



## State of Tennessee

### PUBLIC CHAPTER NO. 309

#### HOUSE BILL NO. 774

**By Representatives Moon, Barrett, Leatherwood, Wright, Todd, Marsh, Burkhardt Curtis Johnson, Powers, Hawk, Carr, Raper, Garrett, Terry, Vital, Lafferty, Capley, Ragan, Hale, Slater, Eldridge, Grills, Howell, White, Helton-Haynes**

**Substituted for: Senate Bill No. 681**

**By Senators Reeves, Lowe, Bowling, Hensley, Jackson, Rose, Stevens, Taylor, Walley**

AN ACT to amend Tennessee Code Annotated, Title 7 and Title 50, relative to employment.

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

SECTION 1. This act is known and may be cited as the "Protecting Tennessee Businesses and Workers Act."

SECTION 2. Tennessee Code Annotated, Section 7-51-1802, is amended by deleting subsection (f) and substituting instead the following:

(f)

(1) Except as otherwise provided by state or federal law, a local government shall not adopt or enforce an ordinance, regulation, resolution, policy, or another legal requirement that regulates or imposes a requirement upon an employer pertaining to hours worked, scheduling that an employer is required to provide employees, or employee output during work hours.

(2) A local government entity may set and regulate such hours, scheduling, and output for its own employees and for the provision of services, including, but not limited to, those regulated under the supplementary powers given to local governments in the Tennessee Constitution.

SECTION 3. Tennessee Code Annotated, Section 50-2-112(a)(1), is amended by deleting the subdivision and substituting:

(A) Unless required by state or federal law, all additional wage or employment benefit mandates imposed on private employers by a local government are hereby preempted.

(B) Notwithstanding a charter, ordinance, or resolution to the contrary, a local government shall not require, as a condition to doing business within the jurisdictional boundaries of the local government or contracting with the local government, a private employer to pay its employees an hourly wage in excess of the minimum hourly wage required to be paid by such employer under applicable federal or state law, nor does a local government have the authority to impose a wage or employment benefit mandate on a private employer.

(C) A local government entity shall not, through its purchasing or contracting procedures, seek to control or affect the wages or employment benefits provided by its vendors, contractors, service providers, or other parties doing business with the local government. A local government shall not, through the use of evaluation factors, qualifications of bidders, or otherwise award preferences on the basis of wages or employment benefits provided by its vendors, contractors, service providers, or other parties doing business with the local government.

(D) A local government may offer its own employees wage and employment benefits.

**HB774**

SECTION 4. Tennessee Code Annotated, Section 50-2-112(b), is amended by deleting the subsection and substituting:

(b) As used in this section:

(1) "Employment benefits" means anything of value that an employee may receive from an employer in addition to wages and salary, including, but not limited to, health benefits; disability benefits; death benefits; group accidental death and dismemberment benefits; paid days off for holidays, sick leave, vacation, and personal necessity; additional pay based on schedule changes; retirement benefits; and profit-sharing benefits;

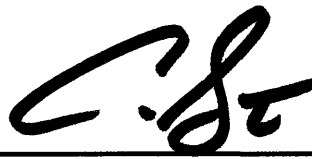
(2) "Local government" means a county, incorporated city or town, metropolitan government, or an agency or unit thereof, or other political subdivision of this state; and

(3) "Wage or employment benefit mandate" means a requirement adopted by a local government which requires a private employer to pay any or all of its employees a wage rate or provide employment benefits not otherwise required under state or federal law.

SECTION 5. This act takes effect upon becoming a law, the public welfare requiring it.

HOUSE BILL NO. 774

PASSED: April 6, 2023



CAMERON SEXTON, SPEAKER  
HOUSE OF REPRESENTATIVES

  
RANDY MCNALLY  
SPEAKER OF THE SENATE

APPROVED this 28<sup>th</sup> day of April 2023



BILL LEE, GOVERNOR