

SENATE BILL 325

By Harris

AN ACT to amend Tennessee Code Annotated, Title 4;  
Title 9; Title 12; 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 50, is amended by adding the following language as a new chapter:

**50-8-101.**

This chapter shall be known and may be cited as the "Save Tennessee Call Center Jobs Act."

**50-8-102.**

As used in this chapter:

(1) "Call center" means a single location that utilizes telecommunication services in one (1) or more of the following activities: customer services, soliciting sales, reactivating dormant accounts, conducting surveys or research, fund raising, collection of receivables, receiving reservations, receiving orders, or taking orders;

(2) "Commissioner" means the commissioner of labor and workforce development;

(3) "Employer" means an individual or legal entity that employs, for the purpose of customer service or back-office operations:

(A) Fifty (50) or more employees, excluding part-time employees;

or

(B) Fifty (50) or more employees who in the aggregate work at least one thousand five hundred (1,500) hours per week, exclusive of overtime hours;

(4) "Executive agency" means any commission, board, agency, or other entity in the executive branch of state government or any independent entity of the state government that is not a part of the legislative or judicial branch; and

(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 under § 50-8-103.

**50-8-103.**

(a)

(1) An employer that intends to relocate either of the following from this state to a foreign country shall notify the commissioner at least one hundred twenty (120) days before the relocation:

(A) A call center; or

(B) 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 twelve-month average call volume of operations or substantially similar operations.

(2) An employer that violates subdivision (a)(1) is subject to a civil penalty not to exceed an amount of ten thousand dollars (\$10,000) for each day a violation occurs, except that the commissioner may reduce the amount for just cause shown.

(b)

(1) The commissioner shall compile a semiannual list of all employers that relocate the following from this state to a foreign country:

(A) A call center; or

(B) 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 of operations.

(2) The commissioner shall distribute the list required in subdivision (b)(1) to all executive agencies and shall publish the list on the department of labor and workforce development's website.

(3) Publishing the list on the department's website constitutes notice to affected employers for purposes of this chapter.

**50-8-104.**

(a) Except as provided in subsection (b), an employer that appears on the list described in § 50-8-103(b)(1) is ineligible for any direct or indirect state grant, state guaranteed loan, tax benefit, tax credit, or any other benefit derived from state funds being initially disbursed or renewed to the employer for five (5) years after the date the list is published, unless the employer provides evidence satisfactory to the commissioner that the employer's inclusion on the list was made in error.

(b) The commissioner, in consultation with the applicable executive agency providing an existing grant, loan, tax benefit, or other benefit derived from state funds, may waive the employer's ineligibility under subsection (a) if the employer provides evidence satisfactory to the commissioner that a lack of the grant, loan, tax benefit, or other benefit derived from state funds would:

(1) Result in substantial job loss in this state; or

(2) Harm the environment.

**50-8-105.**

The head of each executive agency shall require that all state-business-related call centers and customer service work be performed by state contractors, or their agents or subcontractors, entirely within this state. State contractors, or their agents or subcontractors, who currently perform call center and customer service work outside of this state have until July 1, 2019, to comply with this section before the executive agency may non-renew or cancel a contract based on noncompliance with this section. Executive agencies shall ensure that all contracts entered into or renewed on or after July 1, 2017, have non-renewal or cancellation provisions to effectuate the purposes of this section.

**50-8-106.**

No provision of this chapter permits withholding or denying payments, compensation, or benefits under state law, including state unemployment compensation, disability payments, or worker retraining or readjustment funds, to workers employed by employers that relocate to a foreign country.

**50-8-107.**

The commissioner is authorized to promulgate rules to effectuate the purposes of this chapter. All rules shall be promulgated in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

SECTION 2. Tennessee Code Annotated, Section 67-6-356, is amended by adding the following language as a new subsection:

(c) The exemption from the sales and use tax provided in this section is not available to any individual or legal entity that fails to comply with the Save Tennessee Call Center Jobs Act, compiled in title 50, chapter 8.

SECTION 3. If any provision of this act or its application to any person or circumstance is held invalid, then the invalidity shall not affect other provisions or applications of the act that

can be given effect without the invalid provision or application, and to that end the provisions of this act are severable.

SECTION 4. For the purpose of promulgating rules, this act shall take effect upon becoming a law, the public welfare requiring it. For all other purposes, this act shall take effect July 1, 2017, the public welfare requiring it.