

SENATE BILL 1877

By Yarbro

AN ACT to amend Tennessee Code Annotated, Title 4;
Title 9 and Title 67, relative to establishing the
rural remote worker relocation incentive program.

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

SECTION 1. Tennessee Code Annotated, Title 4, Chapter 3, Part 7, is amended by
adding the following new section:

(a) As used in this section:

(1) "Distressed rural county" means:

(A) Prior to December 31, 2020, a county that meets one (1) or
more of the following criteria as of December 31, 2020:

(i) Has a per capita income of eighty percent (80%) or less
of the national average;

(ii) Has an unemployment rate that is, for the most recent
twenty-four-month period for which data are available, at least one
percent (1%) greater than the national average unemployment
rate, or, for the most recent twelve-month period for which data
are available, at least two percent (2%) greater than the state
average unemployment rate; or

(iii) Has experienced, or is about to experience, a special
need arising from actual or threatened severe unemployment or
economic adjustment problems resulting from severe short-term
or long-term changes in economic conditions, as determined by
the commissioner of finance and administration, the commissioner

of economic and community development, and the commissioner of revenue; or

(B) On and after December 31, 2020, a county that will be identified using a consistent methodology based on a set of broadly available measures of economic well-being that could include county unemployment rate, rate of job growth, personal income per capita, property tax base per capita, percent high school graduates, and percent below poverty. Using this consistent methodology, the commissioner of finance and administration, the commissioner of economic and community development, and the commissioner of revenue shall determine which counties are distressed rural counties and shall publish a list of the distressed rural counties meeting the criteria in this subdivision (a)(1)(B) by July 1 of each year;

(2) "New remote worker" means an individual who:

(A) Is an employee of a business with its domicile or primary place of business outside of a distressed rural county;

(B) Becomes a full-time resident of a distressed rural county; and

(C) Performs the majority of the worker's employment duties remotely from a home office or a co-working space located in a distressed rural county; and

(3) "Qualifying remote worker expenses" means actual costs a new remote worker incurs for one (1) or more of the following that are necessary to perform the worker's employment duties, including, but not limited to:

(A) Relocation to a distressed rural county;

(B) Computer software and hardware;

(C) Broadband access or upgrade; and

(D) Membership in a co-working or similar space.

(b) There is established a grant program within the department of economic and community development to be known as the rural remote worker incentive program ("program"), for the purpose of encouraging new remote work for in-state and out-of-state employees to live in distressed rural counties, by providing financial assistance for qualifying remote worker expenses. The program shall be administered by the department. Nothing in this section guarantees an individual a right to the benefits provided in this section.

(c) A new remote worker is eligible for a grant under the program for qualifying remote worker expenses in the amount of not more than two thousand five hundred dollars (\$2,500).

(d) The department shall allocate at least fifty thousand dollars (\$50,000) to award grants under the program on a first-come, first-served basis.

(e) The department shall design and implement the program, which must include a certification process to certify new remote workers and certify qualifying remote worker expenses for a grant under this section. Applications for the program shall be reviewed and grants shall be awarded on an annual basis.

(f) The department shall, at a minimum:

(1) Adopt procedures for implementing the program;

(2) Promote awareness of the program, including through coordination with relevant trade groups and by integration into the department's economic and community development marketing campaigns; and

(3) Adopt measurable goals, performance measures, and an audit strategy to assess the utilization and performance of the program.

(g) On or before January 1, 2021, the department shall promulgate rules necessary to effectuate this section in accordance with the Uniform Administrative Procedures Act, compiled in chapter 5 of this title.

(h) On or before October 1, 2021, the department shall submit a report to the finance, ways and means committees of the senate and the house of representatives, the commerce and labor committee of the senate, the commerce committee of the house of representatives, and the consumer and human resources committee of the house of representatives, concerning the implementation of this section, including, but not limited to:

- (1) A description of the procedures adopted pursuant to subdivision (f)(1);
- (2) The promotion and marketing of the program pursuant to subdivision (f)(2);
- (3) Any additional recommendations for qualifying remote worker expenses or new remote workers that may be eligible under the program; and
- (4) Any recommendations for changes to the maximum allowable amount of the grant.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.