



**State of Tennessee**  
**PUBLIC CHAPTER NO. 402**

**SENATE BILL NO. 176**

**By Norris, Tracy, Bowling, Haile, Stevens**

Substituted for: House Bill No. 170

By McCormick, Butt, Littleton

AN ACT to amend Tennessee Code Annotated, Title 71, Chapters 1, 3 and 5, relative to the department of human services.

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

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

(16) Conduct investigations, which shall include, but not be limited to, investigation into the existence of:

(A) Trafficking in, or fraud involving, the food assistance program administered by the department pursuant to title 71, chapter 5, part 3;

(B) Fraud, abuse, theft, misappropriation, or misuse of property, funds, or services by any person or entity in any program administered by the department; and

(C) Misconduct by any employee, contractor, or agent of the department concerning or related to the operation of any department program or any laws, regulations or policies governing the department's operations.

SECTION 2. Tennessee Code Annotated, Section 71-5-314, is amended by adding the following language as a new, appropriately designated subsection:

(i)(1) In addition to any criminal provisions provided by this section, the department is authorized to address intentional program violations or overpayments in the food assistance program through any administrative means, including, but not limited to, settlement of such violations or overpayments by a written agreement with recipients or by the provision of administrative hearings pursuant to the Uniform Administrative Procedures Act in title 4, chapter 5, part 3 and federal regulations.

(2) The department is authorized to initiate legal action to collect all overpayments and all payments made due to intentional program violations or fraud in the food assistance program.

SECTION 3. Tennessee Code Annotated, Section 71-3-110, is amended by deleting the section in its entirety and substituting instead the following language:

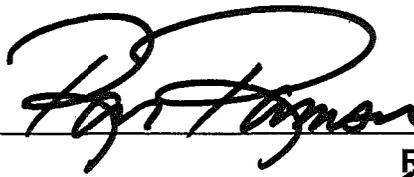
The commissioner of human services has the authority to establish a system for distribution of any benefits provided by this part, or under the continued provisions of federal law and regulations as provided under § 71-3-108, by means of electronic benefits transfer system and to contract with public or private entities to provide any services necessary to carry out such provision as the commissioner shall determine is appropriate.

SECTION 4. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 5. This act shall take effect upon becoming a law, the public welfare requiring it.

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PASSED: April 16, 2013

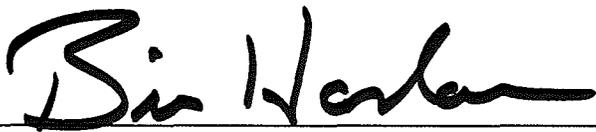


**RON RAMSEY**  
SPEAKER OF THE SENATE



**BETH HARWELL, SPEAKER**  
HOUSE OF REPRESENTATIVES

APPROVED this 14<sup>th</sup> day of May 2013



**BILL HASLAM, GOVERNOR**