

SENATE BILL 268

By Hensley

AN ACT to amend Tennessee Code Annotated, Title 1;  
Title 4; Title 7; Title 45 and Title 49, relative to  
legal status to be present in the United States.

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

SECTION 1. This act is known and may be cited as the "Tennessee Reduction of Unlawful Migrant Placement Act" or "TRUMP Act."

SECTION 2. Tennessee Code Annotated, Section 1-3-105(a), is amended by adding the following new subdivision:

( ) "Resident of this state," "resident of the state," "citizen of this state," and "citizen of the state" mean citizens of the United States and aliens lawfully present in this state. As used in this subdivision ( ), "alien lawfully present" means that the person can provide two (2) forms of government identification as described in § 4-58-103(d) to verify qualified alien status.

SECTION 3. Tennessee Code Annotated, Title 45, is amended by adding the following as a new chapter:

**45-21-101. Chapter definitions.**

As used in this chapter:

- (1) "Commissioner" means the commissioner of financial institutions or the commissioner's designee;
- (2) "Department" means the department of financial institutions;
- (3) "Financial institution" means a bank, savings bank, savings and loan association, or a subsidiary of those entities, industrial loan and thrift company,

credit union, mortgage broker, mortgage banker, or leasing company accepting deposits, making or arranging loans, and making or arranging leases; and

(4) "Government identification":

(A) Means a document issued by this state or the federal government that qualifies the holder as a lawful citizen of the United States or an alien lawfully present in the United States; and

(B) Includes:

(i) A valid Tennessee driver license or photo identification license issued by the department of safety or a valid driver license or photo identification license from another state where the issuance requirements are at least as strict as those in this state, as determined by the department of safety;

(ii) An official birth certificate issued by a state, jurisdiction, or territory of the United States, including Puerto Rico, United States Virgin Islands, Northern Mariana Islands, American Samoa, Swains Island, Guam; provided, that Puerto Rican birth certificates issued before July 1, 2010, are not "government identification" under this subdivision (4);

(iii) A United States government-issued certified birth certificate;

(iv) A valid, unexpired United States passport;

(v) A United States certificate of birth abroad (DS-1350 or FS-545);

(vi) A report of birth abroad of a citizen of the United States (FS-240);

- (vii) A certificate of citizenship (N560 or N561);
  - (viii) A certificate of naturalization (N550, N570 or N578);
  - (ix) A United States citizen identification card (I-197, I-179);
  - (x) Any successor document of subdivisions (4)(B)(iv)-(ix);
- or
- (xi) A social security number that the entity or local health department may verify with the social security administration in accordance with federal law.

**45-21-102. Prohibition against transmitting funds without verifying immigration status – Records required – Penalties.**

(a) It is unlawful for a financial institution in this state to send or transfer funds electronically to a person or account outside of the United States and its territories without verifying the immigration status of the person who intends to send or transfer the funds.

(b) A financial institution shall comply with subsection (a) by requesting from the person requesting to send or transfer funds a validly issued form of government identification and maintaining a copy of such identification for a period of two (2) years. The department may review these records at any time and may request a mandatory report of these records annually.

(c) If the commissioner finds that a financial institution has violated this section, then the commissioner may order the financial institution to pay to the state a civil penalty in an amount specified in rule. The commissioner and the attorney general and reporter are entitled to enforce this section against any financial institution within their jurisdiction. In determining the amount of the penalty, the commissioner shall consider

the appropriateness of the penalty with respect to the size of the financial resources of the financial institution charged, the gravity of the violation, and other matters as justice may require.

SECTION 4. Tennessee Code Annotated, Section 49-6-3001, is amended by deleting subsection (a) and substituting:

(a)

(1) The public schools are free to all persons lawfully residing within this state who are above five (5) years of age, or who will become five (5) years of age on or before August 15.

(2) The parent, guardian, or legal custodian of a pupil who is not lawfully residing in this state, but who is enrolled in a public school in the school district in which the pupil resides must be charged tuition and fees in the same manner as tuition and fees are charged to pupils who do not reside in the county pursuant to § 49-6-3003(b).

(3) As used in this subsection (a), "lawfully residing" means that a person can provide the forms of government identification described in § 4-58-103(c) to verify United States citizenship or § 4-58-103(d) to verify qualified alien status.

SECTION 5. If any provision of this act or its application to any person or circumstance is held invalid, then the invalidity does 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 are severable.

SECTION 6. The department of financial institutions is authorized to promulgate rules to effectuate this act. The rules must be promulgated in accordance with the Uniform Administrative Procedures Act, compiled in Tennessee Code Annotated, Title 4, Chapter 5.

SECTION 7. The headings in this act are for reference purposes only and do not constitute a part of the law enacted by this act. However, the Tennessee Code Commission is requested to include the headings in any compilation or publication containing this act.

SECTION 8. This act takes effect July 1, 2025, the public welfare requiring it.