

HOUSE BILL 311

By Butler

AN ACT to amend Tennessee Code Annotated, Title 12,  
relative to veterans.

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

SECTION 1. Tennessee Code Annotated, Section 12-3-1101, is amended by adding the language "Veteran-Owned," immediately after the language "Woman-Owned,".

SECTION 2. Tennessee Code Annotated, Section 12-3-1102, is amended by adding the following as new subdivisions:

( ) "Veteran":

(A) Means a person who served honorably on active duty in the armed forces of the United States; and

(B) Includes a service-disabled veteran;

( ) "Veteran-owned business":

(A) Means a business that is a continuing, independent, for-profit business located in this state that performs a commercially useful function, and:

(i) Is at least fifty-one percent (51%) owned and controlled by one (1) or more veterans;

(ii) In the case of a business solely owned by one (1) veteran and such person's spouse, is at least fifty percent (50%) owned and controlled by the veteran; or

(iii) In the case of a publicly owned business, at least fifty-one percent (51%) of the stock of which is owned and controlled by one (1) or

more veterans and whose management and daily business operations are under the control of one (1) or more veterans; and

(B) Includes a service-disabled veteran-owned business;

SECTION 3. Tennessee Code Annotated, Section 12-3-1103(a), is amended by adding the language "veteran-owned businesses," immediately after the language "woman-owned businesses,".

SECTION 4. Tennessee Code Annotated, Section 12-3-1104, is amended by adding the language "veteran-owned business," immediately after the language "woman-owned business," wherever it appears.

SECTION 5. Tennessee Code Annotated, Section 12-3-1104(a)(2), is amended by deleting the subdivision and substituting instead the following:

(A) The governor's office of diversity business enterprises shall recommend the amount of fair proportion annually to the procurement commission for its review and approval. In annually determining the amount of fair proportion, the procurement commission shall establish, based on the recommendation of the governor's office of diversity business enterprises, a separate amount of fair proportion for each of the six (6) subcategories of businesses identified in § 12-3-1102: minority-owned businesses, woman-owned businesses, veteran-owned businesses, service-disabled veteran-owned businesses, businesses owned by persons with disabilities, and small businesses.

(B) Notwithstanding subdivision (a)(2)(A), the procurement commission shall strive to ensure that at least five percent (5%) of contracts awarded pursuant to this part are awarded to veteran-owned businesses.

(C) Except as provided in subdivision (a)(2)(B), this part does not establish any mandatory goal or quota with respect to minority-owned businesses, woman-owned

businesses, service-disabled veteran-owned businesses, businesses owned by persons with disabilities, or small businesses.

SECTION 6. Tennessee Code Annotated, Section 12-3-1105, is amended by adding the language "veteran-owned business," immediately after the language "woman-owned business," wherever it appears.

SECTION 7. Tennessee Code Annotated, Section 12-3-1106, is amended by adding the language "veteran-owned business," immediately after the language "woman-owned business," wherever it appears.

SECTION 8. Tennessee Code Annotated, Section 12-3-1107, is amended by adding the language "veteran-owned business," immediately after the language "woman-owned business," wherever it appears.

SECTION 9. Tennessee Code Annotated, Section 12-3-1107(b), is amended by deleting the language "five (5) subcategories" wherever it appears and substituting instead the language "six (6) subcategories".

SECTION 10. Tennessee Code Annotated, Section 12-3-1112(b), is amended by adding the language "veterans," immediately after the language "women,".

SECTION 11. Tennessee Code Annotated, Section 12-3-1112(e), is amended by adding the language "veteran-owned businesses," immediately after the language "woman-owned businesses," wherever it appears.

SECTION 12. Tennessee Code Annotated, Section 12-3-1112(f), is amended by adding the language "veterans," immediately after the language "persons with disabilities,".

SECTION 13. This act takes effect July 1, 2023, the public welfare requiring it.