

HOUSE BILL 159

By Casada

AN ACT to amend Tennessee Code Annotated, Title 3, Chapter 7; Title 4, Chapter 4; Title 5; Title 6; Title 7; Title 9, Chapter 4 and Title 49, relative to applications for federal funds by the state on behalf of local government units.

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

SECTION 1. Tennessee Code Annotated, Title 4, Chapter 4, is amended by adding the following new section:

(a) This section shall apply to any application for federal funds that, after December 31, 2013:

(1) Is submitted by a department of state government on behalf of one (1) or more, but less than all, local government units that meet the application's requirements for receipt of the federal funds;

(2) Is granted by a federal agency; and

(3) Is or becomes the subject of a lawsuit in a court of this state or the United States.

(b) If a court of this state or the United States issues a final order finding that a department that submits an application to which this section applies is not authorized to submit the application on behalf of any local government unit unless the application includes all local government units that meet the application's requirements for receipt of the federal funds, then after issuance of the final order, the department shall cease disbursement of federal funds to the local government units for which the application was granted, and shall not resubmit the application on behalf of all local government units that meet the application's requirements for receipt of the federal funds.

(c) As used in this section:

(1) "Federal funds" means funds made available to the state by grant, contract, or otherwise from any federal agency pursuant to federal law or regulation; and

(2) "Local government unit" means a county, municipality, or local education agency (LEA) as defined in § 49-1-103.

SECTION 2. This act does not impair the rights or duties of any departments of state government that, prior to the effective date of this act, have received federal funds or lawfully entered into or renewed contracts with a federal agency for the receipt of federal funds.

SECTION 3. If any provision of this act or its application to any person or circumstance is held invalid, then such invalidity shall not affect other provisions or applications of the act that can be given effect without the invalid provision or application, and to that end the provisions of this act shall be severable.

SECTION 4. This act shall take effect July 1, 2015, the public welfare requiring it.