



## ***A FINAL REPORT ON THE 2016 LEGISLATIVE SESSION OF THE 109<sup>TH</sup> GENERAL ASSEMBLY***

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**NASHVILLE**, (May 25, 2016) -- The 109th General Assembly adjourned on April 22, 2016 to become a part of Tennessee history with passage of major legislation to reduce crime, cut tax burdens, spur job growth, accelerate the state's success in K-12 education, boost the number of college graduates, curb drug abuse and curtail drunk driving. State lawmakers also passed significant legislation to ease traffic congestion, reduce child abuse, aid farmers, increase access to healthcare and medication, increase voter participation and provide a safer environment for the elderly.

Following, please find a copy of some of the highlights of this year's legislative action.

### **Budget**

The 2016-2017 budget, which totals \$34.9 billion, makes the largest investment in K-12 education without a tax increase in Tennessee's history. It also builds up state reserves, puts Tennessee on the path to catch up on long-deferred maintenance of buildings, reinvests in the state workforce and focuses one-time dollars on reducing the state's ongoing costs.

The budget continues the collaborative efforts between the Governor Bill Haslam and the General Assembly to grow Tennessee's economy, reduce ongoing costs, provide high quality service to taxpayers and maintain the fiscal discipline that has positioned Tennessee to invest in its priorities. Tennessee has the lowest debt per capita of any state, incurs no transportation debt and has a pension plan which is among the best funded in the nation.

The new 2016-2017 budget continues this sound fiscal practice. It includes no new debt and all capital projects are funded with cash at \$354.9 million. It also increases the state's Rainy Day Fund, which acts as the state's saving account to weather future downturns in the economy, by \$100 million. The Rainy Day Fund balance will be \$668 million by June 30, 2017 and TennCare reserves are expected to be at \$187.8 million.

The budget reduces the Hall Income Tax from six percent to five percent, with anticipation of at least a one percent reduction each year until total elimination by January 1, 2022. It also provides for property tax relief by increasing the value level for low-income elderly Tennesseans and removes the income qualifier for 100 percent disabled veterans. It also improves the process for estimating franchise and excise taxes, giving greater flexibility to taxpayers and lowering the penalty for underpayment from five to two percent.

In K-12 education, the budget provides an additional \$261 million for Tennessee's public schools. This includes fully funding the state's Basic Education Program (BEP) and providing additional recurring money for instructional technology and infrastructure improvements. It also increases the state share of teachers' health insurance by funding the 12<sup>th</sup> month. The state funded 11 months of the insurance before passage of the legislation.

In higher education, the budget increases funding by \$72.2 million and appropriates total funding at \$4.4 billion. It includes \$13.2 million additional funding for need-based student financial aid. It also provides capital outlay projects totaling \$219.8 million and capital maintenance totaling \$74.9 million.

The budget establishes a Drive to 55 Program Capacity Fund for higher education at \$24.3 million. The Drive to 55 Program is the state's effort to increase the number of Tennesseans with a postsecondary credential to 55 percent by 2025. Similarly, it provides additional funding of \$10 million for the expansion of the Labor Education Alignment Program (LEAP). LEAP plays an important role in the effort to graduate more students with post-secondary degrees by working proactively with education and industry to identify and then fill skills gaps across the state.

On the jobs front, the budget provides \$70.9 million in new funds for the state's Economic and Community Development (ECD) Fast Track Program to recruit and retain industries, plus \$30 million in capital improvement. It also includes \$10 million for ECD's rural development initiatives to bring new and better paying jobs to economically distressed counties.

[Senate Bill 2653](#) (Appropriations) by Norris, McNally, Watson, Overbey, Gardenhire / Status: [Public Chapter 758](#) / Effective Date: July 1, 2015; [Senate Bill 2654](#) (Procedures) Norris, McNally, Watson, Gardenhire / Status: [Public Chapter 1059](#) / Effective Date: Upon becoming law on April 28, 2016; and [Senate Bill 2655](#) (Bond) by Norris, McNally, Watson, Gardenhire / Status: [Public Chapter 1060](#) / Effective Date: Upon becoming law on April 28, 2016

## **Public Safety / Department of Safety**

Public Safety headlined legislative action in the second session of the 109<sup>th</sup> General Assembly as lawmakers approved a major bill to reduce crime and provide for more efficient and effective sentencing.

**Budget** -- Highlights of the 2016-2017 budget includes providing \$1.2 million to the Department for 12 new Highway Patrol officers, plus an additional \$4.1 million for salary adjustments for its commissioned officers. The new budget also ensures troopers will receive 100 percent of their salary survey funding and provides \$1 million for communications systems improvements in the Department of Safety. The largest

public safety expenditure, however, is \$20 million to help keep communities safe and prisons secure. Approximately \$18 million will be used to implement the “Public Safety Act,” which will help to reduce the state’s recidivism rate and more efficiently sentence violent offenders

**Public Safety Act** -- The Public Safety Act addresses the most serious offenses driving Tennessee’s violent crime rate by establishing mandatory minimum sentences for those convicted of three or more charges of aggravated burglary, especially aggravated burglary or drug trafficking. It sets the mandatory minimum period of incarceration to 85 percent for third and subsequent convictions for aggravated burglary, especially aggravated burglary, and Class A, B, and C felonies for the sale, manufacture, and distribution of controlled substances. The legislation also changes the felony thresholds for property theft for a Class A misdemeanor from the \$500 to \$1,000, Class E felony from \$500-\$1,000 to a range of \$1,000-\$2,500 and a Class D felony from \$1,000-10,000 to a range of \$2,500-\$10,000.

On domestic violence, the legislation will allow a law enforcement officer to seek an order of protection on behalf of a domestic abuse victim. If a law enforcement officer makes an arrest for a crime involving domestic abuse, then an automatic order of protection will be issued under the new law when there is probable cause to believe that the alleged assailant used or attempted to use deadly force against a domestic violence victim. A hearing should be held within 15 days of the automatic order of protection being issued.

The new statute provides that a third and subsequent domestic violence conviction becomes a Class E felony. Third and subsequent domestic violence convictions were previously a misdemeanor. This change maintains the current minimum 90-day sentence for a domestic violence conviction.

Although Tennessee is ranked among the most dangerous states for domestic violence, as a result of the passage of tougher laws, domestic violence offenses are down 13 percent in the state since 2010.

In addition, the measure retools community supervision to reduce the number of people returning to prison for probation and parole violations when their noncompliance does not rise to the level of a new criminal offense. The move is expected to save the state \$80 million. Of the 12,588 people entering state prison last year, 5,061, or 40 percent, were probationers or parolees sent to prison because they violated supervision conditions. This legislation authorizes the department to utilize a robust, structured matrix of both sanctions and incentives to facilitate compliance with the conditions of supervision by the more than 71,000 state probationers and parolees.

The legislation originated from Governor Bill Haslam’s Task Force on Sentencing and Recidivism.

*[Senate Bill 2567](#) by Norris, Kelsey, Overbey, Jackson, Massey, Stevens / Status: [Public Chapter 906](#) / Effective Date: For purposes of rulemaking it is effective upon becoming law on April 27, 2016, but for all other purposes it takes effect on January 1, 2017*



***DUI / Carjacking*** – The General Assembly made major inroads in addressing drunk driving in Tennessee this year, including passage of legislation strengthening penalties for multiple DUI offenders and carjackers. The new law elevates a DUI offense for those convicted six or more times from a Class E felony to a Class C felony. The move more than doubles the amount of time served with a Class E felony averaging 1.29 years in jail, whereas Class C felons spend about 3.22 years behind bars.

The measure also requires prior convictions for alcohol-related vehicle offenses, including those committed out-of-state, to be counted as prior convictions, regardless of when they were committed. In addition, the new law requires any person convicted of carjacking to serve 75 percent of the sentence imposed by the court, less any earned and retained sentence credits.

Under previous law, offenders convicted of carjacking could serve as little as 30 percent of their sentence before being released on parole. The Tennessee Department of Corrections estimates the average person convicted of carjacking served less than five years in prison.

Finally, the measure reduces the simple possession or casual exchange of marijuana to a misdemeanor rather than a felony. Simple possession is when someone has an illegal substance and they don't possess it for delivery or sale. Previously, three or more convictions for simple possession constituted a Class E felony.

[\*Senate Bill 1572\*](#) by McNally, Bowling, Dickerson, Stevens, Tate, Haile / Status: [\*Public Chapter 876\*](#) / Effective Date: July 1, 2016

***DUI / Multiple Offenders / Sharing of Records*** -- Another major law passed this year addresses multiple drunk driving offenders by requiring a criminal history background search upon arrest to determine prior arrests for DUI vehicular assault, vehicular homicide and aggravated vehicular homicide. The legislation specifies that, “after the officer arrests a person for one of these offenses, but prior to the termination of bail for the arrest offense by the judge or magistrate, the arresting officer or the officer's agency shall exercise due diligence in determining the offender's prior arrests for and violation of these DUI offenses.”

The legislation stems from a tragic crash in Mississippi involving the deaths of two Shelby County students by a driver who carried five convictions for first offense DUI and was out on bond for his sixth DUI. Records revealed three counties and one municipality in Mississippi failed to inform the Mississippi Department of Public Safety about the convictions so it could be put into the NCIC database. The NCIC database is accessible by law enforcement officers in their squad cars to check the criminal background of arrestees.

[\*Senate Bill 2576\*](#) by Norris / Status: [\*Public Chapter 1075\*](#) / Effective Date: July 1, 2016

***Fingerprints*** – Similarly, a bill was approved which calls for timely transmission of fingerprints taken for vehicular impairment offenses. The new law requires that, when fingerprints are taken for these offenses, they must be sent within five business days if by mail or two business days if done electronically. The new law further requires that, when a person is convicted of a vehicular impairment offense, the final court order must be sent to the Tennessee Bureau of Investigation (TBI) by the court clerk within seven

business days if by mail or up to five business days if electronically for entry into the National Crime Information Center (NCIC).

[\*Senate Bill 2577\*](#) by Norris, Kelsey, Gardenhire, Hensley, Kyle, Overbey, Tate / Status: [\*Public Chapter 718\*](#) / Effective Date: July 1, 2016 and applies to all arrests and convictions for a vehicular impairment offense occurring on or after that date

***Vehicular Homicide*** -- This year the General Assembly passed legislation prohibiting anyone convicted of, or who pleads guilty to, vehicular homicide by intoxication from being eligible for parole. This is a part of the continued effort by the state to make Tennessee's drunk driving laws tougher and more appropriate. The new law requires anyone who took a life while operating a motor vehicle under the influence of drugs or alcohol, to serve the full sentence given to them by the judge.

[\*Senate Bill 35\*](#) by Overbey, Bowling, Gardenhire / Status: [\*Public Chapter 1021\*](#) / Effective Date: January 1, 2017

***DUI / Ignition Interlock Devices*** – Another key measure passed this year to crack down on drunk drivers requires a judge to order an ignition interlock device for all convicted DUI offenders unless the judge provides a finding of fact for not ordering the device.

Although Tennessee has mandated the use of ignition interlock devices, there has only been a 15 to 20 percent compliance rate with the law because judges were required to provide a reason why the device should be placed on a DUI offender's vehicle. This legislation flips that requirement by providing that a judge must state findings of fact on why an interlock device should not be installed on the offender's vehicle.

Under the new statute, offenders must have the ignition interlock devices in their car and operating for 365 consecutive days or for the entire time their license is revoked, whichever is longer. To ensure compliance, the legislation establishes penalties for the unauthorized tampering or removal of the interlock device. If the device is removed during the 365-day period, the offender must start over until it is served consecutively.

Similarly, if there has been any tampering with the device in the last 120 days of the sentence, the legislation provides that the period for which the interlock system is required will be extended by another 120 days.

[\*Senate Bill 2065\*](#) by Stevens, Bailey, Bowling / Status: [\*Public Chapter 888\*](#) / Effective Date: For the purpose of the department preparing forms it becomes effective upon becoming law on April 27, 2016, but for all other purposes it takes effect on July 1, 2016

***Interlock Assistance*** -- A bill passed through the State Legislature this year authorizes the use of the state's Interlock Assistance Fund for transdermal monitoring devices or other alternative alcohol or drug monitoring devices when a court determines that an offender is unable to pay for it. The new law caps the assistance to \$200 per month for each device. The legislation also changes the name of the fund to the DUI Monitoring Fund.

[Senate Bill 2399](#) by Overbey, Bell, Haile, Stevens, Bailey, Bowling, Jackson / Status: [Public Chapter 993](#) / Effective Date: July 1, 2016

**Transdermal Monitoring** -- Similarly, state lawmakers approved a new law which gives judges the discretion to order monitoring for first time DUI offenders. The monitoring can include a transdermal monitoring device, electronic monitoring with random alcohol and drug testing, GPS monitoring or any device a judge believes necessary to ensure that the offender complies with probation conditions and a clinical assessment, if applicable. This legislation simply ensures that a judge has the discretion to order the most appropriate monitoring device given not all offenses are due to alcohol.

[Senate Bill 1582](#) by Overbey, Bell, Haile, Bowling / Status: [Public Chapter 653](#) / Effective Date: July 1, 2016

**DUI Memorial Signing Program** -- The legislature approved a law this year to create a Driving Under the Influence (DUI) memorial signing program. The “Tyler Head Law,” upon request, erects and maintains memorial signs on the state highway system commemorating residents of Tennessee who died as a result of a DUI related accident. No sign will be erected for a victim who, at the time of the accident, was driving under the influence or committing a felony or other criminal offense other than a traffic violation. There is an average of 70-80 of these fatalities in the state annually. The bill came to the legislature from a mother whose son was killed by an impaired driver in Clarksville on his way to class at Austin Peay State University.

There are currently 14 states that have this program in honor and memory of innocent citizens that are killed yearly by drunk and/or impaired drivers.

[Senate Bill 1730](#) by Roberts, Yarbro / Status: [Public Chapter 1039](#) / Effective Date: July 1, 2016

**DUI / Disclosure** -- Legislation requiring law enforcement agencies in the state to have a procedure describing when personnel may disclose to the public the use of drugs or alcohol by a driver as a contributing factor in a motor vehicle accident passed during the 2016 legislative session. Under the new law, the policy must include a requirement that the law enforcement agency make a good faith effort to notify the immediate family of those involved in the motor vehicle accident of the presence of drugs or alcohol as a contributing factor before such information may be made available to the public.

[Senate Bill 1729](#) by Roberts / Status: [Public Chapter 756](#) / Effective Date: July 1, 2016 and shall apply to motor vehicle accidents occurring on or after that date

## **Abortion**

**Fetal Remains Act** -- Legislation which addresses concerns raised last year regarding the selling of human fetal tissue passed during the second session of the 109<sup>th</sup> General Assembly. The “Fetal Remains Act,” seeks to stop the possibility of abortion clinics selling fetal remains by properly equipping the Tennessee Department of Health to be able to identify this practice.



The bill comes after the Joint Government Operations Committee held a hearing last summer to look at enforcement of Tennessee's law banning the sale of tissue or organs from an aborted fetus. Following the meeting, Governor Haslam charged the Tennessee Department of Health (TDH) with conducting a comprehensive review of abortion regulations and inspection requirements related to the disposition of an aborted fetus to identify ways to strengthen the regulatory framework surrounding facilities that perform abortions. A number of administrative changes were implemented immediately to help address the issue, but legislation was also needed to strengthen accountability and transparency for surgery centers performing abortions.

This new law requires increased reporting of the disposition of fetal remains, prohibits reimbursement of any costs associated with shipping an aborted fetus or fetal remains and establishes a mandatory interim assessment process for an ambulatory surgical treatment center performing more than 50 abortions annually. At present, any abortion performed in Tennessee must be reported to the Tennessee Department of Health (TDH) within 10 days of the procedure. This measure adds the requirement that, for a surgical abortion, physicians must also report the method of disposition of the fetal remains and, in the event the remains were transferred to a third party, the name and address of the third party and date of transfer. For facilities performing 50 or more surgical abortions per year, these facilities must maintain a record of such reports and produce the reports to TDH during inspections under the legislation.

In addition to the current ban on the sale or purchase of fetal tissue, this new statute adds language to make clear that reimbursement for any costs associated with the preparation, preservation, transfer, shipping or handling of an aborted fetus or fetal tissue is also a Class E felony. It requires the mother's authorization for disposition of the fetus that results from a surgical abortion to be included as part of the informed consent process prior to the procedure.

Finally, the new statute requires that any facility performing more than 50 surgical abortions per year must perform interim assessments of their compliance with the Board of Licensing Health Care Facilities on specified measures. Facilities with deficiencies will develop an acceptable plan of correction. These assessments will provide for a more robust on-site inspection by TDH and help foster a continuous culture of compliance.

*[Senate Bill 2568](#) by Norris, Roberts, Stevens, Bell, Bowling, Gresham, Bailey, Beavers, Haile, Hensley, Jackson / Status: [Public Chapter 1003](#) / Effective Date: Upon becoming law on April 27, 2016*

***Abortion / Consent*** -- State lawmakers approved legislation that clarifies that consent is required of a woman in order for medical experiments or research to be done on her aborted fetus. The legislation requires written consent from a mother, rather than just oral permission, before any person, agency, corporation, partnership, or association engages in medical experiments, research or takes photographs upon an aborted fetus.

*[Senate Bill 2240](#) by Hensley / Status: [Public Chapter 986](#) / Effective Date: July 1, 2016*

## Human Sex Trafficking

Legislation was approved this year that builds on the General Assembly's ongoing efforts to attack the problem of human trafficking. The General Assembly has approved a series of bills over the past five 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 in 2014 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.

**Budget** -- Among this year's initiatives to address the problem is inclusion in the budget of \$1 million for additional forensic technical service agents in the Tennessee Bureau of Investigations to help analyze and process cellular data confiscated in the course of investigating crimes including sex trafficking.

**Human Sex Trafficking / Penalties** – State lawmakers approved a new law this year which increases penalties for traffickers who promote another person for prostitution. The offense is punishable as a Class E felony and requires the offender to register as a sex offender. The measure clarifies that the offense of promoting prostitution only applies when a person promotes or procures another person for prostitution so victims are not unduly punished. The purpose is for the penalties to apply to true traffickers and not potential victims who are forced to promote themselves.

The legislation also adds certain administrators and officers in the juvenile court system, the Tennessee Judicial Conference, the Tennessee General Sessions Judge Conference and the Clerks of Court Conference to this list of those who receive training from the Tennessee Bureau of Investigation (TBI) on human sex trafficking. Last year, the General Assembly provided funds for four additional special agents to implement a program to ensure that law enforcement, first responders and caseworkers had the training to identify, investigate and prosecute cases of human trafficking.

In addition, the new law adds a definition of "caregiver" in the state's Department of Children's Services (DCS) code section to include those who may also be a trafficker. Adding this definition will allow DCS to provide services to minor victims of sex trafficking and commercial sexual exploitation. This is to ensure that safe placements can be made for the victims and the number of victims in Tennessee can be tracked.

The bill was brought to the legislature by the TBI after consulting with the Tennessee Human Sex Trafficking Advisory Council regarding improvements that could be made to help deter human trafficking and assist victims of the crime. Representatives from the DCS, the Administrative Office of the Courts, the Sheriff's Association, the Public Defender's Conference and several non-profits also contributed to the drafting of the legislation.

[Senate Bill 2121](#) by Overbey, Kelsey, Crowe, Massey, Yager / Status: [Public Chapter 979](#) / Effective Date: July 1, 2016

**Human Trafficking / Prosecution** – Human trafficking was also the subject of legislation passed this year which clarifies that it is not a defense to prosecution under Tennessee law that the intended victim was actually a law enforcement officer. Law enforcement agencies across the state use undercover



officers posing as victims in order to effectively prosecute those who engaged in human sex trafficking. The legislation also clarifies that it is not a defense to prosecution that the human trafficking victim is a minor who has consented.

A minor in Tennessee does not have the legal capacity to consent to sex with an adult and this measure explicitly removes this defense in human sex trafficking cases.

*[Senate Bill 2000](#) by Ketron, Overbey, Bowling, Kelsey, Roberts / Status: [Public Chapter 634](#) / Effective Date: Upon becoming law on March 23, 2016*

## ☼ **Child Abuse / Sex Crimes / Domestic Violence**

***Child Sex Abuse / Statute of Limitations*** – The 2016 legislative session included passage of substantial legislation aimed at helping victims of child sexual abuse, child abuse, rape and domestic violence. This includes a new law to extend the statute of limitations for child sexual abuse from one to seven years from the date the child reaches age 18. The legislation aligns Tennessee’s criminal law regarding the time limit for starting criminal proceedings with the state’s civil statute which defines the period in which a lawsuit must be filed to initiate a civil action in court. The new law seeks to ensure fairness to victims, the survivors of child sexual abuse, due to the length of recovery from trauma taking years, not months, which current law implies.

*[Senate Bill 2484](#) by Massey, Yarbro / Status: [Public Chapter 737](#) / Effective Date: Upon becoming law on April 7, 2016*

***Rape of a Child*** – A law passed this year which adds aggravated rape of a child and rape of a child as offenses for which aggravated sexual battery is a lesser included offense. A lesser included offense shares some, but not all, of the elements of a greater criminal offense. Therefore, the greater offense cannot be committed without also committing the lesser offense.

This legislation affords victims of child rape the same level of protection, with respect to available lesser included offenses, as is given to adult rape victims.

*[Senate Bill 1459](#) by Bailey, Stevens / Status: [Public Chapter 671](#) / Effective Date: July 1, 2016*

***Statute of Limitations / Aggravated Statutory Rape*** -- State Senators and Representatives have approved legislation that extends the statute of limitations for aggravated statutory rape to 15 years after the victim turns 18 years of age.

*[Senate Bill 1841](#) by Gardenhire/ Status: [Public Chapter 958](#) / Effective Date: July 1, 2016*

***Statutory Rape by an Authority Figure*** -- A new law which increases the penalty for statutory rape by an authority figure has been passed. The legislation increases the crime from a Class C felony to a Class B felony if the victim is 13 to 18 years of age and if there is more than a four year age difference.

*[Senate Bill 2611](#) by Norris / Status: [Public Chapter 1086](#) / Effective Date: July 1, 2016*

***Sexual Contact by an Authority Figure*** -- A bill to expand the requirements for the offense of sexual contact by an authority figure was approved during the 2016 legislative session. Under previous law, it was a Class A misdemeanor for a figure in a position of trust or supervision to engage in unlawful sexual contact with a person between the ages of 13 and 18 if they were at least four years older than the minor. A perpetrator could not be tried under this statute if the minor is younger than 13 years of age. The legislation closes that loophole and expands the offense to cover all minors.

[\*Senate Bill 1682\*](#) by Bowling, Gresham / Status: [\*Public Chapter 1038\*](#) / Effective Date: July 1, 2016

***Sex Offenders / Unlawful Photographing*** -- Legislation was approved this year to add those who unlawfully photograph a person for sexual gratification to the Tennessee Bureau of Investigation's (TBI) Sex Offender Registry. The measure allows a judge to require, at their discretion, the defendant in a misdemeanor unlawful photographing in violation of privacy case to register as a sexual offender for up to ten years. This is in addition to the punishment already provided for the offense and requires that the judge take into account the facts and circumstances surrounding the offense when deciding upon the punishment.

[\*Senate Bill 1663\*](#) by Tracy, Bowling / Status: [\*Public Chapter 941\*](#) / Effective Date: July 1, 2016

***Severe Child Abuse / Statute of Limitations*** -- Legislation passed this year which extends the statutes of limitations for some of the more severe cases of child abuse. The law extends the statute of limitations to 10 years after the child reaches 18 years of age for aggravated child abuse, child neglect and endangerment.

[\*Senate Bill 1447\*](#) by Green, Norris / Status: [\*Public Chapter 1032\*](#) / Effective Date: July 1, 2016

***Child Abuse / Medical Intervention*** -- State lawmakers gave approval to legislation that gives equal protection to all Tennessee children from abuse, neglect and endangerment by repealing the state's religious exemption defense. The new law repeals a provision of the code where a guardian who refused medical or surgical treatment for a minor under religious grounds could not be charged with the crime of child abuse, neglect or endangerment. The previous statutory exemption was for only one denomination. This new statute comes after the preventable deaths of children who were denied medical intervention by their parents.

[\*Senate Bill 1761\*](#) by Briggs / Status: [\*Public Chapter 951\*](#) / Effective Date: July 1, 2016

***Sexual Assault / Stalking Victims*** -- The General Assembly approved legislation to help provide victims of sexual assault and/or stalking with opportunities for housing relief. Under the previous statute, petitioners could be granted possession of residence or be provided other housing options, but victims of sexual assault and/or stalking were specifically excluded. This new law will allow judges to be more consistent in permitting protective allowances for victims of sexual assault and stalking as with those of similar crimes.

[\*Senate Bill 2343\*](#) by Dickerson / Status: [\*Public Chapter 865\*](#) / Effective Date: upon becoming law on April 19, 2016

***Domestic Assault / Child Abuse / Statute of Limitations*** -- The Legislature voted to add child abuse, neglect and endangerment, as well as domestic assault, to the list of offenses in Tennessee for which pretrial diversion is not permitted during the 2016 legislative session. These crimes involve perpetrators who are in positions of authority over the victims in the vast majority of cases. Pretrial diversion is the process in which the prosecutor halts the case against a defendant if he or she meets certain conditions like probation, counseling and community service, among others.

[\*Senate Bill 1564\*](#) by Yager, Massey / Status: [\*Public Chapter 586\*](#) / Effective Date: July 1, 2016

***Orders of Protection*** – Legislation passed the full Senate and House of Representatives this year which seeks to improve communication between the Tennessee Bureau of Investigation (TBI) and the court system when a Court Order for Protection (COP) is ordered. Previously, the jurisdiction that orders the COP had to file it with the National Crime Information Center (NCIC). If the person with the COP against them attempts to buy a firearm, the NCIC immediately notifies the TBI. This bill requires the TBI to notify the jurisdiction who ordered the COP within 24 hours, making sure this important information is dispersed in a timely manner.

[\*Senate Bill 1921\*](#) by Bowling, Harris / Status: [\*Public Chapter 729\*](#) / Effective Date: Upon becoming law on April 7, 2016

## **Drugs / Opiate Abuse**

***Opioid Abuse*** – The General Assembly passed a major bill during the final legislative week to combat prescription drug abuse, adding to other significant legislation that has already passed this year to address the epidemic level problem in Tennessee. The new law calls for pain management clinics to be licensed and inspected by the Department of Health.

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).

In 2015, the Tennessee Department of Health released some very sobering statistics on the impact of substance use in Tennessee, including that the number of Tennesseans who die each year due to drug overdoses increased again in 2014. The total number of overdose deaths rose by nearly 100, from 1,166 in 2013 to a record-setting 1,263 in 2014, meaning more people died from drug overdoses in Tennessee last year than were killed in motor vehicle accidents.

Under the new law, pain management clinics must obtain a license to operate by July 1, 2017, or face a Class A misdemeanor offense for each day of operation. Currently, pain clinics are only required to register with the Health Department which doesn't allow adequate oversight. The legislation prescribes that pain management clinics must be inspected prior to being licensed and at least once every two years thereafter. A key provision of the bill authorizes the Department of Health to conduct unannounced inspections that may include a review of business and medical records when there is reasonable suspicion a clinic is operating as an unlicensed pain management clinic. It also requires, as part of the inspection

process, the pain management clinic to produce evidence that the majority of its patient population is not receiving chronic non-malignant pain treatment.

If the Commissioner of Health believes that the clinic is detrimental to the health, safety or welfare of patients, the commissioner can suspend treatment of any new or existing patients to the clinic pending a prompt hearing. If the deficiency causing the revocation or suspension threatens serious harm to patients of the clinic, the commissioner may appoint a sufficient number of special monitors to observe the operation for a minimum of 20 hours per week.

*[Senate Bill 1466](#) by McNally, Yager, Crowe, Briggs, Bowling, Bailey / Status: [Public Chapter 1033](#) / Effective Date: Upon becoming law on April 28, 2016 for rulemaking purposes, otherwise on July 1, 2017*

***Pain Clinics / Pain Management Specialist*** -- In other action, lawmakers passed legislation this year which ensures that medical directors of pain clinics are highly qualified to deter opioid abuse. The measure provides that a medical provider can qualify for state licensing as a pain management specialist by passing the two-part exam administered by the American Board of Interventional Pain Physicians (ABIPP). The physician must still be certified by the ABIPP. This allows for physicians that have been in practice for some time, an option that does not require a full-time fellowship which takes a year to complete.

Passage of the legislation this year follows a law approved in 2015 tightening the requirements for medical directors and owners of pain management clinics. The 2015 law required the medical director or owner of a pain clinic be a licensed physician who holds the required continuing medical education and subspecialty certification in pain medicine.

*[Senate Bill 2057](#) by Briggs, Haile, Yager / Status: [Public Chapter 829](#) / Effective Date: Upon becoming law on April 21, 2016*

***Opiate Abuse / Substitution-Based Clinics*** -- State lawmakers approved a bill which defines nonresidential substitution-based treatment centers for opiate addiction and places them under the Department of Mental Health and Substance Abuse for licensure. The legislation addresses the problem of misuse of suboxone or buprenorphine, drugs used to treat opiate addiction, which is similar to the use of methadone in the treatment for heroin dependence. Unlike methadone clinics, suboxone clinics are not regulated. Doctors are restricted to serving a certain number of patients; however, some clinics are skirting the law by opening multiple physician offices under the same roof.

This bill attempts to root out these bad actors so opiate abusers do not utilize suboxone to continue their life of addiction. It helps to ensure that these centers are using a multi-disciplinary approach in aiding patients to overcome their addiction and become productive members of society.

*[Senate Bill 829](#) by Yager, McNally, Bowling, Briggs, Dickerson / Status: [Public Chapter 912](#) / Effective Date: Upon becoming law for rulemaking purposes, otherwise it is effective on January 1, 2017*

***Opioid Overdoses*** -- Legislation to expand patient access to lifesaving opioid antagonists was passed this year. The bill requires the Tennessee Department of Health to draft a Collaborative Pharmacy Practice

Agreement where standards and parameters are to be outlined for the dispensing of the medication by pharmacists.

An antagonist is a drug that blocks opioids by attaching to the opioid receptors without activating them. Opioid overdoses can be accidental from a legitimately obtained prescribed medication or as a result of the abuse of prescription opioids or heroin and can result in death if not treated promptly.

According to the Centers for Disease Control and Prevention, 44 people die as a result of prescription opioid overdose every day in the United States. Among people 25 to 64 years old, drug overdose caused more deaths than motor vehicles crashes.

Under the new statute, a pharmacist must complete an opioid antagonist training program approved by the Department of Health within the previous two years to dispense the medication. It also establishes immunity from disciplinary or adverse administrative actions, as well as immunity from civil liability, if dispensed pursuant to a valid statewide collaborative pharmacy practice agreement.

At least 24 other states either have enacted legislation or introduced a bill to give pharmacists some level of authority to dispense opioid antagonists at their discretion.

[\*Senate Bill 2403\*](#) by Overbey, Haile, Yarbrow / Status: [\*Public Chapter 596\*](#) / Effective Date: March 10, 2016

***Prescription Opiates*** -- Legislation was adopted this year to create a reporting system to identify reported opiate drug overdoses. The new law also allows the state to utilize the information to make an intervention “before the overdose becomes an overdose death.” The Centers for Disease Control and Prevention report that for every one overdose death, there are 26 emergency room overdose visits.

[\*Senate Bill 1850\*](#) by Bailey / Status: [\*Public Chapter 959\*](#) / Effective Date: Upon becoming law on April 27, 2016

***Prescription Safety Act*** – Legislation which makes permanent the comprehensive prescription reform set forth in Tennessee’s Prescription Safety Act of 2012 has been approved on final consideration. That law ensured that healthcare professionals tap into the state’s Controlled Substance Monitoring System when prescribing certain scheduled drugs. The Prescription Safety Act of 2012 has resulted in a 14 percent decrease in morphine milligrams dispensed (2012-2015) and a 50 percent decrease in doctor shopping (2011-2015).

The measure is in response to both the Governor’s Prescription for Success, a multi-year strategic plan to curb opiate abuse, and the 2015 comptroller’s audit of the state’s controlled substance monitoring database and prescription safety laws. In both documents, it was determined that while the state is making great strides in combating the prescription drug epidemic gripping the nation, more can be done.

This legislation removes the sunset put in the 2012 public chapter and removes the exemptions from reporting and checking of the controlled substance monitoring database recognized by the comptroller as potential loopholes. Further it increases the state’s ability to partner with federal agencies and other states

to share de-identified information to stop prescription leakage from Tennessee's borders, while still protecting patient records.

This new law makes bold but reasonable strides in cutting back the prescription opioids flooding Tennessee streets, while not overburdening healthcare practitioner's care.

*[Senate Bill 2552](#) by Norris, Yager, Bowling, Massey, Stevens / Status: [Public Chapter 1002](#) / Effective Date: Upon becoming law on April 27, 2016*

**BHO / Shatter** -- Legislation adopted by the General Assembly this year protects innocent victims from being harmed by the manufacture of a new and extremely potent form of marijuana called "butane hash oil" (BHO) or "shatter." The drug is just beginning to appear in Tennessee.

The new law defines the substance and creates a Class E felony for knowingly manufacturing it. The cannabis concentrate in the substance contains 80 to 90 percent tetrahydrocannabinol (THC) and is up to six times stronger than the average marijuana cigarette, which contains between 5 and 18 percent.

Manufacturing the drug is considered extremely dangerous, with some comparing it closely with the production of meth. Colorado experienced as much as 30 explosions in 2014 due to at-home producing of shatter.

*[Senate Bill 1586](#) by Overbey, Beavers, Bowling / Status: [Public Chapter 1014](#) / Effective Date: July 1, 2016*

**Marijuana Oils and Concentrates** -- Legislation was approved during the second session of the 109<sup>th</sup> General Assembly clarifying that marijuana concentrates and oils are defined as marijuana and are under the state's Tennessee Drug Control Act. The previous statute was not current with the recent increase in different and dangerous forms of the drug. This new law works to correct that.

*[Senate Bill 1189](#) by Beavers / Status: [Public Chapter 873](#) / Effective Date: July 1, 2016*

**Pharmacies / Robberies** -- The State Senate passed legislation during the 2016 legislative session tackling the issue of drug abuse and pharmaceutical robberies across the state. Between 2006 and 2010, pharmaceutical robberies rose 81 percent nationally and Tennessee is ranked 5<sup>th</sup> in most cases. This new statute will enhance the sentencing of robbery, aggravated robbery and especially aggravated robbery on the premises of a licensed pharmacy with the intent to obtain controlled substances unlawfully.

The new law comes after a series of robberies, including one in Bean Station in 2013 that resulted in the deaths of a pharmacist and patient and left two clerks severely injured. States with similar laws indicate a massive reduction in these types of robberies.

*[Senate Bill 593](#) by Haile / Status: [Public Chapter 1025](#) / Effective Date: January 1, 2017*

## Crime / Other



**Juvenile Justice / Department** – State lawmakers approved a new law during the 2016 legislative session that creates a task force to study the feasibility of creating a Tennessee Department of Juvenile Justice. The task force will include legislators and members of the public who have experience or interest in children's issues, as well as ex officio members from different state departments. Creating a group to study this issue will allow the state to make the best decision on how to spend the state's money in the most effective way to deter juvenile crime.

[Senate Bill 2586](#) by Norris, Overbey / Status: [Public Chapter 1057](#) / Effective Date: Upon becoming law on April 28, 2016

**Juvenile Justice / Reporting** – The legislature approved a new law requiring the Commissioner of the Department of Children's Services to report information regarding juvenile recidivism and what services are working to rehabilitate these young offenders. It requires the Commissioner of the Department of Children's Services to report to the Governor and Chief Clerks of the Senate and House of Representatives information regarding juvenile probation, custodial information, recidivism and system penetration information and evidence-based services information. The report is due on January 31st of each year for the previous fiscal year.

The legislation gives the department direction in collecting information required under a 2007 law so that adequate data can shed more light how to keep young offenders from moving into a cycle of crime as an adult.

[Senate Bill 2584](#) by Norris, Ketron, Harper / Status: [Public Chapter 1005](#) / Effective Date: July 1, 2016

**Gang Violence** -- The General Assembly approved legislation in 2016 providing clarity to a 2012 law calling for enhanced penalties for crimes committed in association with gang activity. The new law requires an offense be punished one classification higher than the that established by the offense if the defendant was a criminal gang member at the time of the offense and it was committed at the direction of, in association with or for the benefit of the defendant's criminal gang or a member of the criminal gang. If the defendant was a leader or organizer of the criminal gang, then the offense shall be punished two classifications higher.

The Tennessee Court of Criminal Appeals recently ruled the 2012 law was too broad and that in order to meet constitutional standards that the offense committed needed to be related to gang membership in order to be eligible for an increased charge.

[Senate Bill 1558](#) by Norris, Bell, Kelsey, Gardenhire, Green, Jackson, Tate, Watson / Status: [Public Chapter 1034](#) / Effective Date: Upon becoming law on April 28, 2016

**Victim's Rights / Parole Hearings** – The General Assembly voted this year to permit the Board of Probation and Parole to defer a new parole hearing for up to ten years after the Board denies an inmate's parole if the inmate is using the parole hearings process to intimidate and harass the victim. The new law stems from the brutal kidnapping of Laura Dean and Gerald Street in Hawkins County, Tennessee. The victims were taken through multiple counties and Dean was raped before the two were thrown off a bridge. The perpetrators were sentenced to 130 years in prison. Since that time, they have become

eligible for parole and had at least seven parole hearings in a ten-year period, two being only nine months apart. Previously, the Board could not defer further hearings beyond seven years. This legislation allows the Board the discretion to wait ten years before considering whether an inmate is eligible for parole.

*Senate Bill 407* by Overbey, Bowling, Yager, Green / Status: [Public Chapter 870](#) / Effective Date: Upon becoming law on April 27, 2016

**DNA Preservation Act** – State lawmakers adopted the “DNA Preservation Act” during the 2016 legislative session, requiring that biological evidence collected in capital crime cases in Tennessee be properly preserved until the convicted person’s execution or completion of sentence. The legislation recognizes the crucial role DNA evidence plays in convicting criminals of abhorrent acts and upholding justice. At the same time, it recognizes the role it can play in exonerating the innocent from wrongful charges and convictions, while helping find the true perpetrator of the crime.

Deoxyribonucleic acid (DNA) is an essential molecule that is part of every cell in the body. Since 1989, there have been 337 post-conviction DNA exonerations in the United States. Advancements in DNA testing has provided that biological samples such as skin, saliva, semen, blood or hair at a crime scene can help convict or exonerate with great accuracy. In order to assure accuracy, the biological evidence must be preserved and kept from contamination. In death penalty cases, it is often 20 to 30 years before the sentence is carried out.

*Senate Bill 2342* by Dickerson, Bell, Harris, Yarbrow / Status: [Public Chapter 988](#) / Effective Date: Upon becoming law on April 27, 2016

**Autopsies** – A new law was passed this year to give district attorneys the authority to petition a circuit or criminal court to order a body disinterred and an autopsy performed. The measure also clarifies where the petition may be filed. Previous law stated that a local or state medical examiner must request that the district attorney initiate the process and only in cases where an autopsy was never performed. With technological advancements in DNA evidence and current issues with jurisdictional restrictions, the old statute became detrimental to solving cold cases. The Attorney General Conference supports the new law.

*Senate Bill 1585* by Overbey, Bowling / Status: [Public Chapter 799](#) / Effective Date: July 1, 2016

**Evading Arrest / Penalties** -- Legislation passed this year which sets tougher penalties for evading arrest. The new law makes it a Class E felony with a minimum confinement of not less than 30 days for evading arrest, unless the evasion creates a risk of death or injury to innocent bystanders, law enforcement officers or third parties. In those cases, the crime is a Class D felony with a minimum time of not less than 60 days in jail. The legislation was brought to the legislature by law enforcement authorities in counties which border other states where it is more likely that a person being pursued will cross state lines to evade arrest.

*Senate Bill 1966* by Tracy / Status: [Public Chapter 633](#) / Effective Date: July 1, 2016

**E-Verify / Lawful Employment** - Legislation which puts more teeth in Tennessee's E-Verify law to ensure that new hires are in the state legally was approved during the 2016 legislative session. The new law targets bad actors who find it more advantageous to pay a one-time \$500 fine for hiring illegal aliens than to follow Tennessee's Lawful Employment Act passed in 2011.

Recent reports have shown the system is working, but there is still room for improvements particularly in dealing with bad actors who would rather pay a fine than follow the law. All Tennessee employers with six or more employees must keep a copy of an employee's or new hire's driver's license or listed identity/employment authorization documents showing that he or she is in the U.S. legally. This legislation makes it mandatory for a company with 50 or more employees to use the E-Verify system beginning January 1, 2017.

E-Verify is an Internet-based system operated by the Department of Homeland Security in partnership with the Social Security Administration that allows participating employers to electronically verify the employment eligibility of newly hired employees by entering their name and a social security number. It is free to employers in all 50 states, including Tennessee. The E-Verify system has a 97 percent accuracy rate.

The new statute also strengthens penalties for companies who are knowingly discarding the E-Verify system. It creates an additional \$500 civil penalty per day if the employer fails to use E-Verify or provide an affidavit of undue hardship.

In addition, the legislation shortens the number of days that an employer has to remedy a non-compliance finding after receipt of an initial order for violation of the state's E-Verify requirements from 60 to 45.

*[Senate Bill 1965](#) by Tracy, Roberts, Stevens / Status: [Public Chapter 828](#) / Effective Date: July 1, 2016 and applies to violations occurring on or after that date*

**Vandalism / State of Emergency** – The State Legislature adopted legislation broadening the sentencing enhancement for committing theft during a declared state of emergency to include Class C felony vandalism offenses. The new law follows similar legislation passed in 2015 which enhanced penalties for theft during a declared emergency.

*[Senate Bill 1609](#) by Niceley / Status: [Public Chapter 934](#) / Effective Date: July 1, 2016*

## **Courts / Court Process**

During the 2016 legislative session major legislation has passed affecting Tennessee's court process, including implementation of an amendment adopted by voters in 2014 which puts into place a framework on how the state's appellate judges are selected, confirmed and retained.

**Budget** -- Lawmakers passed a budget which includes \$1.3 million to increase the number of drug recovery courts from 41 to 50 and adds 2 more veterans courts in the state. Both of these courts have been very successful in getting offenders the help they need to become productive citizens.

**Judicial Confirmation Plan** – In November 2014, an amendment was adopted to Tennessee’s Constitution calling for appointment of appellate judges by the governor and confirmation by the legislature. The voters of Tennessee then elect to retain or not retain judges at the end of their 8-year terms or, if an appointment is to fill a vacancy, at the next even year August election.

Under the new law, the Senate Judiciary Committee and its House of Representatives counterpart must each hold a meeting to hear from the appointee. Following the hearing the committee votes to recommend confirmation or rejection of the appointee. Next, the Senate and House must meet in joint session to either confirm or reject the governor’s appointee.

If both chambers vote to confirm, the appointee is confirmed. If both chambers vote to reject, the appointee is rejected. Also, one chamber may reject the appointee by a two thirds vote.

Two appellate judges were appointed during the 2016 legislative session under the new system. They are Justice Roger Page of Jackson who was appointed to the Tennessee Supreme Court to replace retired Justice Gary Wade and Judge J. Ross Dyer who was appointed to fill Judge Page’s place on the western section of the Court of Criminal Appeals.

[\*Senate Bill 1\*](#) by Kelsey, Stevens / Status: [Public Chapter 528](#) / Effective Date: Upon becoming law on January 28, 2016

**Court Costs / Indigent Defendants** -- The General Assembly passed legislation this year allowing the Knox County general sessions and criminal courts to create a program to suspend the court costs and litigation tax for indigent defendants in favor of community service. Under this measure, the defendant must apply to be a participant of the program, prove that they are indigent and be approved by the judge. If at any point in the program they have failed the requirements, the judge may rescind the defendant’s participation in the program. The number of applicants accepted and the duration and continuation of the program will be at the discretion of the clerk.

[\*Senate Bill 2032\*](#) by Briggs, Massey / Status: [Public Chapter 675](#) / Effective Date: Upon becoming law on March 29, 2016 and shall cease to be effective July 1, 2018 (sunset)

**Tennessee Supreme Court / Efficiency** -- This year, the General Assembly passed legislation to allow the Tennessee Supreme Court, when there is compelling public interest, to assume jurisdiction over cases where there is a notice of appeal or a pending application for interlocutory or extraordinary appeal filed with an intermediate state appellate court. This expedites the process by allowing the court to hear cases earlier that are going to end up in the high court chambers eventually.

[\*Senate Bill 1781\*](#) by Stevens / Status: [Public Chapter 755](#) / Effective Date: Upon becoming law on April 12, 2016

**PreTrial Diversion** -- This year, the members of the House and Senate passed legislation that allows judges to impose a condition on pretrial diversion of jail time not to exceed 30 days. These short jail sentences are commonly referred to as “shock incarceration” and do not have to be continuous. The goal is to influence individuals seeking pretrial diversion to be more cooperative with the terms of their pretrial

diversion. The measure, which was brought to the legislature by the Legislative Committee of the Judicial Conference, seeks to reduce the number of pretrial diversions that are revoked.

[Senate Bill 637](#) by Johnson / Status: [Public Chapter 1026](#) / Effective Date: July 1, 2016

**Civil Forfeiture** – Legislation was approved prohibiting a general session judge from authorizing a magistrate or judicial commissioner that is not licensed to practice law in Tennessee to issue forfeiture warrants. The law requires that all appointed magistrates be licensed attorneys or judges to help prevent unwarranted seizing of assets.

Civil forfeiture is a legal process in which assets are taken from persons suspected of involvement with crime or illegal activity without necessarily charging the owners with wrongdoing. A magistrate can issue a warrant if they deem probable cause exists. This has created a serious concern that those magistrates who are not attorneys or judges and do not have the necessary qualifications to determine if the issuing of a warrant is truly justified under Tennessee law to meet that standard.

[Senate Bill 2029](#) by Briggs / Status: [Public Chapter 784](#) / Effective Date: Upon becoming law on April 12, 2016

**Child Custody / Relocation** --This year the General Assembly passed legislation improving state law as it deals with child custody. It allows for a case involving child support or custody provisions to be transferred between counties if the requesting party has served the non-requesting party with the filing seeking transfer and non-requesting party has not filed an objection within 15 days. If an objection has been filed, the transferor court shall determine whether there is good cause for transfer. If the court finds good cause, the case will be transferred.

[Senate Bill 2071](#) by Overbey, Ketron / Status: [Public Chapter 668](#) / Effective Date: July 1, 2016 and shall apply to request for transfer filed on or after that date

**Parental Termination / Public Records** -- This year the General Assembly approved a measure to provide cases involving the termination of parental rights the same level of confidentiality as cases filed in juvenile court. Under previous law, the details of these cases were subject to public disclosure. Now, when parental and guardianship rights are terminated, all pleadings and records must be placed under seal unless otherwise provided by court order.

[Senate Bill 2072](#) by Overbey / Status: [Public Chapter 659](#) / Effective Date: July 1, 2016

**Public Pensions / Divorce** -- State lawmakers passed legislation this year that authorizes all public pension and retirement plans to allocate a portion of the member's benefits to the his or her former spouse. Judges in divorce courts have recognized this method in private pension plans for decades. However, under this new law, all local governmental entities and utility districts are included in that authorization.

[Senate Bill 1587](#)by Overbey / Status: [Public Chapter 931](#) / Effective Date: July 1, 2016

**Compensatory Damages / Retaliatory Discharge Action** --The State Legislature passed a new law this year limiting to \$25,000 compensatory damages in certain retaliatory discharge cases against employers with less than eight employees.

[\*Senate Bill 1785\*](#) by Overbey / Status: [\*Public Chapter 593\*](#) / Effective Date: Upon becoming law on March 10, 2016

**Conservators / Court Requirements** – Legislation was adopted this year to allow a conservator to petition the court to waive the requirement of requesting court approval to change the nature of any investments made. The waiver would be made at the sole discretion of the court and the court may revoke the waiver at any time. This will allow a conservator who is receiving funds for taking care of a child and making investments with those funds to move them from time to time with court approval. The new law also allows investment in real estate. This will improve the responsiveness of the state to changing economic conditions and new opportunities.

[\*Senate Bill 1810\*](#) by Haile / Status: [\*Public Chapter 640\*](#) / Effective Date: Upon becoming law on March 23, 2016

**Wills** -- The State Legislature passed a new law this year seeking to relieve some of the complications in the drafting of wills. The measure clarifies that witness signatures affixed to self-proving affidavit written on a will are to be considered signatures to the will if necessary to prove the will's execution. This addresses the technicality where a deceased person's will is not honored when the signature of the witness is not on the same page as signature of the testator (the person making the will).

[\*Senate Bill 1560\*](#) by Haile, Bowling / Status: [\*Public Chapter 843\*](#) / Effective Date: Upon becoming law on April 19, 2016

**Uniformed Fiduciary Access to Digital Assets Act** -- Legislation was approved in the 2016 session which sets the framework for how provisions can be made by persons while living for alternative access to digital assets such as Facebook, Linked-in and email accounts. The Uniformed Fiduciary Access to Digital Assets Act makes such access after death of the account holder consistent with other existing Tennessee statutes on estates and related matters.

The new law follows cases where heirs were unable to terminate or access digital accounts after the death of a family member or loved one. The law clarifies that if done in accordance with the proposed law, access to digital assets is not a violation of Tennessee's Personal and Commercial Computer Act. It also provides a new section to the Uniform Durable Power of Attorney Act adding the authority to access any catalog of electronic communications and any other assets by power of attorney. In addition, it provides that heirs can use online tools or a power of attorney to override the terms of agreement that does not require the deceased account holder to act affirmatively.

[\*Senate Bill 326\*](#) by Norris, Yager, Massey, Gardenhire, Stevens, Bowling, Haile, Roberts, Yarbrow / Status: [\*Public Chapter 570\*](#) / Effective Date: July 1, 2016

**Waiver of Preliminary Hearing** -- State lawmakers approved of a new law that will grant the state the right to make timely objections to a defendant's waiver of a preliminary hearing. Previous statute allowed for a defendant to waive a preliminary hearing at any time, including up until the final moments



before the hearing begins. In such incidences, the costs have already been incurred to prepare for a preliminary hearing. It is also a major inconvenience for witnesses who have been called to testify and police officers, who are often pulled away from duty to go to court. Under the new law passed this year, the state may make a timely objection to the waiver with good cause to the satisfaction of a judge.

[\*Senate Bill 1265\*](#) by Yager, Bowling, Harris, Roberts, McNally / Status: [\*Public Chapter 329\*](#) / Effective Date: July 1, 2016

***Sheriffs / Subpoenas*** -- Legislation was approved this year to allow sheriffs and constables to collect the same fee payment for a good faith attempt at serving a subpoena, as for a successful serving. Previous law dictated that, if after three unsuccessful attempts were made to serve a subpoena, the sheriff must return the entire fund except for nine dollars. This did not fully cover the expenses used and caused paperwork issues. The new law allows the full forty dollars to remain in the sheriff's funds.

[\*Senate Bill 1488\*](#) by Green, Crowe / Status: [\*Public Chapter 582\*](#) / Effective Date: Upon becoming a law on March 10, 2016

## ✪ Education / K-12

Headlining key action taken this year by the Tennessee General Assembly this year is adoption of a budget that makes the largest investment in K-12 education in Tennessee history without a tax increase. Tennessee is in the top 10 in the nation in percentage increases for K-12 state education expenditures, outpacing the national average increase in teacher salaries.

***Budget*** -- The 2016-2017 appropriations bill provides \$261 million to continue the state's efforts to be the fastest improving state in the nation in student achievement, which includes \$104.6 million for teacher salaries, \$29.5 million to fund 12 months (up from 11) of health insurance for teachers, \$13.9 million for additional English Language Learning teachers (ELL) and translators and \$3.6 million for training teachers and principals.

The total state funding for the state's Basic Education Program (BEP) is nearly \$4.5 billion in the new budget year. Funding for the BEP is increased by \$38.8 million to address inflationary growth, plus \$19 million for student enrollment growth.

***Basic Education Program Enhancement Act*** – This year, the legislature approved the Basic Education Program (BEP) Enhancement Act to solidify and clarify the current funding formula for schools in Tennessee. The BEP is the funding formula through which state education dollars are generated and distributed to Tennessee Schools. The formula has three major categories; instruction, classroom and non-classroom, with each made up of separate components related to basic needs of students, teachers and administrators within a school system.

The legislation comes after an extensive study by Governor Bill Haslam and other key officials utilizing information provided by the state's BEP Task Force and BEP Review Committee.

The BEP was enacted in 1992 in response to a successful legal challenge by many of the state's small school systems, which argued the state's existing funding mechanism did not provide equal educational opportunities to their students. In 2007, the General Assembly adopted revisions to the BEP. These revisions, known as BEP 2.0, established new funding goals and set the state on a new path of determining how the state divides available revenue among local school districts.

Much debate and discussion has occurred since the adoption of BEP 2.0, both around funding and the distribution of funds to local school districts. Due in part to ongoing debate, the BEP presently utilizes and equally weights two funding distribution models – the pre BEP-2.0 model and the post-BEP 2.0 model.

Since 2011, Governor Haslam and the General Assembly have partnered to improve the BEP by a half billion dollars. This includes more than \$240 million in new money for teacher salaries from fiscal years 2012 to 2016 as Tennessee strives to be the fastest improving state in teacher salary growth.

*[Senate Bill 2565](#) by Norris, Gardenhire, Gresham, Haile, Bailey, Jackson / Status: [Public Chapter 1020](#) / Effective Date: Upon becoming law on April 28, 2016*

**Local Education Budgets** – A new law was approved during the 2016 legislative session requiring timelines for budgets of local education agencies (LEAs) to be established by local county legislative bodies. The measure creates a timeline that each has to follow so that schools will not be delayed in starting. In the event that the schools have begun, legislation opines that schools would not be forced to be closed until a budget process is put in place. It also ensures that those Basic Education Program (BEP) funds continue to flow into the local LEA so that the funding process is in place.

The LEA and local legislative body must agree by August 31<sup>st</sup> of any year or the budget will statutorily be equal with the minimum budget required to comply with the local match and maintenance of effort provisions of the BEP. This new statute is in accord with multiple departments, including the County Services Association, the Comptroller's Office, the County Commissioners Association and the State Board of Education.

*[Senate Bill 2128](#) by Bailey, Yager, Bowling / [Public Chapter 1080](#) / Effective Date: Sections 2, 3, 9, 12, and 16 of this act shall take effect upon becoming a law on May 20, 2016, with all other sections to take effect on January 1, 2017)*

**TN Ready** – The General Assembly approved legislation this year giving teachers and principals the choice whether to include student results from the 2015-2016 TNReady assessment in his or her evaluation. The new law provides additional flexibility for educators, while supporting Tennessee's continuing efforts to strengthen teaching, learning, and accountability.

The legislation comes after technological problems were experienced with the state's new online assessment last month. The glitches resulted in an unexpected transition from the online test to a paper format.

Student scores were not going to be counted already during the first year of transition.

Under the legislation, the option that results in the highest score will automatically be selected. Educators will be able to log into TNCompass, the state's new licensure and evaluation portal, to see which calculation benefited them the most and was ultimately incorporated into their evaluation. This information will be available in late summer or early fall when teacher's composite evaluation scores are available. If at any point in this three-year transition an educator's evaluation would not benefit by including the student growth data from the 2015-16 TNReady test, he or she can have that data excluded.

Similarly, a safe harbor will be provided for schools. The department will run the Priority School list excluding 2015-2016-2017 school years. However, if removing the first year of TNReady data moves a school out of the bottom five percent, that school will not be considered a priority school. The safe harbor provision will not result in any additional schools being added to the list.

[Senate Bill 2508](#) by Gresham, Norris, Gardenhire, Haile, Hensley, Roberts, Tate / Status: [Public Chapter 712](#) / Effective Date: Upon becoming law on April 6, 2016

**Testing / Transparency** -- Legislation designed to bring more transparency to student testing was passed by the 109<sup>th</sup> General Assembly. The measure is based upon recommendations from a taskforce of educators, legislators and parents that worked for six months to study and identify best practices in the testing of Tennessee students. It offers key solutions to help students reach their academic goals.

The new law allows teachers, parents and students the ability to obtain 70 percent or more of the questions and answers from standardized tests annually, allowing them to review the areas of opportunity. The new law eliminates two of the standardized tests for grades 8 and 10 and allows all 11<sup>th</sup> grade students to retake the ACT or SAT free of charge in order to give them the opportunity to increase their scores and options for postsecondary education.

[Senate Bill 2540](#) by Norris, Haile, Bowling, Bailey, Gresham, Massey, Roberts / Status: [Public Chapter 844](#) / Effective Date: July 1, 2016

**Transparency / Grading System** -- The General Assembly passed legislation this session to bring more transparency regarding the proficiency of public schools by simplifying and clarifying the current system utilized by parents. The new law will require the Department of Education to develop an overall school grading system consisting of A, B, C, D or F. The statute does not preclude the current structure, which ranks schools in specific areas and subjects. The Department of Education will implement the program beginning the 2017-2018 school year.

[Senate Bill 300](#) by Gresham, Kelsey, Bowling / Status: [Public Chapter 680](#) / Effective Date: Upon becoming law on March 24, 2016

**Student Privacy** -- State lawmakers voted this year to safeguard student privacy by passing a new law requiring that vendors of education software and internet services maintain responsibility for protecting K-12 students' information while handling their data. The new statute also prohibits the vendors from using, selling, renting or disclosing the students' data or personal information for the purpose of a targeted

advertisement. The contractors must take reasonable precautions to enable security procedures and delete information in a timely manner.

[\*Senate Bill 1900\*](#) by Dickerson / Status: [\*Public Chapter 757\*](#) / Effective Date: July 1, 2016

**Schools / Curriculum** -- The legislature has approved a new law to require each local school board to adopt a policy on the use of religion in curriculum. The new law also requires the State Board of Education to initiate a revision process for the Tennessee social studies standards adopted in 2013 to ensure new standards do not promote religion, amount to an indoctrination or proselytize in any way. The measure comes after complaints from Tennessee parents that students were required to extensively study the pillars of Islam while other religions were briefly mentioned.

In addition, the legislation prescribes that local education agencies (LEAs) must create a public syllabus for grades six through twelve on social studies, science, math and English language arts courses. The syllabi must include a course calendar detailing standards, objectives, topics covered, major assignments required and procedures for parents to have access to all instruction materials with an opportunity for public comment before adoption.

[\*Senate Bill 2186\*](#) by Bell, Gresham, Crowe, Hensley, Niceley / Status: [\*Public Chapter 660\*](#) / Effective Date: Upon becoming law on March 29, 2016

**Pre-K Programs** – The Senate and House of Representatives approved legislation this year to make improvements to the state’s voluntary pre-kindergarten programs. Currently, Local Education Agencies (LEAs) may apply to the Tennessee Department of Education for funding and approval of one or more pre-kindergarten programs. The new law requires an LEA to include as a part of its application: a plan for ensuring coordination between voluntary pre-kindergarten classrooms and elementary schools within the LEA, a plan for engaging parents and families of students throughout the school year and a plan for delivering relevant and meaningful professional development to teachers.

The Voluntary Pre-K for Tennessee Initiative was implemented to close the achievement gap for at-risk four-year-olds by providing an opportunity to develop school readiness skills. Studies have shown, however, that gains made by enrollees in the program fade, with most students scoring at or below their peers by the third grade. The legislation seeks to see if improvements can be made to the program to benefit these students and ensure that best practices are replicated.

[\*Senate Bill 1899\*](#) by Dickerson, Haile, Yarbrow / Status: [\*Public Chapter 703\*](#) / Effective Date: Upon becoming law on April 6, 2016

**Tennessee Course Access Program** – State lawmakers approved a new law this year to help students gain access to course curriculums not currently offered at their school by establishing the Tennessee Course Access Program. The measure standardizes statewide a Local Education Agency’s (LEA) ability to offer particular course curricula to public school students. Students in other schools can then enroll if the same course is not available at their school of full time enrollment.

Twelve other states have passed similar or more expansive course access programs, which have been tremendously popular with parents, teachers and administrators. Under the measure, schools could partner with other local public schools or school districts that do offer a particular curriculum and are willing to make it available to students statewide through the Course Access Program. For example, if a student in rural East Tennessee would like to enroll in AP Physics, but that course is not offered at the student's public school, they may enroll in AP Physics at a neighboring public school or through an online portal of curriculum from another public school across the state that has chosen to participate in the program.

The LEA offering the curriculum then determines a reasonable cost per pupil for administering the course. If the student's home LEA agrees the cost is reasonable, the course does not interfere with the student's ability to fulfill their graduation requirements and the curriculum is not currently offered at their school, they would release the funds from the student's Basic Education Program (BEP) to cover the fee to the LEA administering the course.

The student, who may take up to two course access programs per year, is graded by the teacher responsible for the course. Their grades are reported back to their school of full time enrollment. The administering LEA must report student outcomes to the State Board of Education and Department of Education, respecting state and federal student privacy laws relating to the manner in which data is made available.

*[Senate Bill 2497](#) by Gresham, Gardenhire, Green, Stevens / Status: [Public Chapter 889](#) / Effective Date: Upon becoming law on April 27, 2016*

**ABLE Program / Education** – A new law has been enacted which amends legislation passed last year establishing the Individual Education Accounts (IEA) program. This adds the Achieving a Better Life Experience (ABLE) program to its list of qualified expenses for which state funds may be used. The ABLE program, also passed during last year's legislative cycle, allows individuals and families to save private funds to use on future education expenses for individuals with disabilities. If the funds from an IEA are not completely utilized for current education expenses, they may be invested in a Coverdell Education Savings account. This measure just provides for ABLE to be another investment option for the IEA program.

*[Senate Bill 2504](#) by Gresham / Status: [Public Chapter 793](#) / Effective Date: Upon becoming law on April 12, 2016*

**STEM Schools** – The last week of 2016 legislative action saw passage of a new law which simplifies the transfer of students, and the BEP funding that follows them, to regional Science Technology Engineering Mathematics (STEM) Schools. Strong student performances in STEM education are vital to Tennessee's future well-being. STEM knowledge is a core requirement for careers in some of the fastest-growing industries across the Volunteer State and is closely linked with our economic strength and competitiveness.

*[Senate Bill 1598](#) by Massey, Watson, Gardenhire, Gresham / Status: [Public Chapter 882](#) / Effective Date: July 1, 2016*

**Physical Education / Schools** – The State Senate and House of Representatives approved legislation this year which seeks to provide a better understanding of the amount and quality of physical education in Tennessee schools. The new law establishes a system where the Local Education Agencies (LEA) supply the State Board of Education with information regarding physical education, instructor certification compliance with state and federal physical activity laws. The Department of Education would be responsible for making an annual report to the Senate Education Committee and the Education Instruction and Programs Committee in the House of Representatives regarding physical education and activity for each LEA, which in turn would be published on their website. The measure also encourages each school to make use of the annual report to promote best practices in physical education.

[Senate Bill 1967](#) by Tracy, Ketron / Status: [Public Chapter 706](#) / Effective Date: Upon becoming law on April 6, 2016

**Dyslexia Screening** – State lawmakers voted during the 2016 legislative session to approve a bill requiring school districts to screen students in grades K-2 for dyslexia. The measure also creates a nine-member Dyslexia Advisory Council to coordinate with the state's Department of Education (DOE) in the selection of the universal screening tool that will be used. In addition, the measure requires the DOE to provide training to educators to identify the condition and appropriately intervene to help the student learn.

[Senate Bill 2635](#) by Gresham, Gardenhire, Tracy, Green, Massey / Status: [Public Chapter 1058](#) / Effective Date: For the purpose of appointing members to the dyslexia advisory council, this act shall take effect upon becoming a law, but for all other purposes it takes effect on July 1, 2016

**Schools / Flag Display** – A new law was passed during the 2016 legislative session that requires all displays of the United States flag on school property and events to conform to federal standards. The legislation also requires that a local board of education permit the display of the U.S. flag. It passed unanimously and all 33 senators became co-sponsors of the bill.

[Senate Bill 2518](#) by Roberts, Stevens, McNally, Yager, Bailey, Crowe, Niceley, Watson, Ketron, Green, Tate, Gardenhire, Southerland, Briggs, Hensley, Massey, Johnson, Harper, Kyle, Gresham, Beavers, Bell, Norris, Tracy, Overbey, Bowling, Jackson, Kelsey, Ramsey, Haile, Harris, Dickerson, Yarbrow / Status: [Public Chapter 754](#) / Effective Date: upon becoming law on April 12, 2016

## STUDENT SAFETY

**School Bus Safety** -- Legislation strengthening Tennessee's law protecting children who are passengers on school buses has passed the General Assembly. The measure toughens the penalty for using a mobile telephone, or another electronic device, while the school bus is in motion or stopped for the purpose of loading or unloading, when one or more children are on the bus unless the driver is in communication with the dispatcher. Currently, school bus drivers who use a mobile telephone while transporting children commit a Class C misdemeanor punishable only by a fine of \$50.

The new statute enhances the penalty to a Class A misdemeanor requiring at least 30 days in jail and a fine of not less than \$1,000. It also broadens the definition of mobile telephone to include any portable



electronic device. In addition, the measure requires the permanent revocation of the school bus endorsement held by the driver for violation of the law.

Passage of the bill comes after the Knox County crash of two school buses in December 2014 when two children and a teacher's assistant were tragically killed. Following an extensive investigation, authorities determined that the at-fault bus driver was using his mobile telephone to text in the moments leading up to the crash.

*[Senate Bill 1596](#) by Massey, Jackson, Yager, Yarbrow / Status: [Public Chapter 1036](#) / Effective Date: July 1, 2016*

**Defibrillators / Schools** -- Legislation was approved to help ensure school personnel have training in how to use automatic external defibrillators (AED). It expands the "Tanner Lee Jameson Act" by requiring schools which have AEDs to include training in the lifesaving device as part of those school's previously scheduled staff meetings or in-service days on an annual basis. The new measure also requires the instruction be included in the school's curriculum for juniors and seniors in high school.

The Tanner Lee Jameson Act, which was passed in 2010, required that schools must place an AED in the gym or if there is no gym, in a readily accessible location. Jameson died on June 26, 2009 when he collapsed during his middle school basketball game. According the American Heart Association when CPR is performed correctly and an AED is used, survival chances almost triple compared to those who do not receive CPR or an AED.

*[Senate Bill 2088](#) by Overbey, Bailey / Status: [Public Chapter 677](#) / Effective Date: July 1, 2016*

**Referees / Background Checks** -- Legislation which provides that referees or officials of interscholastic athletic events must submit to a criminal background check has passed. The Tennessee Secondary School Athletic Association (TSSAA) requires a background check under their rules for referees or officials. This new law simply puts those rules in statute to help ensure children are safe from predators. Education employees are already subject to a criminal background check.

*[Senate Bill 2118](#) by Tracy / Status: [Public Chapter 710](#) / Effective Date: Upon becoming law on April 6, 2016*

**Suicide Prevention** -- The full General Assembly passed legislation this year that addresses the issue of suicide among young people by requiring all employees of the Local Education Association (LEA) to attend the suicide prevention training that already takes place for teachers and principals. It strengthens Jason's Act, which passed in 2007, by including bus drivers, cafeteria workers and any other employees as these relationships with students can be influential. It also requires an LEA to develop a policy on suicide prevention awareness and requires the state Department of Education to establish a model policy that the LEAs may choose to adopt.

Suicide is the third leading cause of death of young people between the ages of 10 and 19.

*[Senate Bill 1992](#) by Roberts, Harper, Gardenhire, Gresham / Status: [Public Chapter 623](#) / Effective Date: July 1, 2016*

**Schools / Bullying** – A new law designed to improve Tennessee’s bullying law was passed during the 2016 legislative session. The measure requires that school policy include a procedure for referral of appropriate counseling and support services for students involved in bullying when deemed necessary. The legislation also provides that investigations of incidences reported must be prompt and immediate, with principals or their designees initiating an investigation within 20 school days unless more time is needed to appropriately document it. The principal must then inform parents or legal guardians of the incident and the availability of intervention services for the student.

In addition, the new statute expands current reporting requirements of bullying incidents to the Tennessee Department of Education. Previously, the report only included the number of incidents. The legislation adds to that report where an investigation supported a finding and the type of bullying identified, as well as the manner in which it was resolved.

Finally, it encourages each local education agency to review their policy prohibiting harassment, intimidation, bullying or cyberbullying at least once every three years and transmit any changes made to the Commissioner of Education in a timely manner.

*[Senate Bill 2002](#) by Ketron, Gardenhire, Gresham / Status: [Public Chapter 783](#) / Effective Date: July 1, 2016*

## Higher Education

Several new laws were approved by the General Assembly during the 2016 legislative session which support the state’s job creation efforts by providing Tennesseans with more opportunities to receive a post-secondary degree or credential. The legislation passed this year advances the state’s “Drive to 55” initiative to get 55 percent of Tennesseans equipped with a college degree or certificate by the year 2025. That initiative established the Tennessee Promise program, the nation’s first scholarship and mentorship program that provides high school graduates last-dollar scholarships to attend two years of community or technical college free of tuition and fees; reduced the number of college freshmen requiring remediation through the SAILS (Seamless Alignment and Integrated Learning Support) program; provided free technical college for adults through TCAT Reconnect Grants; created Tennessee Reconnect to help more adults return to college to complete unfinished degrees; developed a more comprehensive state approach to serving student veterans; and leveraged technology to enhance classroom instruction.

**Budget** -- The 2016-2017 appropriations bill increases funding for higher education by \$72.2 million and appropriates total funding at \$4.4 billion. It includes \$13.2 million additional funding for need-based student financial aid.

The budget also funds capital outlay projects totaling \$219.8 million and capital maintenance totaling \$74.9 million in higher education institutions across the state.

The budget provides over \$24 million for the Drive to 55 Program Capacity Fund and \$10 million in non-recurring funds for the Labor Education and Alignment Program (LEAP). LEAP enables students to participate in technical training developed with input from employers.

***FOCUS Act*** – In major action this year, the General Assembly passed the Focus on College and University Success (FOCUS) Act, which is the next step in making sure Tennessee reaches its goal of 55 percent of adult Tennesseans having a postsecondary degree or credential by 2025. The FOCUS Act better aligns the state’s postsecondary education by providing a sharpened focus on the governance of Tennessee’s 13 community colleges and 27 colleges of applied technology (TCATs), while granting four-year state universities additional autonomy to empower each institution to be successful in this new environment. The new law prescribes local boards for Austin Peay State University, East Tennessee State University, Middle Tennessee State University, Tennessee State University, Tennessee Technological University and the University of Memphis.

In addition, the new statute provides an enhanced role for the Tennessee Higher Education Commission (THEC) to afford greater coordination across the state. This includes capital project management, institutional mission approval and higher education finance strategy.

Finally, the measure creates a transition task force consisting of higher education, business and community leaders from around the state that will serve as the administrative and advisory body throughout the transition.

Last fall, Tennessee saw a 10 percent increase in overall first-time freshman enrollment in our public higher education institutions and a nearly 25 percent increase in first-time freshman enrollment at community colleges. Approximately 81 percent of the 2015-16 class of Tennessee Promise students returned for the spring semester after beginning classes last fall. This high retention rate for Tennessee Promise students is a significant indicator these students are on pathways to success in higher education.

[\*Senate Bill 2569\*](#) by Norris, Bailey / Status: [\*Public Chapter 869\*](#) / Effective Date: July 1, 2016

***Higher Education Authorization Act*** -- The “Higher Education Authorization Act” was passed by the General Assembly this year. The new law aligns the for-profit higher education sector with the Drive to 55 by reshaping its regulatory framework, providing fast-track authorization for currently accredited institutions and directing the Tennessee Higher Education Commission (THEC) to redesign regulation for non-accredited institutions.

The current regulatory structure of private proprietary, for-profit, and not-for-profit schools was developed by the Postsecondary Authorization Act of 1974 and had not been substantially modified since that time despite the dramatic changes occurring in higher education over the last four decades. The number of proprietary institutions operating in the state has increased to over 300.

The primary feature of the new regulatory framework is an optional, expedited fast track path for institutions to pursue authorization that acknowledges the academic accreditation achieved by the respective campus. In order to obtain this fast tracked authorization, the institutions are required to be in good standing with a regional or national accreditor, be recognized by the US Department of Education, and provide documentation of other consumer protection safeguards to the Tennessee Higher Education Commission.

As a new consumer protection mechanism, the Tennessee Higher Education Commission (THEC) will provide comprehensive performance data to the public on institutions receiving fast-track authorization. This information will allow prospective students to review and evaluate institutional outcomes such as graduation rates, gainful employment figures, costs of attendance, default rates, and transferability of credits/degrees for institutions.

*[Senate Bill 2564](#) by Norris, Bell / Status: [Public Chapter 868](#) / Effective Date: For purposes of promulgating rules, it takes effect upon becoming a law on April 19 but for all other purposes, this act takes effect on October 1, 2016*

**UT System** -- The General Assembly passed a measure this year establishing a clear chain of command within the University of Tennessee (UT) system. The new law outlines an organization chart regarding who reports to who, who can terminate who and how the salaries are determined. Under the legislation, chancellors will report directly to the President of the system. It also outlines the responsibilities of the UT Board and establishes standing committees within it.

*[Senate Bill 1762](#) by Briggs, Massey / Status: [Public Chapter 753](#) / Effective Date: Upon becoming law on April 12, 2016*

**UTK Office of Diversity / Minority Scholarships** – The General Assembly passed legislation this year taking \$436,000 from the Office of Diversity and Inclusion at the University of Tennessee at Knoxville (UTK) and using it for scholarships in a minority engineering scholarship program. The new statute reallocates the salaries of the four employees in UTK’s Office of Diversity and Inclusion for the fiscal year of 2016-2017 for the purpose of awarding scholarships to minority engineering students. The money is expected to help up to 100 minority students in the engineering program receive a scholarship.

The new law also provides that state funds shall not be expended by the University of Tennessee to promote the use of gender neutral pronouns, to promote or inhibit the celebration of religious holidays or fund or support “Sex Week.”

In August 2015, UTK came under fire by lawmakers, alumni and the general public for an Office of Diversity and Inclusion post on the university’s website asking students and faculty to toss out “he” and “she” when addressing students for gender-neutral pronouns like “ze” and “zir.” In December, the office posted guidance to students and faculty to ensure holiday parties at the campus are not a Christmas party in disguise. These actions follow several years of widespread disapproval over the university’s “Sex Week” which included such events as drag shows, lectures given by a porn actress, and condom scavenger hunts. Sex week has continued despite objections with an acceleration of objectionable content in this year’s list of courses.

*[Senate Bill 1912](#) by Gardenhire, Kelsey, Bailey, Bowling, Gresham, Hensley / Status: Returned by Governor without signature on 5-20 / Effective Date: Upon becoming law on May 20, 2016*

**Reconnect Grant** -- A new law has passed bolstering Tennessee’s Community College Reconnect Grant which helps adults who want to return to college and complete their degree. The Community Reconnect Grant passed in 2015 as a pilot program to assist adults in completing an associate’s degree at Tennessee

community colleges. The new law passed this year opens up the opportunity to more Tennesseans by changing the eligibility requirements. Under the legislation, there is no longer an income cap condition; one can have their completed academic hours towards any associate degree instead of an associate of applied science degree; and the time period for one to have not been enrolled in a postsecondary school changes from two years to one.

[\*Senate Bill 2595\*](#) by Norris, Gresham, Yager / Status: [\*Public Chapter 1081\*](#) / Effective Date: Upon becoming law on May 20, 2016

***STEP UP Scholarship*** -- State lawmakers also approved a new statute expanding Tennessee's STEP UP scholarship. The scholarship assists students with intellectual and developmental disabilities (IDD) in paying for post-secondary education. The legislation extends the scholarship to provide for up to four years of education, rather than current two, in order to match federally qualified programs.

The program has served 123 young adults since its inception at the state's five institutions which have the comprehensive transition and post-secondary program designation from the U.S. Department of Education. These are Vanderbilt University, the University of Tennessee at Knoxville, the University of Memphis, Lipscomb University and Union University. There is an 85 percent completion rate for the programs and 75 percent of graduates have secured paid employment.

[\*Senate Bill 1584\*](#) by Overbey, Gardenhire, Gresham, Massey, Bell, Crowe, Dickerson, Kyle, Niceley, Roberts, Yager, Yarbro / Status: [\*Public Chapter 930\*](#) / Effective Date: Upon becoming law on April 27, 2016

***Lottery Merit Scholarship / Home Schooled Students*** -- The General Assembly voted this year to remove unfair restrictions of the General Assembly Merit Scholarship concerning the eligibility of home schooled students. Previously, students at qualified Tennessee high schools were eligible for the \$1,000 scholarship if they earned either a 3.75 grade point average (GPA) or a 29 Composite ACT score. However, the GPA was not a determinate if the student attended an ineligible high school or was homeschooled; instead the pupil had to receive at least a 3.0 GPA in 12 hours of dual enrollment college courses. This legislation allows objective criteria, such as high marks in a least two Advanced Placement classes, Governor's School attendance, or high College Level Examination Program test results, to serve in place of the GPA requirement.

[\*Senate Bill 1695\*](#) by Bell, Gardenhire / Status: [\*Public Chapter 943\*](#) / Effective Date: Upon becoming law on April 27, 2016 and applies to students seeking postsecondary financial assistance from net lottery proceeds for the 2016-2017 academic year and thereafter.

***Teachers / Mentors for TN Promise*** -- The State Senate and House of Representatives gave final approval to legislation to encourage retired teachers to volunteer to be mentors in the Tennessee Promise Scholarship program. Since 2015, the scholarship offers two years of tuition-free community or technical college to Tennessee high school graduates. The program is a part of the Governor's Drive to 55 Initiative and provides students with a mentor who will support them during the college application process.

[\*Senate Bill 1654\*](#) by Tracy / Status: [\*Public Chapter 752\*](#) / Effective Date: Upon becoming law on April 12, 2016

## Taxes

The General Assembly's record of cutting taxes continued during the 2016 legislative session, including approval of historic legislation phasing out the Hall Income Tax. Over the last five years, Governor Bill Haslam and the state lawmakers have cut twice as much in taxes than any other administration and General Assembly has done in 8 years. These cuts include phasing out the state's inheritance tax, eliminating the gift tax, raising the exemption level on the Hall tax and reducing the sales tax on food.

***Hall Income Tax Relief*** -- The Hall Income Tax levies six percent on earnings from stocks and bonds, with 3/8 of the revenue going to cities and counties. Since enactment of the tax in 1929, the use of investment savings has grown as a primary source of retirement income making it less palatable as a source of revenue to many members of the General Assembly.

On the final legislative day, the General Assembly approved a new law reducing the Hall tax rate from 6 percent to 5 percent, a seventeen percent cut from the total dollars collected by the state for fiscal year 2016. The legislation calls for an annual reduction of at least one percent until the tax is eliminated. Furthermore, the new law provides that by January 1, 2022, the Hall Income Tax will no longer be collected and eliminated as a legal means of taxation in Tennessee.

[\*Senate Bill 47\*](#) by Green, Yager, Gresham, Ketron, Tracy, Bell, Massey, Crowe, Gardenhire, Bowling, Bailey, Jackson, Beavers, Roberts, Watson; Mr. Speaker Ramsey; Kelsey, Norris, Haile, Briggs, Dickerson, Overbey, Hensley, Niceley, Southerland, Stevens, Tate / Status: [\*Public Chapter 1064\*](#) / Effective Date: Upon becoming law on May 20, 2016 and applies to tax years beginning on or after January 1, 2016

***Hall Tax / Angel Investors*** -- A new statute was passed this year providing a tax credit against the Hall Income tax for "angel investors." An angel investor is someone who provides the earliest stage of capital investment to assist entrepreneurs. The tax credit is equal to 33% of the value of the cash investment and requires a minimum investment of \$15,000. The credit is capped at \$50,000 per investor per year and the overall cap is \$3,000,000 for 2017, \$4,000,000 for 2018 and \$5,000,000 for 2019 and subsequent years. It applies to businesses less than 5 years old.

Many surrounding states have similar programs and, with Tennessee having only about 400 angel investors, this new law aims to make the state more attractive to investors. It will also benefit small business by making them more attractive to invest in.

[\*Senate Bill 2539\*](#) by Norris, Stevens, Dickerson, Watson, Bailey, Bowling, Roberts, Yager / Status: [\*Public Chapter 1055\*](#) / Effective Date: January 1, 2017 and applies to tax years beginning on or after January 1, 2017

***Property Tax Relief Veterans & Elderly*** -- The General Assembly approved a new law before adjourning, which increases property tax relief for 100 percent service-related disabled veterans, and/ or their widows or widowers, by repealing the income cap that was put in place last year. The legislation also raises the property value limit for the elderly disabled from \$23,000 to \$23,500. The 2016-2017 state budget appropriates \$35.8 million for this purpose.



[Senate Bill 1796](#) by Overbey, McNally, Norris, Gresham, Green, Watson, Bailey, Beavers, Bell, Bowling, Briggs, Crowe, Dickerson, Gardenhire, Haile, Harper, Harris, Hensley, Jackson, Johnson, Kelsey, Ketron, Kyle, Massey, Niceley, Roberts, Southerland, Stevens, Tate, Tracy, Yager, Yarbrow, Ramsey / Status: [Public Chapter 1065](#) / Effective Date: Upon becoming law on May 20, 2016

**F & E Taxes** – A new law passed this year improving the process for estimating franchise and excise (F & E) taxes by allowing a current year method, which gives businesses an alternative 80% calculation method. This scheme will be used by some taxpayers, like retailers, that enter fourth quarters that often make or break their year, giving them greater flexibility and time to reconcile their estimates. The legislation also significantly lowers the penalty for underpayment of F&E taxes from five to two percent.

The new law aims to take some of the volatility out of the excise tax by lowering some of the penalties. It also discourages people from overpaying which leads to credits and refunds. Last year, the Department of Revenue received \$160,000,000 in overpayment from F&E taxes.

[Senate Bill 2558](#) by Norris, McNally, Gardenhire / Status: [Public Chapter 881](#) / Effective Date: Upon becoming law and shall apply to tax years beginning on or after January 1, 2016

**Retail Accountability Act** – Legislation making changes to the state’s Retail Accountability Program (RAP) has passed. The RAP law was first approved in 2012 to ensure that the taxes paid by consumers for beer and tobacco products are properly submitted to the state by requiring wholesalers to report to the Department of Revenue what is sold to retailers. In the first two and a half years of the program, the state collected an additional \$60 million in previously unreported sales tax revenue, which prompted an expansion of the program last year. However, the Department of Revenue’s implementation of the expanded program was more far-reaching than legislators intended.

The new law more clearly defines the scope of the program, including exempting perishable groceries and frozen foods from the reporting process and creating a sunset deadline for the legislature to evaluate the program’s effectiveness at a later date. It also calls for a change from monthly to quarterly reporting.

[Senate Bill 2570](#) by Norris, Bell, Bowling, Briggs / Status: [Public Chapter 907](#) / Effective Date: April 27, 2016

**Professional Privilege Tax** – The General Assembly passed legislation this year that requires the Department of Revenue to properly notify those owing a professional privilege tax. The annual \$400 tax is required for some specific occupations, including accountant, attorney, dentist, lobbyist and physician. The new statute ensures that those owing the tax be informed of the amount due, the due date, and any electronic filing or payment requirements by email, if on record, or by mail if not.

[Senate Bill 1886](#) by Stevens / Status: [Public Chapter 1010](#) / Effective Date: July 1, 2016 and applies to tax years beginning on or after July 1, 2016

**Earlier Date for Sales Tax Holiday Weekend** -- Legislation passed this year which moves the sales tax holiday weekend to the last weekend in July. The sales tax holiday assists parents with the high costs of back-to-school supplies, which, according to the National Retail Federation, cost families an average of nearly \$670.

Previous law set the holiday during the first week of August which is after the start date of many schools in Tennessee. The purpose of legislation is to give all Tennessee families an opportunity to purchase educational necessities during the sales tax holiday before the school session begins so students are prepared.

[\*Senate Bill 2239\*](#) by Hensley, Ketron, Roberts / Status: [\*Public Chapter 1048\*](#) / Effective Date: Upon becoming law on April 28, 2016

***Ad Valorem Property Taxes / Electric Cooperatives*** – The General Assembly voted this year to remove the four year exemption from ad valorem property taxes for certain electric cooperatives. The new law also permits electric cooperatives to distribute unclaimed abandoned property for certain purposes.

[\*Senate Bill 1633\*](#) by Yager, Ketron, Bowling / Status: [\*Public Chapter 937\*](#) / Effective upon becoming law on April 27 and applies to tax years beginning with January 1, 2016

## **Jobs / Commerce / Consumers**

On the jobs front, lawmakers continued to make strategic investments to bring new and better paying jobs to Tennessee during the 2016 legislative session. Over the past several years, the General Assembly has made great strides in preparing students for the 21<sup>st</sup> 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 325,500 since 2011. Legislation passed this year aims to keep Tennessee a low-tax, low-debt, business-friendly state.

Some other facts regarding Tennessee's economic and job creation successes include:

- Tennessee ranks 1<sup>st</sup> in the Southeast and 2<sup>nd</sup> in the nation for private sector job growth of 3.78% in the last 12 months. (March 2015 to March 2016). During this time period, Tennessee's private sector had a net gain of 92,000 jobs.
- Tennessee's unemployment rate has declined 1.5 percentage points from March 2015 (6.0%) to March 2016 (4.5%). This is the 2<sup>nd</sup> largest decline in the nation and the lowest it has been in Tennessee since June 2007. It is lower than the national average of 5 percent.
- Tennessee's labor force grew by 2.7% in the last 12 months, the 6<sup>th</sup> greatest rate of growth in the nation and 2<sup>nd</sup> highest in the Southeast.
- Tennessee is the only three-time winner of "State of the Year" for economic development by Business Facilities magazine.

***Budget*** -- The 2016-2017 budget provides \$70.0 million in new funds for the state's successful FastTrack Infrastructure to recruit and retain industries, plus \$30 million capital improvement. It provides \$10 million for the state's Rural Development Initiative to help bring jobs to the state's rural communities.

***Rural Economic Opportunity Act*** -- The General Assembly passed major job creation legislation to spur economic development in some of the state's most economically distressed counties. Twenty-one of

Tennessee's 95 counties are considered economically distressed, meaning that they are in the bottom 10 percent nationally in terms of unemployment, per capita income, and poverty. The "Rural Economic Opportunity Act of 2016," has two components that aim to alleviate unemployment in these areas by supporting jobs and economic development. This includes implementation of the "Propelling Rural Economic Progress" (PREP) program that creates a grant fund to aid rural counties in building sites and infrastructure to incentivize businesses to develop in their region.

The second component of the new statute restructures the county tier system used for determining whether a company looking to locate or expand operations is eligible for job tax credits. Tax credits help fuel company expansion by rewarding job creation based on the number of positions created, amount invested, type of business and location.

The legislation adds a fourth tier the state's current three-tier tax incentive arrangement to help drive development in less wealthy counties. In order for a business to receive job tax credits, under all three of the current tiers, they must provide a minimum of 25 jobs. This new statute lowers the job creation threshold to 20 in tier three counties and 10 in the additional fourth tier, used for the economically distressed counties.

[\*Senate Bill 2538\*](#) / Norris, Stevens, Gresham, Jackson, Crowe, Yager, Gardenhire, Haile, Kelsey, Massey, Overbey, Tracy, Bailey, Bowling, Hensley, Niceley, Yarbrow / [\*Public Chapter 1019\*](#) / Effective Date: July 1, 2016 and sections 4 through 8 apply to tax years ending on or after July 1, 2016

***Job Creation / Adventure Tourism*** -- State lawmakers approved legislation this year amending the 2012 Adventure Tourism and Rural Development Act which provided incentive tax credits to qualified job-creators in the state's adventure tourism industry. Adventure tourism includes such recreational activities as equine and motorized trail riding, white water rafting and kayaking, rappelling, road biking, rock climbing, hang-gliding, spelunking, shooting sports, mountain biking, canoeing, paragliding, zip lining and other such tourist and recreational activities. A recent George Washington University study found that adventure tourism has been growing 65 percent year over year since 2009 and is globally a \$263 billion industry. The industry is mostly located in Tennessee's rural areas where unemployment is high. The majority of employees in adventure tourism are part-time or seasonal, which was not calculated previously to conform to the requirements for the credits. The new law, which was crafted with the assistance of the Department of Revenue, allows these part-time and seasonal employees to be considered when determining an employer's eligibility for the benefit.

[\*Senate Bill 302\*](#) by Yager / Status: [\*Public Chapter 759\*](#) / Effective Date: Upon becoming law on April 19, 2016, and shall apply to the creation of adventure tourism job positions in adventure tourism districts on or after July 1, 2017, and to applications submitted on or after July 1, 2017

***Small Business / SBIR / STTR Grants*** -- Legislation aiding small technology businesses across the state passed during the 2016 legislative year. The new law seeks to take advantage of small business innovations and federal Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) grants. It allows the Tennessee Technology Development Corporation, now known as LaunchTN, to have the authority to establish an applied research and developmental finance program to provide matching grants to small technology businesses.

Fifteen other states, including Virginia and Kentucky, have taken advantage of the US Small Business Administration match-granting program and this legislation will make Tennessee more competitive with the neighboring states.

[\*Senate Bill 2606\*](#) by Norris / Status: [\*Public Chapter 887\*](#) / Effective Date: Upon becoming law on April 27, 2016

**Captive Insurance** – Legislators approved a job creation law designed to enhance the growth of Tennessee’s captive insurance industry, a sector which spurs high paying jobs. The legislation provides a road map in state law for moving a captive from another state to Tennessee, updating the statute to keep Tennessee competitive.

A captive is a wholly owned subsidiary created to provide insurance to its non-insurance parent company (or companies). Captives are established to meet the risk-management needs of the owners or members. Employees supporting the industry are generally high wage earners such as accountants, actuaries and attorneys. Captives also generate a tremendous amount of capital investment in financial institutions in areas in which they locate.

Tennessee’s captive insurance business has grown dramatically since the state’s captive law was revised in 2011 when there were only two captive insurance companies in the state. Just two years later, the law had stimulated the investment of about \$29 million in Tennessee banks. At the end of 2015, the number of captive insurance companies domiciled in the state grew to 126. In addition, there were 304 risk bearing cells for a total of 430 risk bearing entities. A preliminary estimate of the current bank deposits as a result of captives locating in the state today stands at almost \$400 million. This growth has catapulted Tennessee to rank in the top five states in the nation for captives to locate.

The measure also creates a one-time tax holiday from the self-procurement tax for a Tennessee company to move its captive to Tennessee prior to December 1, 2018. The self-procurement tax is a self-reported tax on insureds residing in the state.

In addition, the new law requires that any legal action taken against a protected cell, of a protected cell captive insurance company, specifically name the cell as a party to the suit. This clarifies that the assets of one cell cannot be used to satisfy a judgment against another cell.

[\*Senate Bill 2402\*](#) by Overbey, Johnson, Stevens / Status: [\*Public Chapter 1018\*](#) / Effective Date: Upon becoming law on April 28, 2016

**Private Trusts** -- This year, the legislature passed a measure which broadens the exceptions for private family trusts that do not have to comply with the Banking Act. This new law aims to attract high net-worth individuals to do business in the state of Tennessee and to establish and locate their private trust companies in the state. It also benefits all professionals in Tennessee that provide private trust services.

[\*Senate Bill 2550\*](#) by Norris / Status: [\*Public Chapter 714\*](#) / Effective Date: Upon becoming law on April 6, 2016

**Autonomous Vehicles** – The General Assembly passed legislation which defines key words when it comes to autonomous vehicles with the hope of keeping the state an attractive place for car manufacturers. Autonomous vehicles are those in which at least some aspects of a safety-critical control function (e.g., steering, throttle, or braking) occur without direct driver input. Automobile makers and technology companies are furiously developing autonomous technology for driving vehicles. Complete automation, where one can drive from his or her home to the office while reading a book in the backseat, is still many years away, but several automakers have semi-autonomous driving. The legislation specifically provides a new definition of autonomous technology that will help recruit the research, testing and manufacture of the vehicles in the Volunteer State.

[Senate Bill 1561](#) by Green, Harris, Stevens, Jackson / Status: [Public Chapter 927](#) / Effective Date: July 1, 2016

## **Business / Workers**

**Hiring / Discrimination** -- Legislation was approved this year to stop local governments from enacting any charter provision, ordinance, resolution, referendum or regulation which requires a company bidding on a public construction project to employ individuals that reside within their jurisdiction. The measure comes after the adoption of a charter amendment pushed by labor unions in Nashville that requires at least 40 percent of work hours of local companies bidding on contracts come from Davidson County workers on Metro construction projects that cost \$100,000 or more. It also required 10 percent of work to be granted to low income individuals, an undefined term.

The charter amendment was later ruled unconstitutional by Tennessee Attorney General Herbert Slatery. The new law helps to remove the potential for litigation regarding the matter.

[Senate Bill 1621](#) by Johnson, Gresham, Bowling / Status: [Public Chapter 587](#) / Effective Date: Upon Becoming Law

**Local Government Mandates** – A new law passed this year that prevents a local government from imposing a requirement on private companies regarding what an employer cannot ask an applicant for employment. The legislation comes amid a movement to prohibit employers from doing business with local governments if they ask if an applicant for employment has a criminal record.

The new statute says that local governments shall not prohibit a private employer from requesting any type of information during the hiring process as a condition of procuring a contract with the governmental entity or doing business within their jurisdiction. It does not prevent the local government from prohibiting the question for purposes of their own employment practices.

[Senate Bill 2103](#) by Johnson, Bowling / Status: [Public Chapter 606](#) / Effective Date: Upon becoming law on March 17, 2016

**Business / Licensing and Regulations** -- Legislation to reassess some of the barriers of entry to the workforce was approved during the 2016 legislative session. The new law compels various licensing authorities to review their entry regulations in various occupations and report such to the Senate

Government Operations Committee. Once reviewed, the committee can make recommendations to remove some of the unnecessary restrictions and demands.

The “Right to Earn a Living Act” will help relieve the burden of excessive regulation on the right of an individual to pursue a chosen business or profession.

[Senate Bill 2469](#) by Green, Johnson, Roberts, Bell, Gresham, Stevens, Beavers, Bowling, Crowe, Dickerson, Niceley, Norris / Status: [Public Chapter 1053](#) / Effective Date: Upon becoming law on April 28, 2016

***Asbestos Bankruptcy Claims Transparency Act*** -- Legislation was approved by lawmakers this year protecting those who have been injured by asbestos, making sure that people who are actually sick go to the front of the line to recover damages for their injuries from the Asbestos Trust Compensation Fund. The new law also sets up a way for injured claimants to get their lawsuits through the court system efficiently, but makes sure that there is no double dipping on claims paid from the Trust Fund.

[Senate Bill 2062](#) by Stevens / Status: [Public Chapter 635](#) / Effective Date: July 1, 2016 and applies to all asbestos actions filed on or after such date

***Worker’s Compensation*** -- This year, the State Legislature passed a measure improving the worker’s compensation reforms adopted in 2013. The legislation was brought by the Tennessee Chamber of Commerce and approved by the Worker’s Compensation Council. The new law changes the injury notification requirement for workplace injuries from 30 days to 15 days to encourage workers to more timely notify their employer if they have been injured on the job. It also provides additional protections for workers by authorizing a worker’s compensation judge to award medical and/or disability benefits that have been wrongly denied during an expedited compensation hearing. In addition, the new statute encourages more employers to participate in the Tennessee Drug Free Workplace Act by authorizing employers to offer annual acknowledgment or notification to all employees of the provisions in that program rather than require the one hour annual training. Approximately 4,000 employers use the drug free workplace act out of 120,000 estimated employers and this law aims to create more participation. Finally, it allows the Division of Worker’s Compensation to hire attorneys as ombudsman to help navigate the system.

[Senate Bill 2582](#) by Norris / Status: [Public Chapter 1056](#) / Effective Date: July 1, 2016 and applies to injuries that occur on or after that date

***Unemployment Claims*** – A new law was passed during the 2016 legislative session which requires the Department of Labor and Workforce Development to audit all unemployment claims. This will be done electronically with the department’s new software and is an update of the current requirement of 1,500 departmental audits per week. The purpose of the legislation is to ensure that those receiving benefits are applying to a minimum of three places of employment per week or visiting a qualifying career center.

[Senate Bill 2481](#) by Green / Status: [Public Chapter 1063](#) / Effective Date: July 1, 2016 and applies to unemployment claims filed on or after that date



**Wine in Grocery Stores** – Legislation has been approved to allow applicants for a retail food store wine license to seek a certificate of compliance from local government and receive an approval letter from the Alcoholic Beverage Commission prior to July 1, 2016. The purpose of the new statute is to allow wholesalers to solicit orders from retail food stores and deliver wine prior to July 1, 2016; however, such wine may not be sold to the public until July 1, 2016. The measure clarifies that a retail package store may deliver to customers without such activity being in connection with a party, special event, tasting, etc. It also clarifies that a person having such items delivered by a retailer is not required to purchase the items at the physical location of the retailer. Retail package store licenses are limited to two per owner under the new law.

[\*Senate Bill 2094\*](#) by Ketron, Jackson, Massey / Status: [\*Public Chapter 787\*](#) / Effective Date: Upon becoming law on April 12, 2016

## Consumers

**Consumer Protection / Cybersecurity** -- Cybersecurity legislation was among several new laws passed by the General Assembly this year to protect Tennessee consumers. The new cybersecurity statute tightens up Tennessee's law regarding breach notification requirements to protect consumers.

Before, Tennessee law required a person, state agency, or business that owns or licenses computerized data that includes personal information to disclose any discovered breach of the security of the system to affected persons whose unencrypted personal information may have been acquired by an unauthorized person. The law, however, did not affect encrypted information. A growing number of breaches involve encrypted data as the methods used by criminals become more sophisticated. The time frame for this notification was also not specified under the previous law, simply saying it should be made in the most expedient time possible and without reasonable delay.

The newly passed law specifies that an unauthorized user includes employees of the information holder and that a breach of the security system includes the unauthorized acquisition of all computerized data, whether encrypted or unencrypted. It further requires that the notification requirement to disclose a breach be made immediately, but no later than 45 days from the discovery or notification of the breach or, in the event the disclosure is delayed due to the needs of law enforcement, no later than 45 days after the law enforcement agency determines that the disclosure will not compromise a criminal investigation.

According to the Credit Union National Association, it is estimated that the 2013 Target breach cost credit unions over \$30 million and the 2014 Home Depot breach is estimated to have cost even more. These costs include notifying customers of the breach, reissuing credit and debit cards, closing and reopening member accounts, refunding fraudulent charges, stopping and blocking payments and increasing fraud monitoring.

[\*Senate Bill 2005\*](#) by Ketron, Gresham / Status: [\*Public Chapter 692\*](#) / Effective Date: July 1, 2016 and shall apply to breaches occurring on or after the effective date of this act

**Identity Theft / Registers of Deeds** -- A new law was passed that prohibits registers of deeds from disclosing personal information to help guard against identity theft. The legislation categorizes certain data as “personal identifying information,” including social security numbers, driver license numbers, employer tax identification numbers, electronic identification numbers and residential addresses and forbids the release of it.

[Senate Bill 910](#) by Johnson / Status: [Public Chapter 914](#) / Effective Date: July 1, 2016

**Consumer Protection - Deceptive Advertising** -- The 109th General Assembly passed legislation in 2016 to investigate and fine companies and individuals who use deceptive advertising methods. The new law prohibits advertisements that look like a summons or a judicial process notification. It also prohibits advertising that looks like a government document, whether it is through the use of language, seals and logos or if it implies an unauthorized endorsement by a government entity. A fine is prescribed of up to \$100 per advertisement for violation of the law.

[Senate Bill 1928](#) by Johnson, Bell, Briggs, Ramsey, Norris, Stevens, Gardenhire, Watson, Tracy, Bowling, Ketron, Roberts / Status: [Public Chapter 594](#) / Effective Date: Upon becoming law on March 10, 2016

**Consumer Protection / Motorcycles** – Consumer protection legislation passed this year to ensure that persons purchasing a motorcycle will be informed on the certificate of title if it has been depreciated by 75 percent or more due to being wrecked, damaged, dismantled or rebuilt. Previous law did not apply to motorcycles, allowing sellers to take advantage of an unintended loophole not to disclose the information. This legislation puts motorcycles under the same salvage law requirements as other vehicles.

[Senate Bill 1994](#) by Ketron / Status: [Public Chapter 691](#) / Effective Date: Upon Becoming Law on March 24, 2016

**Consumers / Condominiums** -- A new law was enacted during the 2016 legislative session that makes it clear that a mortgage lender has a first lien priority when a condominium in which the lender has the first mortgage is foreclosed upon in Tennessee. The legislation comes after a court decision in another state which cast doubts on whether the lender was first by ruling that a homeowner’s association has a “super priority” for delinquent dues over mortgage liens on foreclosed property. The recent ruling could have chilling effect on the ability of prospective condominium buyers to secure a mortgage loan if lenders are not sure that they will be able to recoup costs in such cases. The ruling also means that a mortgage lender might not even be notified before a foreclosure if a condominium association has super priority.

The new law seeks to protect the lender’s interest in the event of the foreclosure as was the assumption before the court ruling. Under the new statute, the condominium association will get up to six months, or one percent of the original principal amount of the loan, out of the proceeds on the foreclosed condominium. If the lender keeps the property, the lender or whoever purchases the condominium must pay dues going forward.

[Senate Bill 2397](#) by Overbey, Johnson / Status: [Public Chapter 866](#) / Effective Date: This act shall take effect June 1, 2016 and applies to any foreclosure action initiated on or after that date

**Fantasy Sports** -- The General Assembly approved legislation this year to create a commission to oversee the new and exploding industry of online fantasy sports. The new law creates a regulatory framework for the brand new market to protect consumers. It is estimated that one million of Tennessee's 6.5 million citizens engage in fantasy sports. The committee will consist of five members: one chosen by the governor, and the respective speakers of each chamber electing two.

*[Senate Bill 2109](#) by Johnson / Status: [Public Chapter 978](#) / Effective Date: Section 3 takes effect upon becoming law on April 27 (the section that allows fantasy sports operators that are operating in the state to continue to legally operate), but for all other purposes it takes effect on July 1, 2016*

## **Agriculture**

In addition to providing a major investment in helping rural communities draw new jobs, Tennessee lawmakers passed several laws this year to help Tennessee farmers.

**Budget** -- The 2016-2017 state budget provides \$1.1 million for rural communities by increasing producer grants. The grants allow producers to maximize farm profits, adapt to changing market situations, improve operation safety, increase farm efficiency and make a positive economic impact in their communities.

**Right to Farm Act** -- Legislation protecting Tennessee's farming industry passed this year as the General Assembly approved an amendment to the state's Right to Farm Act. The new law clamps down on illegitimate nuisance suits by removing the standard regarding nuisance actions on new types of farming operations. The measure requires the same burden of proof for nuisance action for these farms as used in established farming operations.

The new statute establishes a rebuttable presumption that a farm is not a public or private nuisance unless overcome by a preponderance of the evidence that either the farm does not conform to generally accepted agricultural practices or those set by the Department of Agriculture and the Department of Environment and Conservation. This would not affect legitimate cases of nuisance like the improper use of pesticides, herbicides or disposing of waste improperly.

*[Senate Bill 2591](#) by Norris, Kelsey, Bowling, Stevens, Bailey, Gardenhire, Gresham, Roberts, Tracy, Yager / Status: [Public Chapter 728](#) / Effective Date on April 7, 2016: Upon becoming law on April 7, 2016*

**Farm Wine Producers** -- This year, the General Assembly passed legislation allowing licensed wineries and farm wine producers to label and advertise wine made from apples as cider, apple cider, or hard cider. This new law allows these producers to accurately label their product, which also benefits consumers.

*[Senate Bill 1784](#) by Overbey / Status: [Public Chapter 687](#) / Effective Date: May 1, 2016*

**Agriculture / Seeds** -- The House and Senate approved legislation this year which gives the Commissioner of Agriculture authority to regulate seeds that are sold, purchased and planted in

Tennessee. The new law aims to reduce the risk of potentially harmful seeds from other parts of the world coming into the state.

[\*Senate Bill 1934\*](#) by Yager, Bowling, Gresham, Stevens / Status: [\*Public Chapter 643\*](#) / Effective Date: Upon becoming law on March 23, 2016

**Industrial Hemp** – State lawmakers passed a new statute during the 2016 legislative session expanding the facilities that may study industrial hemp. Industrial hemp is a cannabis plant containing ultra-low levels of tetrahydrocannabinol (THC) and is used to make a wide variety of products, including paper, cosmetics and insulation. An estimated 55,700 metric tons of industrial hemp are produced around the world each year.

The legislation allows any institution of higher education that offers a baccalaureate or post-graduate level program of study in agricultural sciences the authority to breed and develop hemp seeds to be certified by the Department of Agriculture.

[\*Senate Bill 1611\*](#) by Niceley, Gardenhire / Status: [\*Public Chapter 891\*](#) / Effective Date: Upon becoming law on April 27, 2016

**Livestock Inspections** -- Governor Bill Haslam has signed into law legislation that guarantees governmental transparency in livestock inspections. The measure enables owners of an animal subject to inspection to be able to personally record or designate an agent to record the assessment by audiovisual means.

As of January 2016, Tennessee has more than 51 million agricultural animals and 4,500 inspectors. Cattle and calves are the largest source of farming income in Tennessee.

[\*Senate Bill 2332\*](#) by Tracy, Gresham / Status: [\*Public Chapter 628\*](#) / Effective Date: Upon becoming law on March 22, 2016

**Animal Cruelty** – This year’s legislative action included passage of a new law to strengthen the protocol for investigating cases of livestock cruelty. The legislation was brought from the Department of Agriculture and transfers agricultural abuse probable cause determination from county agents to the department.

In many rural areas, the county agents have been placed in situations where they are required to investigate their friends and neighbors. This legislation brings the probing authority to a total of thirteen individuals under the state department. Other statutorily designated individuals can perform the functions as well, such as veterinarians. The legislation had the support of the Sheriff’s Association, the Humane Society, and the Farm Bureau. It passed the Senate unanimously with all 33 senators signed on as co-sponsors.

[\*Senate Bill 2529\*](#) by Norris, McNally, Tracy, Bailey, Beavers, Bell, Bowling, Briggs, Crowe, Dickerson, Gardenhire, Green, Gresham, Haile, Harper, Harris, Hensley, Jackson, Johnson, Kelsey, Ketron, Massey, Niceley,

*Overbey, Roberts, Southerland, Stevens, Tate, Watson, Yager, Yarbrow, Ramsey / Status: [Public Chapter 740](#) / Effective Date: Upon becoming law on April 7, 2016*

## **Wildlife / Outdoors**

**Budget** – This year, the legislature invested in state parks by increasing maintenance funding by \$3 million recurring and providing \$54.7 million for capital improvements and maintenance.

**Used Oil Collection Act** -- The General Assembly passed a new law during the 2016 legislative session which broadens the scope of the 1993 Used Oil Collection Act to address the proper disposal of used antifreeze, transmission fluid and power steering fluid (referred to as "other automotive fluids"). In addition to the current used oil collection centers, the measure provides for automotive fluid collection centers, which will accept used oil, antifreeze, transmission fluid or power steering fluid. It also broadens the scope of used oil collection centers to additionally provide for the collection of other automotive fluids.

[Senate Bill 2544](#) by Norris, Green / Status: [Public Chapter 771](#) / Effective Date: July 1, 2016

**Asian Carp / Study** – Legislation was approved calling for a study of the newest invasive species to plague Tennessee, Asian carp. The diet of Asian carp overlaps with the diet of native fish in the Tennessee, Cumberland, and Mississippi Rivers. The commercial value of Asian carp is quite low and much less valuable than the native fish they replaced. Due to their large size, this particular species has also been known to cause bodily harm and sometimes death when they come into contact with people fishing or water-skiing. This measure creates a nine-person task force to research and report possible solutions to the General Assembly.

[Senate Bill 1753](#) by Green / Status: [Public Chapter 949](#) / Effective Date: Upon becoming law on April 27, 2016

**Litter Cleanup** -- The State Legislature passed a measure this year extending for an additional six years to July 1, 2022, the temporary tax on bottles of soft drinks and barrels of beer to fund programs for the prevention and collection of litter. The tax was first levied in 1981 and has truly made a difference in the amount of litter that plagues all 95 counties. Over 300,000 tons of litter has been collected across the state thanks to the programs this tax funds.

[Senate Bill 1938](#) by Yager / Status: [Public Chapter 704](#) / Effective Date: June 1, 2016

**Stormwater / State Regulations** -- Lawmakers voted this year to require general permits issued under the Water Quality Control Act by the state's Department of Environment and Conservation be no more restrictive than federal requirements for management storm water post construction. Post construction stormwater retention standards have significant cost impacts on Tennessee residential, commercial, and other property owners.

The new law allows local governing bodies discretion to implement appropriate standards to meet minimum requirements. States surrounding Tennessee also allow local governments' flexibility to meet

the minimum federal requirements post construction stormwater mandates, and have left specific implementation strategies to the discretion of local governing bodies. This legislation applies only to post construction stormwater discharges from new or redeveloped property one acre or greater into the local governments' municipally separate storm sewer system. It does not eliminate the requirement to control post construction stormwater regulation; rather, it simply gives local governments the flexibility to impose measures necessary to meet the requirements.

[Senate Bill 1830](#) by Southerland, Kelsey, Gardenhire, Green, Bell, Beavers, Bowling, Crowe, Jackson, Niceley, Norris, Roberts, Stevens, Tate / Status: [Public Chapter 1007](#) / Upon becoming law on April 23, 2016

## Transportation

**Budget** – Several key transportation bills were approved during the 2016 session of the 109<sup>th</sup> General Assembly to help alleviate traffic and continue to lower the number of highway deaths on Tennessee roads. Highway fatalities are down over 18 percent from their 50-year average.

In addition, road funds were also up for debate this year as Tennessee faces a \$6 billion backlog in road projects. Although comprehensive legislation to address this backlog was deferred, the 2016-2017 budget repays \$142 million taken from Highway Fund during the recession to be used for transportation of which \$42 million will go to county road and bridge projects.

**Public Private Partnership** -- Legislation that provides a framework to allow Private Public Partnership (P3) agreements for certain transportation projects was given approval by lawmakers this year. The new statute aims to improve safety, reduce congestion and increase capacity on Tennessee's roads, as well as encourage economic growth.

Typically with a P3 agreement, the public sector maintains ownership of the asset but the private partner manages construction, operation, and maintenance through the life of the contract.

The law authorizes partnerships between private entities and state and local governments for the private development, redevelopment and operation of transportation facilities. Transportation facilities are defined to include any mass transit system intended for shared passenger transport services to the general public.

The legislation authorizes a state or local government entity, or agencies created by them, to receive, consider, evaluate and accept proposals for a qualifying transportation facility. It details the procedures for doing so, including that the private entity must first obtain state approval before entering into a comprehensive agreement with the state or local government. The request must also be reviewed by the legislature's Fiscal Review Committee prior to the agreement to ensure transparency and oversight.

Under the measure, any project estimated to be over \$50 million will require an independent audit to be paid for by the private entity. This audit will be subject to public disclosure, other than proprietary information. If any state funds are expended for the purposes of a P3 agreement, it must be appropriated in the general appropriations act.



[Senate Bill 2093](#) by Ketron, Yarbrow, Dickerson, Tracy / Status: [Public Chapter 975](#) / Effective Date: October 1, 2016

**Slow Pokes / Interstate Highways** – A new law restricting slow drivers from continuously driving in the far left lane and impeding the normal flow of traffic on Tennessee’s interstate highways was passed this session. As adopted, the legislation requires cars to stay out of the left lane of interstate highways with at least three lanes except in the case of passing other vehicles. The new statute creates a \$50 fine for driving slow in the fast lane on major highways in Tennessee. Twenty-nine other states have similar legislation on the books, with evidence showing such laws do increase the flow of traffic, help increase safety on busy roads, and cut down on the occurrence of traffic jams on major highways and interstates.

[Senate Bill 2143](#) by Niceley / Status: [Public Chapter 982](#) / Effective Date: July 1, 2016

**Texting While Driving** – The General Assembly has approved a new law which provides that a texting while driving offense triggers a moving violation. This action calls for a mandated driver education course on the first offense so drivers will fully understand the dangers of texting while driving.

Colonel Tracy Trott of the Tennessee Highway Patrol testified before the Senate Transportation Committee this year regarding the issue, calling it the number one issue for public safety in Tennessee over the next five years. Trott said that if people are looking at their email or texting while driving, there is a time lapse of four seconds. That lapse extends to 4.7 seconds if the driver is texting and sending an email. He said that when driving 70 miles per hour, this lapse is equivalent to 574 feet, or the distance of almost two football fields, before drivers have the ability to react to the road conditions in front of them. He believes that it could be the cause of up to 50 percent of crashes in the state.

State troopers issued 24 percent more texting-while driving citations in 2015 than in 2014.

[Senate Bill 1589](#) by Jackson / Status: [Public Chapter 1077](#) / Effective Date: July 1, 2016

**Red Light Cameras** – Legislation was approved this year to provide clarity regarding citation notices issued for traffic enforcement cameras, or red light cameras. While previous law states that non-payment cannot affect one’s credit score, driver’s license status, or insurance, some of the contracted enforcement companies have attempted to make violators believe otherwise in order to collect payments. The new law requires the notice in print, in bold-faced font, the same size as the largest font that “Non-payment of this notice or citation cannot adversely affect your credit score or report, driver’s license and/or automobile insurance rates.”

[Senate Bill 2492](#) by Bailey, Beavers / Status: [Public Chapter 998](#) / Effective Date: Upon becoming law on April 27, 2016

**Emissions Testing / New Cars** -- Newer vehicles will be exempt from auto emissions testing under legislation approved by the General Assembly in 2016. Emissions inspections are currently required in counties in which the Environmental Protection Agency (EPA) has designated as “non-attainment counties.” These include Hamilton, Davidson, Rutherford, Sumner, Williamson and Wilson Counties.

Emissions testing is done prior to vehicle registration or registration renewal if the vehicle is model year 1975 or newer, powered by a gasoline or diesel engine and weighs up to 10,500 lbs. Less than three percent of new vehicles fail emissions testing and the vast majority of those are due to code errors in the testing process. This new law will exempt vehicles three years of age or younger from the inspection.

The EPA must approve any rules promulgated through enactment of the legislation.

[Senate Bill 777](#) by Beavers, Kelsey / Status: [Public Chapter 1028](#) / Effective Date: Upon becoming law on April 28, 2016

**County Bridge Relief Act** -- The General Assembly passed a new law this year to remove the termination date of July 1, 2016, from the County Bridge Relief Act of 2014. This permanently authorizes counties to use an unexpended balance of state-aid bridge grant funds to pay the local share of project costs for replacing or improving county bridges. The purpose of the legislation is to continue improvement of the state's infrastructure and ease the burden placed upon county governments.

[Senate Bill 2142](#) by Yager, Tracy, Bailey, Bowling, Stevens / Status: [Public Chapter 981](#) / Effective Date: Upon becoming law on April 27, 2016

**Aeronautics** -- State lawmakers have approved legislation to create the Aeronautic Economic Development Fund. Under the new law, grants may be made in all counties to the local government or their economic development organizations, after approval by the commissioner of the Tennessee Department of Transportation. The fund is not appropriated in this year's budget, but will instead be funded at a later date. Once funded, grants will be made to benefit aeronautical programs and infrastructure across the state, principally at airports.

[Senate Bill 750](#) by Watson, Norris, Gresham, Tracy / Status: [Public Chapter 1027](#) / Effective Date: July 1, 2016

**E-Bikes** -- Legislation has received approval that brings state law into compliance with the Consumer Product Safety Commission standards regarding low-speed electric bicycles, better known as "e-bikes." The measure defines e-bikes and clarifies that they are subject to the same rules and legal requirements that apply to riders of traditional bicycles regarding speed limits, proper passing, and following local traffic laws. Local law enforcement will still be allowed to restrict, regulate, or prohibit the use of e-bikes in their parks, on paths, and on trails under the legislation.

This measure aligns state law with a growing market to make bike riding safer for all, while giving local law enforcement the tools they need to regulate this new mode of transportation.

[Senate Bill 1705](#) by Briggs, Yarbro / Status: [Public Chapter 823](#) / Effective Date: July 1, 2016

**Bicycle Lanes / Safety** -- Legislation to protect the state's bicyclists was passed by the General Assembly this year that creates penalties for operating a vehicle in a designated bicycle lane with the exception of parking, loading or unloading passengers or turning. The first offense is a warning, the second offense is

a \$20 fine and the third and subsequent offenses are a \$50 fine. According to the Tennessee Traffic and Safety Commission, in 2012 there were 259 cyclists injured and 4 killed in the state.

[\*Senate Bill 1697\*](#) by Massey, Yarbrow, Bowling / Status: [\*Public Chapter 944\*](#) / Effective Date: July 1, 2016

## **Health / Hospitals**

The Tennessee General Assembly continued to look for innovative ways to widen access to healthcare and medication through legislation passed in 2016. Some of the highlights regarding healthcare in the 2016-2017 budget include:

- Provides that TennCare’s total budget is \$10.9 billion and includes \$54.3 million for a new initiative, the Employment and Community First Choices Program, to assist persons with intellectual and developmental disabilities;
- Appropriates \$18.2 million to restore the TennCare provider rate reduction and \$6 million to restore the TennCare Pharmacy rate cut;
- Includes \$187.8 million in TennCare reserves;
- Provides \$3.2 million for federally qualified health care and community health services;
- Appropriates \$500,000 for perinatal services statewide; and,
- Extends the Hospital Coverage Assessment at 4.52 percent for another year to maintain hospital payments and medical service levels

**Hospitals** -- Legislation was approved this session to continue the Hospital Coverage Assessment. Continuing the statute prevents more than \$1.275 billion in potentially catastrophic TennCare cuts that would negatively affect 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) and cannot be passed along to patients.

[\*Senate Bill 1836\*](#) by Overbey, Green, Crowe, Yager / Status: [\*Public Chapter 854\*](#) / Effective Date: July 1, 2016

**Modernizing the State’s CON Program** – State lawmakers voted this year to adopt major legislation modernizing Tennessee’s Certificate of Need (CON) program. The measure makes important changes, including removing several services from requiring certificates of need, as well as adding flexibility to the way that hospitals and physicians groups operate in the state.

CON is a legal document required in some states, including Tennessee, before proposed acquisitions, expansions or creations of healthcare facilities are allowed. In short, if a hospital or healthcare facility wishes to expand its capacity, whether that is the number of hospital beds it makes available or the types of imaging it can conduct, the facility must apply to a state board for permission through the CON process.

Tennessee’s CON program started in 1974 as a result of the passage of the federal “Health Planning and Resources Development Act” which made federal funding contingent on having a process in place. That

requirement was lifted in 1987 and, while 14 states discontinued their programs, Tennessee decided to continue the CON process.

Key reforms in the bill include:

- Eliminating the CON for birthing centers, lithotripsy, rehabilitation services and hospital-based alcohol and drug treatment for adolescents;
- Eliminating the CON for discontinuation of obstetrician (OB) services and critical access hospital closures;
- Eliminating the CON requirement for important capital investments for modification or renovating existing health care institutions, as well as investments in medical equipment; and,
- Recognizes the healthcare differences faced by rural communities by only eliminating the CON for initiation of MRI services or purchasing of additional MRI machines for counties having a population greater than 250,000 (Hamilton, Davidson, Shelby, Rutherford and Knox), except for those serving patients less than 14 years of age.

Another key part of the reform includes requiring entities that contest the CON application to pay a 25 percent examination fee prior to accepting the contest. If the application is denied, the 25 percent will be refunded to the applicant.

The new law reflects the agreement made by many healthcare stakeholders across the state who met with key leaders in the Senate and House of Representatives last summer and during the current legislative session.

*[Senate Bill 1842](#) by Gardenhire, Watson / Status: [Public Chapter 1043](#) / Effective Date: July 1, 2016 and applies to applications filed on or after July 1, 2016*

## **Access to Care / Medicine**

**Telehealth** -- The General Assembly passed legislation to ensure that Tennesseans utilizing telehealth services are not receiving different reimbursements based upon their rural or urban locality. The new law provides that coverage and reimbursement for telehealth services cannot be impacted by the geographical location of the client.

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.

The measure builds on major legislation passed last year to protect Tennesseans' access to cost-effective healthcare by ensuring that telehealth services are readily available and consistently safe.

*[Senate Bill 2373](#) by Bell, Green, Overbey, Gresham, Bowling, Hensley, Watson / Status: [Public Chapter 990](#) / Effective Date: January 1, 2017*

***Affordable Healthcare*** – A new law which aims to provide Tennesseans with an affordable free-market option to contract directly with their physician for primary healthcare services has passed the General Assembly. The “Health Care Empowerment Act” removes roadblocks in state law to the growing Direct Primary Care (DPC) healthcare model by ensuring that it is not considered an HMO or insurance company for purposes of regulation in Tennessee.

Under the DPC model, patients pay their doctors a monthly fee in return for agreed-upon primary care services. In order to be Obamacare-compliant, a patient may supplement a DPC membership with a high-deductible "catastrophic" insurance policy. The combined cost of monthly membership fees and insurance premiums is anticipated to be substantially lower than a traditional health insurance plan with co-pays, deductibles, and premiums.

The legislation is designed to give healthcare consumers who are struggling to pay the increasing costs of premiums or who have been priced out of the market, with an affordable option to contract directly with their physician for primary care services. It also gives physicians the opportunity to set aside insurance hassles and just practice medicine.

Fourteen states have passed enabling DPC legislation. Studies show that in states where direct primary care is utilized, health outcomes have improved with doctors spending more time with patients on preventative care and monitoring chronic conditions.

*[Senate Bill 2443](#) by Roberts, Crowe, Bowling, Bell, Bailey, Gresham, Hensley, Jackson, Tracy, Stevens, Green, Norris, Watson, Yager, Harris / Status: [Public Chapter 996](#) / Effective Date: July 1, 2016*

***TennCare Opt Out*** -- The Tennessee Senate and House of Representatives passed a resolution this year that encourages Governor Bill Haslam to seek an “appropriate waiver in order to implement the TennCare Opt Out program as a pilot program” based on consumer control and choice of healthcare spending within the Medicaid-eligible patient population. The pilot program would enroll volunteer participants whose income qualifies them for temporary assistance for needy families (TANF) in the TennCare flexible savings account initiative.

Under the resolution, enrollees would receive an electronic benefits transfer (EBT) card funded by premiums paid by TennCare to purchase primary care services and medications on an annual basis. Electronic payment is made immediately to treating physicians which reduces administrative costs and encourages provider participation. Patients in the demonstration program with funds remaining in the health savings account at the year’s end keep those dollars as a reward for their healthier choices that have maintained wellness and their effective budgeting of spending.

A 2011 study done on similar programs found a decrease in the consumption of healthcare by eleven percent. Should this pilot program achieve similar savings, the dollars made available would allow expanding coverage to hundreds of thousands of Tennesseans who currently are without healthcare.

*[Senate Joint Resolution 88](#) by Green / Status: Signed by the Governor on May 12, 2016*

**Free Clinics / Eyeglasses** -- The Legislature approved multiple bills this year seeking to ease the regulatory burdens on Tennessee's 252 free and reduced fee clinics. These measures will help safeguard those organizations seeking to aid the state's most susceptible citizens from frivolous lawsuits and unnecessary regulation. One such law will allow civil immunity to persons who are involved in the free distribution of eyeglasses. It will protect charitable organizations and free clinics, like the Lions Club, who are active in sight preservation, from civil lawsuits unless the organization commits gross negligence or willful and wanton misconduct. The licensed optometrist and ophthalmologist must personally examine the patient, personally form the prescription or consult directly with the dispensing optician.

[\*Senate Bill 1567\*](#) by Yager / Status: [\*Public Chapter 665\*](#) / Effective Date: Upon becoming law on March 31, 2016

**Free Clinics / Nurse Practitioners** – Legislation passed this year to help ease the burden of rural free clinics by authorizing a nurse practitioner or physician assistant who practices in such clinics to arrange for required chart reviews by a supervising physician in the physician's office or remotely via HIPAA-compliant electronic means instead of at the clinic site. This will allow the physicians easier access to assist their patients in the free and reduced fee clinics across Tennessee.

[\*Senate Bill 2122\*](#) by Southerland, Gresham / Status: [\*Public Chapter 769\*](#) / Effective Date: Upon becoming law on April 19, 2016

**Free Clinics / Physicians** – The General Assembly has passed legislation that allows charitable clinics to directly employ physicians, optometrists, ophthalmologists, dentists and psychologists to continue to allow the organizations to provide access to comprehensive health care services to the most vulnerable citizens of the state. Formerly, state law did not permit charitable organizations or clinics to hire physicians directly. Many clinics have to contract with the doctors as a means of de facto hiring. This has caused issues with charitable organizations and the IRS. The legislation was proposed as a way to alleviate this issue.

[\*Senate Bill 2027\*](#) by Briggs, Yarbro / Status: [\*Public Chapter 766\*](#) / Effective Date: Upon becoming law on April 19, 2016

**Birth Control / Behind the Counter** -- State lawmakers voted this year to give women more convenient access to birth control by allowing them to go directly to a pharmacist to get a prescription. The new statute applies to women over the age of 18 and emancipated minors.

Although the authority to permit over-the-counter birth control lies with the Food and Drug Administration (FDA), Tennessee law can authorize it to be put behind the counter through a prescription issued by the pharmacist. The new law only applies to pharmacists who join in a collaborative practice agreement with a physician and complete an approved training program. The woman must complete a risk assessment screening prior to receiving the prescription. The screening tool will be developed by the Board of Pharmacy, Board of Medical Examiners, Board of Osteopathic Examination and the Tennessee Department of Health. The pharmacy is also allowed to charge a fee for the service under the new statute.

It is estimated that in Tennessee nearly 50 percent of pregnancies are either unplanned or mistimed.



[\*Senate Bill 1677\*](#) by Dickerson, Haile / Status: [\*Public Chapter 942\*](#) / Effective Date: Upon becoming law on April 27, 2016

***EpiPens / Restaurants*** -- Legislation to allow health care prescribers to prescribe epinephrine auto-injectors to a wide variety of entities, including restaurants, passed legislative approval this year. The purpose of the new law is to make the injectors, more commonly referred to as EpiPens, readily available in locations where an emergency is most likely to occur. Restaurants are among them as food is generally the most common cause of anaphylaxis, a condition which can be deadly if not treated immediately. Wasp or bee stings are also common causes of anaphylaxis.

The new statute defines the entities that voluntarily agree to receive the prescription as including but not limited to recreation camps, colleges, universities, places of worship, youth sports leagues, amusement parks, restaurants, places of employment and sports arenas. It also calls for one or more employees to be trained in how to properly use and store the injectors. The entity or person who uses the injector in response to an emergency are given immunity from liability when the medication is used in compliance with the law.

[\*Senate Bill 1989\*](#) by Green, Tracy, Crowe, Hensley, Dickerson, Briggs, Massey, Watson, Bailey, McNally, Overbey, Jackson, Haile, Roberts, Ketron / Status: [\*Public Chapter 805\*](#) / Effective Date: For the purposed of promulgating rules it becomes effective upon becoming law on April 14, 2016, but for all other purposes it takes effect on July 1, 2016

***Epinephrine / Law Enforcement Officers*** -- Legislation allowing law enforcement officers to administer epinephrine in emergency situations was approved by the General Assembly this session. Epinephrine injection is used along with emergency medical treatment to treat life-threatening allergic reactions caused by insect bites or stings, foods, medications, latex and other causes. It is permissible legislation, meaning it authorizes the use of epinephrine if the officer's law enforcement agency has adopted a protocol governing its administration.

The new law also authorizes physicians to prescribe epinephrine to law enforcement agencies and provides immunity from civil liability for the law enforcement officer or agency, physician and pharmacist, unless they act in reckless disregard for safety.

[\*Senate Bill 1767\*](#) by Bailey, Bowling / Status: [\*Public Chapter 801\*](#) / Effective Date: July 1, 2016

***Eating Disorder / Medication*** – The State Senate and House of Representatives approved legislation concerning new medication used to treat binge-eating disorder (BED). BED is the most common eating disorder in the United States, affecting approximately 2 percent of men and 3.5 percent of women. It is characterized by recurrent episodes of eating large quantities of food, often very quickly, to the point of discomfort, the feeling of a loss of control during the binge, experiencing shame, distress or guilt after and using unhealthy compensatory measures to counter the binging effects, such as purging or abusing laxatives and diet pills.

Although the disorder can be life-threatening, it is treatable. The US Food and Drug Administration has approved medication to treat moderate to severe cases of BED but Tennessee healthcare providers are

conflicted about whether the state's medical practice rules could be interpreted as restricting physicians from prescribing it. This new law clears up the confusion and allows doctors to prescribe drugs for their currently acceptable medical use. The measure has the support of the Tennessee Psychiatric Association, the Tennessee Medical Association and the Alliance for Patient Access.

*[Senate Bill 1765](#) by Massey / Status: [Public Chapter 952](#) / Effective Date: Upon becoming law on April 27, 2016*

**CMV / Pregnant Women** – The General Assembly has approved a new law to encourage healthcare professionals who care for pregnant women to provide information regarding CMV (Cytomegalovirus) prevention and symptoms to those patients who are at risk of the disease. CMV is a common asymptomatic virus that can infect almost anyone, but becomes a cause for concern for pregnant women. CMV infection in a pregnant woman can cause birth defects and, in rare cases, death in infants infected before birth. In Tennessee, approximately 1 out of every 150 babies is born with congenital CMV. The measure calls for healthcare providers to give patients the information in any way he or she sees fit without the risk of liability.

*[Senate Bill 2097](#) by Ketron / Status: [Public Chapter 625](#) / Effective Date: July 1, 2016*

**Stroke** – Lawmakers passed a measure this year aimed at improving care for stroke patients in Tennessee. The new law sets up a “Stroke Best Practices and Treatment Guidelines Task Force” that will work with the Department of Health and the College of Public Health at East Tennessee State University to make recommendations to the Senate and House Health committees regarding a mandatory statewide data collection registry, funding, hospital designations and standards for EMS personnel.

Strokes kill over 128,000 people each year in the U.S. It is the fifth highest cause of death in Tennessee and the leading cause of disability in the state. The goal of the legislation is to ensure the rapid identification, diagnosis and treatment of strokes and reduce the risk of preventable complications and death throughout the state.

*[Senate Bill 2092](#) by Ketron, Crowe, Norris, Overbey, Watson / Status: [Public Chapter 678](#) / Effective Date: Upon becoming law on March 29, 2016*

**Cannabinol Oil / Medical Research** -- The State Legislature voted this year to allow certain universities to use cannabis for medical research. The new law expands on legislation passed last year that allowed Tennessee Technical University to utilize cannabinol oil in researching seizures. It will allow any four-year public or private institution that has been certified by the Tennessee Board of Pharmacy and the federal Drug Enforcement Agency to use the substance with less than six tenths of one percent of tetrahydrocannabinol, as a part of clinical research studies for treatments of cancers and other diseases.

The Tennessee Center for Botanical Medical Research has stated that the research is centered on the non-psychoactive aspects of the plant, but they must first breed the THC out. Middle Tennessee State University, Vanderbilt University, the University of Memphis and the University of Tennessee were mentioned as being interested in participating in research studies to treat intractable seizures, cancer or other diseases.

[Senate Bill 2125](#) by Niceley, Bowling / Status: [Public Chapter 1083](#) / Effective Date: Upon becoming law on May 20, 2016

## Health Professionals

***Physical Therapy Licensure Compact*** -- This year, state lawmakers passed the “Physical Therapy Licensure Compact” to create a system of reciprocity whereby physical therapists who are licensed in a member state could practice in other member states. This will help enable the interstate practice of physical therapists and advance public access to their services. Tennessee is one of three states that are members of the compact, which does not take effect until 10 states join.

[Senate Bill 2368](#) by Watson / Status: [Public Chapter 810](#) / Effective Date: Upon becoming law on April 14, 2016

***Advanced Practice Nurses / Healthcare Taskforce*** -- The Senate and House of Representatives have passed legislation to enact a 19-member taskforce to make recommendations concerning healthcare issues in Tennessee. The taskforce, which is comprised of members of both chambers as well as health care professionals, must develop a plan to educate the public and health care professionals about the advantages and methods for a transformative health care delivery system that addresses the need for accessible, equitable and affordable care provided by the appropriate professionals. Specifically, the group will consider the professional range of advanced practice registered nurses and their ability to work to the full extent of their education, training, experience and certification to provide the best for Tennessee’s patients.

[Senate Bill 1979](#) by Massey, Crowe, Jackson, Overbey, Yarbrow, Bowling, Yager / Status: [Public Chapter 1046](#) / Effective Date: Upon becoming law on April 28, 2016

***Medical Occupations / Licensing*** -- The General Assembly passed legislation this year which gives healthcare professionals who let their license expire, the ability for reinstatement. Under the new statute, the professional may obtain reinstatement of the license by application in writing to the appropriate licensing board, with good cause being shown, by complying with a required periodic payment plan for any past due renewal fees and a plan for attaining continuing education compliance.

[Senate Bill 1574](#) by McNally / Status: [Public Chapter 763](#) / Effective Date: July 1, 2016

***“Nursing Licensure Compact”*** -- This year, state lawmakers passed the “Nurse Licensure Compact”, which allows licensed nurses to freely practice in compact states. This will help facilitate the interstate practice of nursing and improve public access by allowing a nurse who is licensed in member state practice in all member states. The compact will not take effect until the earlier of December 31, 2018 or passage of the compact into law by 26 states.

[Senate Bill 1725](#) by Crowe, Overbey, Bowling / Status: [Public Chapter 591](#) / Effective Date: March 10, 2016 but the compact will not be effective until either December 31, 2018 or until it is passed by 26 states

***“Emergency Medical Services Licensure Compact”*** -- Legislative action in 2016 saw passage of a new law setting up the “Emergency Medical Services Licensure Compact.” This compact allows emergency

medical services personnel to practice in other states who are members of the compact without having to be licensed in those states.

The compact will not go into effect until 10 states pass similar legislation to join. This legislation models laws passed in previous years creating similar compacts for nurses and physical therapists.

*[Senate Bill 2234](#) by Hensley / Status: [Public Chapter 855](#) / Effective Date: Upon becoming law on April 19, 2016*

**Central Service Technicians / Hospital Safety** -- State lawmakers passed legislation this year to require central service technicians to undergo certification and credentialing. Central service technicians provide support to all patient care services in health care facilities. They are responsible for decontaminating, cleaning, processing, assembling, sterilizing, storing and distributing the medical devices and supplies needed in patient care, especially during surgery. The new statute requires the technicians undergo 10 hours of continued education annually.

*[Senate Bill 2581](#) by Norris / Status: [Public Chapter 1004](#) / Effective Date: January 1, 2017*

**Medical License** -- State lawmakers voted this year to revise out-of-date provisions in the present statute affecting the licensure of graduates from international medical schools and international graduate students completing residencies in Tennessee, while extending the time to get a medical license from 7 years to 10 years. Under the legislation, the Board of Medical Examiners can also issue limited license to physicians who have been out of clinical practice for an extended period of time and those who are working in an administrative role as a physician.

*[Senate Bill 1580](#) by Briggs, Green, Dickerson / Status: [Public Chapter 1035](#) / Effective Date: Upon becoming law on April 28, 2016*

**Radiology** – A new law was passed this year to create the Tennessee Radiologic Imaging and Radiation Therapy Board of Examiners. The board will establish licenses for various x-ray machine operators, radiation therapy technologists and other medical technicians.

Currently there is only licensure for technologists who perform these procedures in a physician's office, where less than 10 percent of imaging studies are done. There is no licensure requirement for those performing radiation therapy and doing medical imaging inside hospitals or free-standing centers. These individuals are not credentialed by the hospitals and there is no standard for them to meet.

This new statute requires that every individual performing these tests, no matter where, be held to the same standards. Forty-six other states have passed similar legislation.

*[Senate Bill 899](#) by Bailey / Status: [Public Chapter 1029](#) / Effective Date: Upon becoming law on April 28, 2016 for rulemaking but for all other purposes it takes effect on January 1, 2017*

**Counselors and Therapists** -- Legislation was approved this year protecting the rights of counselors to refer a client to another therapist when the goals, outcomes or behaviors for which they are seeking counseling are a violation of his or her sincerely held beliefs. The legislation came to the General

Assembly from faith-based counselors who are banned under the American Counseling Association's code of ethics from referring a client, or a prospective client, under such circumstances.

The American Counseling Association's code of ethics is statutorily adopted in Tennessee. This only applies if the counselor coordinates a referral of the client to another therapist who will provide the counseling.

The new law does not apply if the individual seeking or undergoing counseling is in imminent danger of harming themselves or others. The measure further provides immunity from civil or criminal liability for referring such client.

*[Senate Bill 1556](#) by Johnson, Bowling, Gresham, Hensley / Status: [Public Chapter 926](#) / Effective Date: Upon becoming law on April 27, 2016*

## **Veterans / Military**

The General Assembly passed numerous bills during the 2016 legislative session to aid Tennessee's veterans and show support for those who serve in the U.S. armed forces. This year's legislative action was also driven by the terrorist attack in Chattanooga last July. New laws put into place this year will help protect Tennessee soldiers and honor the service members who lost their lives in the attack.

**Budget** -- The budget provides increased property tax relief for 100 percent service-related disabled veterans by repealing the income cap that was put in place last year. The budget also calls for two additional veterans courts to help offenders get the help they need through a specialized program which has been highly successful. In addition, appropriations this year provide \$12.8 million for facilities and homeland security upgrades for the military department.

*[Senate Bill 2653](#) (Appropriations) by Norris, McNally, Watson, Overbey, Gardenhire / Status: [Public Chapter 758](#) / Effective Date: July 1, 2015; [Senate Bill 1796](#) by Overbey, McNally, Norris, Gresham, Green, Watson, Bailey, Beavers, Bell, Bowling, Briggs, Crowe, Dickerson, Gardenhire, Haile, Harper, Harris, Hensley, Jackson, Johnson, Kelsey, Ketron, Kyle, Massey, Niceley, Roberts, Southerland, Stevens, Tate, Tracy, Yager, Yarbrow, Ramsey / Status: [Public Chapter 1065](#) / Effective Date: Upon becoming law on May 20, 2016*

**Chattanooga Attack / Honoring Resolutions** -- State lawmakers approved five separate resolutions this session honoring the four Marines and Navy sailor who died in an act of terrorism in Chattanooga in July. Sergeant Carson A. Holmquist, Logistics Specialist Randall Smith, Gunnery Sergeant Thomas J. Sullivan, Lance Corporal Squire K. "Skip" Wells and Staff Sergeant David A. Wyatt were hailed for their sacrifices and heroism. The resolutions express the State of Tennessee's deepest sympathy and offers condolences to the families of the fallen soldiers.

*House Joint Resolutions [471](#), [472](#), [473](#), [474](#) and [475](#) by Watson, Gardenhire / Status: Signed by Governor March 2, 2016*

**Chattanooga Attack / Tennessee Fallen Heroes Medal** -- The General Assembly passed legislation to allow the five soldiers killed in Chattanooga in July due to an act of terrorism to be eligible for the “Tennessee Fallen Heroes Medal.” The medal is currently awarded to honor legal residents of Tennessee killed while serving on active duty or engaged in military support operations involving conflict with an opposing foreign force. The new law removes the requirement that a recipient be a resident of Tennessee when a soldier is stationed and killed in the state during an attack specifically targeting military service members or inspired or directed by a foreign terrorist organization. The medal is awarded solely by the governor or the governor's designee to the immediate survivor of the recipient.

[\*Senate Bill 1441\*](#) by McNally, Yager, Watson, Gardenhire, Gresham, Green, Crowe, Briggs, Bell, Bailey, Bowling, Haile, Kelsey, Massey, Overbey / Status: [\*Public Chapter 581\*](#) / Effective Date: Upon becoming law on March 10, 2016

**Chattanooga Attack / Dependent Children** -- The legislature voted to give in-state tuition and fees to dependent children of military parents if the parent perished as the result of a targeted attack that occurred in Tennessee, regardless of their place of residency. The measure affects the children of the five military service members who perished in the Chattanooga terrorist attack.

[\*Senate Bill 1431\*](#) by Gardenhire, Watson, Gresham, Bowling, Crowe, Niceley / Status: [\*Public Chapter 820\*](#) / Effective Date: Upon becoming law on April 21, 2016

**National Guard Force Protection Act** -- State lawmakers passed the “National Guard Force Protection Act of 2016” this session which enhances protection at Tennessee National Guard facilities and military installations. Passage of the act follows hearings regarding the safety of military installations by the State and Local Government Committee held shortly after the Chattanooga terrorist attack. The budget includes \$1.6 million for an emergency phone system, window film, magnetic locks, a security camera system, privacy screens and bollards to protect soldiers at state military installations.

[\*Senate Bill 1553\*](#) by Johnson, Yager, Yarbrow, Stevens, Bowling, Briggs, Gardenhire, Haile, Harris, Norris, Overbey, Roberts, Watson / Status: [\*Public Chapter 747\*](#) / Effective Date: Upon becoming law on April 12, 2016

**Civil Immunity / Right to Defend** -- The General Assembly approved a law to give personal and civil immunity to guardsmen if they return fire during a terrorist attack. Following the terrorist attack in Chattanooga, Major General Max Haston, Tennessee's Adjutant General, authorized the carrying of personal firearms on state military facilities by Tennessee National Guard members with valid handgun carry permits. State law, however, does not provide immunity or personal liability protection in the event of damage or injury sustained in defense of the service member or others during a terrorist attack.

Under the new statute, civil immunity is provided if the guardsman is acting in self-defense or the defense of others due to imminent danger or the threat of substantial bodily harm. It also provides for legal representation from the state if the service member acts in accordance with provisions of the law.

[\*Senate Bill 1760\*](#) by Briggs, Yager, Roberts, Bailey, Bowling, Crowe, Gardenhire, Green, Gresham, Kelsey, Niceley, Norris, Overbey, Tracy, Watson, Jackson / Status: [\*Public Chapter 778\*](#) / Effective Date: Upon becoming law on April 12, 2016



***Service Members / Veterans*** -- The 109th General Assembly voted this year to ask Congress and President Obama to review and revise the law and policy regarding the carrying of firearms by military service members on military installations or facilities. The revisions are needed so that personnel can both help prevent and more readily defend themselves from terrorist attacks.

The Department of Defense restricts the carrying of firearms and the use of deadly force by military and civilian personnel on military installations through the issuance of Directive 5210.56. Senate Joint Resolution 391 comes after acts of domestic terrorism occurred on military facilities, including Fort Hood in 2009, a Little Rock military recruiting center in 2009, the Washington Navy Yard in 2013 and Chattanooga on July 16, 2015. The resolution recognizes the mounting threat of domestic attacks inspired by the Islamic State and also encourages the Secretary of Defense to review and revise the directive to reduce the restrictions currently in place in order to protect U.S. Armed Forces personnel.

[\*Senate Joint Resolution 391\*](#) by Bell / Status: Signed by the Governor on March 31, 2016

***Specialty License Plate / PTSD Counseling*** -- Legislation which will support Post-Traumatic Stress Disorder (PTSD) counseling to combat veterans and their families passed this year. The new law creates a specialty license plate which can be customized with a sticker to represent the veteran's specific branch with proceeds going to support these services.

Tennessee requires new specialty earmarked license plates are subject to a minimum order of at least 1,000 plates prior to initial issuance. Any plate that does not meet the minimum order requirement within one year after passage of the authorizing act becomes invalid.

Under the measure, the money raised from these license plates are to be used exclusively in Tennessee to provide resources and support to veterans, service members and their families, being equally allocated to Centerstone Military Services and SAFE: Soldiers and Families Embraced.

[\*Senate Bill 1752\*](#) by Green, Bailey, Crowe, Gresham, Norris / Status: [\*Public Chapter 825\*](#) / Effective Date: Upon becoming law on April 21, 2016

***VETS Campuses*** -- This year, the General Assembly passed a law that will make the Veterans Education Transition Support (VETS) program available to private, non-profit institutions of higher education throughout the state. The highly successful VETS program was passed into law in 2014. It encourages colleges and universities to prioritize outreach to veterans and successfully deliver the services necessary to create a supportive environment where student veterans can prosper while pursuing their education.

Currently, there are 13 public institutions that can claim VETS Campus Certification. The certification recognizes and promotes schools that make veteran enrollment a priority. Higher education institutions that satisfy veteran-friendly criteria, such as specialized orientation and the availability of mentoring programs, can receive the designation.

[\*Senate Bill 2598\*](#) by Norris, Gresham / [\*Public Chapter 657\*](#) / Effective Date: Upon becoming law on March 29, 2016

**Food Stamps / Soldiers** – A new law was passed this year which prohibits the Department of Health, to the extent permitted under federal law, from including the basic allowance for subsistence (BAS) for applicant who are member of the U.S. Armed Services when calculating income for the purpose of determining eligibility for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). Currently, married soldiers living off base get their basic salary, plus a basic housing allowance, and a basic subsistence allowance for food while they are stationed at home. When the soldier deploys to combat or training, the basic subsistence allowance is taken away. For soldiers whose income is right on the border of qualifying, they may be eligible for food stamps one week and not eligible the next when the soldier is not in the field training. The legislation passed this year removes the BAS from food stamp qualifications allowing the family to keep food stamps when the soldier returns from deployment or training.

*[Senate Bill 1759](#) by Green, Crowe / Status: [Public Chapter 950](#) / Effective Date: July 1, 2016*

**Handgun Permits / Veterans / Age 18** – Lawmakers voted this year to lower the minimum age for handgun carry permits for veterans and active duty members of the U.S. Armed Services. Eighteen states allow permits to be issued at the age of 18, including South Carolina and Maryland. The new legislation allows honorably discharged and active members of the armed forces to obtain one beginning at the age of 18. The General Assembly agreed that those men and women that are entrusted to carry in the military to protect the nation should be allowed the same rights outside the armed forces.

*[Senate Bill 2238](#) by Hensley, Gresham, Bailey, Bowling, Gardenhire, Yager / Status: [Public Chapter 903](#) / Effective Date: For the purpose of accepting applications for permits it becomes effective upon becoming law on April 27, 2016 but for all other purposes it goes into effect on January 1, 2017*

**Handgun Permit / Veterans / Classroom Requirements** – Legislation seeking to make it easier for veterans to obtain a handgun carry permit was approved by legislature this year. Under the new law, a carry permit applicant will not be required to comply with the mandatory classroom and firing range hours if the applicant is an active, honorably discharged or retired veteran of the U.S. Armed Forces. The veteran must present a certified copy of their certificate of release or discharge from active duty, a Department of Defense form 214 (DD 214) that documents the veteran has completed the military handgun training of not less than four hours prior to seeking the permit. Those on active duty will, likewise, be required to present documentation of the successful completion of handgun training of not less than four hours as required by all branches of the United States Armed Forces.

*[Senate Bill 1490](#) by Overbey, Bailey, Green, Stevens, Haile, Bell, Gresham, Norris, Bowling, Crowe, Briggs / Status: [Public Chapter 925](#) / Effective Date: July 1, 2016*

**Active Military / Veterans / Proof of Immunization** -- Legislation passed this session that will require public institutions of higher education to accept proof of a student's prior or current military service as evidence of any immunization requirements for enrollment. *[Senate Bill 513](#) by Gresham / Status: [Public Chapter 841](#) / Effective Date: July 1, 2016*

## Government Employees / Public Service

**Budget** – State employees benefitted from the passage of legislation this year, including the budget. The 2016-2017 appropriations bill continues investment in employees by including over \$95 million to address employee compensation, health insurance premiums and retirees' health insurance. The appropriations bill:

- Provides a salary policy pool at 4 percent for TEAM Act Agencies and 3 percent for Non-TEAM Act Agencies;
- Provides K-12 a 5.6 percent increase to the BEP salary component and Higher Education from the pool of funds in funding formula at over \$59 million;
- Funds all statutory pay raises for law enforcement, judges, district attorneys, public defenders, attorney general, and TWRA officers;
- Fully funds the salary survey for state troopers and TLETA officers;
- Continues to actuarially fund the state's retirement program for employees; and
- Continues the \$50 match for the 401(k) program on a recurring basis.

**State Employees / State Colleges and University Courses** -- Legislation passed which allows state employees to enroll in one course per term at any state-supported college or university, college of applied technology or the Tennessee Foreign Language Institute without paying tuition charges, maintenance fees, student activity fees, registration fees or online course fees for courses taken through the regents online degree programs. The new law changes the wording to four courses per academic year, rather than one course per term. This allows for those enrolled in accelerated Master's programs and other non-traditional degree plans to continue their program as planned. There is no increase in cost to the state and the Tennessee Higher Education Commission, the University of Tennessee and the Tennessee Board of Regents support the law which simply allows the employee to have some flexibility with academic scheduling.

[Senate Bill 1625](#) by Bailey, Massey / Status: [Public Chapter 700](#) / Effective Date: June 1, 2016

**Firefighters** – Legislation passed the General Assembly this year allowing counties and municipalities to offer eligible voluntary firefighters group insurance benefits. The new law does not mandate that local governments offer insurance, but does give them the freedom to do so, if they wish. According to the U.S. Fire Administration's 2015 National Fire Department Census, nearly 80 percent of the 638 fire departments in the state are fully volunteer operations.

[Senate Bill 1824](#) by Bailey, Roberts / Status: [Public Chapter 765](#) / Effective Date: July 1, 2016

**Law Enforcement Officers / Beneficiary** -- The General Assembly approved a new statute clarifying that an officer's designated beneficiary can receive a one-time salary supplement of \$600.00 if the officer dies in the line of duty. Currently, the stipend is only available to those who have completed 40 hours of training. The legislation also extends enrollment at the Jerry F. Agee Tennessee Law Enforcement Training Academy to criminal justice majors and to honorably discharged military veterans with at least three years of service. The veterans may use the G.I. Bill to cover the cost of the academy's tuition.

[Senate Bill 190](#) by Roberts, Crowe, Niceley / Status: [Public Chapter 530](#) / Effective Date: Upon becoming law on February 2, 2016

**Law Enforcement Officers Recognized** -- A resolution was approved this year expressing strong support for Tennessee's law enforcement officers. In Tennessee, more than 17,000 law enforcement officers protect 6.5 million citizens daily, many of which serve in a high-risk environment. The resolution recognizes the loss of life of eight law enforcement officers nationwide who were shot and killed while on duty since August 2015, including Memphis Police Officer Sean Michael Bolton. It also notes that nine other officers across the U.S. have lost their lives during the same time period in traffic accidents and other related incidents while serving the public. "We proudly express our strong support of the law enforcement officers of Tennessee as we extend to these men and women our deepest thanks for their commitment and sacrifice to serve and protect our communities," the resolution states.

[Senate Joint Resolution 394](#) by Tracy, Yarbrow, Kelsey, Overbey, Southerland, Yager / Status: Signed by Governor on April 12, 2016

## Local Governments

**Budget** – Local governments are the beneficiary of this year's state budget as state shared taxes are estimated to increase by \$24.4 million next year, to \$1,026,200,000. The budget also includes a \$7.8 million recurring increase to make local property tax payments for veterans and elderly/disabled (see taxes), \$42 million for county state aid road program (see transportation), \$140 million in ECD funds for local industry recruitment and rural initiatives (see jobs), \$137 million in education increases (see education), \$5 million increase for tourism marketing, \$1.3 million for additional county drug and veterans courts (see courts) and \$300,000 to County Technical Assistance Services (CTAS) for property assessment training for local governments.

**Local Governments / Inclusionary Zoning** – Approval was given to legislation this year that addresses inclusionary zoning practices at the local level. The new statute clarifies what is already in the law, that a local government unit is prohibited from enacting zoning regulations that require allocation of a percentage of existing or newly constructed development. The legislation allows local governments to enact an incentive-based inclusionary zoning policy, but prohibits any policies that mandates a set aside. This allows the free market to better work within the housing development sector.

[Senate Bill 1636](#) by Haile / Status: [Public Chapter 822](#) / Effective Date: Upon becoming law on April 21, 2016

**Biennial City Budgets** -- The General Assembly approved a new law allowing cities which have been determined by the State Comptroller to have more than sufficient funds to overcome their debts to submit budgets every two years if they choose. Currently, only cities and municipalities with no debt are permitted to submit budgets biennially.

Some cities see biennial budgets as a significantly better way to participate in long-term planning for their cities and municipalities. Tennessee law provides for the Comptroller to review local government budgets when necessary.

[Senate Bill 2176](#) by Haile / Status: [Public Chapter 626](#) / Effective Date: Upon becoming law on March 22, 2016

**Administrative Officer / Highway Dept.** -- Legislation that sets guidelines in the event a person challenges a candidate's qualifications for the office of county highway superintendent (or the elected chief administrative officer of the highway department) was passed this year. The new statute's language is modeled after a previously passed bill governing qualifications for sheriffs' elections and comes after a judge's controversial decision to vacate election results in one Tennessee county. The law aims to prevent the citizens from having the possibility that a court could overturn their duly-elected official in the future.

[Senate Bill 1689](#) by Bell / Status: [Public Chapter 604](#) / Effective Date: July 1, 2016

**County Commissions** -- Legislation designed to protect the integrity of county commissions and the confidence county citizens have in their commission has passed the General Assembly. This new law prohibits any county employee that is simultaneously serving as a county commissioner from voting on any matter that would increase the pay or benefits of that member or that member's spouse. The legislation also applies to members of the legislative body whose spouse is employed by that county. The employed commissioner would be able to vote on the budget, appropriations or tax rate resolutions unless the vote is on a specific amendment, appropriation, or resolution in which the member has a conflict of interest.

[Senate Bill 466](#) by Bell, Beavers / Status: [Public Chapter 1072](#) / Effective Date: Upon becoming law on May 20, 2016

## **Government Oversight and Operations / Federal**

**Federal Refugee Program** – A resolution passed this year which urges Tennessee's Attorney General to commence legal action in response to the federal government forcing Tennessee to spend state dollars for the Refugee Resettlement Program. If the Attorney General does not commence civil action, the resolution gives the General Assembly the authority to retain outside counsel for this purpose.

Reports indicate that Tennessee will receive some of the Syrian refugees for resettlement under President Obama's admissions plans. In April, high ranking officials in Washington have cast doubt on the screening process. Instead of the vetting process taking 18 to 24 months which the Obama administration said was proof of how thorough the process was, the administration said refugees would be on American soil in 90 days.

Tennessee is one of only 12 "Wilson-Fish" states, which means that the state government does not operate the Refugee Resettlement Program. In 2007, Governor Phil Bredesen withdrew the State of Tennessee from the program. The federal government then selected a non-governmental volunteer organization which contracts with them to resettle refugees in Tennessee. The federal government had provided 100 percent of the funds associated with the program when it was implemented, but now the state must bear some of the costs. The resolution aims to get legal clarity regarding the expenditure of

state money on the program and other state operated social service programs since it is operated by an entity outside state government.

The resolution references the Tenth Amendment to the U.S. Constitution, as interpreted by the U.S. Supreme Court in *National Federation of Independent Businesses (NFIB) v. Sebelius*, which says the federal government cannot lawfully force states to provide funding when they have no real option but to comply. Such coercion is also prohibited by Article II, Section 24, of the Tennessee Constitution. That article prohibits the expenditure of public money except when it is approved by the Tennessee General Assembly by law.

The resolution also references the federal requirement under the Refugee Act of 1980 to consult with states regarding the placement of refugees before those refugees are placed within its borders.

[Senate Joint Resolution 467](#) by Ramsey, Norris, Ketron, Beavers, McNally, Roberts, Green, Bailey, Bell, Bowling, Briggs, Gardenhire, Haile, Jackson, Johnson, Kelsey, Niceley, Southerland, Stevens, Tracy, Watson, Yager, Hensley, Crowe, Gresham / Status: Returned by the Governor without signature

**Immigration Policy** -- A resolution was approved during the 2016 legislative session urging the President and Congress to pass a comprehensive immigration policy that protects American society, favors U.S. citizens and lawful residents in receiving public benefits and compensates the state for any financial burdens from illegal immigrants. The Federation for American Immigration Reform (FAIR) released a study showing that illegal immigration now costs Tennessee taxpayers \$285 million a year for K-12 education, health care for illegals and for incarceration of criminal illegal aliens. The purpose of the resolution is to make sure that the federal government, “first protect Americans from the decline in public safety, education and our standards of living.”

[House Joint Resolution 70](#) by Bailey / Status: Signed by Governor on March 29, 2016

**Students with F-1 or M-1 Visas** – Legislation was passed this year authorizing the Commissioner of the Department of Safety and Homeland Security to issue a subpoena for valid law enforcement purposes to an institution of higher education regarding students who are in Tennessee on F-1 or M-1 visas. The purpose of the new statute is to give the Department of Safety and Homeland Security more information about those students who are here on a student visa but are not attending classes.

F-1 visa and M-1 visa are the two categories of visas that are issued to international students who wish to study in the U.S. The subpoena would compel the production of the following information from higher education institutions in Tennessee: the number of non-immigrant students who possess an F-1 or M-1 visa for instruction enrolled at an institution at the beginning and end of a period of study; and the names and addresses of non-immigrant students who were enrolled at the beginning of a period of study, but were not enrolled at the end of the period of study.

[Senate Bill 2394](#) by Bailey Beavers, Bowling, Crowe, Gresham, Haile, Hensley, Ketron, Niceley, Norris, Roberts, Stevens, Tracy, Watson / Status: [Public Chapter 812](#) / Effective Date: Upon becoming law on April 14, 2016



***Iran Divestment Act*** -- The Legislature approved a new law this year to identify persons investing in the energy sector of Iran and prohibit the state from contracting with them. Thirty other states have passed similar legislation to this new law called the “Iran Divestment Act.”

The act requires the state Chief Procurement Officer to develop a list of persons engaged in investment activities within 120 days of the effective date of this act (July 1, 2016). Investment activities are defined as providing goods or services of \$20 million or more in the energy sector of Iran or providing credit to another person for 45 days or more for such purpose. This list must be posted on the state’s website and updated every 180 days. The Chief Procurement Officer must give 90 day’s notice, if reasonably able to provide such notice, to any person on the list that they are ineligible to contract with the state. Such persons notified may be removed from the list if they demonstrate that the activity is not taking place or has stopped.

In 2010, President Barack Obama signed into law the Comprehensive Iran Sanctions, Accountability and Divestment Act, which authorized state and local governments to prevent investment in companies operating within Iran’s Energy Sector that may directly or indirectly support Iran’s nuclear capabilities.

[\*Senate Bill 377\*](#) by Ketron, Bowling, Kelsey / Status: [\*Public Chapter 817\*](#) / Effective Date: July 1, 2016

***Convention of States / National Debt*** -- The General Assembly approved a resolution this session calling for a convention of states for the purpose of proposing amendments putting fiscal restraints on the federal government, limiting their power and jurisdiction, and implementing term limits on members of Congress. Article V of the United States Constitution provides that a convention for proposing amendments can be held upon “the application of the legislatures of two thirds of the several states.” Thirty-eight states must ratify an amendment once it has been approved by the convention.

[\*Senate Joint Resolution 67\*](#) by Bell, Jackson, Stevens, Green, Johnson / Status: Signed by the Governor on February 9, 2016

***Marriage / Separation of Powers*** -- A resolution urging Congress to recognize Tennessee's sovereignty under the Constitution’s 10th Amendment gained the approval of the Senate and the House of Representatives this session. The resolution came in reaction to the Supreme Court’s *Obergefell v. Hodges* decision and is an effort to remind the courts of the separation of powers between the legislative and judicial branches of the government.

[\*House Joint Resolution 528\*](#) by Bell / Status: Signed by the Governor on April 28, 2016

***Same Sex Marriage / Supreme Court Decision*** -- The Senate and House of Representatives passed another resolution expressing strong disagreement with the “constitutional overreach” in the Supreme Court’s decision in *Obergefell v Hodges*. That decision legalized same-sex marriage across the United States and defied some states’ laws.

In 2006, Tennessee voters adopted the Tennessee Marriage Protection Amendment by 81 percent specifying that only a marriage between a man and a woman can be legally recognized in the state.

[House Joint Resolution 529](#) by Roberts / Status: Signed by the Governor on April 28, 2016

## ☼ State Government / State Government Accountability

**Online Voter Registration** -- Legislation providing for the establishment of an online voter registration system for Tennesseans was approved by the members of the Tennessee General Assembly. Under the new statute, voters with an unexpired driver's license or personal identification card issued by the Department of Safety may go to an official state website where they can register to vote online.

The voter registration application will be reviewed electronically. If the request is confirmed to be valid, the new registration is added to the state's voter registration list after being reviewed by the respective county election commission office. The validation step is done by comparing the information on the online registration form against the information provided by the same individual when he or she received a driver's license or state-issued identification card.

The signature already on record with the state becomes the signature on record for voting. If the information does not match, applicants are directed to print and complete the application and mail it to the county election commission office in their county of residence to be processed.

Thirty-one states plus the District of Columbia offer online registration and another six states have passed legislation to create online voter registration systems but have not yet implemented them.

[Senate Bill 1626](#) by Yager, Ketron, Briggs, Dickerson, Harris, Yarbrow, Harper, Massey / Status: [Public Chapter 936](#) / Effective Date: July 1, 2016

**Elections** -- The General Assembly passed comprehensive legislation to make voting more efficient, fair, and user-friendly. The new statute allows voters to correct an error on their registration up to the day before the election, prohibits the spouse of a candidate from acting as a poll watcher and requires the absentee ballot counting boards to remain sequestered from 4 pm the day of the election until the closing of the polls to maintain discretion. The law also extends the time frame to notify election commissions of special elections from 45-60 to 75-90 days.

[Senate Bill 1945](#) by Yager / Status: [Public Chapter 827](#) / Effective Date: Upon becoming law on April 21, 2016

**Recognizing Distinguished Citizens** -- Legislation to create an award to recognize distinguished citizens of Tennessee received final approval in 2016. The new statute creates the "Tri-Star General" honor for people who have shown outstanding displays of community service. The legislation authorizes each member of the General Assembly to nominate one individual per year for the award, while the governor can recognize up to five additional individuals. The recipients will be awarded with a certificate, signed by the Governor and the Secretary of State, commemorating their honorary title.

[Senate Bill 1458](#) by Bailey / Status: [Public Chapter 920](#) / Effective Date: January 1, 2017

**Government Accountability / State Audits** -- The state legislature approved a new law that makes it a Class A misdemeanor criminal offense for a supervisor or employee of state government to intentionally interfere with, impede, obstruct or limit access to information that is requested during an audit conducted by the Comptroller of the Treasury. Audits provide information to assist the legislature in overseeing the use of public funds and the efficient operation of government.

*[Senate Bill 1649](#) by Tracy, Gresham / Status: [Public Chapter 939](#) / Effective Date: July 1, 2016*

**Historic Commission** – During the 2016 legislative session, the General Assembly voted to establish a formal process for a local government to petition the Tennessee Historic Commission for a waiver. The new law requires public notice for transparency and the opportunity for interested parties to appear before the commission and offer public comment. It also creates clarity as to what is protected by defining a historic entity, event, figure, and organization.

The legislation provides a legal process whereby a petition for waiver may be brought by a local government to the Tennessee Historic Commission and requires notice that gives the public and interested organizations the right to offer public comment to the commission. After sufficient consideration, the Tennessee Historic Commission would then conduct a hearing and rule on the petition. All parties then have the right to appeal the commission’s decision to Chancery Court.

*[Senate Bill 2138](#) by Ketron, Bailey, Beavers, Bowling, Briggs, Crowe, Hensley, Johnson, Niceley, Norris, Roberts, Yager / Status: [Public Chapter 601](#) / Effective Date: Upon becoming law on March 14, 2016 and applies to petitions for waiver initiated with the Tennessee historical commission on or after such date*

**State Contracts** – Legislation was approved by the State Senate and House of Representatives seeking to stop the problem of vendors not reporting criminal activities related the their state contracts. This measure requires vendors seeking a state contract to notify the chief procurement officer if they have been convicted of, indicted, or pleaded guilty to violations of the Sherman Antitrust Act, mail fraud or other violations of state or federal law that is related to any contract. The chief procurement officer then must notify the legislature’s Fiscal Review Committee and the State Comptroller’s office. If a vendor fails to comply with this regulation the vendor may be fined.

*[Senate Bill 1940](#) by Yager / Status: [Public Chapter 730](#) / Effective Date: July 1, 2016 and applies to contracts entered into on or after July 1, 2016*

**TennCare Fraud** –The General Assembly approved legislation that increases the penalty for TennCare fraud from a Class E to a Class D felony. This new law increases the term of imprisonment from 1 - 6 years to 2 - 12 years and imposes a mandatory fine, in addition to restitution, in the amount of \$250 for a first offense, \$500 for a second offense, and \$1,000 for a third offense.

The legislation aims to ensure that TennCare services are fully available to those who require it most, as fraud hinders the state’s ability to serve the interests of those Tennesseans who need it most.

*[Senate Bill 2548](#) by Norris, Watson, Kelsey, Ketron, Stevens, Hensley, Roberts / Status: [Public Chapter 744](#) / Effective Date: July 1, 2016*

**Welfare / Fraud** -- Legislation aiming to reduce fraud and abuse in Tennessee's welfare system was approved by the General Assembly in 2016. The new law makes substantial changes to the way the Tennessee Department of Human Services (DHS) contracts and monitors third-party agencies that receive taxpayer money to feed children and adults.

The legislation comes after comptroller audits and investigations that identified financial mismanagement and fraud within some of the federal food programs administered by DHS. Approximately \$80 million flows through DHS for program services.

The new law directs DHS to conduct background checks on each applicant of the subrecipient or sponsoring organization. It also requires sponsoring organizations applying to participate in any food program administered through the department to obtain and maintain a performance bond. If the contract is awarded, the department must perform both unannounced and announced physical site visits during the subrecipient monitoring process and report their findings.

Similarly, DHS must develop subrecipient monitoring plans, under the statute, utilizing analytical procedures that must be submitted to certain legislative leaders and the state comptroller on an annual basis. The measure requires the inspector general of DHS to submit a report summarizing the results of any substantiated investigations concerning fraud, waste and abuse regarding the child and adult care food program and summer food service program every three months.

[\*Senate Bill 1472\*](#) by Tracy, McNally, Bell, Gresham, Crowe, Bowling, Bailey / Status: [\*Public Chapter 798\*](#) / Effective Date: July 1, 2016

## **Second Amendment Rights**

***Efficiency in Handgun Permitting Act*** — Several new laws were passed by the General Assembly protecting Tennesseans' Second Amendment rights and making the handgun permit process less redundant and more efficient. Among bills approved this year was the "Efficiency in Handgun Permitting Act," which improves the process for gun owners and lowers the fee associated with obtaining a handgun carry permit. The new law extends the current five-year handgun carry permit to eight years, lowers the initial handgun permit fee from \$115 for five years to \$100 for eight years and expands the renewal cycle from six months to eight years after the expiration of a permit before a person must reapply as a "new" applicant.

Under the statute, background checks will continue to be conducted at the time of initial issuance and at the time of renewal. Additionally, an internal background check will be conducted in the fourth year of the eight-year permit without charge. It also gives a member of the armed forces, whose permit does not expire while deployed until two months after their return to Tennessee, the same eight-year period after expiration that a civilian has to renew a permit before having to reapply as a new applicant.

When the handgun permit process was put into place, the legislature intended for the fees to only include the cost of processing the permits. The fees collected have been in excess of that cost.

[Senate Bill 2566](#) by Norris, Niceley, Gresham, Stevens / Status: [Public Chapter 736](#) / Effective Date: For the purpose of promulgating rules it becomes effective upon becoming law on April 7, 2016 but for all other purposes, this act shall take effect 30 days after the date upon which the commissioner of safety provides written notification to the secretary of state and the executive secretary of the Tennessee code commission that the department of safety's "A-list" driver license program is capable of implementing this act or it shall take effect on January 1, 2017

**Lifetime Handgun Permits** -- Similarly, a new law passed the General Assembly that reduces the lifetime handgun permit fee. The new law reduces the fee from \$500 to \$200 for current permit holders. First-time applicants will pay the \$115 fee currently in effect, plus \$200 for a lifetime handgun permit. The legislation takes effect January 1, 2017 in order to make the changes necessary to the computer systems to properly process the permits.

[Senate Bill 1477](#) by Beavers, Kelsey, Stevens, Gresham, Bailey, Bowling, Briggs, Crowe, Hensley, Niceley, Yager / Status: [Public Chapter 875](#) / Effective Date: January 1, 2017

**Second Amendment Rights / Post-Secondary Institutions** -- The Senate and House of Representatives have passed legislation requiring public post-secondary institutions to conform with the law passed by the General Assembly in 2013 allowing for the storage of handguns by permit holders in their vehicle as long as it is locked and out of sight. The new statute prohibits public colleges or universities from taking any adverse actions against an employee or student who store their permitted gun in accordance with the proposed law.

[Senate Bill 1991](#) by Kelsey, Stevens, Bailey, Bowling, Gresham / Status: [Public Chapter 806](#) / Effective Date: Upon becoming law on April 14, 2016

**International Law / Second Amendment Rights** -- State legislators passed a measure that prohibits Tennessee law enforcement officers from enforcing provisions of international law and treaties that limit Tennesseans' Second Amendment rights on or after July 1, 2016. The new law helps ensure that the right to bear arms granted in the U.S. Constitution and the Tennessee Constitution is held superior to any and all international regulations.

[Senate Bill 2395](#) by Bailey, Bowling, Briggs, Gresham, Roberts, Yager / Status: [Public Chapter 864](#) / Effective Date: Upon becoming law on April 19, 2016

**Handguns / Posting** – Lawmakers voted to approve a new law that will create immunity from civil liability for a premise that does not post signage prohibiting weapons from claims based on not posting. The legislation specifies that the immunity granted does not apply to a person, business, or other entity whose conduct or failure to act is the result of gross negligence or willful or wanton misconduct.

[Senate Bill 1736](#) by Gresham / Status: [Public Chapter 947](#) / Effective Date: July 1, 2016

**Private Property Rights / Weapons Policy** – Legislation was approved during the 2016 session that will allow a private school to develop and institute its own weapons policy. The law applies to private K-12 schools and institutions of higher education to recognize their private property rights.

Previous law banned the carrying of guns onto any school property, public or private, regardless if the person carrying was a legal permit holder. The legislation prescribes that if the private school does not adopt a handgun policy, then carrying and possession of a firearm continues to be prohibited as previously provided. However, if the school decides to develop a policy, it must first receive an affirmative vote by the institution's governing board or the Chief Executive Officer (CEO) in the absence of a board.

Any policy developed must only allow guns to be carried by legal handgun permit holders in the state of Tennessee. The policy must also be reduced in writing and disseminated in a manner likely to ensure it is known by the students, as well as the parents and guardians of those who attend that school. Finally, the administrative officer of the school is required to submit a copy of the policy to the law enforcement agency with jurisdiction.

*[Senate Bill 1559](#) by Bell, Stevens, Bailey, Bowling, Jackson, Roberts / Status: [Public Chapter 698](#) / Effective Date: Upon becoming law on April 6, 2016*

***Handguns / College Campuses*** -- Legislation allowing full-time, public college and university employees to carry a handgun on school property with some limitations (such as during disciplinary hearings) passed the General Assembly this session. The employee must have a valid Tennessee handgun carry permit and must notify law enforcement in the presiding jurisdiction if they intend to carry on campus. The statute comes after numerous shootings on college campuses over the last few years.

Twenty-three states have passed laws allowing concealed carry on college campuses and have seen no problems. The legislation aims to make university campuses less attractive targets for gunmen by no longer having them be gun-free zones.

*[Senate Bill 2376](#) by Bell, Stevens, Bailey, Bowling, Gardenhire, Gresham, Roberts / Status: [Public Chapter 1061](#) / Effective Date: July 1, 2016*

***Handgun Permits / Veterans / Age 18 (REPEAT/SEE VETERANS)*** – Lawmakers voted this year to lower the minimum age for handgun carry permits for veterans and active duty members of the U.S. Armed Services. Eighteen states allow permits to be issued at the age of 18, including South Carolina and Maryland. The new legislation allows honorably discharged and active members of the armed forces to obtain one beginning at the age of 18. The General Assembly agreed that men and women entrusted to carry in the military to protect the nation should be allowed the same rights outside the armed forces.

*[Senate Bill 2238](#) by Hensley, Gresham, Bailey, Bowling, Gardenhire, Yager / Status: [Public Chapter 903](#) / Effective Date: For the purpose of accepting applications for permits it becomes effective upon becoming law on April 27, 2016 but for all other purposes it goes into effect on January 1, 2017*

***Handgun Permit / Veterans / Classroom Requirements (REPEAT/SEE VETERANS)*** – Legislation seeking to make it easier for veterans to obtain a handgun carry permit was approved by legislature this year. Under the new law, a carry permit applicant will not be required to comply with the mandatory classroom and firing range hours if the applicant is an active, honorably discharged or retired veteran of the U.S.



Armed Forces. The veteran will have to present a certified copy of their certificate of release or discharge from active duty, a Department of Defense form 214 (DD 214) that documents the veteran has completed the military handgun training of not less than four hours prior to seeking the permit. Those on active duty will, likewise, be required to present documentation of the successful completion of handgun training of not less than four hours as required by all branches of the United States Armed Forces.

*[Senate Bill 1490](#) by Overbey, Bailey, Green, Stevens, Haile, Bell, Gresham, Norris, Bowling, Crowe, Briggs / Status: [Public Chapter 925](#) / Effective Date: July 1, 2016*

## ⊗ Senior Citizens

**Budget** – The General Assembly passed several bills during the 2016 legislative session to protect senior citizens from both physical harm and financial exploitation. Starting with the budget, funds were allocated this year to support staff training on elder abuse through the District Attorneys General Conference.

**Elder Abuse / Elder Exploitation**-- Several new laws were approved this session to tackle the growing problem of elder abuse in Tennessee, including legislation stemming from recommendations of the General Assembly's Elder Abuse Task Force. The task force was formed two years ago to study Tennessee's current system for protecting, preventing and prosecuting crimes of abuse for its older and more vulnerable adults. This includes legislation to keep the state's elderly safe by setting up checks on the people who are working in direct contact with vulnerable adults in home healthcare and hospice.

The new law lays out requirements that must be met before an employee may be hired. Applicants must supply fingerprint samples, submit to a background check and provide past references. These requirements apply to third party vendors that have direct contact with the patients.

*[Senate Bill 1848](#) by Gardenhire, Crowe, Niceley, Norris / Status: [Public Chapter 1044](#) / Effective Date: Sections 4 (background checks) and 8 takes effect on July 1, 2016 with the remaining sections becoming effective upon becoming law on April 28, 2015*

**Financial Exploitation** -- Following another recommendation of the task force, a resolution was passed to address financial exploitation of vulnerable adults. The measure resolves that the Tennessee Commission on Aging and Disability will work with the Tennessee Bankers Association, the Tennessee Credit Union League and other appropriate organizations to develop a list of recommended changes to current law that would assist financial institutions in protecting vulnerable adults from fraudulent and other questionable transactions.

*[Senate Joint Resolution 678](#) by Crowe / Status: Signed by the Governor on May 12, 2016*

**Vulnerable Adult Protective Investigation Teams** -- The General Assembly passed a law to create a Vulnerable Adult Protective Investigation Teams (VAPIT) in each judicial district in Tennessee. The purpose of the measure is to coordinate the investigation of suspected instances of abuse, neglect or

exploitation of an adult. The information generated by the multi-disciplinary adult protective services team can then be reviewed to determine what further action can be taken to protect these citizens.

One study estimated that only 1 in 14 cases of elder abuse ever come to the attention of authorities.

*[Senate Bill 2588](#) by Norris, Gresham, Haile, Massey, Roberts / Status: [Public Chapter 1006](#) / Effective Date: upon becoming law on April 27, 2016*

***Aging Caregivers / Persons with Disabilities*** – Legislation passed this year to help aging caregivers who care for a child or ward with an intellectual disability. The new law will allow eligible people having an intellectual disability (ID) who are on the waiting list for services from the Department of Intellectual and Developmental Disabilities (DIDD) with custodial parents or caregivers aged 75 and over to enroll into the Self-Determination or similarly capped waiver.

In 2015, the original “aging caregiver” law was passed by the General Assembly requiring DIDD to enroll all eligible people whose caregivers are 80 and over into the Self-Determination Waiver. However, the average life expectancy in Tennessee is only 76.30 years of age. The new law gives aging caregivers who are facing their own healthcare challenges the peace of mind that their child or family member will be cared for after they pass away. At the same time, it provides individuals with disabilities with basic support prior to a “crisis” to help them adjust to being supported by people other than their primary caregiver.

*[Senate Bill 2003](#) by Ketron, Haile, Crowe, Niceley, Yager / Status: [Public Chapter 707](#) / Effective Date: Upon becoming law on April 6, 2016*

***Elderly / Healthcare Structures*** -- The State Senate and House of Representatives passed legislation to authorize zoning consideration of temporary family healthcare structures for mentally or physically impaired citizens on the property of their caregiver. Similar to a “mother-in-law apartment,” the temporary housing must have access to water, sewer and electric utilities.

The elderly is the fastest growing age demographic in Tennessee and, by 2020, 1 in 5 citizens will be over the age of 65 and 70 percent will require some form of assistance. This legislation puts in place a framework to allow for those vulnerable adults to receive the assistance they need from their families while still maintaining some independence.

*[Senate Bill 2375](#) by Bell, Bailey, Bowling, Green, Gresham, Roberts, Stevens / Status: [Public Chapter 992](#) / Effective Date: July 1, 2016*

***Conservators / Wards*** – State lawmakers approved a new law this year to restrict the ability of a conservator to isolate their ward from visitation by family members or loved ones without just cause. A conservator is a legally appointed guardian of a disabled person. Under previous law, a conservator could restrict visitation and communication with the ward in Tennessee without going to court, even when it involves communication or visits by a family member. Due to the growing number of divorces, this became a problem when there is conflict between children of an incapacitated adult whose spouse has been named the conservator.

The new law provides the ward has a right to visit, communicate or interact with family and loved ones and that a conservator shall not restrict it unless specifically authorized by a court order. It also provides a process by which the conservator can petition the court to place restrictions upon communication or interaction by showing good cause. Some of the factors the court can consider are previous protective orders, whether the ward expresses the wish to visit and past preferences.

The law is named the “Campbell/Falk Act” in recognition of Country Music Legend Glen Campbell and renowned actor Peter Falk, whose children testified during the bill’s journey through the legislative process.

[\*Senate Bill 2190\*](#) by Crowe, Kelsey, Johnson, Tate / Status: [\*Public Chapter 1062\*](#) / Effective Date: upon becoming law on May 16, 2016

**Grandparent Visitation Rights** -- Legislation passed this year expanding the authority of a court to order grandparent visitation when the child is not in the custody of the parent and when the grandparent’s relationship has been significantly reduced, rather than severed.

Previously, if custody of a child is awarded to a set of grandparents, the judge could recommend, but not mandate, visitation for the other set of grandparents.

The new law allows a judge to grant those visitation rights and expands the authority of a court to order grandparent visitation when the child is not in the custody of the parent and when the grandparent’s relationship has been significantly reduced, rather than severed.

[\*Senate Bill 1670\*](#) by McNally, Haile, Tracy, Bailey / Status: [\*Public Chapter 1076\*](#) / Effective Date: Upon becoming law on May 20, 2016

## Other

**911 Funding** -- State lawmakers approved legislation this year to simplify and streamline the finances of the state’s 911 emergency communications network. A follow up on 2014’s comprehensive 911 reform legislation, the new law consolidates the collection and remittance process under the Department of Revenue rather than the Tennessee Emergency Communication Board, which was not designed to be a collection agency. This measure has the added benefit of reducing the administration fee by one percent to reflect the savings from using a single, uniform collection point.

[\*Senate Bill 2051\*](#) by Gardenhire, Norris / Status: [\*Public Chapter 1047\*](#) / Effective Date: July 1, 2017

**State Symbol** -- The General Assembly acted this session to designate the Tennessee flag’s center emblem of a blue circle with three white five-pointed stars as the official state symbol. The flag was adopted as the official flag of the state of Tennessee by an act of the General Assembly passed and approved April 17, 1905. It was designed by LeRoy Reeves of the Third Regiment, Tennessee Infantry,

who made the following explanation about the center emblem: “The three stars are of pure white, representing the three grand divisions of the state. They are bound together by the endless circle of the blue field, the symbol being three bound together in one—an indissoluble trinity.”

[\*Senate Bill 1430\*](#) by Niceley, Southerland, Bowling, Roberts / Status: [\*Public Chapter 534\*](#)/ Effective Date: Upon becoming law on March 2, 2016

**Drones / Surveyors** – Legislation passed this year to expand the lawful use of photography captured by unmanned aircrafts or drones to land surveyors and topographical mapmakers. The new law allows land surveyors and topographical mapmakers to utilize drones for their investigations and research. It also permits the Tennessee Department of Transportation to capture images via drones for the planning, locating, designing, constructing, maintaining or operating of transportation programs and projects. The legislation allows the state to adopt this new technology to make departmental duties less expensive and more efficient.

[\*Senate Bill 2470\*](#) by Stevens / Status: [\*Public Chapter 900\*](#) / Effective Date: July 1, 2016

**Drones / Critical Infrastructure** -- A new law was approved which restricts the use of unmanned aircrafts, or drones, within 250 feet of any critical infrastructure facility for the purpose of conducting surveillance, gathering information or recording data about the facility. To knowingly do so would classify as a Class C misdemeanor.

Under this statute, a critical infrastructure facility includes electrical power plants, oil refineries, combustible chemical storage or manufacturing facilities, water and wastewater facilities and natural gas pipelines. Drone flyers with specific authority from the Federal Aviation Administration, such as Google or Amazon, are exempt from this legislation.

[\*Senate Bill 2106\*](#) by Johnson / Status: [\*Public Chapter 788\*](#) / Effective Date: April 26, 2016

**Restricted Driver's Licenses** – Legislation has been signed into law which deletes the requirement that a person's driver license be suspended for an additional like period if they are convicted of driving on a suspended or revoked license. This allows a court to order issuance of a restricted driver license contingent on the person participating in a payment plan for any unpaid fines or costs and aims to get people back to work

[\*Senate Bill 1581\*](#) / by Stevens, Yarbrow / Status: [\*Public Chapter 748\*](#) / Effective Date: January 1, 2017

**Native Species Lumber Act** -- The Senate and House of Representatives acted this year to allow Tennessee lumber mills the ability to sell native timber for agricultural buildings, including barns and sheds. The Tennessee Native Species Lumber Act creates a certification program offered by the agricultural extension of the University of Tennessee for owners or representatives of sawmills. The mill is then certified to grade lumber and to certify in writing to the purchaser that the quality and safe working stresses of the lumber are equal to or better than No. 2 grade. The program will be offered biannually and in each of Tennessee's three grand divisions at a nominal cost.

[\*Senate Bill 822\*](#) by Bailey / Status: [\*Public Chapter 1071\*](#) / Effective Date: Upon becoming law on May 20, 2016

**Horse Racing Advisory Committee** -- The 109th General Assembly gave approval to a new law which will recreate the State Horse Racing Advisory Committee to develop recommendations for legislation related to the establishment of horse racing in Tennessee. Tennessee once dominated the horse racing business, but after 1907 legislation banning pari-mutuel betting, the industry shifted to Kentucky. According to the Kentucky Equine Survey, Kentucky's equine industry has a total economic impact of almost \$3 billion and generates approximately 40,665 jobs.

[\*Senate Bill 1738\*](#) by Niceley / Status: [\*Public Chapter 1040\*](#) / Effective Date: For the purpose of appointing members to the committee it is effective upon becoming law but for all other purposes it takes effect on July 1, 2016

**Emergency 911** -- The General Assembly approved a new statute during the 2016 legislative session to help ensure that emergency services are easily accessed by hotel and motel patrons. The legislation comes from a case in Texas where a child attempted to dial 911 at a hotel where her mother was being attacked, but was unable to connect to emergency services because she did not realize she had to dial a separate digit to be connected out.

The National Emergency Number Association, a group representing 911 call takers and industry professionals, has stated that they do not know exactly how many callers try to dial 911 and fail for this reason. But officials hear "with some regularity" from law enforcement agencies about callers who couldn't get through.

The new law provides that when motels and hotels upgrade their phone systems there is no requirement to dial excess digits when calling emergency services.

[\*Senate Bill 2137\*](#) by McNally, Bowling, Gresham / Status: [\*Public Chapter 808\*](#) / Effective Date: January 1, 2017

**Missing Persons Alert / Alzheimers** -- This year, the legislature expanded the Amber Alert system to cover those citizens suffering from Alzheimer's disease or dementia. The new law will allow the Tennessee Bureau of Investigation to develop and distribute an activation card for law enforcement agencies and individuals to use in connection with the Missing Citizen Alert Program to help locate missing citizens who are missing due to dementia or physical impairment. Six in ten people with dementia will wander off or get lost and 11 percent of Tennessee senior citizens have been diagnosed with Alzheimer's.

[\*Senate Bill 2049\*](#) by McNally, Bailey, Briggs, Massey, Tate, Beavers, Bell, Bowling, Crowe, Dickerson, Gardenhire, Green, Gresham, Haile, Harper, Harris, Hensley, Jackson, Johnson, Kelsey, Ketron, Kyle, Niceley, Norris, Overbey, Roberts, Southerland, Stevens, Tracy, Watson, Yager, Yarbrow, Ramsey / Status: [\*Public Chapter 972\*](#) / Effective Date: Upon becoming law on April 27, 2016

**Care Alert** -- Similarly, the General Assembly approved legislation creating a "Care Alert" system that enables local law enforcement agencies to enter a report to the National Crime Information Center (NCIC) and alert media outlets to promote the safe recovery of a missing person over the age of 18 with an intellectual, developmental or physical disability. The new law extends the definition of a "missing

citizen” from a missing person over the age of 60 with dementia or physical impairment to include those over the age of 18 with an intellectual, developmental or physical disability. The system works like the Amber Alert for missing or endangered children and the Silver Alert for seniors with dementia or Alzheimer’s disease.

*[Senate Bill 1485](#) by Green, Yager / Status: [Public Chapter 682](#) / Effective Date: Upon becoming law on March 24, 2016*