

SENATE BILL 1649

By Norris

AN ACT to amend Tennessee Code Annotated, Title 49;  
Title 50, Chapter 6 and Title 67, relative to work-  
based learning.

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

SECTION 1. Tennessee Code Annotated, Section 49-7-1205, is amended by adding the following as new subsections:

(c) An employer that accepts or employs a student who is receiving a secondary education to participate in work-based learning coordinated through the student's LEA:

(1) Shall not be liable for actions relating to that student unless the employer acted willfully or with gross negligence; and

(2) May elect to provide workers' compensation insurance coverage to compensate a participating student for any injury that is covered under title 50, chapter 6. Notwithstanding subdivision (c)(1), if an employer elects to provide workers' compensation insurance coverage pursuant to this subdivision (c)(2):

(A) The coverage shall serve as the participating student's exclusive remedy for any compensable injury that is covered under title 50, chapter 6; and

(B) The employer shall not disclaim the participating student's eligibility for such coverage.

(d) An LEA that coordinates work-based learning for students receiving a secondary education shall maintain liability insurance coverage for all participating students. If an employer elects to provide workers' compensation insurance coverage to a participating student pursuant to subdivision (c)(2), then the LEA shall maintain liability

insurance coverage to compensate the participating student for any injury that is not covered under title 50, chapter 6.

(e) For purposes of this section, an employer shall not be prohibited from employing a student who is receiving a secondary education and who is under the age of eighteen (18); provided, that the employer is in compliance with state and federal law.

SECTION 2. Tennessee Code Annotated, Section 67-4-2009, is amended by adding the following as a new subdivision:

(10)

(A) There shall be allowed against the sum total of the taxes imposed by the franchise tax law, compiled in part 21 of this chapter, and by the excise tax law, compiled in this part, a credit equal to five hundred dollars (\$500) for each work-based learning student employed by the taxpayer for the tax period covered by the return.

(B) For purposes of this subdivision (10), "work-based learning" means a credit-bearing experience in a secondary or postsecondary curriculum which:

(i) Includes, but is not limited to, job shadowing, internships, clinicals, practicums, apprenticeships, co-ops, and industry-led service learning projects;

(ii) Is incorporated into coursework or related to a specific field of study;

(iii) Integrates knowledge and theory learned in the classroom with the practical application and development of technical skills and proficiencies in a professional work setting; and

(iv) May or may not include wages, salary, or other compensation to the student.

(C) All credits allowed under this subdivision (10) are nonrefundable and nontransferable and shall be awarded on a first come, first served basis. Any unused credit allowed under this subdivision (10) may be carried forward for five

(5) years after the tax year in which the credit originated. The credit allowed under this subdivision (10) shall be limited to five thousand dollars (\$5,000) per taxpayer in any tax year.

(D) Notwithstanding subdivisions (10)(A) and (10)(C), a maximum of one million dollars (\$1,000,000) in tax credits may be allowed under this subdivision (10).

(E) The commissioner of revenue shall promulgate rules in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, to implement this subdivision (10) and shall develop an application and all other forms necessary to effectuate the purposes of this subdivision (10).

SECTION 3. For purposes 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 January 1, 2019, the public welfare requiring it.