HOUSE BILL 2011

By Jernigan

AN ACT to amend Tennessee Code Annotated, Title 4; Title 12; Title 13; Title 47; Title 50 and Title 67, relative to call centers.

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

SECTION 1. Tennessee Code Annotated, Title 4, Chapter 3, Part 14, is amended by adding the following language as a new, appropriately designated section:

4-3-1413.

(a) This section shall be known and may be cited as the "Save Tennessee Call Center Jobs Act."

(b)

- (1) If an employer intends to relocate a call center from this state to a foreign country, the employer shall notify the commissioner pursuant to § 50-1-602, at least sixty (60) days prior to such relocation.
- (2) An employer that violates subdivision (b)(1) is subject to a civil penalty not to exceed ten thousand dollars (\$10,000) for each day of such violation; provided, the commissioner may reduce such amount for just cause shown by the employer.

(c)

- (1) The commissioner shall compile an annual list of all employers that relocate a call center from the United States to a foreign country.
- (2) The commissioner shall distribute the list described in subdivision(c)(1) to each executive agency.

- (d) Except as provided in subsection (e) and notwithstanding titles 4, 9, 12, 13, and 67, an employer that appears on the list described in subsection (c):
 - (1) Is ineligible for any governmental support for five (5) years after the date the employer appears on the list; and
 - (2) Shall remit the unamortized value of any governmental support that the employer has received to the commissioner.
- (e) The commissioner, in consultation with the executive agency providing the governmental support, may waive the eligibility restriction provided under subsection (d) if the employer demonstrates that a lack of governmental support shall:
 - (1) Threaten national security;
 - (2) Result in substantial job loss in this state; or
 - (3) Harm the environment.
- (f) Each executive agency shall ensure that all state-business-related call center and customer service work be performed by state contractors entirely within this state. State contractors who currently perform such work outside of this state shall have until July 1, 2017, to comply with this section; provided, if any such state contractor hires an employee, on or after July 1, 2015, who shall perform work on a state contract, the employer shall ensure that the employee performs such work entirely within this state.
- (g) This part does not permit the withholding or denial of payments, compensation, or benefits, including state unemployment compensation, disability payments, or worker retraining or readjustment funds, to employees employed by employers that relocate to a foreign country.
 - (h) As used in this section:
 - (1) "Call center":
 - (A) Means any business enterprise that employs, for the purpose of customer service or back-office operations:

- (i) Fifty (50) or more employees, excluding part-time employees; or
- (ii) Fifty (50) or more employees who in the aggregate work at least one thousand five hundred (1,500) hours per week, excluding hours of overtime; and
- (B) Includes one (1) or more facilities or operating units within a call center comprising at least thirty percent (30%) of the call center or operating unit's total volume when measured against the previous 12-month average call volume of operations or substantially similar operations;
- (2) "Commissioner" means the commissioner of labor and workforce development;
- (3) "Executive agency" means any department, commission, board, agency, or other entity in the executive branch of this state or any independent entity of this state that is not a part of the legislative or judicial branch;
- (4) "Governmental support" means any direct or indirect grant, guaranteed loan, tax benefit, or other form of financial support from this state;
- (5) "Part-time employee" means an employee who is employed for an average of fewer than twenty (20) hours per week or who has been employed for fewer than six (6) of the twelve (12) months preceding the date on which notice is required in subsection (b); and
 - (6) "State contractor":
 - (A) Means any person or legal entity engaged in a project pursuant to a state contract; and

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(B) Includes any agent, subcontractor, or other person or legal entity contracting with, or working for, a state contractor on a project funded in any part by this state.

SECTION 2. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 3. This act shall take effect July 1, 2015, the public welfare requiring it, and shall apply to contracts executed on or after such date.

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