

TENNESSEE GOVERNMENT

Update

NEWS FOR THE CLIENTS AND FRIENDS OF BASS, BERRY & SIMS PLC

The Tennessee Chamber of Commerce set the tone for the week early. It mailed a letter to the Governor and members of the General Assembly criticizing four groups of bills as "Job-Killers." The proposals would:

1. Require Wal-Mart and other large businesses either to provide health insurance to all employees or to fund state-provided healthcare;
2. Create a Tennessee minimum wage, initially set at \$6.15 or \$7.15 an hour;
3. Enact a Tennessee Pay Equity Act; and
4. Utilize the unemployment trust fund to pay for job absence resulting from domestic abuse.

Wal-Mart

Senator Tim Burchett (R-Knoxville), after flirting with the idea of requiring Wal-Mart-sized retailers to pay into a state fund if they did not pay a certain percentage of health care coverage for their employees, abandoned the bill this week in the Senate Commerce Committee. Similar bills, sponsored by other senators, were deferred to the last meeting of the Commerce Committee but remain "alive" until the Legislature adjourns.

Minimum wage

House Democratic Leader Kim McMillan (D-Clarksville) said Thursday that the House would move forward with a bill to create a state minimum wage at \$6.15 or \$7.15 an hour. Four such bills are on the agenda of the House Employee Affairs Subcommittee at 10:30 a.m. Wednesday in LP 30. They are:

- HB 2624 McMillan/SB 3119 Jackson; \$6.15 an hour
- HB 2885 Turner M/SB 2864 Cohen; \$7.15 an hour
- HB 3318 Turner M/SB 2758 Cohen; \$6.15 an hour
- HB 3402 McMillan/SB 3120 Jackson; \$6.15 an hour

The Senate Commerce, Labor & Agriculture Committee has only the first bill on notice for Tuesday. The other three are in "general subcommittee" of Senate Commerce, a euphemism for "dead in the water."

Rep. Turner's HB 3318 may be the preferred vehicle in the House. It was recommended by the Operations Committee last week on a partisan vote of 7 Democratic yeses, 5 Republican nos. Senate Commerce Committee Chair Jerry Cooper (D-Morrison) requested testimony about the matter at the Committee's meeting on Tuesday, March 21.

Business interests thought they had Governor Phil Bredesen on their side in opposing the increase but the governor changed positions and said he would be "honored" to sign such a bill. That kicked off a renewed spate of lobbying against the measure.

Pay Equity

The third matter raised by the Tennessee Chamber is the "Pay Equity in the Workplace Act of 2006." Bill sponsor Kim McMillan, the House majority leader, placed the bill on the agenda in the House Government Operations Committee for Wednesday, March 22. It does not come up in the Senate Commerce Committee until March 28.

Unemployment Trust Fund

The Senate Commerce amended Senator Harper's bill that would have paid for employee leave resulting from domestic abuse from the unemployment trust fund. The amended bill provides for payment for lost employment time from the general fund. The bill was referred to the Senate Finance Committee.

Eminent Domain

The House Civil Practice Subcommittee recommended HB 3450, sponsored by the chairman of the House Judiciary Committee and supported by the Tennessee Farm Bureau, for passage Tuesday afternoon.

New Faces in the General Assembly

Two years ago eight members passed on their re-elections (which at the time was a surprisingly high number of voluntary retirements). This week Senator David Fowler (R-Signal Mountain), a 12-year veteran of the upper chamber, announced he would not run for a fourth term. The current Chairman of the Environment, Conservation and Tourism Committee adds his name to a growing list of members who will not return in 2007:

- Senator Jeff Miller (R-Cleveland), Retiring
- Senator Curtis Person (R-Memphis), Retiring
- Rep. Dewayne Bunch (R-Cleveland), Retiring from House, running for State Senate
- Rep. Chris Clem (R-Chattanooga), Retiring

- Rep. Gene Davidson (D-Adams), Retiring
- Rep. David Davis (R-Johnson City), Retiring from House, running for Congress
- Rep. Steve Godsey (R-Blountville), Retiring from House, running for local office
- Rep. Tre Hargett (R-Memphis), Retiring from House
- Rep. Jere Hargrove (R-Cookeville), Retiring from House
- Rep. W. C. Pleasant (R-Memphis), Retiring from House
- Rep. Paul Stanley (R-Memphis), Retiring from House, running for State Senate

J. Richard Lodge, Jr.

PHONE: (615) 742-6254

FAX: (615) 742-2754

E-MAIL: dlodge@bassberry.com



Leslie K. Hafner

PHONE: (615) 259-6342

FAX: (615) 742-2801

E-MAIL: lhafner@bassberry.com

