

SUMMER/FALL 2019

# Businessinsider



TENNESSEE CHAMBER  
of Commerce & Industry

TENNESSEE MANUFACTURERS ASSOCIATION



## BUSINESS GUIDE TO TENNESSEE POLICY & POLITICS

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## CHAIRMAN'S CORNER



**Larry Combs** - Chair,  
Tennessee Chamber Board of  
Directors/Brown-Forman and  
The Jack Daniel Distillery

### Fellow Tennessee Chamber members and business leaders across our great state:

On behalf of the Tennessee Chamber Board of Directors, we thank you for your interest and engagement in our state's public policy and legislative arena and hope you enjoy the 2019 edition of our *Business Insider*. This edition is filled with important content of work that often goes unnoticed but contributes significantly to the success and operations of your company. I am optimistic that each business will take a moment and look over and evaluate how public policy impacts your company, your position in your company and ultimately your

company's future success. The Chamber team utilized the 2019 legislative agenda to direct and gain the support needed to spur business growth across our state. I want to thank and congratulate the entire team for another excellent year.

For many businesses and manufacturers, public policy can be an area that gets left behind, with so much to else demanding our attention as

business leaders. During my tenure as Chair of the Tennessee Chamber and my time serving on the Board, I have had a great opportunity to learn about and witness first hand the important work that the Tennessee Chamber engages in and the real consequences and benefits it has.

The Tennessee Chamber had a strong 2019 legislative session for business. This success was primarily in those issues that chamber members have identified from surveys as the most important which include workforce and education enhancements, improving our tax climate and stopping additional mandates and regulations. The Chamber also worked to defeat a number of proposals that would have negatively impacted economic development in the Volunteer state.

We appreciate your support of business in Tennessee and your commitment to ensuring that our elected leaders listen to our positions when considering public policy that impacts our operations. I encourage you to take the time to read through this edition of the *Business Insider*, it is a powerful document that demonstrates how the Tennessee Chamber and their staff engages and provides tangible results in the legislature. All business should practice their civic duty and join the Tennessee Chamber to engage in policy and stay better informed. Chamber membership provides and excellent return on investment for your company. On behalf of the Chamber Board of Directors, I would like to wish everyone a happy and productive year!

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## 2019 LEGISLATIVE SESSION BUSINESS RECAP: PRO-GROWTH RESULTS FOR BUSINESS & MANUFACTURING

### *First session of the 111th General Assembly concludes with strong pro-business results promoting economic prosperity in the Volunteer State*

By Bradley Jackson, Charles Schneider, Lauren Cecil – TN Chamber Government Affairs Team

The 2019 Legislative session will go down as a new era, beginning with the swearing in of over thirty new state legislators, the election of new leadership in the House and Senate, and the appointment of numerous new committee chairmen. It also marked the beginning of Governor Bill Lee's first term; and the appointment of new commissioners and senior leadership to the state's executive branch.

Such significant changes could have broken the continuity on policy practices and created a challenge to the business climate in our state. However, for the Tennessee Chamber and the business community, this new era has tremendous potential for maintaining and expanding our run of economic growth and business success. We also know that things can turn on a dime, so planning and preparation is key to our efforts. Early last year prior to the elections, the Tennessee Chamber focused on getting to know and educating candidates about business issues. We believe this strategy and investment of time successfully paid off during the last session.

Guided by our *2019 Legislative and Policy Agenda*, the Chamber focused on fighting business mandates, promoting career education initiatives and workforce development, supporting business tax cuts and policies that grow our economy. There were several important legislative initiatives that the Chamber monitored, amended, and if needed, defeated to protect Tennessee's economic climate and our members. There were also several legislative proposals that the Chamber advocated for and supported to promote Tennessee's economic environment and members. Here is a recap of the most critical policy issues:

#### **MAJOR BUSINESS VICTORIES**

##### **Economic Development and Rural Initiatives:**

Approximately \$70 million was approved this year in additional FastTrack grant dollars for new and expanding businesses. Despite a tumultuous year scrutinizing economic development policy, no legislation passed that will harm Tennessee's economic development efforts. Rural initiatives gained favor, and Governor Lee was successful in gaining support for \$35 million in additional expenditures that will go toward various grants and rural initiatives to enhance business growth and start-ups in distressed areas. Economic development generates substantial economic benefit to Tennessee. The 2018 Comprehensive Annual Financial Report states that "over the next ten years, TNECD forecasts that ECD projects will increase Tennessee's economic output by nearly \$51 billion and generate almost \$11.8 billion in new salaries."

##### **Education and Workforce Development:**

Governor Bill Lee's budget placed a strong emphasis on technical education aligning with the agenda of Tennessee's business community.

- Several new and recurring initiatives were approved that totaled \$37 million to boost technical education which offers an opportunity for the business community and chambers of commerce to partner with educational institutions. In particular, the Tennessee Chamber

Foundation was awarded approximately \$700,000 to advance K-12 career awareness partnerships that engage local industry and school systems.

- Governor Lee's GIVE grants totaling \$29 million will allow the Tennessee Chamber to utilize our local chamber networks to promote grant applications aimed to help the development and improvement of local workforce pipeline projects of students choosing technical careers.
- The administration also provided \$450,000 in funding for high school students to take career readiness exams aimed at facilitating easier transition into technical education opportunities.
- Connecting workforce initiatives to other areas, Governor Lee is allocating \$24 million toward criminal justice reforms and enhancing partnerships with not for profits to prepare nontraditional employees for the workforce.

##### **Budget, Tax Cuts and Tennessee's Economy:**

Tennessee continues to experience strong economic growth that

#### **Property Rights Versus Gun Rights – Debate Continues**

Although no significant changes were adopted this year, with workplace safety top of mind, the Chamber remains on guard to ensure that business owners retain control of firearm policies on their property.

The most significant firearm proposal this year was HB0545/SB1401 the "Oops, I brought my gun" policy, allowing individuals with a valid handgun permit to enter a properly posted property and not violate the law if they left the premises once they became aware that firearms are not allowed. The Tennessee Chamber successfully proposed an amendment to exempt business workplaces. Our language made clear there are no exceptions allowed for employees who are prohibited from carrying firearms into work. While the amended legislation passed the House, the bill was never considered in the Senate.

Other legislation that did become law, HB1264/SB0705 created an additional type of handgun permit. This legislation does not impact the ability of a business to control their property and establish workplace safety policies.



**NO FIREARMS ALLOWED**

As authorized by T.C.A. § 39-17-1359

resulted in approximately \$576 million in additional state revenue growth to fund government programs in the 2019/20 budget. Gov. Bill Lee also emphasized a well run and fiscally sound state depositing \$225 million into the state's Rainy Day Fund, bringing it to a record \$1.1 billion.

- The Tennessee Chamber was successful in seeking approval of further decoupling of specific tax provisions from our franchise and excise base which will end up saving businesses \$6 million/year.
- In addition, to ensure fairness of Tennessee brick-and-mortar retailers, the legislature officially recognized the collection of internet sales and use tax that is due from online vendors who sell into Tennessee resulting in a revenue enhancement of approximately \$44 million/year.
- \$22 million in cuts to the state's annual professional privilege tax, eliminating the \$400 tax on 15 separate professions.
- The legislature clarified the state's sales and use tax does not apply to certain activities; on the delivery and hauling of dumpsters on construction sites, carwashes, and the installation of the fiber-optic cable to expand broadband networks. These exemptions will save businesses approximately \$9.9 million/year.

### Business Regulations and Mandates:

The Chamber identified and worked against over 20 proposed business regulations and mandates bills that if enacted, would have imposed additional operational and compliance burdens on Tennessee businesses and manufacturers.

- Defeated efforts costing businesses over \$590 million in annual sales to repeal Tennessee's industrial machinery annual sales tax exemptions, a proposal that would hurt existing businesses by increasing tax liability and deterring future investments.
- Defeated efforts to disrupt the hiring process and ban employers from considering a job applicant's personal information, including credit history, criminal history or salary history during the interview process.
- Defeated efforts to enact various mandates, each designed to create additional "causes of action" against employers. These proposals include issues over benefits, wages, paid and unpaid leave policies and workplace conflict policies.

As noted above, the 2019 session included many new legislators, committee chairman and leadership. Just like in your businesses and organizations, newly minted leadership yields a change in approach, and we adapted to work within these structures. The Tennessee Chamber used this critical transitional period to educate and inform lawmakers on important business and manufacturing policy issues. Fortunately, in a tumultuous national political environment, Tennessee has maintained a steady course as most elected officials, no matter their party affiliation or district, are receptive to maintaining a strong business climate.

Engagement in policy proposals during the legislative session is one of the Tennessee Chamber's most important focuses. With over 1,700 bill filings impacting all areas of business operations each year, it is our commitment to you, our members, that we work to stop proposals threatening to harm our business climate. Additionally, we maintain a proactive focus on legislation that actually enhances your operations. Our business members across Tennessee are the Chamber's most important asset, our accomplishments are dependent on the feedback you provide, and we appreciate the work you do to improve Tennessee's business climate. Thank you for your support and look forward to building stronger relationships with you in the years to come. Rest assured we will continue our efforts working with our elected officials to make Tennessee a premier state for businesses.

## TENNESSEE CHAMBER OF COMMERCE & INDUSTRY

### 2019 TENNESSEE CHAMBER LEGISLATIVE POLICY AGENDA



The Tennessee Chamber of Commerce & Industry is proud to present our annual legislative and policy agenda for 2019. As a statewide organization, the Tennessee Chamber maintains members in legislative districts all across our great state consisting of small, medium and large businesses, local chambers of commerce, and economic development professionals. We also serve as the Tennessee Manufacturers Association and the official state affiliate for the National Association of Manufacturers. Our agenda is generated from survey results and feedback from our member businesses. It focuses on ensuring Tennessee remains one of the best states in our nation to start and grow a business, while promoting economic growth. We seek to accomplish this by focusing on member-driven policies that responsibly reduce employer costs and provide economic opportunities for all Tennesseans, maintaining our status as the premier destination for business growth, expansion, and tourism.

### ENHANCING TENNESSEE'S WORKFORCE - OUR # 1 PRIORITY

**Strengthening Career Awareness, Technical Education, K-12 Programs, and Work Based Learning Partnerships:** Chamber members consistently cite workforce as a top concern. The evolving demands of a modern, globally-competitive labor market necessitate a continued emphasis on rigorous academics, career preparation, and skill development in our state's schools. Anticipated shifts in the distribution of current jobs due to technology require that both our K-12 education and higher education systems proactively work together to equip students with the educational tools they need that align with the high-skill demands of the jobs of the future.

The Tennessee Chamber supports the following K-12 education policies that set a firm academic foundation for postsecondary success and career-ready knowledge and skills:

- ✳ **Tennessee Career Awareness and Preparation System (CAPS)** – Whether destined for a technical college or university track, students must know about all career opportunities and pathways. The CAPS system engages K-12 students to connect them with in-demand career knowledge. The Tennessee Chamber is seeking funding to implement this program across the state.
- ✳ **Technical Education, Work Based Learning (WBL) and Apprenticeships** – The Tennessee Chamber supports efforts that will enhance participation and completion in our technical education systems. WBL and apprenticeships must be emphasized to enhance student work experience and to develop skills. We also support the National Career Readiness Certificate (NCRC) as an additional assessment option for students, plus increased utilization of Advance Placement Computer Science Principles to ensure students are prepared for current and future jobs.
- ✳ **Tennessee Reconnect / Drive to 55** – To enhance our workforce, we support both Tennessee Promise and Reconnect which provide tuition for incoming students and adult learners to attain a certification or degree. Tennessee Reconnect presents a great opportunity for adult learners and will help Tennessee to achieve our Drive to 55 goals.
- ✳ **Tennessee Work Ethic Diploma** – The Tennessee Chamber is advocating for the increased utilization by school districts of the Work Ethic Diploma to enhance the development of employability, or soft skills, that are often cited by employers as a major concern. Our youth must develop the necessary skills for employment and life success.
- ✳ **Labor Education Alignment Program (LEAP)** – Support continued investments and expansions in Tennessee's LEAP program that contributes substantially to the efforts of local communities to develop workforce and industry partnerships and facilitate advanced placement, dual enrollment and industry certifications.

### KEEPING TENNESSEE COMPETITIVE – SETTING A CLIMATE FOR GROWTH

In addition, The Tennessee Chamber will work in the following areas to advance and address policy:

- ✳ **Justice System Reforms** – To enhance Tennessee's workforce, the Tennessee Chamber supports efforts to implement work training and skill development programs for inmates with minor offenses, who will soon reenter society. These programs can help address workforce needs, increase our workforce participation rate and reduce recidivism.
- ✳ **Rural Economic Development / Business Taxes** – To ensure Tennessee's continued economic growth, the Tennessee Chamber supports a tax and economic development climate that encourages investment in the Volunteer State and protects the confidentiality of all taxpayers. In addition, we will vigorously support efforts that enhance rural economic development and proposals that seek to restore our historical buildings. With fierce competition from surrounding states, Tennessee must remain competitive and work to ensure we are a welcoming state for all business and their employees.
- ✳ **Healthcare, Mandates and Regulation** – The Tennessee Chamber will work against overly burdensome regulations, government and insurance mandates that are redundant, unnecessary and increase costs on private employers. We will support efforts to enhance the health of Tennessee's population and sustainable economic policies that contribute to the growth and stability of our substantial healthcare sector. Association health plans are a beneficial health insurance option for employers to provide affordable healthcare coverage and we will support their utilization.
- ✳ **Battling Drug Abuse** – Drug abuse is a problem that negatively impacts our citizens, hinders our workforce and challenges Tennessee's economic growth. We will work to educate and provide resources for employers to combat and help to remedy drug abuse. The Tennessee Chamber will closely monitor proposals that expand the use of medicinal marijuana for unexpected consequences to our workforce.
- ✳ **Environmental and Workplace Safety** – Tennessee industry is a leader in environmental compliance and workplace safety. We will work to ensure a fair and balanced approach for regulations protecting our natural resources, bearing in mind the total economic impact incurred to industry. Further, we will advocate for clear and reliable requirements in environmental permitting. The Tennessee Chamber will continue to demand predictability in our workers' compensation, unemployment and occupational health and safety programs, as we continue to educate employers on compliance and injury avoidance, which reduce costs.
- ✳ **Tort Reform / Legal Climate** – Approved in 2011, tort reform has enhanced Tennessee's business climate; however, a recent federal court ruling has jeopardized these efforts. The Tennessee Chamber will support efforts to ensure our punitive caps are upheld to protect business from frivolous and extreme lawsuits and support efforts that ensure legal advertisements provide reasonable consumer disclosures and protections.

### HOW THE TENNESSEE CHAMBER FORMULATED OUR AGENDA

The Chamber's 2019 agenda is developed with input from regional meetings we hosted across the state with local businesses and chambers of commerce, input from the Chamber Board of Directors, and member surveys. Throughout our legislative agenda, we reiterate the Tennessee Chamber's core principles of free enterprise and removing obstacles that impede job creation and slow economic growth. Our members provide input on policy and legislative strategy through workgroup conference calls and surveys on tax, human resources, health care, legal reform, education & workforce development, and environmental and energy policy issues. Throughout our process, we engage business leaders from across the state, and we are proud that our 2019 legislative agenda is reflective of their views.

**The Tennessee Chamber of Commerce and Industry is the exclusive state affiliate for our proud national partners.**



## 2019 TENNESSEE CHAMBER & MANUFACTURING LEGISLATIVE CHART

During the 2019 session of the 111th General Assembly, more than **1,794** bills and resolutions were introduced. Out of this number **513** were passed and enacted into law. Each bill was reviewed by the Tennessee Chamber to determine potential harmful effects on the business community. Legislation identified as having a direct impact on business was reviewed by the appropriate Chamber committee and the Board of Directors to determine the Chamber position. This chart lists many of these bills and the outcome. This is our way of being accountable to you.

BILL	SPONSOR	SYNOPSIS	POSITION	STATUS	CHAMBER SUCCESS
COMMERCIAL LAW					
SB1271	Pody	<b>Loans &amp; Lending:</b> This proposal negatively impacts all business's ability to utilize Uniform Commercial Code (UCC) financing statements associated with loans. Businesses would be required to respond to any dispute within an expedited time frame of 20 days or have their legal liens voided.	OPPOSED	FAILED	✔
HB1481	Hardaway				
CONSUMER					
SB0804	Johnson	<b>Lee Administration Bill:</b> Transfers the Division of Consumer Affairs from TN Dept. of Commerce & Insurance to the Attorney General & Report. TN Chamber supported amendatory language to encourage mediation to resolve consumer complaints under the Consumer Protection Act.	NEUTRAL with Amendment	PASSED PC459	
HB0948	Lamberth				
SB0352	Briggs	<b>Legal Advertising:</b> Tennessee Chamber effort in partnership with U.S. Chamber of Commerce's Institute for Legal Reform. Adds consumer protections requiring adequate disclaimers in legal advertisements solicitations for plaintiffs in prescription drug or medical device lawsuits and bans deceptive practices. Adds protections for a person's protected health information.	SUPPORTED	PASSED PC119	✔
HB0352	C. Sexton				
SB0431	Bell	<b>Plastics Standardization Bill:</b> Promoting regulatory conformity, this legislation establishes a statewide regulatory preemption to avoid a patchwork of local regulations or fees on plastic bags, straws, to-go food containers and related items. Additionally, it clarifies that menu labeling requirements and size restrictions on food and beverage products are the jurisdiction of the state legislature.	SUPPORTED	PASSED PC158	✔
HB1021	Lynn				
CONTROLLED SUBSTANCE					
SB0486	Bowling	<b>Medical Marijuana:</b> The Tennessee Chamber is monitoring what impacts employers would face by the proposed Medical Cannabis bill. This proposal would authorize access to medical cannabis on a regulated basis for patients with qualifying medical conditions. The Tennessee Chamber will work to ensure that employer drug testing programs remain in place, authorizing drug testing both pre-employment and post injury for compliance with Tennessee's Drug Free Workplace Act.	NEUTRAL	FAILED	
HB0637	Travis				
CRIMINAL LAW					
SB0797	Johnson	<b>Lee Administration Bill:</b> Workforce Participation. Removes the \$180 expungement fee for certain criminal offenses and removes the \$350 fee for the expungement application fee. These fees are frequently noted as a major hurdle for offenders to reenter society and become gainfully employed.	SUPPORTED	PASSED PC200	✔
HB0941	Lamberth				
SB0264	Niceley	<b>Critical Infrastructure:</b> Enhances penalties for damages caused to critical infrastructure. Establishes a felony offense for tampering with, destroying, or interfering with any pipeline, pumping station, or equipment used to transport, store or distribute petroleum products and natural gas.	SUPPORTED	PASSED PC370	✔
HB0156	Whitson				
SB0173	Swann	<b>Distracted Driving:</b> Limits the use of handheld electronic devices to "hands-free" and "one touch" usage while operating a motor vehicle. Expands the current offense and increases fines for driving while using a handheld mobile phone as Class C misdemeanor, includes any road, highway, or street.	SUPPORTED	PASSED PC412	✔
HB0164	Holsclaw				
SB0306	Lundberg	<b>Drones:</b> Update to Tennessee Chamber legislation in 2015, Establishes a felony offense of operating a drone over a manufacturing facility or critical infrastructure without the business operator's consent.	SUPPORTED	PASSED PC60	✔
HB0308	Hulsey				
SB1401	Bell	<b>Firearms, Carry Permit Holders:</b> Proposes an "oops, I brought my gun" policy allowing an exception for a handgun carry permit holder who inadvertently bring their weapon into a "no firearms" posted building and leaves immediately upon recognizing their error. The TN Chamber won approval of amendatory language clarifying there are no exceptions allowed for employees who are prohibited from carrying firearms into work.	NEUTRAL with Chamber Amendment	FAILED	
HB0545	Boyd				
ECONOMIC DEVELOPMENT					
SB0461	Yarbro	<b>Business Practices:</b> This proposal harms Tennessee's ability to attract call center projects. The bill exceeds the notification requirements of the WARN Act, imposing a \$10,000/day penalty on businesses who intend to close or relocate any call center operations, no matter the circumstances. Discourages any call center who reduced their workforce from expanding in the future by prohibiting their application for any state grants, guaranteed loans, tax benefits, tax credits, or refunds for 5 years.	OPPOSED	FAILED	✔
HB0273	Hulsey				



BILL	SPONSOR	SYNOPSIS	POSITION	STATUS	CHAMBER SUCCESS
SB0918	Southerland	<b>Economic Development:</b> Authorizes the East Tennessee regional agribusiness marketing authority to promote facilities for light manufacturing, warehousing, distribution, and agribusiness purpose.	SUPPORTED	PASSED PC180	✓
HB0503	Eldridge				
SB1161	Kelsey	<b>Economic Development:</b> Creates a sales & use tax exemption on qualified building materials used in the construction of warehouse or distribution facilities, if the taxpayer makes a capital investment of at least \$1 billion at the same location within the qualified capital investment period ending 2026. If any requirements of the law are not met, the taxpayer shall be liable for applicable sales & use taxes.	SUPPORTED	PASSED PC503	✓
HB1461	Casada				
SB0513	Roberts	<b>Economic Incentives:</b> As initially proposed this bill was opposed by Tennessee Chamber and the economic development community. The FACTS ACT "Fair Accountability and Clarity in Tax Subsidies Act" would have harmed Tennessee's economic development efforts requiring proprietary business information reporting requirements for a number of economic development credits that have contributed to our economic growth. The amended legislation removed almost 5 pages from the original bill and established reasonable accountability measure that include accountability agreements for Fast-Track grants and limited discretion regarding rural jobs credits which are rarely used.	NEUTRAL with Chamber Amendment	PASSED PC451	
HB1265	Holt				
SB1310	Kyle	<b>Economic Incentives:</b> Requires tax information and tax administration information be open for public inspection if the information is relative to a financial incentive offered to a business or industry. Orders refunding of all financial incentives paid, credited, or offered as an exemption by the employer to the state or local government if an employer received any form of financial incentive from the government to locate to the state within five years prior to the employer undergoing a reduction in operations. Adds that local government and the commissioner of economic and community development must be notified of the affected employees in a reduction in operations.	OPPOSED	FAILED	✓
HB1472	Hardaway				
SB0588	Lundberg	<b>IDB Members, Disclosures:</b> This bill discourages all voluntary participation on an industrial development board of directors (IDB). Proposes requirements on IDB members to provide elaborate financial interest disclosures for themselves, their family members and business partnerships. The Tennessee Chamber requested sponsors table the legislation and allow the economic development community to propose a reasonable disclosure requirement for future consideration.	OPPOSED	FAILED	✓
HB0807	Kumar				
SB0708	Stevens	<b>PILOT Agreements:</b> Simplifies the documentation of payment in lieu of tax (PILOT) agreements, saving time and money on transaction/compliance costs for both companies and local communities. Preserves property tax abatements on property subject to a valid PILOT agreement. PILOTs are one of the most common forms of economic development incentives used by local governments in Tennessee.	SUPPORTED	PASSED PC 265	✓
HB1269	Holt				
SB1292	Pody	<b>Public Records:</b> As drafted this bill would have subjected proprietary business information disclosed during economic development negotiations to be prohibited from being deemed a confidential trade secret, proprietary information, or confidential business information. Tennessee currently has a robust open records law requiring access a vast amount of information these projects.	OPPOSED	FAILED	✓
HB0370	Daniel				
SB0478	Gardenhire	<b>Public Records, Confidentiality:</b> As initially drafted the Tennessee Chamber was concerned this bill would subject proprietary business information obtained during economic development negotiations to being an open record. The sponsors of the legislation adopted an amendment proposed by Chambers of commerce that would maintain confidentiality.	NEUTRAL with Chamber Amendment	FAILED	
HB0665	Faison				
EDUCATION & WORKFORCE					
SB1259	Gresham	<b>2019 Chamber Agenda Item, Work Based Learning:</b> Retools the work based learning grant program directing the Tennessee Higher Education Commission to take the lead encouraging private sector partnerships. Makes additional clarifications designed to foster better coordination, between high schools, and higher education and the private sector in developing effective work based learning programs.	SUPPORTED TN Chamber Agenda Priority	PASSED PC468	✓
HB0740	White				
SB0805	Johnson	<b>Lee Administration Bill: GIVE ACT.</b> The Governor's Investment in Vocational Education (GIVE ACT) enhances technical education for high school students and their transition into a higher education institutions. The bill establishes grant programs to encourage additional local industry partnerships. Tennessee Chamber members frequently note that increasing utilization of technical skills is crucial to continued economic growth.	SUPPORTED	PASSED PC203	✓
HB0949	Lamberth				
SB0373	Swann	<b>Accountability:</b> This bill would have harmed Tennessee's education accountability model by reducing the emphasis on student achievement data results from 30 percent to 15 percent.	OPPOSED	FAILED	✓
HB0066	Moon				
SB0917	Southerland	<b>Career Readiness:</b> Supported by many Tennessee Chamber members, authorizes students interested in technical careers the option of taking a career skill and readiness exam used for a number of technical carriers. Encourages early preparation and provides a widely adopted baseline when industry is assessing an applicant's skill level.	SUPPORTED	Funded in Gov. Budget	✓
HB0294	Hawk				
SB0063	Robinson	<b>Career Readiness, Middle School:</b> Expands exposure of career and technical education (CTE) paths and careers to middle school students. Requires board of career and technical education to plan facilities for comprehensive career and technical training for middle school students. Encourages the Dept. of Education to establish a career exploration framework introducing students to career opportunities in high-skill, high-wage, or in-demand career fields. Encourages the Dept. of Education to provide professional development in CTE for middle school teachers.	SUPPORTED	PASSED PC366	✓
HB0866	Deberry				
SB0904	Southerland	<b>Workforce Incarceration Transition Program:</b> Authorizes Sheriffs to offer minor offenders in their jails a transition to work program. Participants may obtain an educational sentence reduction credit of 60 days upon completion of a high school equivalency credential, high school diploma, vocational education diploma or other postsecondary or industry-recognized certification.	SUPPORTED	PASSED PC346	✓
HB1324	Sanderson				
ENVIRONMENT & ENERGY					
SB0355	Gardenhire	<b>Brownfields, Redevelopment:</b> Revises and broadens the Brownfield Redevelopment Act to include all counties, smaller parcels of land, and expands the designation to qualify as a redevelopment zone. Expands the definition of a qualified cost for which certain tax revenues may be utilized, but limits the length of debt obligations for redevelopment to a term of 30 years.	SUPPORTED with Amendment	PASSED PC257	✓
HB0327	Howell				
SB0067	Gilmore	<b>Chemicals:</b> Prohibits manufacturers and retailers from distributing, and selling children's products or furniture that contain flame retardant chemicals, that the EPA has listed as safe. Creates a series of fines for violations and establishes a product testing team within Dept. of Environment & Conservation. Promotes litigation against a number of manufacturers and retailers in Tennessee.	OPPOSED	FAILED	✓
HB1420	Towns				

BILL	SPONSOR	SYNOPSIS	POSITION	STATUS	CHAMBER SUCCESS
SB0923	Southerland	<b>Plastics to Fuel:</b> Authorizes the emerging technology that converts unrecycled plastic polymers back to hydrocarbon monomers by the processes of gasification or pyrolysis. The end products can be used as feedstocks for new plastics or converted into a fuel (similar to bio-diesel).	SUPPORTED	PASSED PC 181	✓
HB0219	Hulsey				
SB0417	Kyle	<b>Solid Waste:</b> Proposal to prohibit the construction or expansion of a landfill within five miles of a residence. Authorizes a citizen based petition process to hold an administrative hearing for any environmental violations, requiring a community meeting of the permittee, the petitioners and the Dept. of Environment & Conservation.	OPPOSED	FAILED	✓
HB0361	Cooper				
HUMAN RESOURCES					
SB0420	Robinson	<b>Child Care Leave Mandate:</b> Requires employers to grant four hours of leave per year to an employee who is a parent or guardian of a school-aged child so that they may be involved at the child's school. Creates a cause of action for employer violations.	OPPOSED	FAILED	✓
HB0363	Johnson				
SB0466	Roberts	<b>Definition of an Employee:</b> This bill established a uniform test (the 20-factor test in IRS Revenue Ruling 87-41) to determine whether a worker is an independent contractor and whether an employer-employee relationship exists in the arrangement. The Tennessee Chamber supports this legislation that will provide uniformity in a number of areas. Workers' compensation was excluded due to feedback from chamber members and the reforms of 2013 which has stabilized our system.	SUPPORTED with Chamber Amendment	PASSED PC337	✓
HB0539	Howell				
SB0312	Watson	<b>Drug Testing:</b> As introduced, prohibits a medical review officer from considering prescriptions issued more than six months prior to a positive confirmed drug result for purposes of determining a valid prescription and immunity from actions authorized for employers to take against employees and job applicants following such a result.	SUPPORTED	PASSED PC373	✓
HB0389	Helton				
SB0255	Kyle	<b>Employee Compensation Mandate:</b> As introduced this bill would have established the "Tennessee Pay Equality Act." Chamber members expressed concerns regarding the legislation due to additional legal, disclosure and reporting requirements for business employees. Businesses maintain internal compensation policies that avoid discrimination between employees wage rates solely on the basis of sex.	OPPOSED	FAILED	✓
HB0216	Clemmons				
SB1165	Hensley	<b>E-verify Expansion:</b> This bill would have expanded the mandate on all employers to use E-verify. Tennessee already requires employers with 50 to utilize E-verify. In addition the bill would have drastically impacted governmental entities from contracting with a person who does not provide evidence of work authorization status for each individual to whom public money will be received under a public contract; requires private employers with at least 25 employees and governmental entities to verify the work authorization status of employees.	NEUTRAL with Amendment	FAILED	
HB1239	Griffey				
SB0380/ SB0986	Yarbro/ Gilmore	<b>Expansion of Harassment &amp; Abuse:</b> This bill established that employers are responsible for discrimination and harassment by all contract employees. A number of businesses expressed concern about the drafting of this legislation that connected all actions of contract or non-employees to employers and defined the act as harassment if the employer should have known of the conduct and failed to take immediate and appropriate corrective action.	OPPOSED	FAILED	✓
HB0387/ HB0081	Freeman/G. Johnson				
SB0057	Gilmore	<b>Expanding Powers of TN Humans Rights Commissions:</b> In addition to existing federal authority for pregnant workers, this bill proposed a significant expansion of the powers and duties of the THRC requiring employer to accommodate each employee known to have a pregnancy-related condition to identify reasonable accommodations. The bill added substantial powers to Tennessee law that already exist in federal statute mandating the Tennessee Human Rights Commission (THRC) to develop courses of instruction and to conduct ongoing public education as necessary to inform employers, employees, employment agencies, and applicants for employment about employer and employee rights and responsibilities. Tennessee Chamber proposed amendments to this bill but they were not accepted by the proponents.	OPPOSED	FAILED	✓
HB0978	Cooper				
SB815	Akbari	<b>Harassment, Bullying:</b> As initially drafted this bill would have established a mandate requiring all employers to adopt an "anti-bullying" policy. The Tennessee Chamber and other business groups worked to modify this bill to remove this mandate and provide businesses immunity for adopting an "anti-bullying" policy that is similar to Tennessee's policy for state government. This bill does not establish a new employer mandate but provides additional protections for businesses against frivolous lawsuits.	NEUTRAL with Chamber Amendment	PASSED PC214	
HB0856	Parkinson				
SB0034	Gilmore	<b>Use of Credit Scores for Hiring:</b> As drafted this bill created an additional cause of action against employers who utilize credit information for application and employment purposes. Named the "Prospective Employee Credit Information Privacy Act," the bill prohibited for any job an employer from using credit information. Chamber members note there are some jobs where credit information is an important indicator that should be utilized.	OPPOSED	FAILED	✓
HB0010	Potts				
SB1006	Gilmore	<b>Use of Compensation History:</b> This bill would have prohibited an employer from screening an applicant for employment base upon the applicant's compensation history. The bill would not have restricted an applicant from volunteering to share compensation history or an employer from considering the compensation history of a current employee. Creates a Class B misdemeanor punishable by a fine no less than \$100 and no more than \$500 for each violation.	OPPOSED	FAILED	✓
HB0056	Potts				
SB0271	Kelsey	<b>Unemployment Compensation:</b> This bill would have increased unemployment costs for private employers by allowing government entities to use different "base periods" for determining weekly benefit amounts. Business community has concerns about any proposal that may compromise the financial solvency of our UI system. Placing additional costs on private employers.	OPPOSED	FAILED	✓
HB0208	Leatherwood				
SB0979	Southerland	<b>Workplace Vehicle Searches:</b> Proposes the Employee Vehicle Privacy Act. Prohibits an employer from requiring an employee or applicant to sign any document that requires consent to the employer searching the employee's personal vehicle as a condition of employment or for continued employment. Specifies that an employer who violates this act has committed a Class C misdemeanor.	OPPOSED	FAILED	✓
HB1321	Eldridge				
HB1321					
SB1227	Niceley	<b>Association Health Plans:</b> Establishes a payment of a fee to a trade or professional association exempt from income tax under § 501(c) of the Internal Revenue Code to be an exempt rebate, not considered an unfair trade practice under the Unfair Trade Practices and Unfair Claims Settlement Act of 2009.	SUPPORTED	PASSED PC086	✓
HB1126	Tillis				
SB0510	Roberts	<b>Right to Shop Act:</b> Require health insurance carriers, on or after January 1, 2020, to implement an online portal to empower enrollees shopping for lower cost healthcare services. Enrollees who obtain services below the standard market rates may receive incentives from carriers.	NEUTRAL	PASSED PC407	
HB0419	Smith				



BILL	SPONSOR	SYNOPSIS	POSITION	STATUS	CHAMBER SUCCESS
SB0084	Johnson	<b>Insurance Carrier Risk:</b> Enacts the most recent adoption of the Life and Health Insurance Guaranty Association Model Act (the Act) by the National Association of Insurance Commissioners. Expands the assessment base for long-term care insurance (LTCI) insolvencies to include both life and health insurers and apportions the assessment 50/50 percent between the life and health insurance industries. Deletes provision from statute that excludes health maintenance organization (HMO) policyholders from insolvency protection under the Act.	SUPPORTED	PASSED PC005	✔
HB0151	Curcio				
MISCELLANEOUS					
SB1305	Pody	<b>Identity Documents:</b> Prohibits a driver license, voter registration card, or photo identification license, from any other state that issues such forms of identification to foreign workss, from being accepted as proof of valid identification.	OPPOSED	FAILED	✔
HB0835	Rudd				
SB1167	Hensley	<b>Landlord Immigration Verification:</b> Makes it illegal for any lessor to lease, let, or rent a dwelling unit to an illegal alien, or allow an occupant who is an illegal alien to reside in a dwelling unit leased or rented by the lessor, knowing or in reckless disregard of the fact that the alien entered or remains in the United States illegally. Requires lessor verify citizenship and lawful presence of prospective occupants and maintain verifying documents for at least one year following the occupant ceasing to rent, let or lease from the lessor. Establishes punishment for offenses.	OPPOSED	FAILED	✔
HB0614	Griffey				
SB0016	Dickerson	<b>Online Sports Betting:</b> Authorizes sports betting in Tennessee in jurisdictions that approve by local option election. Imposes a 10% tax on gaming revenue. Distributes 40% of the tax to the general fund, 30% to colleges of applied technologies and community colleges for equipment and capital projects, and 30% to local governments for education and infrastructure. Tax revenue estimate to be \$50 million annually.	NEUTRAL	PASSED	
HB0001	Staples				
SB1100	Dickerson	<b>Time Zones, Scheduling:</b> The intent of this legislation requires Tennessee's two time zones to remain on daylight savings time during the winter months. Requests Congress change federal law and authorize states to shift +1 hour ahead year round. The TN Chamber successfully negotiated that Tennessee should not adopt this change in isolations. An amendment was added that if permission was granted, the General Assembly must reconsider the proposal and consider how a change would align with our eight (8) neighboring states.	NEUTRAL with Amendment	PASSED PC416	
HB0247	Tillis				
HJR452	T. Hill/ Crowe	<b>Trade Agreement Resolution:</b> Praises President Trump for his work in negotiating the landmark United States-Mexico-Canada Agreement (USMCA) and his ongoing support of American businesses, workers, and farmers.	SUPPORTED	PASSED	✔
TAX					
SB0558	Johnson	<b>2019 Chamber Agenda item, Franchise &amp; Excise:</b> This bill was initiated by the Tennessee Chamber and a number of businesses to reduce the Tennessee tax burden of companies who following federal tax reform allocate repatriated or global low tax income to Tennessee. Enactment of this bill saves over \$6 million annually to business.	SUPPORTED	PASSED PC306	✔
HB1028	Lynn				
HB0382	Yarbro	<b>Industrial Machinery:</b> Opposed by the Tennessee Chamber, this bill would have removed the sales and use tax exemption from industrial machinery. If passed this bill would have cost business and manufacturers over \$591 million annually severely harming our business climate and making Tennessee one of the only states applying this tax. The TN Chamber worked to enact this exemption in 1983 and since that time has saved business billions of dollars that has been invested in our economy.	OPPOSED	FAILED	✔
SB0382	Thompson				
SB1372	Yager	<b>Industrial Machinery:</b> Clarifies that maintenance contract agreements for industrial machinery are also exempt from sales and use taxes. Industrial machinery has been exempt since the Tennessee Chamber worked to successfully for an exemption in 1983. The bill had a fiscal cost to the state and the Tennessee Chamber will work on this bill while the legislature is adjourned.	SUPPORTED	FAILED	✖
HB0427	Crawford				
SB0398	Kelsey	<b>Professional Privilege:</b> Tax Cut of \$22 million by eliminating the \$400 annual professional privilege tax on 15 separate professions. There are over 56,000 individuals who will be exempt having to pay this tax on their professional occupation.	SUPPORTED	PASSED PC478	✔
HB1262	Holt				
SB1460	Bailey	<b>Sales &amp; Use, Ag.:</b> Bill removes sales tax on agricultural water and was a major initiative of the Tennessee Farm Bureau Federation. The Tennessee Chamber supported this bill since inputs, like water, should not be taxed on goods.	SUPPORTED	PASSED PC427	✔
HB0634	Halford				
SB0713	Stevens	<b>Sales &amp; Use, Ag.:</b> This bill removes sales and use tax on agricultural trailers. This bill was supported by Farm Bureau Federation and the Tennessee Chamber of Commerce & Industry.	SUPPORTED	PASSED PC178	✔
HB1271	Holt				
HB0667	Daniel	<b>Sales &amp; Use, Online Sales:</b> Bill codifies the ability for Tennessee to collect sales and use tax from out of state vendors as a result of the Wayfair U.S. Supreme Court decision and pursuant to DOR rule 1320-05-01-.129(2).	SUPPORTED	PASSED PC429	✔
SB0165	Roberts				
SB1309	Lundberg	<b>Sales &amp; Use, Waste:</b> Sales and use tax exemption on waste disposal/hauling away dumpsters. The first section makes clear that Tennessee's tax does not apply to providers of "a dumpster or other container for waste or debris removal for a fixed or indeterminate period of time along with the delivery and pickup of the dumpster. A condition of this exclusion is that the provider of the dumpster is exclusively responsible for delivery and pickup of the dumpster." The second prohibits retroactive collections in this section of the law.	SUPPORTED	PASSED PC483	✔
HB1441	Todd				
SB0624	Watson	<b>Taxes:</b> Establishes the "Facilitating Business Rapid Response to State Declared Disaster Act." Establishes that out-of-state businesses and employees who respond to a state of emergency in Tennessee would be responsible for the following taxes: fuel excise taxes, state and local sales taxes, local hotel occupancy taxes, liquor/beer/alcoholic beverages taxes, and any other transaction tax or fee assessed in the usual course of business. Out-of-state purchases brought into Tennessee by out-of-state businesses are subject to the use tax; and fuel supply systems, including such systems for gasoline, diesel, biodiesel, heating fuel, jet fuel, and propane, to part of the definition of "critical infrastructure."	SUPPORTED	PASSED PC378	✔
HB0551	Hazlewood				
UTILITY/TELECOMMUNICATIONS					
SB1414	Bel	<b>Utility Purchases:</b> Establishes a procedure by which the Utility Management Review Board (UMRB) and Tennessee Public Utility Commission (TPUC) may authorize the sale of all or part of a utility district's assets to a private utility.	SUPPORTED	FAILED	✖
HB1281	T. Hill				



# What is the Return on Your MEMBERSHIP INVESTMENT?

The Tennessee Chamber of Commerce is continuously delivering solutions to produce real results for our members.

One of the most important benefits we offer to our members is our impact. Our influence generates actual, quantifiable cost savings to your company's bottom line and Tennessee's business community at large. By investing in the Tennessee Chamber with your membership, you help equip our team with the tools and resources we need to research, analyze, and mobilize a robust public advocacy operation both in the halls of the state capitol and in targeted districts across the state to influence public policy outcomes.

With your support and investment, we leverage our expertise and organizational capital to inform and advise legislators and policymakers on issues of critical importance to our members, elevating the cause of business and industry in Tennessee and translating growth-friendly public policy into hundreds of millions of dollars in tax, regulatory, and workforce-based cost savings to you and your business.

**The Tennessee Chamber's total impact on the 2019 legislative session is estimated to have saved and benefitted employers more than**

**\$693.8 million**



Secured Investments in a CAREER-READY WORKFORCE

## \$29 million

### GIVE Initiative (SB0805/HB0949)

Gov. Bill Lee's statewide vocational and technical training program allowing Tennessee students to engage in more "hands-on" options while in high school. The GIVE initiative uses lottery funds to create partnerships for on-the-job training and apprenticeships opportunities. This initiative will fund high schools to allow juniors and seniors to use four dual enrollment credits for CTE courses. Providing businesses a steady pipeline of workforce ready talent and give post-secondary institutions up to \$800 per student.

### Work Based Learning (SB1259/HB0740)

#### Tennessee establishes \$1 Million Grant opportunity.

The Chamber has strongly advocated to increase work based learning opportunities across Tennessee. This year, along with clarifying liability provisions for the student and business interactions, state policy makers agreed to provide a \$1 million grant program allowing participating employers to apply up to \$5,000 to help defray the startup costs if they begin a program to train at least 10 students.

## \$35 Million in Rural Initiatives

The Chamber and businesses community supported Governor Lee's rural initiatives which included \$20 million for broadband expansion, \$1 million to a rural agricultural development grant, and creation of a rural development fund of \$10,500,000. These initiatives will help promote and expand rural development, improving Tennessee's workforce and economic development all across the state.

## Enacting Growth-Driven **TAX RELIEF** for Businesses



### \$22 million

#### Professional Privilege Tax Cut

Eliminated the \$400 annual occupational tax for the 15 following professions (SB0398/HB1262):

- accountants
- architects
- athlete agents
- audiologists
- chiropractors
- dentists
- engineers
- landscape architects
- optometrists
- pharmacists
- podiatrists
- psychologists
- real estate brokers
- speech pathologists
- veterinarians

### \$590 million

#### Halted Efforts to Repeal the Industrial Machinery Sales Tax Exemptions & Investment Credits

Defeated efforts to remove the sales and use tax exemption for purchases of industrial machinery & the tax credits for capital investment (SB0382/HB0382). The Chamber and other business associations converged to stop a tax increase on businesses of approximately \$591,000,000.

#### Protecting Businesses from Double Taxation by Decoupling from Global Intangible Low-Taxed Income (GILTI) and Repatriation Transition Tax (SB0558/HB1028)

Again this year the Tennessee Chamber was active addressing unforeseen consequences of the federal Tax Cuts and Job Act, which expanded the definition of taxable income. Tennessee's excise tax uses federal income as a starting point for calculating earnings subject to tax and foreign earnings would have been taxed in Tennessee. As a solution, the Chamber and elected officials passed legislation to decouple from repatriated funds and GILTI, saving businesses an estimated \$6 million dollars annually. **Our two-year effort is predicted to save businesses over \$1.2 billion over 10 years.**



#### Eliminated Double Taxation on Fiber Optic Network Cable

Exempts the installation of fiber optic cable for network expansions from state and local sales & use taxes (SB1458/HB0605). Businesses save over **\$4 million annually** and allow capital investments in broadband to go farther.

## Responses to Over-Reaching Tax Audit Findings

### Car Washes: For Taxes, It Matters Who Washes

Clarified that self-service and express service car washes are not subject to sales & use tax (SB0237/HB0084). These are facilities where the driver or passenger remains in control of the vehicle, washing it themselves or by driving through automated machinery.

Full service and flex service car washes where the occupants turn over control of the vehicle will remain subject to tax.

### Dumpster Use in Waste Disposal

SB1309/HB1441 clarified that a company providing a dumpster for waste removal does not have to collect sales and use tax, when the same company is responsible for the delivery and pick up the dumpster as part of a waste removal service.

### Clarified Sales & Use Tax Application

Total Savings for Business & Customers

**over  
\$5.8 million**



# HOUSE SCORECARD 2019

	1	2	3	4	5	6	7	8	9	10	11
	1. Bad Drugs Ads SB352/HB352	2. Plastics Standardization SB431/HB1021	3. Plastics to Fuel/ Recovery SB923/HB219	4. GIVE Act SB805/HB949	5. Work Based Learning B1259/HB740	6. Emp: 20 factor definition SB466/HB539	7. Distracted Driving SB173/HB164	8. Rules: Wayfair Recognition SB165/HB667	9. Tax Decoupling GILTI SB558/HB1028	10. Dumpster Tax Clarification SB1309/HB1441	11. Daylight Savings Time SB1100/HB247
<b>Vote Count:</b>	<b>85-6-3</b>	<b>69-21-2</b>	<b>75-16-1</b>	<b>92-0</b>	<b>95-0</b>	<b>87-0</b>	<b>53-38-4</b>	<b>85-7-2</b>	<b>93-0</b>	<b>94-0</b>	<b>85-5-5</b>
<b>St. Representative</b>	<b>+</b>	<b>+</b>	<b>+</b>	<b>+</b>	<b>+</b>	<b>+</b>	<b>+</b>	<b>+</b>	<b>+</b>	<b>+</b>	<b>+</b>
Speaker Casada (R)	+	+	+	+	+	+	+	+	+	+	+
Baum, C. (R)	+	+	+	+	+	+	+	+	+	+	+
Beck, B. (D)	-	-	-	+	+	+	+	+	+	+	+
Boyd, C. (R)	+	+	+	+	+	+	a	+	+	+	+
Bricken, R. (R)	+	+	+	+	+	+	+	+	+	+	+
Byrd, D. (R)	+	+	+	+	+	+	-	+	+	+	+
Calfee, K. (R)	+	+	+	+	+	+	-	+	+	+	+
Camper, K. (D)	pnv	-	pnv	+	+	+	+	+	a	+	+
Carr, D. (R)	+	+	+	+	+	a	+	+	+	+	+
Carter, M. (R)	+	+	a	+	+	+	-	a	+	+	+
Cepicky, S. (R)	a	+	+	+	+	+	-	+	+	+	+
Chism, J. (D)	+	-	+	+	+	+	+	+	+	+	+
Clemmons, J. (D)	-	-	-	+	+	+	+	+	+	+	-
Cochran, M. (R)	+	+	+	+	+	+	-	+	+	+	+
Coley, J. (R)	+	+	+	+	+	+	+	+	+	+	+
Cooper, B. (D)	+	-	-	+	+	a	-	+	+	+	+
Crawford, J. (R)	+	+	+	+	+	+	-	-	a	+	+
Curcio, M. (R)	+	+	+	+	+	a	+	+	+	+	+
Daniel, M. (R)	-	+	+	a	+	+	a	+	+	+	+
Deberry Jr., J. (D)	+	pnv	a	+	+	+	+	+	+	+	+
Dixie, V. (D)	+	-	-	+	a	+	+	+	+	+	pnv
Doggett, C. (R)	+	+	+	+	+	+	-	+	+	+	pnv
Dunn, B. (R)	+	+	+	+	+	+	+	+	+	+	+
Eldridge, R. (R)	+	+	+	+	+	+	-	+	+	+	+
Faison, J. (R)	+	+	a	a	+	+	-	+	+	+	+
Farmer, A. (R)	+	+	a	+	+	+	-	+	+	a	+
Freeman, B. (D)	+	-	-	+	+	+	+	+	a	+	+
Gant, R. (R)	+	+	+	+	+	+	+	+	+	+	+
Garrett, J. (R)	pnv	+	+	a	a	a	+	+	+	+	+
Griffey, B. (R)	+	+	+	+	+	+	-	+	+	+	+
Hakeem, Y. (D)	+	+	-	+	+	+	-	+	+	+	+
Halford, C. (R)	+	+	+	+	+	+	+	+	+	+	+
Hall, M. (R)	+	+	+	+	+	+	+	+	+	+	+
Hardaway, G. (D)	+	-	-	+	+	+	-	+	a	+	+
Haston, K. (R)	+	+	+	+	+	+	+	+	+	+	+
Hawk, D. (R)	+	+	+	+	+	+	-	+	+	+	+
Hazlewood, P. (R)	+	a	+	+	+	+	+	+	+	+	+
Helton, E. (R)	+	+	+	+	+	+	+	+	+	+	+
Hicks, G. (R)	+	+	+	+	+	+	+	+	+	+	+
Hill, M. (R)	+	+	+	+	+	+	-	+	+	+	+
Hill, T. (R)	+	+	+	+	+	+	-	-	+	+	+
Hodges, J. (D)	+	-	a	+	+	+	+	+	+	+	+
Holsclaw, Jr., J. (R)	+	+	+	+	+	+	+	+	+	+	+
Holt, A. (R)	+	+	+	a	+	+	-	+	+	+	-
Howell, D. (R)	+	a	+	+	a	+	+	+	+	+	+
Hulse, B. (R)	+	+	+	+	+	+	-	-	+	+	+
Hurt, C. (R)	+	+	+	+	+	+	-	a	a	+	a
Jernigan, D. (D)	+	-	+	+	+	+	+	+	+	+	+
Johnson, C. (R)	+	+	+	+	+	+	+	+	+	+	+
Johnson, G. (D)	+	-	-	+	+	+	+	+	+	+	pnv
Keisling, K. (R)	+	+	+	+	+	a	-	-	+	+	+
Kumar, S. (R)	+	+	+	+	+	+	+	+	+	+	pnv

## VOTE DESCRIPTIONS

### 1. Bad Drug Ads (SB0352/HB352)

Tennessee Chamber effort in partnership with U.S. Chamber of Commerce's Institute for Legal Reform. Adds consumer protections requiring adequate disclaimers in legal advertisements solicitations for plaintiffs in prescription drug or medical device lawsuits and bans deceptive practices. Adds protections for a person's protected health information.

### 2. Plastics Standardization bill (SB0431/HB1021)

Promoting regulatory conformity, establishes a statewide preemption to avoid a patchwork of local regulations or fees on plastic bags, straws, to-go food containers and related items. Additionally, it clarifies that menu labeling requirements and size restrictions on food and beverage products are the jurisdiction of the state legislature.

### 3. Plastics to Fuel (SB0923/HB0219)

Authorizes the emerging technology that converts unrecycled plastic polymers back to hydrocarbon monomers by the processes of gasification or pyrolysis. The end products can be used as feedstocks for new plastics or converted into a fuel (similar to bio-diesel).

### 4. Governor's Initiative on Vocational Education (SB0805/HB0949)

Enhances technical education for high school students and their transition into a higher education grant institutions. The bill establishes grant programs to encourage additional local industry partnerships. Tennessee Chamber members frequently note that increasing utilization of technical skills is crucial to continued economic growth.

### 5. Work Based Learning (SB1259/HB0740)

Retools the work based learning grant program directing the Tennessee Higher Education Commission to take the lead encouraging private sector partnerships. Makes additional clarifications designed to foster better coordination between high schools, higher education and the private sector in developing effective work based learning programs.

# HOUSE SCORECARD 2019 cont.

	1	2	3	4	5	6	7	8	9	10	11
	1. Bad Drugs Ads SB352/HB352	2. Plastics Standardization SB431/HB1021	3. Plastics to Fuel/ Recovery SB923/HB219	4. GIVE Act SB805/HB949	5. Work Based Learning B1259/HB740	6. Emp: 20 factor definition SB466/HB539	7. Distracted Driving SB173/HB164	8. Rules: Wayfair Recognition SB165/HB667	9. Tax Decoupling GILTI SB558/HB1028	10. Dumpster Tax Clarification SB1309/HB1441	11. Daylight Savings Time SB1100/HB247
Lafferty, J. (R)	+	+	+	+	+	+	-	+	+	+	+
Lamar, L. (D)	pnv	a	-	+	+	a	pnv	+	+	+	+
Lambeth, W. (R)	+	+	+	+	+	+	+	+	+	+	+
Leatherwood, T. (R)	+	+	+	+	a	+	+	+	+	+	+
Littleton, M. (R)	+	+	+	+	+	+	+	a	+	+	+
Love Jr., H. (D)	+	-	-	+	+	+	+	+	+	+	+
Lynn, S. (R)	+	+	+	+	+	+	-	+	+	+	+
Marsh, P. (R)	+	+	+	+	+	+	+	+	+	+	+
Miller, L. (D)	+	-	-	+	+	+	-	+	+	+	+
Mitchell, B. (D)	+	-	-	+	+	+	-	+	+	+	-
Moody, D. (R)	+	+	+	+	+	+	a	a	a	+	a
Moon, J. (R)	+	+	+	+	+	+	+	+	+	+	+
Ogles, B. (R)	+	+	+	+	+	+	+	pnv	+	+	+
Parkinson, A. (D)	+	pnv	a	+	+	a	+	+	+	+	+
Potts, J. (D)	+	-	v	+	+	+	+	+	+	+	+
Powell, J. (D)	+	-	-	+	+	+	+	+	+	+	+
Powers, D. (R)	+	+	+	a	+	+	pnv	pnv	+	+	+
Ragan, J. (R)	+	+	+	+	+	+	pnv	+	+	a	+
Ramsey, B. (R)	+	a	+	+	+	+	+	+	+	+	+
Reedy, J. (R)	+	+	+	+	+	+	-	+	+	+	+
Rudd, T. (R)	+	+	+	a	+	+	-	-	+	+	pnv
Rudder, I. (R)	+	+	+	+	+	+	-	+	+	+	+
Russell, L. (R)	+	+	+	+	+	+	-	+	+	a	+
Sanderson, B. (R)	-	a	+	+	+	+	pnv	+	+	+	+
Sexton, C. (R)	+	+	+	+	+	+	a	+	+	+	+
Sexton, J. (R)	+	+	+	+	+	+	+	-	+	+	+
Shaw, J. (D)	+	a	+	+	+	+	+	+	+	+	+
Sherrell, P. (R)	+	+	+	+	+	a	+	+	+	+	+
Smith, R. (R)	+	+	+	+	+	a	+	+	+	+	+
Sparks, M. (R)	+	+	+	+	+	+	-	+	+	+	+
Staples, R. (D)	+	-	a	a	+	+	+	+	+	+	+
Stewart, M. (D)	-	-	-	+	+	+	+	+	+	+	-
Terry, B. (R)	a	+	+	+	+	+	-	a	+	a	+
Thompson, D. (D)	+	-	-	+	+	+	+	+	+	+	-
Tillis, R. (R)	a	+	+	+	+	+	+	+	+	+	+
Todd, C. (R)	a	+	+	+	+	+	-	+	+	+	+
Towns Jr., J. (D)	-	-	+	+	+	+	-	+	+	+	+
Travis, R. (R)	+	+	+	+	+	+	-	+	+	+	+
VanHuss, J. (R)	+	+	+	+	+	+	-	+	+	+	+
Vaughan, K. (R)	+	+	+	+	+	a	-	+	+	+	a
Weaver, T. (R)	+	+	+	+	+	+	+	+	+	+	+
White, M. (R)	+	+	+	+	+	+	+	+	+	+	+
Whitson, S. (R)	+	a	+	+	+	+	+	+	+	+	+
Williams, R. (R)	a	+	+	+	+	a	+	+	+	+	+
Windle, J. (D)	+	-	+	+	+	a	-	-	+	+	+
Wright, D. (R)	+	+	+	+	+	+	+	+	+	a	+
Zachary, J. (R)	+	+	+	+	+	+	-	+	+	+	+

## VOTE DESCRIPTIONS cont.

### 6. Definition of an Employee (SB0466/HB0539)

Uses the 20-factor test in IRS Revenue Ruling 87-41 to determine whether a worker is an independent contractor and whether an employer-employee relationship exists in the arrangement.

### 7. Distracted Driving (SB0173/HB0164)

Limits the use of handheld electronic devices to "hands-free" and "one touch" usage while operating a motor vehicle. Expands the current offense and increases fines for driving while using a handheld mobile phone as Class C misdemeanor; includes any road, highway or street construction to promote safety.

### 8. Rules: Wayfair Recognition (SB0165/HB0667)

Codifies Tennessee's sales and use tax collection from out of state vendors as a result of the Wayfair U.S. Supreme Court decision and pursuant to DOR rule 1320-05-01-.129(2).

### 9. Tax Decoupling GILTI (SB0558/1028)

Tennessee Chamber agenda item. Supported by the businesses impacted by 2017 federal tax reform and caps the percentage of tax owed for repatriated or global low tax income to Tennessee. Enactment of this bill saves over \$6M annually to business.

### 10. Dumpster Tax Clarification (SB1309/HB1441)

Clarifies the value of dumpsters are not subject to sales and use tax, when these containers are used as part of a waste disposal service.

### 11. Daylight Savings Time (SB1100/HB0247)

Requests Congress change federal law and authorize states to shift +1 hour ahead year round. An amendment was added that if permission was granted, the General Assembly must reconsider the proposal and consider how a change would align with our eight (8) neighboring states.

#### VOTING KEY

+	Yea Vote	* Rose elected 3/12/19 in a special election
-	Nay Vote	** Kurita was appointed to fill a vacancy in SD-22
pnv	Present Not Voting	** Powers elected 4/23/19 in a special election, replacing Kurita
a	No Vote Recorded	
	TN Chamber Position	

# SENATE SCORECARD 2019

	1	2	3	4	5	6	7	8	9	10	11
	1. Bad Drugs Ads SB352/HB352	2. Plastics Standardization SB431/HB1021	3. Plastics to Fuel/Recovery SB923/HB219	4. GIVE Act SB805/HB949	5. Work Based Learning B1259/HB740	6. Emp: 20 factor definition SB466/HB539	7. Distracted Driving SB173/HB164	8. Rules: Wayfair Recognition SB165/HB667	9. Tax Decoupling GILTI SB558/HB1028	10. Dumpster Tax Clarification SB1309/HB1441	11. Daylight Savings Time SB1100/HB247
<b>Vote Count:</b>	<b>24-6</b>	<b>23-7-1</b>	<b>31-0</b>	<b>29-0</b>	<b>33-0</b>	<b>28-0-2</b>	<b>23-7-1</b>	<b>31-0</b>	<b>30-0</b>	<b>33-0</b>	<b>29-1</b>
<b>St. Senate</b>	<b>+</b>	<b>+</b>	<b>+</b>	<b>+</b>	<b>+</b>	<b>+</b>	<b>+</b>	<b>+</b>	<b>+</b>	<b>+</b>	<b>+</b>
Lt. Gov. McNally (R)	+	+	+	+	+	+	+	+	+	+	+
Akbari, R. (D)	-	-	+	+	+	+	+	+	a	+	a
Bailey, P. (R)	+	a	+	a	+	a	a	+	+	+	+
Bell, M. (R)	a	+	+	+	+	+	-	+	+	+	+
Bowling, J. (R)	+	+	+	+	+	+	+	+	+	+	+
Briggs, R. (R)	+	+	+	+	+	+	+	+	+	+	+
Crowe, R. (R)	+	+	+	+	+	+	pnv	+	+	+	+
Dickerson, S. (R)	+	-	+	+	+	+	+	+	+	+	+
Gardenhire, T. (R)	+	+	+	+	+	+	+	+	+	+	+
Gilmore, B. (D)	+	-	+	+	+	+	+	+	a	+	+
Gresham, D. (R)	+	+	+	+	+	+	+	+	+	+	+
Haile, F. (R)	+	+	+	+	+	+	+	a	+	+	+
Hensley, J. (R)	+	+	+	+	+	+	-	+	+	+	+
Jackson, E. (R)	+	+	+	+	+	+	+	+	+	+	+
Johnson, J. (R)	+	+	+	+	+	+	+	+	+	+	+
Kelsey, B. (R)	-	a	+	a	+	+	+	+	+	+	+
Kurita, R. (I) **	+	-	+	+	**	**	**	**	+	**	**
Kyle, S. (D)	+	-	+	+	+	+	+	a	+	+	a
Lundberg, J. (R)	-	+	+	+	+	+	a	+	+	+	a
Massey, B. (R)	+	+	+	+	+	+	+	+	+	+	+
Niceley, F. (R)	+	+	+	+	+	+	-	+	+	+	+
Pody, M. (R)	+	+	+	+	+	+	-	+	a	+	+
Powers, B. (R) **	**	**	**	**	+	**	+	+	**	+	+
Reeves, S. (R)	+	+	+	a	+	+	+	+	+	+	+
Roberts, K. (R)	+	pnv	+	+	+	+	+	+	+	+	+
Robinson, K. (D)	-	-	a	+	+	pnv	+	+	+	+	+
Rose, P. (R) *	*	+	+	+	+	+	+	+	+	+	+
Southerland, S. (R)	a	+	+	+	+	+	-	+	+	+	-
Stevens, J. (R)	-	+	+	+	+	+	-	+	+	+	+
Swann, A. (R)	+	+	+	+	+	+	+	+	+	+	+
Watson, B. (R)	+	+	+	+	+	+	+	+	+	+	+
White, D. (R)	+	+	+	+	+	+	-	+	+	+	+
Yager, K. (R)	+	+	+	a	+	+	+	+	+	+	+
Yarbro, J. (D)	-	-	a	+	+	pnv	+	+	+	+	+

## VOTE DESCRIPTIONS

- Bad Drug Ads (SB0352/HB352)**  
Tennessee Chamber effort in partnership with U.S. Chamber of Commerce's Institute for Legal Reform. Adds consumer protections requiring adequate disclaimers in legal advertisements solicitations for plaintiffs in prescription drug or medical device lawsuits and bans deceptive practices. Adds protections for a person's protected health information.
- Plastics Standardization bill (SB0431/HB1021)**  
Promoting regulatory conformity, establishes a statewide preemption to avoid a patchwork of local regulations or fees on plastic bags, straws, to-go food containers and related items. Additionally, it clarifies that menu labeling requirements and size restrictions on food and beverage products are the jurisdiction of the state legislature.
- Plastics to Fuel (SB0923/HB0219)**  
Authorizes the emerging technology that converts unrecycled plastic polymers back to hydrocarbon monomers by the processes of gasification or pyrolysis. The end products can be used as feedstocks for new plastics or converted into a fuel (similar to bio-diesel).
- Governor's Initiative on Vocational Education (SB0805/HB0949)**  
Enhances technical education for high school students and their transition into a higher education institutions. The bill establishes grant programs to encourage additional local industry partnerships. Tennessee Chamber members frequently note that increasing utilization of technical skills is crucial to continued economic growth.
- Work Based Learning (SB1259/HB0740)**  
Retools the work based learning grant program directing the Tennessee Higher Education Commission to take the lead encouraging private sector partnerships. Makes additional clarifications designed to foster better coordination between high schools, higher education and the private sector in developing effective work based learning programs.
- Definition of an Employee (SB0466/HB0539)**  
Uses the 20-factor test in IRS Revenue Ruling 87-41 to determine whether a worker is an independent contractor and whether an employer-employee relationship exists in the arrangement.
- Distracted Driving (SB0173/HB0164)**  
Limits the use of handheld electronic devices to "hands-free" and "one touch" usage while operating a motor vehicle. Expands the current offense and increases fines for driving while using a handheld mobile phone as Class C misdemeanor; includes any road, highway or street construction to promote safety.
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Codifies Tennessee's sales and use tax collection from out of state vendors as a result of the Wayfair U.S. Supreme Court decision and pursuant to DOR rule 1320-05-01-.129(2).
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Requests Congress change federal law and authorize states to shift +1 hour ahead year round. An amendment was added that if permission was granted, the General Assembly must reconsider the proposal and consider how a change would align with our eight (8) neighboring states.

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	TN Chamber Position	





## 2019 TAX LEGISLATION AND RELATED DEVELOPMENTS

By Carl E. Hartley, Esq., Chair, TN Chamber Tax Committee

The 2019 Session of the 111th General Assembly was very active in considering and passing various tax and related legislation. Each such major legislative initiative was signed into law by first-term Governor Lee, with one exception that became law without the Governor's signature. The following is a general summary of some of the more notable tax initiatives and related developments enacted during 2019.

### I. Franchise and Excise Taxes.

**A. Excise Tax Decoupling From Transition Tax and GILTI Provisions of Federal Law.** On December 22, 2017, President Trump signed the Tax Cuts and Jobs Act of 2017 ("Tax Reform Act"). While one main purpose was to reduce federal corporate income tax rate from 35% to 21% so that U.S. based multinational companies could better compete globally, other provisions of Tax Reform Act initiated new federal taxes on domestic entities doing business abroad. Two of those new federal tax provisions include a transition tax ("Transition Tax") under amended Section 965 of the Internal Revenue Code on the untaxed foreign earnings of certain specified corporations as if those earnings had been repatriated to the United States; and another such provision included a tax under Section 951A of the Code on global intangible low-taxed income ("GILTI") to essentially act as a global minimum tax applied broadly to certain income generated by controlled foreign corporations.

Some states in the computation of their business income taxes have decoupled from Transition Tax and/or GILTI provisions in order to avoid unintended state tax consequences to their business taxpayers and to support their continued economic development efforts. After considerable deliberation in which the Tennessee Chamber was involved, legislation was enacted at 2019 Public Chapter ("PC") No. 306 decoupling Tennessee excise tax from Transition Tax and GILTI provisions even though at the same time adding back into the excise tax calculations 5% of the income categories from each of those two federal initiatives. The foregoing is effective for all tax periods beginning on or after January 1, 2018.

This decoupling, even with a 5% addback, is consistent with the Legislature's deliberations during the 2018 Legislative Session where the excise tax was also decoupled at 2018 PC No. 1011 from Tax Reform Act's interest deduction limitations and taxation of economic development grants. These decoupling initiatives clearly reveal that the Tennessee Legislature will determine what is in the best interests of this State notwithstanding federal tax developments.

**B. F&E Credit Provisions Amended to Delete Certain Administrative Discretion.** To require more transparency, legislation was enacted at 2019 PC No. 451 which deleted certain discretionary authority given to the Commissioners of

the Department of Revenue and Department of Economic and Community Development to reduce the threshold number of jobs required for the F&E job tax credit where those Commissioners determined that such reduction in a particular instance was in the State's best interests. Those deletions apply to tax years beginning on or after January 1, 2019.

### C. F&E Credit For Qualified Broadband Equipment Deleted.

Pursuant to 2019 PC No. 501, effective July 1, 2019, F&E credit for the purchase price of qualified broadband internet access equipment is deleted.

### II. Sales and Use Taxes.

**A. Remote Sellers Must Begin Collecting/Remitting Sales Taxes as Early as October 1, 2019.** The Department of Revenue promulgated Sales and Use Tax Rule 1320-05-01-.129(2) ("Rule 129(2)") effective January 1, 2017 so as to require remote sellers to begin collecting and remitting sales taxes to the Department where the remote seller made sales exceeding \$500,000 to consumers in Tennessee during the previous 12-month period. Rule 129(2) was thereafter challenged in court as being unconstitutional. That Rule was also delayed by the 2017 Legislative Session from becoming effective until certain legislative review conditions had been satisfied. Based upon the June 22, 2018 decision by U.S. Supreme Court in the case of South Dakota vs. Wayfair which eliminated the requirement of physical presence as a condition to such collection/remittance responsibilities, the litigation challenging Rule 129(2) was dismissed. Further, 2019 PC No. 429 enacted in the current Session states that the Department is no longer prohibited from collecting internet sales and use taxes pursuant to Rule 129(2). Thereafter, the Department announced in Notice #19-04 that those remote sellers meeting the \$500,000 sales threshold as of July 31, 2019 must register and begin collecting sales/use taxes by October 1, 2019. Remote sellers meeting that threshold after July 31 are similarly required to register and collect in accordance with other provisions of Rule 129(2).

**B. Elimination of Remote Sellers' Option to Use Uniform Local Rate.** Tennessee Code Annotated, Section 67-6-702(f), has provided that dealers with no Tennessee location may choose to pay, in lieu of the tax rate otherwise imposed by counties or municipalities, an uniform local tax rate of 2.25%. This option was intended to assist those remote sellers who have registered with the Department but could not always determine which of the multiple local rates throughout the State are applicable. As a result of efforts by local governments, 2019 PC No. 491 was enacted to address the sourcing of sales tax revenues for local governments, and Section 67-6-702(f) was deleted in its entirety effective October 1, 2019. Remote sellers must thereafter follow the directives in that new law in determining which local tax rate applies.

### C. Streamlined Conformity Delayed Until July 1, 2021.

Beginning in 2007, the Tennessee General Assembly has been hesitant for various reasons to effectuate compliance with the remaining provisions of the Streamlined Sales and Use Tax Agreement not yet implemented in Tennessee. Those remaining provisions were set to take effect July 1, 2019, but as a result of 2019 PC No. 157 that effective date has now been rescheduled for July 1, 2021.

**D. Numerous Exemptions Enacted.** The 2019 Session resulted in a number of new or expanded exemptions for sales/use tax purposes, just some of which are as follows:

- (1) **Fitness Centers Exempt** – The admission, dues or other charges paid for physical fitness through exercise or other active physical conditioning is exempt pursuant to 2019 PC No. 159, effective July 1, 2019.
- (2) **Farm/Nursery Exemptions** – Effective July 1, 2019, pursuant to 2019 PC No. 427, water used directly in the production of food or fiber for human or animal consumption is exempt; and pursuant to 2019 PC No. 178 trailers used to transport certain livestock, farm products and nursery stock are also similarly exempt.
- (3) **Qualified Building Materials Exempt** – Pursuant to an application process that must be filed by October 1, 2019 with Department of Revenue, certain qualified building materials as set forth in 2019 PC No. 503 are exempt when various conditions are satisfied, including a capital investment of at least \$1 billion, effective May 24, 2019.
- (4) **Dumpster Exemption** – A taxable lease or rental does not include providing a dumpster or other container for waste or debris removal under certain conditions, pursuant to 2019 PC No. 483 effective July 1, 2019.
- (5) **Installation of Fiber-Optic Cable Exemption** – Pursuant to 2019 PC No. 501, effective July 2019, fiber-optic cable after it has become attached to a utility pole, building or other structure is deemed realty for purposes of sales/use tax laws.
- (6) **Periodicals Exemption Expanded** – Periodicals printed entirely on newsprint or bond paper have an expanded exemption under 2019 PC No. 473, effective July 1, 2019, if

distributed no less frequently than monthly with advertising supplements or other printed matter.

- (7) **Laundering/Dry Cleaning Taxable Service Narrowed** – Pursuant to 2019 PC No. 162, effective April 18, 2019, taxable laundry services do not include either (a) bathing of animals provided by a licensed veterinarian when rendered for a medical purpose, or (b) any carwash facility where the customer remains in custody of the vehicle and the preponderance of the wash is by the customer or automated equipment.

### III. Tennessee Sports Gaming Act.

Pursuant to 2019 PC No. 507, an extensive sports wagering bill was enacted. Included within this new law is a 20% privilege tax imposed upon the adjusted gross income of a licensee. This PC became law without the Governor's signature, with certain administrative functions under the PC becoming effective on May 24, 2019 and certain licensing provisions becoming effective July 1, 2019. Governor Lee stated in a May 24, 2019 letter that he did believe that the expansion of gambling through online sports betting is not in the best interest of the state, but that compromise is a central part of governing and that he was allowing this bill to become law without his signature.

### IV. Property Taxes.

**A. Clarification for PILOTs.** Pursuant to 2019 PC No. 265, effective April 30, 2019, certain provisions of Title 67, Chapter 5, dealing with property taxes have been amended to clarify that classification and use of property interests can be pursuant to lawful agreements between taxpayer and a local government or instrumentality thereof for payments in lieu of taxes.

**B. Expansion of Agricultural Land Definition.** The definition of agricultural land for purposes of greenbelt property tax treatment has been expanded by 2019 PC No. 436 effective January 1, 2020.

### V. Conclusion.

These developments can be complex. As a result, before acting upon or in regard to the foregoing, careful consideration is required in context of your particular situation.



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## Tennessee Chamber Environmental & Energy Compliance: Committee Provide Value for EHS Managers and Facility Managers

### *Are Your Operations Regulated Under Air, Water, or Solid/Hazardous Waste Permits?*

If your team is not already taking advantage of our robust environmental committees, we encourage you to consider adding your EHS manager or facilities manager to one or more of the Tennessee Chamber Environmental Committees. Adding your key team members responsible for managing your permits ensures they have access to the most up-to-date information on regulations and guidance from Tennessee Department of Environment and Conservation (TDEC). Our members who join these groups find their participation absolutely critical to successfully managing their facilities and regulated permits. The best part is that most of this information and feedback can be done remotely from their desk or work stations at their locations across the state—all without a trip to Nashville.

The Tennessee Chamber has a long-time working relationship with TDEC—and regularly provides critical private sector feedback to help ensure that regulations and rules are written in ways so that the business community knows both how to respond and how to comply. Our ability to provide real life examples and informed feedback is strengthened by participation from business and industry experts across the state.

### Tennessee Chamber Environmental Committee

Offers broad based updates on TDEC regulations and opportunities to provide comments and feedback on the guidance and regulations imposed on the private sector. Provides key access to a peer community of EHS Managers and Environmental leaders across the state facing similar challenges.

#### Air Subcommittee

Offers opportunities for Title V and Non-Title V Air permit holders to participate and provide feedback on guidance, regulation and fees imposed by TDEC's Air Pollution Control Board.

#### Water Subcommittee

Offers opportunities for Water Permit holders to participate and provide feedback on guidance, regulation and fees imposed by TDEC's Board of Water Quality, Oil and Gas.

#### Solid/Hazardous Waste Subcommittee

Offers opportunities to discuss issues, procedures, and policy problems for Chamber members who are regulated by Underground Storage Tanks and the Solid Waste Disposal Control Board.



Charles Schneider, Associate Vice President of Government Affairs, is the Chamber lead for all environmental committees. If you would like to learn more or to get your team involved, call him at 615-256-5141 or send him an email at [Charles.Schneider@tnchamber.org](mailto:Charles.Schneider@tnchamber.org).

**Did you know** that the Tennessee Chamber makes recommendations for private sector leaders to be appointed to the public boards for Air, Water, and Solid/Hazardous Waste? If you are interested in representing your company in a Statewide Public Board, please let us know.



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# GOVERNOR BILL LEE CONTINUES STRONG BUSINESS FOCUS AS TN 50TH GOVERNOR

Whether in business or politics, the role of a Chief Executive Officer ultimately establishes the success of an organization. The position of CEO represents the pinnacle of leadership and talent not only in its achievement but also the implementation of setting a vision and running an organization effectively mixing work ethic, skill, personality, leadership and management into one of the most prized positions in the United States. Just like in business, becoming a chief executive is a big deal, especially for a state government that guides regulations and resources that can implement and enforce a wide variety of initiatives that can impact millions.

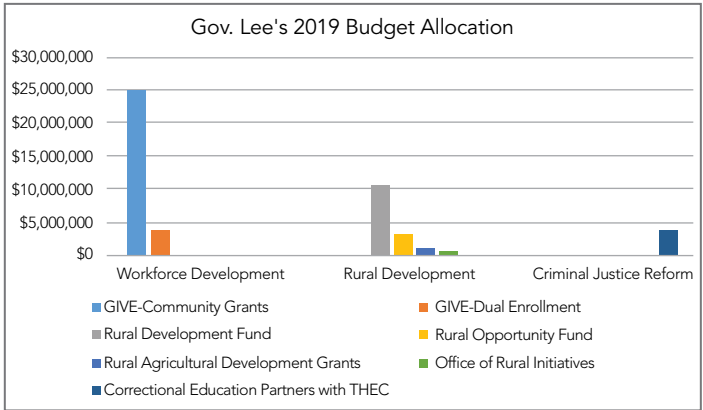
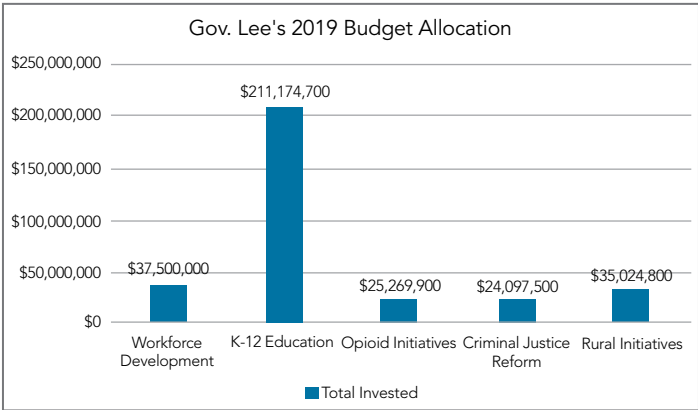


generation owner of the Lee Company, a comprehensive home services company, and he is also a farmer who takes agriculture and rural development seriously. His grandfather started the Lee Company in 1944, and Governor Lee took over in 1992 after he graduated from Auburn University. Lee has over 20 years of experience as a business owner and has lifelong Tennessee family roots. If anyone knows the complexities and importance of business issues in Tennessee, it is Governor Bill Lee. The Tennessee Chamber is proud to have a leader like Governor Lee, who is focused on preserving and bolstering Tennessee's communities and businesses.

In a short time, Bill Lee achieved what so many have worked toward for years, elected to one of the most coveted positions to become one of 50 leading the executive branch of a state government. His path to the Governor's office is a unique and one that Bill Lee established himself through personal conviction and perseverance that often conflicted with the political campaign gurus. On the campaign trail, Governor Lee was open about his faith, life tragedies that resulted in his personal growth and understanding of others and their challenges through mentoring. His success as CEO of the Lee Company has charted a successful path in his role as he takes the reigns of Tennessee Government.

A sixth-generation Tennessean, Bill Lee and his family have deep Tennessee roots. Lee grew up and currently resides in Franklin; he is a third-

The Tennessee Chamber had the opportunity to meet and know Bill Lee before he was elected Governor. An early and vocal supporter of the 2011 tort reform act, Lee and his company have been active in business issues supporting the work of business trade associations including the Tennessee Chamber. Lee also served as Chairman of the Associated Builders and Contractors of Middle Tennessee Board. This work established Lee with an understanding of public policy and its' impact and implementation process. Lee successfully executed a different campaign-style focusing on statewide meetings with small groups that showcased his qualities of being personable and approachable. As the campaign season ramped up, Chamber members frequently touted their support of then-candidate Lee after



hearing his message and convictions. Toward the final weeks of the campaign, his work paid off as Lee established a notable lead over his competitors that was maintained into election night despite a flurry of negative ads.

For the Tennessee Chamber and the business community, Lee is solidly pro-business. His overall philosophy aligns almost perfectly with businesses regarding mandates, taxes, and regulation. For workforce and education policy, Lee also has a keen understanding and goal of working to enhance technical education. This comes as Lee ran the Lee Company and saw first-hand the workforce challenges that businesses and manufacturers face each and every day. In his first term, Governor Lee has established top priorities that will help the Volunteer state's commerce and economy flourish.

Governor Lee's administration focused on enhancing our workforce and rural development to continue making Tennessee a top state for business recruitment and retention. The Governor's Investment in Vocational Education (GIVE) Act increases access and resources to vocational and technical training for Tennessee students. Workforce development is a significant issue across the nation, and Tennessee is paving the way to combating the skills and workforce gap. The GIVE Act will allow local collaborative of a workforce/economic development agency, post-secondary institutions, two or more regional employers who have a shortage of workers, and a K-12 local administrator representing Career and Technical Education to apply for a grant up to \$1 million. The collaboration between businesses and communities will put more students into vocational programs to build the skills necessary for companies that are needing a qualified workforce.

Rural development is a top priority for Governor Lee. He secured \$20 million for expansion of broadband in rural Tennessee and allocated \$10.5 million to the rural development fund. The Broadband expansion will help communities increase economic and educational opportunities, along with high school vocational training and agricultural training. Lee's priorities are in tune with the Chamber's top issues, making the Volunteer state a competitive state for business recruitment.

Criminal justice reform is another top priority for Governor Lee. Educational prison programming was a policy point that Governor Lee campaigned on and successfully championed during his first term as a connection to workforce policy, work skills needed for re-entry into society. The funding that Governor Lee allocated to these programs will help to enhance technology infrastructure across correctional facilities and work skills needed for re-entry into society. The prison educational programs will allow incarcerated individuals to receive an equivalent of high school education and over the next three years, \$10.5 million will be invested in eight state facilities with the capacity to provide career and technical credentials to inmates. Governor Lee also removed the requirement of expungement fees of certain criminal offenses, which will help incarnated persons obtain jobs and stay in those jobs reducing recidivism. This achievement will improve re-entry into society for individuals while reducing recidivism, which will make Tennessee a stronger state for business.

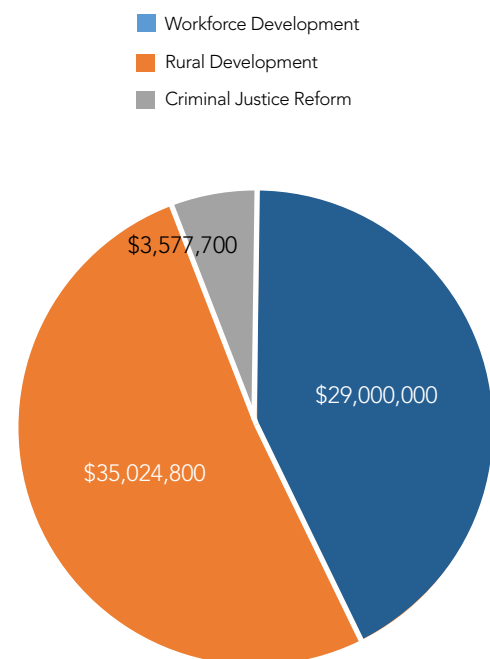
In addition, Governor Lee's legislative package focused on improving Tennessee's economy and business climate. Along with enhancing workforce development, rural development, and criminal justice; Governor Lee included multiple tax bills that helped saved businesses money. Governor Lee's administration successfully exempted the amusement tax fee on gyms to help promote

a healthier Tennessee while also saving local physical fitness businesses money. The amusement fee disproportionately impacts small business owners, and this will help improve small businesses in Tennessee while saving physical fitness gym owners over \$10 million. Governor Lee included in his budget National Career Readiness Certificate (NCRC) Work Keys Assessment that allows high school students to take as an alternative to the ACT or SAT. The NCRC assesses work skills that are required by employers. The NCRC will improve the workforce development pipeline for employers in the Volunteer State. The Tennessee Chamber worked with the Lee administration to secure funding for work-based learning grants for employers through the Tennessee Higher Education Commission. Both help improve our pipeline of workers to make Tennessee the number one state for businesses.

The Tennessee Chamber is excited to partner with Governor Lee and his administration to continue leading the nation in workforce development initiatives and appreciate our working relationship. We are eager to work with Governor Lee and his vision for the future of Tennessee.

GIVE Grants	\$29,000,000
Broadband for Rural Areas	\$20,000,000
Rural Development Fund	\$10,500,000
Rural Opportunity Fund	\$3,000,000
Rural Agricultural Development Grants	\$1,000,000
Office of Rural Initiatives	\$524,800
Correctional Education Partnership With THEC	\$3,577,000

### GOV. LEE'S 2019 BUDGET ALLOCATION



## TENNESSEE CHAMBER ENGAGES HEAVILY TO IMPROVE TENNESSEE'S WORKFORCE

By Jared Bigham, Senior Advisor, Workforce & Rural Initiatives — [Jared.Bigham@tnchamber.org](mailto:Jared.Bigham@tnchamber.org)

**As Tennessee Chamber member companies and business leaders increasingly note workforce as a top concern we have taken bold action to make improvements. To implement a number of workforce initiatives the Tennessee Chamber has hired Jared Bigham, who is considered one of Tennessee's top workforce development policy leaders to work with member companies across our state to implement a number of initiatives that are making a real difference. Here is a look at some of those initiatives.**



### Examples of Great Work in Rural Workforce Development Across Tennessee

Workforce development looks different across Tennessee depending on the region and/or community you are visiting, especially if you are focusing on rural communities. Some companies need dozens of hires annually, while dozens of companies only need some hires each year. Both scenarios have the potential to positively impact a rural community, especially in our distressed counties. Although the individual scenarios might look different, the recipe for successful workforce development efforts generally looks the same, and some of our rural communities in which we have been working have successfully “cracked the code” on meeting the hiring needs of companies in their region and are setting an example for others to follow.

#### Marion County Learn & Earn Program

Marion County is fortunate to have a school district with leaders that are willing to try new and innovative approaches to support students in accessing postsecondary credentials that give them access to living wage careers. When you couple that with a local company, Valmont Industries, which is willing to invest time and resources in creating its own talent pipeline, a partnership is created that benefits students, industry, and community.

Like many companies in Tennessee and across the country that employs welders, Valmont struggles at times to consistently hire skilled/certified workers to meet their needs. Through the coordination of the Tennessee Chamber, conversations were started about ways high school students could work and train at Valmont while also attending

school. Carri Smith is the Human Resource Manager at Valmont and the first one that came to the table to begin the conversation. She is a graduate of Marion County Schools, so she has a vested interest professionally and personally in supporting Marion County students in gaining access to training and career opportunities. What started as brainstorming sessions, eventually led to a partnership between Valmont, Marion County Schools, and the TN College of Applied Technology (TCAT) in Chattanooga called the Marion County Learn & Earn Program. Through this opportunity, a cohort of juniors and seniors from multiple high schools will attend school

for half the day, and the other half of the day they will work at Valmont for an hourly wage, while also earning a welding certification.

The program will begin this summer when the cohort will take a month long course through the TCAT on safety from within Tennessee's Advance Manufacturing Production Technician certification program. This course will train the students in: Safety Organization, Personal Protective Equipment, Fire and Electrical Safety, Work Area Safety, Hazardous Material Safety, Tool and Machine Safety, and Material Handling Safety. Dr. Mark Griffith, superintendent of Marion County schools, thinks this could be a game-changer for students. “This is a great opportunity for high school students to gain hands-on, real life experience in the workplace. Students apply skills and knowledge they’ve acquired in the classroom, while learning valuable skills on the job. The fact they are earning money at the same time is a huge added bonus,” said Griffith. Carl Miller is the Dual Enrollment Coordinator for the Chattanooga TCAT. He sees it as a springboard for students into a career: “The Valmont partnership allows students to take advantage of dual enrollment by earning an industry certificate, which is also providing them with college experience. It’s also opening a door to a job that provides a great economic opportunity if they want to pursue it after they graduate.”

Smith sees this as a win-win for the students and Valmont. According to Smith, this type of partnership goes beyond a local company supporting the school district. “For us, being a good community partner and supporting our schools is important, but in this case, our support produces a concrete return on investment because we are training workers that help with our current production needs and that have the potential to become long-term employees.”

This is a great example of how industry and education can come together to offer innovative opportunities within workforce development that benefits all involved and creates true talent pipelines from within the local rural community. The added beauty of a strategy like this is that it is not sector specific. Almost any company could take this approach and partner with the local school district to meet current job demands, while also establishing a talent pipelines for the future.

#### Rural Career Technical Academy: Gibson County Initiative

Two of the challenges that rural communities face in workforce development are access to postsecondary programs and having enough students in smaller high schools to justify Career & Technical





Education classes and/or dual enrollment classes that lead to a credential. Even when local companies with significant hiring needs are willing to invest money or equipment in high schools, it is a challenge to get a good bang for their buck when class sizes might be as small as six students in a specific training program. This is the situation in which Gibson County found itself when Tyson Foods made the decision to locate a new plant in Humboldt. The facility will bring over 1,500 new jobs to the region.

Although all five school districts have been supporting new and innovative approaches to CTE and dual enrollment access, it becomes a numbers game where geography and class size limit the number of programs or credentialing opportunities that can be offered, which in turn limits the number of qualified, skilled workers to fill not only the jobs at Tyson but hundreds of other jobs in the region. To address the challenge, Gibson County Economic Development and the Tennessee Chamber have been convening stakeholders to discuss ways to attack the problem. Ultimately, conversations kept coming back to the concept of a central technical training facility that could service dual enrollment high school students, TN Promise students, and TN Reconnect students from across all five school districts and even into some of the contiguous counties. With this in mind, stakeholders started back-mapping from what they perceived as an opportunity to the strategies for success it would take to make it a reality.

The concept of a central training facility is not new to the state, but the coalition of K-12, postsecondary, and industry leaders that has formed in Gibson County has a unique approach in that high school dual enrollment, TCAT, community college, and four-year programs aligned to regional jobs would be offered under one roof. "Tyson will need over 100 industrial maintenance technicians for our Humboldt, TN location. It is critical that we do something about the skilled labor shortage in our area. A technical school in Gibson County with a robust curriculum will provide certifications needed and expose students to these careers in high demand. It will also create a pipeline for other industries facing growth in automation and robotics. These careers will remain stable and rewarding financially," said Vanessa Presson the Complex Human Resource Manager and person charged with filling the 1,500+ jobs.

It has been impressive to see the commitment and spirit of collaboration in West Tennessee. The most successful workforce development strategies I've seen are driven by industry, and you can tell there is a true willingness on the part of regional companies like Tyson and others to go beyond the typical 'benevolent' partnership and in return see tangible talent pipelines to meet their workforce needs. Once the coalition of stakeholders agreed that a central

training center was the best strategy, an Industry Board was created to guide the process and to give insight into the current and future workforce needs. Then the Industry Board and local chambers started securing commitments from regional companies on money, equipment, or sweat equity they would be willing to invest in the training center.

The superintendents from the five school districts in the county and representatives from the regional TCAT, community colleges, and UT Martin took the identified industry needs and mapped out a proposed strategy on how the Gibson County Career Technical Academy could meet those needs through a multi-pronged approach of supporting dual enrollment, TN Promise, and TN Reconnect students. There are even discussions on a dual enrollment program for adult learners seeking their High School Equivalency Test (HiSET), so that they can obtain an industry certification at the same time. The central focus to the strategy these educators' have devised is that it is a systemic approach rather than just a programmatic one. They know that the workforce needs in their community, and thereby its prosperity, cannot be met with just one initiative. It takes talent pipelines from multiple demographics to have a sustained local workforce to meet all the needs in the region.

The underlying current in a workforce development situation like Gibson County is tackling is two-fold:

1. Without a coalition of the willing coming together and creating a strategy driven by industry, workforce development becomes a triaging endeavor at best.
2. Obtaining a postsecondary credential of some kind is a key factor in accessing a living wage career in rural communities.

**"Uniting with one voice, the school districts and their communities work to ensure each student receives the best education possible with the most opportunities for college and career success. The Gibson County Career Technical Academy would further the effort of the school districts to provide more advanced technical education for those students needing credentials for the workforce as well as those students needing hands-on experience before entering a college to pursue a major to be used in manufacturing. Gibson County is a unique place where school districts, manufacturing, and communities are working together to ensure a ready workforce and a prosperous future."**

**— Jonathan Criswell, Superintendent  
Milan Special School District**



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With these two factors for context, it is exciting to watch a community like Gibson County come together to create postsecondary opportunities for their young people and adults. Usually, when people hear “workforce development” they think jobs. But there is a difference in helping a person get a job (which is fairly easy) and giving a person access to a living wage career. This is especially true in rural areas where often time’s young people feel they have to leave their community to make a living. I much prefer the Gibson County model where they are investing in their local talent to collaboratively grow their own workforce.

### Connecting Military to Manufacturing Careers / Rural Workforce Development via a Targeted Recruitment Strategy

One of the best workforce development resources in Tennessee is Ft. Campbell U.S. Army Installation. Every month, approximately 400 service men and women stationed there transition out of the military and into civilian life. Of these, over 30% choose to live in Tennessee, with 85% seeking immediate employment. Manufacturers are leveraging this goldmine of talent by recruiting these soldiers to their companies, and since 60% of soldiers are married with children, they are also pitching their communities as great places to live.

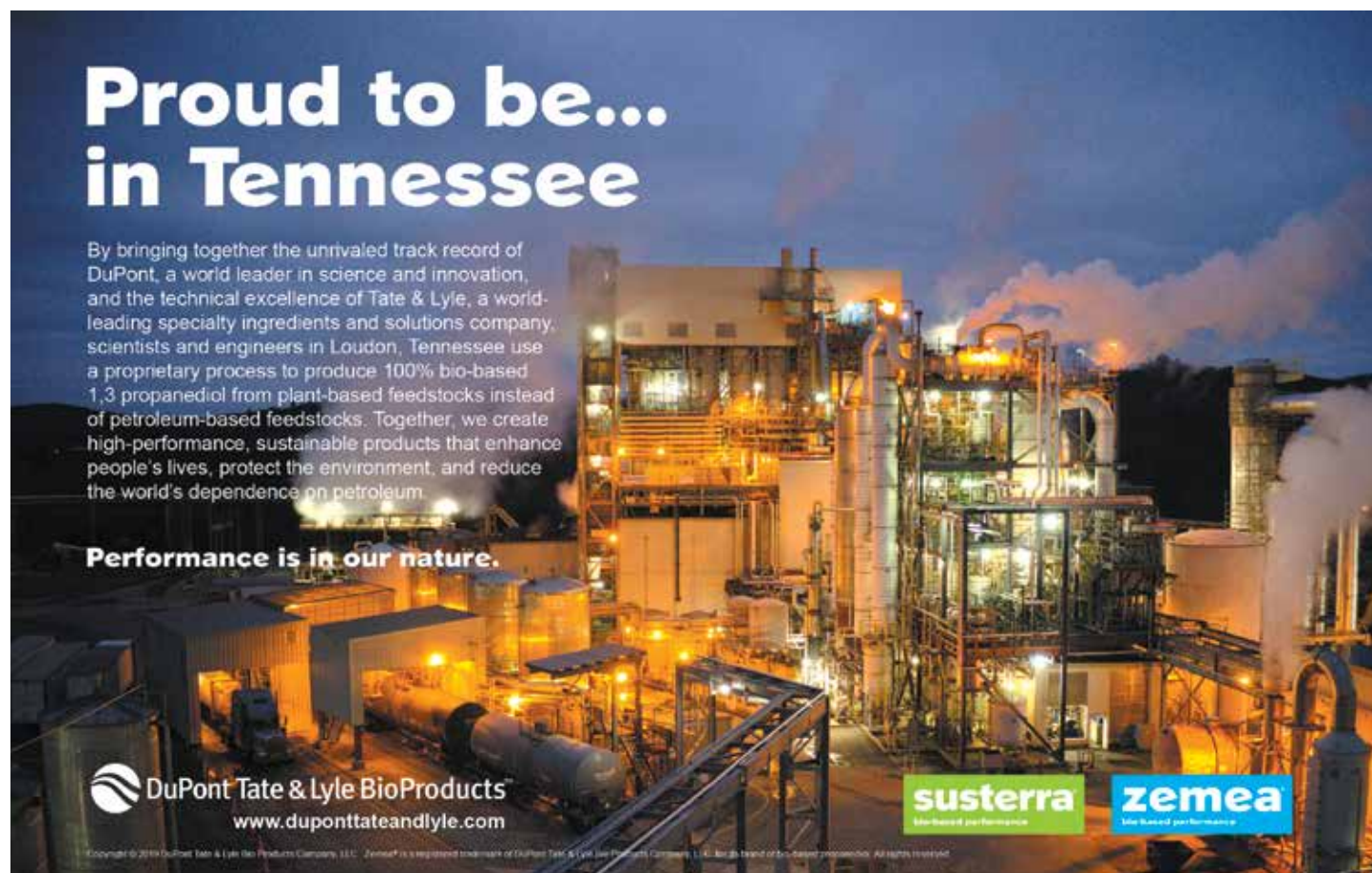
This is a ready-made talent pipeline for rural companies that sometimes struggle competing against larger, urban areas when recruiting talent. Rural areas like Jefferson County, are partnering with the Tennessee Chamber and local companies to not only promote employment opportunities but also regional attributes and the quality of life found in the community, such as schools, medical care, family activities, etc.

These communities that are supported by advanced manufacturing in-particular are creating recruitment guides that highlight companies by sharing average salaries, benefits, and the type of credential or training needed to access different careers. This company and credentialing information is coupled with details about the community to produce a brochure that is part of a larger recruitment guide given to soldiers ahead of their leaving the military. In this way, they can not only plan for “place” but also a pathway to training that gives them access to careers in that region. In most cases, this is an industry certification through the TCAT in Clarksville.

This is another great example of alignment and collaboration winning the day. Industry identifies specific needs; postsecondary aligns training and credentials to those needs; and partnering organizations coordinated through the Tennessee Chamber help connect people to the opportunities.

### Looking Ahead


Our state is well positioned to support rural workforce development. Governor Bill Lee is taking unprecedented steps to support technical education in our rural communities and rural initiatives in general. As our programs begin to catch-up to the market demands and systemic change starts to take place, we will soon see new companies attracted to rural communities across the state because they know a skilled workforce is waiting versus the belief it will be a struggling to create one. Soon our rural communities will benefit not just from jobs but from the cross sector collaboration that is taking place giving rural residents access to living wage careers.





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# 2019 ANNUAL MEETING & LEGISLATIVE RECEPTION

February 19, 2019 | Nashville, TN



Boasting Tennessee's largest day on the hill, the 2019 Tennessee Chamber Annual Meeting & Legislative Reception brought industry leaders, local chambers of commerce and economic development professionals across the state to discuss crucial business issues. Our annual meeting in Nashville is hosted during the legislative session and allows networking between business leaders and our elected officials. For the third year in-a-row, the Tennessee Chamber of Commerce Executives (TCCE) and Tennessee Economic Development Council (TEDC) partnered with the annual meeting to enhance and promote the significant presence of Tennessee's business community and local chamber/economic impact. We were thrilled to add partner, NFIB Tennessee, for the 2019 Legislative Reception! This year's gathering brought in over 450 influencers from across Tennessee! Mark your calendars: February 25, 2020.







## TENNESSEE CHAMBER – PARTNER SPOTLIGHT: HERITAGE-CRYSTAL CLEAN HELPS BUSINESS MAKING 'THE CLEAN CHOICE'

For over 20 years Heritage-Crystal Clean has provided customers with the smart alternative: The Clean Choice. This choice is one that involves more than a need for waste removal. The Clean Choice involves a recognition of one's social responsibility to utilize clean disposal methods, as well as a civic duty to preserve natural resources. The Clean Choice is a resolution to see waste differently — as a resource — and to opt for waste management solutions that benefit not only one's business, but the rest of society. A commitment to The Clean Choice leads to safer waste removal practices and cleaner environments — both inside and outside the walls of one's business.

Crystal Clean is active in building state-of-the-art programs that can meet the diverse needs of the market. Each of the company's seven lines of business offer customers a means to help significantly reduce their carbon footprint. For example, over the course of 20 years, HCC's vacuum services have kept over 350 million gallons of contaminated waters and sludge out of lakes and streams. The company's world-renowned oil re-refinery uses advanced technology such as hydrotreating to processes and redistributes 75 million gallons of used oil each year. In addition to yielding more product, the process of re-refining also produces high quality Group II Base Oils that exceed the latest industry standards when formulated with additives from any major producers.

The process of re-refining is changing the value of used oil, and Crystal Clean is at the forefront of finding innovative ways to continue conserving one of the world's most valuable resources. The future of oil lies in customers making The Clean Choice and recognizing that non-renewable does not mean non-reusable. The process of re-refining offers opportunities for substantial economic growth and the promise of a cleaner, more efficient means of consumption.

As with used oil, Crystal Clean's used antifreeze undergoes a refining process, creating another highly-efficient closed-loop service. Not only does Crystal Clean's refined antifreeze help improve automotive efficiency, it also reduces the amount of natural gas that is consumed and helps preserve non-renewable resources. The closed-loop process

allows 50% of Crystal Clean's new antifreeze to be made from refined ethylene glycol and helps ensure the common hazardous waste is not alternatively dumped into sewers, storm drains, and septic systems.

Crystal Clean's hallmark service, Parts Cleaning, serves as a testament to how convenient The Clean Choice can be when it comes to choosing environmentally friendly cleaning solutions. Crystal Clean's Parts Cleaning service utilizes top of the line solvent and aqueous machines that can be custom designed to fit wherever best suits the customer. The Clean Choice allows for the safe and effective removal of grime without any damage to the customer's parts and saves time, working costs, and reduces their impact on the environment.

Since its inception 20 years ago, Crystal Clean has remained steadfast in its dedication to protecting the environment from harmful waste while providing superior customer service and maintaining the highest level of safety. Over 90,000 customers have made Crystal Clean their solutions provider, and the company continues to expand their service area each year, with the mission of bringing The Clean Choice to every state. Once confined to the Midwest, HCC now operates from over 90 branch and hub locations in almost every state, as well as the company's owned and operated oil re-refinery in Indianapolis.

HCC continues to be the smart alternative for businesses of all sizes who want a waste management solution provider that strives to keep their assets and the environment in pristine condition. Each representative is committed to getting the job done in a safe and environmentally responsible manner to achieve the highest level of customer satisfaction. Those who make The Clean Choice make the right choice. It's time to opt for better service and cleaner environments. It's time for the Clean Choice.

For more information about Heritage-Crystal Clean's services, and to request your free quote, contact a representative at 877-938-7948 or visit [www.crystal-clean.com](http://www.crystal-clean.com). Crystal Clean's team of experts are ready to bring The Clean Choice to your business!



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Contact **Lauren Cecil** at [Lauren.Cecil@tnchamber.org](mailto:Lauren.Cecil@tnchamber.org) if you want to join the Tennessee Chamber Human Resources Committee. The HR committee meets periodically to discuss important issues and topics e.g., workers comp, labor law and workplace policies. The committee is a great way to get plugged in with other HR managers and discuss relevant issues, and it helps guide the Chamber's agenda policy during the legislative session. Hearing from you is how we determine what is at the forefront of our priorities to continue to grow and keep Tennessee a premier place for businesses.



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# STILL ROCKIN' AND ROLLIN': GREATER MEMPHIS AREA SPOTLIGHT

PHOTOS BY TROY GLASGOW

## \$19 BILLION IN INVESTMENT UNDERWAY IN MEMPHIS

*A revitalized Downtown and a slew  
Headquarters Relocation Projects Fuel  
Bluff City Boom*

By: Apryl Childs-Potter and Christin Yates

Though it has long been known as the home to Elvis, barbecue, the blues, soul and rock n' roll, lately Memphis has garnered a reputation as a hotbed for major real estate investment.

"Memphis is on a roll," said Beverly Robertson, President and CEO of the Greater Memphis Chamber. "Everywhere you look, you see a project underway. Already in 2019, we've announced new headquarter relocations and countless investments across our city. The momentum in Memphis is real."

Since 2014, there has been \$19.4 billion in new, planned and underway investments across the city and nearly 300 proposed projects, either planned or under construction.

With some of the nation's best drinking water, unmatched logistics infrastructure and 40% of the nation's population within a day's driving distance of Memphis, the area's amenities are attractive to developers and investors as well as local companies who want to expand their footprints in America's Distribution Center. Add in a cost of living that is roughly 12 percent lower than the average metro area, access to the Mississippi River and available real estate and it is no wonder that the city is a prime target for growth and development.

From local organizations to out-of-town investors, many individuals and corporations are seeing the benefits of being in Memphis and are pouring money into improving, expanding and revitalizing the city. In Memphis Mayor Jim Strickland's vision, people are working on "building the city up and not out."

In true Memphis style, rebirth is happening while maintaining the riverfront city's authentic flair. Adaptive reuse projects are abundant, giving life to historic buildings — some that have played a pivotal role in the history of the city. There is a boom occurring with investment,

but it is being done in a way that keeps the city's character at the forefront of its growth.

Development is definitely happening in the Downtown core, but projects are popping up in many other areas of the city, making it one of the hottest places in the South to live, work and visit.

### Downtown's Renaissance

Like many American cities, significant sprawl left the core of Memphis with a shrinking population in the '60s and '70s as suburban living became the new American Dream. Downtown Memphis, especially devastated after Martin Luther King Jr.'s assassination, was nearly hollowed out with little investment or commerce remaining in the city center.

However, Downtown began to see a comeback in the '70s, with the revitalization of Beale Street, which is now a major tourist attraction.

The opening of AutoZone Park, home to the city's AAA baseball team, in 2000 was another turning point as downtown condos and apartments began popping up and a new generation of Memphians began to live and work in the city's core.

Today, Downtown Memphis boasts more young professional residents than any other zip code in Tennessee and a daytime population of more than 88,000.

In the past four years alone, \$13 billion has been invested in Downtown Memphis development.

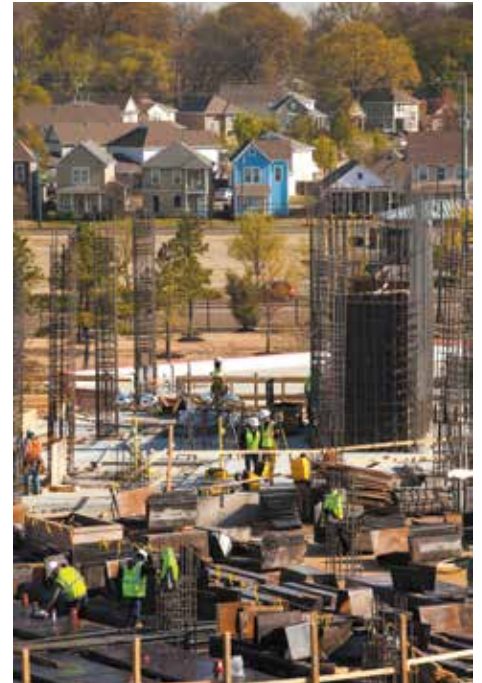
A string of new headquarters announcements has further ignited the Downtown boom. FedEx Logistics recently announced the relocation of its headquarters to the former Gibson Guitar Factory, bringing 1,200 employees to downtown, and the company is investing \$12.2 million into renovations of the building.

Indigo Ag, named the Most Disruptive Company of 2018, moved its North American headquarters and an anticipated 700 new jobs, to a building adjacent to AutoZone Park adding \$1 million in renovation dollars to Downtown.

The Memphis Convention Center is undergoing a \$163 million renovation. The 51-year-old building is getting a major facelift with new life and a new name. Enhancements to the more than 125,000-square-foot facility include new hotel-quality amenities requested by meeting planners and representatives, as well as adding valuable square footage







for additional breakout meeting rooms, bringing the total number of rooms to 52. Renovations expect to be completed by the end of 2019.

St. Jude Children's Research Hospital, which is in the midst of a \$1 billion expansion of its Memphis headquarters, has added more than 2000 employees and expanded its mission to reach a global audience.

A mile-and-a-half south on Main Street, Central Station, a \$55 million project in the South Main Arts District of Memphis, is being redeveloped into a 135-room boutique hotel and commercial space. Along with a state-of-the-art movie theatre next door, which recently opened to high acclaim, the project is helping to ignite additional growth in the booming neighborhood, which includes Memphis' oldest diner, The Arcade Restaurant, on the adjacent corner.

### Office Space and Mixed Use Market Growth

New office space is coming online as well.

Along the river, One Beale, a \$225 million development that will include retail, high end residences, restaurants and Class A office space with one of the city's best river views, recently broke ground.

Steve Guinn, vice president and division manager of Highwoods Properties is developing the office component of One Beale.

"It's great to see additional development, wherever it may be, whether it's a hospital or a warehouse," he said. "I know there are a lot of neat projects being talked about from an office perspective and a hotel perspective. It's excellent to see a lot of this happening in the core of Memphis."

Adjacent to FedEx Logistics' new headquarters, a new eight-story tower called The Clipper is being developed. The project includes 250,000-square-feet of new Class A office space and a state-of-the-art 250 key full-service hotel.

Union Row is the largest development project of its kind in Memphis. With \$950 million invested in the project, it will connect two major areas of the city core — Downtown and the up-and-coming Medical District — and include mixed-use retail and residential space as well as office space.

In the Edge District, which borders St. Jude Children's Research Hospital to the north, the Orion Federal Credit Union is redeveloping

six parcels in the area including the former Wonder Bread Factory. The project includes "Bakery Apartments;" 155,000-square-feet of retail, office and mixed-use space. The \$73 million project will help Union Row join the Downtown core to the Edge and Medical Districts in Memphis.

Even the Memphis airport is getting a makeover. For those flying to and from the Bluff City, Memphis International Airport, known as America's Aerotropolis, is undergoing a \$245 million modernization and consolidation plan to improve concourses, provide additional lighting, add a stage for live music, include a children's play area and offer additional charging stations in gate areas.

Whether it's in Downtown Memphis or neighboring areas, money is being invested into developing the "Home of the King" into a city where residents and tourists can better live, work and play.

"The amazing thing about the development underway in Memphis is that we're doing it in a way that is true to the character of this city," said Robertson. "You see historic buildings being transformed into functional space for everyone to enjoy. We've been able to grow while keeping the character, grit and authentic charm that makes Memphis unique."



The background of the advertisement is a photograph of a tire manufacturing factory. In the foreground, a worker wearing safety glasses and a yellow shirt is working on a large tire. The tire has the text 'A 71' and 'A4 71' visible on its sidewall. In the background, there are various industrial machines and equipment. The Nokian Tyres logo is prominently displayed in the upper right corner.

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# WOMEN IN BUSINESS

May 14, 2019 | Hermitage Golf Course

On May 14, the Tennessee Chamber celebrated the strength and power of women in business at our 4th Annual "Women in Business" luncheon. It was a magical day, as we welcomed Christa Pitts, co-CEO of Creatively Classic Activities and Books, the publishing company behind the best-selling Christmas classic *The Elf on the Shelf®: A Christmas Tradition*. Pitts guides the strategic business vision of the company and oversees the operational side of the company, which includes sourcing, production and sales strategy. What an interesting career, and we enjoyed gaining insight from her past endeavors — both of success and failure! We were also fortunate to hear from Jen Mulford, who is an entrepreneur, coach, speaker, author and champion for personal freedom. Mulford was honored as the 2018 Mt. Juliet Chamber of Commerce "Business Woman of the Year." Thank you to all those who attended and donated items in support of Safe Haven Family Shelter.



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## MANUFACTURING UPDATE: INDUSTRY 4.0 AND STATEWIDE TOUR



Known as the fourth industrial revolution, Industry 4.0 is a term that is being used to refer to the way automation and data are evolving and changing the way we think, socialize and work. While Industry 3.0 brought us the creation of the PC and the internet, Industry 4.0 blends the physical and digital worlds. Elements such as cloud computing, augmented and virtual reality, collaborative robots and more are showing up in our everyday lives.

In manufacturing this Smart Factory concept brings challenges of its own in addition to the typical manufacturing challenges of competing in a global marketplace, shortened production cycles and ever-increasing complexity of SKUs. Industry 4.0 can offer maximum flexibility, improved efficiencies, higher productivity at minimum costs resulting in a stronger bottom line. Additionally, the ability to increase speed to market, provide on-demand production and more customization results in a delighted customer.

With all this technology change, maintaining a skilled and qualified workforce is the number one issue for over 70% of manufacturers. In a recent survey, 27% of manufacturers indicated that they were not able to expand their production as a result of lacking a properly skilled workforce. In order to capitalize on the benefits of a smart factory, a transformation of the workforce must occur. The Tennessee

Manufacturers Association is working to provide manufacturers with connections, collaborative relationships and certifications for improving their manufacturing processes and upskilling their workforce. To participate on this advisory council or learn more, contact Denise Rice at [Denise.Rice@tnchamber.org](mailto:Denise.Rice@tnchamber.org).



## 2019 TMA STATEWIDE TOUR Starts August 20

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TENNESSEE MANUFACTURERS ASSOCIATION  
Tennessee Chamber of Commerce & Industry

A close-up photograph of a human hand holding a small, intricate mechanical component. The component is glowing with a bright, warm orange-yellow light, suggesting it is powered on or emitting heat. The background is slightly blurred, showing other mechanical parts and wires.

For more information and registration, visit [www.tnmfg.org](http://www.tnmfg.org).



## WHAT IS WOMEN IN MANUFACTURING (WiM)?

Women in Manufacturing® (WiM) is the only national trade association dedicated to providing year-round support to women who have chosen a career in the manufacturing industry. At present, more than 2,000 individual members representing nearly 900 manufacturing companies have joined our growing ranks of industry professionals. WiM encompasses manufacturers of all types and welcomes individuals from every job function – from production to the C-Suite. Membership is available to women and men working within the manufacturing sector. The Tennessee Manufacturers Association is looking to create a Tennessee Chapter. Please contact **Denise Rice at [Denise.Rice@tnchamber.org](mailto:Denise.Rice@tnchamber.org)** if you are interested in learning more.



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# GOLF TOURNAMENT



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## 2019 STEP AHEAD AWARD WINNERS ANNOUNCED

The Manufacturing Institute has announced the 2019 STEP Ahead Award Honorees and Emerging Leaders. These women have accomplished success within their companies and have proven to be leaders in the industry as a whole. This year, the Institute has also chosen to recognize a select few for the Emerging Leaders category — representing young women who are the future of the industry and have demonstrated exceptional accomplishments at just the beginning of their careers.

In Tennessee, the Manufacturing Institute and Arconic Foundation are pleased to present Science, Technology, Engineering, & Production (STEP) Forward: Knoxville, a networking event targeted to advance women in manufacturing on Tuesday, **Sept. 10, 2019**, from 5 to 7 p.m. STEP Forward is part of the Institute's larger STEP Ahead initiative to empower women in manufacturing. The STEP Forward networking series is designed to provide attendees an opportunity to discuss best practices and solutions to attract and retain women in the industry.

## A Bit of Tennessee Chamber/Tennessee Manufacturers Association (TMA) History "THE BROADWAY OF AMERICA"

By Bob Gaskill, Membership Renewals & Chamber Historian

Did you know that what is now known as U.S. Highway 70 was part of "Broadway of America"? It got this moniker in the early part of the last century when U.S. 70 was finally completed. It linked the east and west coasts before the interstates were contemplated. What eventually became U.S. 70 was originally Tennessee 1 the Memphis-Nashville-Bristol Highway. I don't know for sure from where the name "Broadway of America" came. Perhaps it was a sort of generic term — a broad way or a wide road. Or it could have come from the fact that U.S. 70 goes through many Tennessee towns where it is also locally named "Broadway" — the main drag.

How does TMA history fit in with all this? Well, I will tell you. The man who led TMA from its inception in 1912 was Secretary C.C. Gilbert. (In those days rather than president the title for the head of an organization was secretary.) C.C. headed up not only TMA but several other organizations as well including the Memphis-Nashville-Bristol Highway Association. He was instrumental in getting this organization off the ground and became its spokesman while the highway was under construction. He fought the budget battles in the legislature several times to keep the construction going. At the same time, he led this organization he was also a state senator. His nickname became C.C. "Good Roads" Gilbert. He came by his interest in the project for several reasons including commerce and tourism. But he was also invested in an early auto dealership that I believe sold Reo and Marathon cars. We have historical documents on hand to write an entire article about Mr. Gilbert's many outstanding accomplishments and roles, but we will save that for another day.

Let's get back on the road. In doing research on the internet for this article I came upon a picture of a road sign which proclaims "Tennessee 1 West" with an arrow pointing in that direction. It said this sign is in Sparta so I called Marvin Bullock, President of the Sparta White County Chamber of Commerce. He informed me



that the sign is still up. In fact, there are several Tennessee 1 signs in the area. The state has also begun putting up signs that say "First State Road" along route 70. I know one of those is on Highway 70 between Nashville and Dickson because I saw it recently. The state distributes brochures promoting Tennessee these days that encourage cross country bicyclists to travel Highway 70. (Note: State Route 1 has become U.S. 11 E from Knoxville to Bristol.) Marvin has encountered many of these folks who stop off in Sparta to enjoy its hospitality. Some are from other countries, and all appreciate traveling the blue highways of Tennessee and other states. I cannot imagine making a trek from San Diego to New York City on a bicycle but; I grow weary and saddle sore just riding my bike in my neighborhood. Hats off to these road warriors who are enriching our economy one barbecue sandwich, Moon Pie, Little Debbie snack and Goo Goo Cluster at a time.



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**TENNESSEE CHAMBER**  
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TENNESSEE MANUFACTURERS ASSOCIATION

## UPCOMING CHAMBER EVENTS & TRAINING SEMINARS SUMMER/FALL 2019

DATE	EVENT	LOCATION
August 8	Recordkeeping (TOSHA)	Mt. Juliet
August 13	Recordkeeping (TOSHA)	Jackson
August 21-23	TCCE Annual Membership Conference	Union City
August 27	Maintenance Related Standards (TOSHA)	Kingsport
August 28	TMA Jackson	Morristown
September 5	Maintenance Related Standards (TOSHA)	Jackson
September 10	Annual Tax Conference	Nashville
September 13	Maintenance Related Standards (TOSHA)	Gallatin
September 17	Basic Safety (TOSHA)	Columbia - Columbia State CC
September 18	Workforce Development Conference	Smyrna - Nissan Training Center
September 25-27	TEDC Fall Conference	Franklin
September 30	Tennessee Chamber Golf Tournament	Hermitage Golf Course (Nashville)
October 2-3	10-Hour OSHA for General Industry	Jackson
October 4	Walking Working Surfaces	Memphis/Bartlett
October 8	Basic Safety (TOSHA)	Morristown
October 9	Walking Working Surfaces	Knoxville
October 11	Walking Working Surfaces	Mt. Juliet
October 15	Dock & Warehouse Safety	Morristown
October 21-22	Environment, Safety & Manufacturing Conference	Gatlinburg *Revamped event*
October 25	Dock & Warehouse Safety	Murfreesboro
October 29-30	10-Hour OSHA for General Industry	Knoxville
November 6	Dock & Warehouse Safety	Jackson
November 14	Public Affairs Conference / Boots 'n Business	Nashville
November 18-21	30-Hour OSHA for General Industry	Murfreesboro
December 3	Basic Safety (TOSHA)	Chattanooga