -- Legislation has been signed into law which prohibits any government entity, other than a court, from seeking a subpoena for obtaining a clergy member's sermon, including notes made in preparation of a sermon. The bill follows action by a Houston, Texas mayor in October 2014 to subpoena all of the sermons and sermon notes on homosexuality and gender issues from pastors within that city's jurisdiction in an effort to silence opposition against a referendum that she was pushing.

([Senate Bill 1221](#) / Sponsors: Bell, Gardenhire, Bowling / Status: [Public Chapter 472](#) / Effective date: Upon becoming law on May 18, 2015.)

Welfare Benefits / Abuse -- The General Assembly has approved a new law which restricts the use of electronic benefit transfer (EBT) cards by Temporary Assistance for Needy Families (TANF) recipients at licensed retail stores that derive their largest category of sales from tobacco and smoking accessories. The new law requires the Department of Human Services to notify all TANF recipients of the prohibition and the penalties under current law for using an EBT card in any prohibited business location.

([Senate Bill 786](#) / Sponsor: Beavers, Roberts / Status: [Public Chapter 392](#) / Effective date: July 1, 2016.)

Adoption -- Legislation was approved this year which reduces the number of days a birth mother has to revoke the surrender of a child for adoption. Currently, a person is granted ten days after the surrender of a child for adoption, which is one of the highest waiting periods in the nation. The new law reduces this time to three days to help alleviate this emotional period for the mother and for the adoptive parents.

([Senate Bill 440](#) / Sponsor: Haile / Status: [Public Chapter 113](#) / Effective date: Upon becoming law on April 10, 2015.)

Similarly, a new law was passed requiring the inclusion of adoption as a positive choice within the family life curriculum for grades 7-12.

Both bills work together to try and make Tennessee a friendlier state for adoption.

([Senate Bill 46](#) / Sponsor: Haile, Kelsey, Bowling / [Public Chapter 83](#) / Effective date: Upon becoming law on 4-20-15.)

Sinkholes / Disclosure to Buyers -- A bill was approved this year requiring residential real property sellers to disclose a known sinkhole in writing on the residential property disclosure to potential buyers.

([*Senate Bill 796*](#) / Sponsor: *Green* / Status: [*Public Chapter 262*](#) / Effective date: *July 1, 2015, and shall apply to any contract entered into on or after that date.*)

State Employees / State Legislators / Health Insurance Benefits -- The General Assembly adopted legislation during the 2015 session which provides Tennessee's State Insurance Committees with tools for health care cost management that other larger employers have regarding benefits. The measure addresses the state's significant OPEB (Other Post-Employment Benefits) liability and continued health care costs to maintain a sustainable and market-competitive total compensation plan.

Credit rating agencies have stated that they will consider the OPEB funding status in their evaluations of a government's financial condition. It is possible that bond ratings may suffer for those governments with large and/or mounting liabilities and no plan to pay for these future costs. In the future, the state's retiree health liability obligation will be reported as an actual liability on the CAFR (Comprehensive Annual Financial Report), or the state's balance sheet.

In addition, the state will pay a 40 percent excise tax in 2018 for premiums that exceed federal thresholds on all plans that the state administers as a result of the Affordable Care Act (Obamacare) unless changes are made.

Key provisions of the legislation include:

- Eliminates post-retirement health insurance for legislators and governors elected after July 1, 2015;
- Eliminates retiree health eligibility for new hires after July 1, 2015 while grandfathering in existing employees and retirees;
- Preserves one basic option with the 80 percent state subsidy but permits the Insurance Committee to have other options;
- Permits, but does not require, the Insurance Committee to offer a defined contribution plan in addition to the existing defined benefit for retirees;
- Permits, but does not mandate, the Insurance Committee to require spouses with other employer-sponsored group insurance to take that coverage (child dependents can still stay on the state plan and all existing employees are grandfathered);
- Eliminates special care-out eligibility for part-time employees with 24 months state service at 1,450 hours per year, while grandfathering in current employees in this category (about 100 employees);
- Permits the establishment of an OPEB Trust Fund with oversight by Treasury trustees;
- Establishes administration and oversight of the defined contribution plan by the Treasury, should the Insurance Committee set up such a plan; and

- Requires that the benefit established by the Committee adhere to a policy adopted by the Council on Pensions and Insurance.

[Senate Bill 607](#) / Sponsor: Norris / Status: [Public Chapter 426](#) / Effective Date: Upon becoming law on May 18, 2015 (See description above as it applies to hires after July 1, 2015)