



## SPEAK OUT!

Legislative Issues Affecting  
Oak Ridge and our  
Business Community



*May 19, 2009*

### Bredesen Expands Push for Green Energy Production

Last week Governor Bredesen unveiled plans to invest \$62.5 million in federal stimulus dollars to enhance Tennessee's position as a leader in creating green energy jobs. The money would be divided between projects at opposite ends of the state: Oak Ridge and West Tennessee. In Oak Ridge, money will go toward a new solar power research center at Oak Ridge National Laboratory and the University of Tennessee. The money going to west Tennessee will house a 20-acre, \$35 million, five megawatt solar farm in West Tennessee. Bredesen noted that the solar farm would be one of the largest in the eastern United States, generating enough power to supply at least 600 homes.

#### **Washington Alert:**

- **Employee Free Choice Act:** Employers oppose the "Employee Free Choice Act," and we urge Congress to not accept any compromise.

#### **House Leaders Compromise and Advance Unemployment Solvency Bill**

Last week a negotiated compromise on an Administration bill to stabilize the state's unemployment insurance fund advanced in House Consumer and Employee Affairs with bi-partisan support. The amendment provides additional triggers for employers allowing the base rate to decrease to \$8,000 when the fund balance reaches \$900 million and \$7,000 when the fund reaches \$1 billion. Negotiations had stalled in the House over concern of voting for tax increases without bi-partisan support.

#### **Bredesen Says Layoffs Could Happen Sooner (WTVF-TV Nashville)**

Governor Phil Bredesen said job cuts that were supposed to come over the next two years could be coming sooner rather than later. Bredesen at first thought he could avoid layoffs until sometime next year, but he had learned the budget situation was \$250 million worse

than expected. Some lawmakers do not like some of the cuts, and some advocates believe these cuts could cost people their lives. "I think at the time that I delivered this budget there is something for everyone to hate," said Bredesen. There was a proposed tax on the health maintenance organization that some worry could eventually cause health insurance premiums to go up.

<http://www.newschannel5.com/Global/story.asp?S=10356187>

### **Bredesen proposes \$62.5M solar energy initiative using stimulus funds (WVLT-TV)**

Governor Phil Bredesen announced last Wednesday a solar power initiative billed as a comprehensive solar-energy and economic-development program that will use up to \$62.5 million in federal stimulus money, according to a release from the governor's Communications office. The plan, called the "Volunteer State Solar Initiative," would fund projects at UT, ORNL, and in West Tennessee. The proposal would fund the development of the Tennessee Solar Institute at The University of Tennessee and ORNL and a massive solar farm in West Tennessee. The Tennessee Solar Institute would focus on improving the affordability and efficiency of solar products.

[.http://www.volunteertv.com/home/headlines/44886022.html](http://www.volunteertv.com/home/headlines/44886022.html)

## **Legislative Activity for This Week**

### SENATE ACTIVITY Senate S/C and Committees

#### Commerce, Labor & Agriculture Committee

\*SB 0693 by \*Southerland ( HB 1907 by \*Curtiss) Insurance, Health, Accident - As introduced, enacts the "Preferred Provider Organization Transparency Act."

#### Government Operations Committee

\*SB 1388 by \*Johnson ( HB 1815 by \*Lynn) Uniform Administrative Procedure Act (UAPA) - As introduced, revises various provisions of the Uniform Administrative Procedures Act. The latest amendment to this bill can be reviewed.

\*SB 2114 by \*Norris ( \*HB 2141 by \*Lundberg) Courts - As introduced, revises the membership of the judicial selection commission and the judicial evaluation commission; decreases term of commission members from six to four years; requires senate confirmation of governor's nominee to fill a vacancy for any state court judge; increases the vote from a majority vote to 60 percent vote that a judge must receive in a retention election; extends the sunset provision for the judicial selection and evaluation commissions to June 30, 2011.

\*SB 1715 by \*Overbey ( HB 1892 by \*Coleman) Judges and Chancellors - As introduced, rewrites various provisions of the judicial selection and judicial evaluation provisions.

#### Tax S/c of Finance, Ways & Means Committee

\*SB 2112 by \*Faulk (\*HB 2038 by \*Harrison) Taxes, Exemption and Credits - As introduced, extends time period, from two years to three years, within which the department of economic and community development may allow a business to make required capital investment to qualify for certain excise tax credit.

\*SB 1469 by \*Haynes (HB 1543 by \*Stewart) Taxes, Exemption and Credits - As introduced, adds enterprise zones as location in which qualified business enterprise may be located to be eligible for \$4,500 jobs tax credit upon approval of commissioners of the department of revenue and the department of economic and community development.

\*SB 2318 by \*Kyle (\*HB 2275 by \*Fitzhugh) Taxes - As introduced, makes certain revisions concerning assessment and collection of sales, privilege, transfer, and privilege taxes; delays effective date of certain streamlined sales tax provisions until July 1, 2011.

\*SB 2357 by \*Kyle (\*HB 2389 by \*Fitzhugh) Taxes - As introduced, increases from 2 percent to 5.5 percent the tax that all HMOs doing business in this state must pay on the gross amount of all dollars collected from an enrollee or on an enrollee's behalf.

\*SB 1741 by \*Marrero (HB 1947 by \*Shaw) Taxes, Internet and e-Commerce - As introduced, creates presumption that person making sale of tangible personal property to persons in this state that have been solicited by independent contractors or other representatives in Tennessee is responsible for sales tax on such sale.

#### Finance, Ways & Means Committee

\*SB 1282 by \*Bunch ( \*HB 1287 by \*Casada) Taxes - As introduced, clarifies those provisions of law which control challenges for collection of state taxes collected or administered by the commissioner of revenue and those which control the challenges for collection of other state taxes as well as local governmental entities.

\*SB 2315 by \*Kyle ( \*HB 2324 by \*Curtiss) Unemployment Compensation - As introduced, revises the penalties and punishments imposed on any person or employing unit that knowingly violates or attempts to violate the provisions governing experience ratings for employers, or knowingly advises another person or employing unit to violate the provisions.

#### HOUSE ACTIVITY

##### House Committees & Budget S/c Finance, Ways & Means Committee

\*HB 0529 by \*Hackworth ( \*SB 0403 by \*Henry) Business and Commerce - As introduced, extends the joint select committee to study business taxes from June 30, 2009, until June 30, 2013

\*HB 1500 by \*Fitzhugh ( \*SB 1909 by \*Norris) Workers Compensation - As introduced, adds additional injuries that are not covered by workers' compensation.

## Budget of FW&M

\*HB 1892 by \*Coleman ( \*SB 1715 by \*Overbey) Judges and Chancellors - As introduced, rewrites various provisions of the judicial selection and judicial evaluation provisions.

\*HB 1760 by \*Curtiss ( \*SB 1201 by \*Tracy) Unemployment Compensation - As introduced, revises benefit provisions concerning seeking work, dishonesty and absenteeism, and also revises hearing procedures, and penalties for fraud.

\*HB 2324 by \*Curtiss ( SB 2315 by \*Kyle) Unemployment Compensation - As introduced, revises the penalties and punishments imposed on any person or employing unit that knowingly violates or attempts to violate the provisions governing experience ratings for employers, or knowingly advises another person or employing unit to violate the provisions.

\*HB 2389 by \*Fitzhugh ( SB 2357 by \*Kyle) Taxes - As introduced, increases from 2 percent to 5.5 percent the tax that all HMOs doing business in this state must pay on the gross amount of all dollars collected from an enrollee or on an enrollee's behalf.

\*HB 2038 by \*Harrison ( SB 2112 by \*Faulk) Taxes, Exemption and Credits - As introduced, extends time period, from two years to three years, within which the department of economic and community development may allow a business to make required capital investment to qualify for certain excise tax credit.

\*HB 2141 by \*Lundberg ( SB 2114 by \*Norris) Courts - As introduced, revises the membership of the judicial selection commission and the judicial evaluation commission; decreases term of commission members from six to four years; requires senate confirmation of governor's nominee to fill a vacancy for any state court judge; increases the vote from a majority vote to 60 percent vote that a judge must receive in a retention election; extends the sunset provision for the judicial selection and evaluation commissions to June 30, 2011.

\*HB 2186 by \*Sargent ( \*SB 2120 by \*Norris) Highways, Roads and Bridges - As introduced, enacts the "Tennessee Transportation State Infrastructure Bank Act."

\*HB 1543 by \*Stewart ( \*SB 1469 by \*Haynes) Taxes, Exemption and Credits - As introduced, adds enterprise zones as location in which qualified business enterprise may be located to be eligible for \$4,500 jobs tax credit upon approval of commissioners of the department of revenue and the department of economic and community development

\*HB 2264 by \*Turner M ( SB 2290 by \*Kyle) Taxes, Excise - As introduced, revises the excise tax exemption for certain family-owned non-corporate entities (FONCEs).

\*HB 1751 by \*Turner M ( \*SB 0516 by \*Kyle) Taxes, Sales - As introduced, effective July 1, 2010, reduces, from 5.5 percent to 5 percent, the rate of state sales tax levied on certain foods and food ingredients sold at retail and intended for human consumption. This caption bill, as it is to be amended, will be used to make many changes regarding the

Department of Revenue's auto title, issuance and renewals, and other changes for personalized license plates for the VW company.

\*HB 1777 by \*Hackworth ( SB 2000 by \*Haynes) Workers Compensation - As introduced, requires the Advisory Council on Workers' Compensation to report to the oversight committee on workers' compensation and commerce committees concerning rules promulgated by the department of labor and workforce development relative to medical impairment ratings.

#### Government Operations Committee

\*HB 1907 by \*Curtiss ( \*SB 0693 by \*Southerland) Insurance, Health, Accident - As introduced, enacts the "Preferred Provider Organization Transparency Act."

\*HB 1615 by \*McCord (\*SB 0632 by \*Southerland) Water Pollution - As introduced, revises requirements concerning jurisdiction of waters of the state and hydrologic determinations.

\*HB 0738 by \*Mumpower (SB 0819 by \*Norris) Energy - As introduced, enacts the "Tennessee Energy Conservation Endorsement Act of 2009."

\*HB 1815 by \*Lynn ( \*SB 1388 by \*Johnson) Administrative Procedure (UAPA) - As introduced, revises various provisions of the Uniform Administrative Procedures Act.

#### State & Local Government Committee

\*HB 2318 by \*Winningham ( SB 2300 by \*Kyle) Energy - As introduced, requires department of finance and administration to develop a plan for ensuring state-owned facilities have individual energy meters by 2010; includes an electric vehicle in the definition of "energy-efficient vehicle" for purposes of provisions governing energy-efficient state-owned vehicles; requires that statewide building construction safety standards include provisions for energy efficiency

Speak Out! is produced in cooperation with the Tennessee Chamber of Commerce

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