



2019 TENNESSEE MANUFACTURING LEGISLATIVE POLICY AGENDA

Manufacturing drives Tennessee's economy contributing over 16.1 percent of total state output while employing over 350,000 Tennesseans in rural, suburban and urban areas. Manufacturing produces approximately 150 percent economic benefit for each dollar in wages paid manufacturing ripples through our economy. The Tennessee Chamber and Tennessee Manufacturers Association is proud to present our 2019 manufacturing legislative and policy agenda. As a statewide manufacturing organization, we maintain members in legislative districts all across our great state in all sectors that include automotive, food & beverage, chemical and plastics, appliances, machinery, paper products metal fabrication, boats and many others. As the official state affiliate for the National Association of Manufacturers, our agenda is generated with survey results and feedback from manufacturers and focuses on ensuring that Tennessee is a place where manufacturing can thrive and prosper.

TN MANUFACTURING PRIORITIES – SETTING A CLIMATE FOR GROWTH

- ⊕ **Workforce Policy** – Workforce is a challenge that impacts manufacturing significantly. Manufacturing is one of Tennessee's largest private employment sectors that pays higher wages and offers generous benefits that enhances our quality of life. We support the promotion of manufacturing careers to our students with an additional focus on employability and technical skills. We also will work to ensure that our K-12 and higher education systems strive to meet the educational and training needs of manufacturers.
- ⊕ **Protect / Defend Right To Work and Employment at Will** – These foundations are at the heart of Tennessee's manufacturing strength. Established over 70 years ago, Tennessee's right to work and employment at will standards embedded our premier status for pro-manufacturing and business climate. Any effort to erode these will be opposed by Tennessee's manufacturing community.
- ⊕ **Taxes: Manufacturing Exemptions and Single Sales Factor** – Industrial machinery, energy and employment services are exempt from Tennessee's sales and use tax. We work in the legislature to maintain and defend these provisions, as well as the single sales factor, enacted in 2017. These tax provisions are crucial to maintaining our manufacturing strength and it is estimated these provisions annually save manufacturers over \$1 billion. Tennessee must continue these and other tax provisions that enhance our manufacturing climate and any effort to remove these important provisions will be opposed.
- ⊕ **Energy / Infrastructure** – Tennessee manufacturers rely on affordable and reliable energy and infrastructure systems for the production and delivery of raw goods and finished products. We will work to enhance these systems for our existing and new manufacturers.
- ⊕ **Workers Compensation / Occupational Safety** – Quality workers compensation, unemployment, occupational health and safety and drug-free workplace systems are vitally important to manufacturers. We will work to ensure these systems operate fairly and efficiently facilitating compliance through open communication and positive working relationships.
- ⊕ **Environmental Permit and Compliance Programs** – Tennessee maintains water, air and solid/hazardous waste programs that are enforced through the Tennessee Department of Environment and Conservation. We will work to preserve industry input into these regulations and will work for fair compliance programs that balance strong environmental stewardship and economic growth.

- ✦ **Trade Policy** – A number of Tennessee manufacturers have been impacted negatively by recent trade and tariff policy. Tennessee manufacturers support free and open trade that contributes to the growth and success of Tennessee manufacturers.
- ✦ **Mandates and Regulation** – The Tennessee Chamber will work against overly-burdensome and unnecessary government mandates or regulations that have no benefit and increase compliance costs. In addition, we support efforts that lower the costs of providing health insurance and enhance the health of Tennessee’s population.
- ✦ **Battling Drug Abuse** – Manufacturers rely on a drug-free workplace to ensure safety and productivity. Drug abuse overall is a problem that negatively impacts our citizens and challenges the strength of Tennessee's manufacturing workforce. We will work with policy makers to ensure our drug-free workplace programs remain strong and employers have resources to combat drug abuse at the workplace. In addition, we will closely monitor proposals that establish **medicinal marijuana** for unexpected consequences to our workforce.
- ✦ **Tort Reform** – Enacted in 2011, the Tennessee Civil Justice Act established protections for Tennessee manufacturers against frivolous lawsuits. A recent court ruling has undermined punitive caps, and we will work with policymakers to ensure tort reform protections for manufacturers are maintained.

HOW THE TENNESSEE CHAMBER FORMULATED OUR AGENDA

The Chamber’s 2019 manufacturing agenda is developed with input from Tennessee’s manufacturers. Throughout our 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 provided input on policy and legislative strategy through surveys on workforce policy, taxation, environment and energy, and mandates and regulation. During the course of our discussions, manufacturers from across the state have shared their concerns, and we are proud that the 2019 legislative agenda is reflective of their views.

The Tennessee Chamber and Tennessee Manufacturers Association is the exclusive state affiliate for our proud national partners.

