



## SPEAK OUT!

Legislative Issues Affecting  
Oak Ridge and our  
Business Community



**May 4, 2009**

### **Sneak Attack to Increase Gas Tax Beat Back by Business Lobby**

Sponsors say they are uncertain about the prospects for passage of either proposal for raising Tennessee's gasoline tax for the first time since 1989, but transformation of the bills could open the door to the possibility in the waning weeks of the 2009 legislative session.

One proposal would allow for the indexing of gas taxes via the yearly growth in the Consumer Price Index starting in 2010. Each year the tax on gas would increase along with the CPI. This causes much concern in the business community since the uncertainty of recent economic developments could possibly lead to high levels of inflation which would in turn be applied to gas taxes which business pay the majority of.

### **Governor Bredesen Encourages Businesses: Be Alert to Possible Swine Flu**

This week health officials said the state might be dealing with its' first case of (H1N1) or swine flu in Tennessee. Health officials are encouraging businesses and local health departments and education officials to be on the lookout for symptoms. The Tennessee Department of Health has established a website to provide information which includes handouts, preventive measures and answers to questions and concerns about the swine flu. Please click [here](#) to view the website.

### **Judicial Selection Update: Senate Committee Approves Judicial Selection Plan: House Approves Different Plan**

#### **Current Plan:**

- Judicial Selection Commission presents panel of three candidates for governor to choose from.
- Members of the 17-member commission are appointed by governor and House and Senate Speakers, but legal groups such as the state bar association, defense lawyers, prosecutors and trial lawyers have designated representatives.
- Supreme Court justices and appeals court judges stand for yes-no retention votes in next election after their appointments, and again at the end of their terms.

#### **Senate Plan:**

- Judicial Selection Commission would be eliminated.
- All vacancies would be independently filled by the governor.
- Supreme Court justices could be challenged in contested elections, while appeals judges would continue to stand for retention votes.

**House Proposal:**

- Judicial Selection Commission would present four candidates to governor instead of three.
- The speakers and the governor wouldn't need to heed input from legal groups on makeup of the commission.
- Supreme Court justices and appellate judges would continue to stand for yes-no retention votes.

**Unemployment Fund Stabilization Still on Hold as House Negotiations Continue**

This week negotiations continued on an Administration proposal in the House to stabilize the state's unemployment insurance fund. Leading the compromise is House Employee and Consumer Affairs Chairman [Rep. Judd Matheny](#) (R-Tullahoma). A major consideration in the compromise is to establish triggers as the fund balance increases the wage base on employers would decrease.

**Summary of the Administration's UI Stabilization Proposal:** The bill contains provisions that will increase premium revenues into the fund and will allow the state to accept \$141 million in Federal Stimulus dollars. Premium revenue is expected to be increased by raising the wage base in Tennessee from \$7,000 to \$9,000 and by imposing a .06 stabilization surcharge on the table rates. The surcharge will end when the fund reaches \$650 million.

In accepting stimulus dollars, the state will be required to make several changes in current law.

It will move to using the most current 4 quarters in determining eligibility and benefits.

It will expand benefits for families with dependents up to \$15 dollars per dependent to a maximum of \$50.

It will expand weekly benefits by \$25 dollars per week (which is paid for completely by the federal government and ends with the federal stimulus dollars).

It will allow part-time workers to obtain unemployment benefits as long as they are working a minimum of 20 hours per week and are applying for part-time work of at least 20 hours. Part-time workers in Tennessee are currently eligible for benefits if they meet the earnings requirements, even if they work less than 20 hours. The fiscal impact of this provision is expect to be minimal and could be beneficial to employers because the 20-hours threshold has never been required in statute.

The Jobs Skills fund, enacted in 2000, will also be repealed, ensuring the fund is used only for the original purpose, paying benefits to qualified, unemployed Tennesseans. This change is welcomed by the Tennessee Chamber as it will help long-term fund solvency.

**Misc. Legislative Activity this Week:****House Subcommittee Approves Ban on "Menu Labeling" by Cities (WPLN-Radio)**

Metro Nashville wouldn't be able to tell restaurants to post calorie counts on their menus under a proposed state law that was approved by a House subcommittee Wednesday. Mount Juliet Republican Susan Lynn says cities have no business assuming that power. "What we risk is every city and county in the state coming up with a vast array of varying regulations." Nashville Representative Mike Turner says that would amount to the state telling a city how to govern. "The city of Nashville wants to have a healthier city for their people. Now are we gonna let the state of Tennessee come in up here and tell them they can't do that?" <http://wpln.org/newstranscripts/?p=6274>

**Program offers incentives for renewable energy (News-Sentinel/Marcum)**

TVA has released details of an expanded renewable-energy program, offering more incentives such as \$1,000 toward installation costs for solar, wind, biomass and other renewable-energy systems that homes and businesses can use to produce electricity and sell it to TVA. The incentives are offered through the Generation Partners pilot program, in which customers sell all the power they generate to the federal utility and their local power providers reimburse them through credits on their monthly electric bills.

<http://www.knoxnews.com/news/2009/apr/30/Program-offers-incentives-for-renewable-energy/>

## **Legislative Activity for Next Week**

### **SENATE ACTIVITY**

Senate S/C and Committees

#### **State & Local Government Committee**

**SB 1683** by **\*Ketron** (**\*HB 1137** by **\*Shipley**) Immigrants - As introduced, enacts the "Comprehensive Illegal Immigration Act."

**\*SB 1116** by **\*McNally** (**HB 2046** by **\*McCord**) Campaigns and Campaign Finance - As introduced, requires contribution limits for individuals, political campaign committees controlled by a political party or caucus, and multicandidate political campaign committees be increased to reflect percentage of change in average consumer price index in every odd-numbered year starting in 2011.

#### **General Welfare, Health & Human Resources Committee**

**SB 2314** by **\*Kyle** (**\*HB 2319** by **\*Turner M**) Food and Food Products - As introduced, enacts the "Tennessee Healthful Menu Act."

#### **Commerce, Labor & Agriculture Committee**

**SB 1297** by **\*Crowe** (**\*HB 0857** by **\*Mumpower**) Workers Compensation - As introduced, imposes various requirements on contracting agents who sell, lease, assign, transfer, or convey their lists of contracted health care providers and their contracted reimbursement rate; applies under the Workers' Compensation Law.

**SB 0607** by **\*Finney L** (**\*HB 0461** by **\*Odom**) Workers Compensation - As introduced, increases the number of nonvoting members on the advisory council on workers' compensation from seven to eight; adds a person nominated by the Tennessee Chiropractic Association.

**\*SB 1203** by **\*Overbey** (**HB 2085** by **\*Sargent**) Business and Commerce - As introduced, enacts the "Tennessee Small Business Investment Company Credit Act."

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

**\*SB 0991** by **\*Burks** (**HB 2098** by **\*Towns**) Food and Food Products - As introduced, enacts the "Genetically Engineered Food Labeling Act of 2009."

**\*SB 1674** by **\*Johnson** (**HB 1916** by **\*Lvynn**) Labor - As introduced, enacts the "Secret Ballot Protection Act of 2009".

## Government Operations Committee

[SB 2306](#) by [\\*Kyle](#) ([\\*HB 2315](#) by [\\*Coleman](#)) Judges and Chancellors - As introduced, requires that meetings of judicial selection commission be open to public; requires governor to select candidate from first or second panel; makes certain other changes to the Tennessee Plan.

## Finance, Ways & Means Committee

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

[SB 2300](#) by [\\*Kyle](#) ([\\*HB 2318](#) by [\\*Winningham](#)) 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.

[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 S/C and Committees

## Industrial Impact of COM

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

## Employee Affairs of C&EA

[\\*HB 0857](#) by [\\*Mumpower](#) ([SB 1297](#) by [\\*Crowe](#)) Workers Compensation - As introduced, imposes various requirements on contracting agents who sell, lease, assign, transfer, or convey their lists of contracted health care providers and their contracted reimbursement rate; applies under the Workers' Compensation Law.

[HB 1472](#) by [\\*Casada](#) ([\\*SB 1574](#) by [\\*Norris](#)) Workers Compensation - As introduced, decreases amount of civil penalty commissioner of commerce and insurance may assess to insurance companies for failure to submit modification factors or rates from \$2,000 per incident to \$1,000 per incident.

## Budget of FW&M

[HB 1517](#) by [\\*Curtiss](#) ([\\*SB 1931](#) by [\\*Woodson](#), [Burchett](#), [Ketron](#), [Overbey](#)) Trade Regulation - As introduced, requires suppliers of gasoline products to make such products available to wholesalers in a condition that allows the wholesaler to blend it with ethanol or other biological products.

[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 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 1947](#) by [\\*Shaw](#) ( [\\*SB 1741](#) by [\\*Marrero B](#)) 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.

### **Civil Practice and Procedure of JUD**

[HB 2232](#) by [\\*Coleman](#) ( [\\*SB 2130](#) by [\\*McNally](#)) Judges and Chancellors - As introduced, changes composition of the judicial selection commission; makes all meetings and records of the commission open to the public; requires judicial applicants to submit to work and credit history checks and to submit to criminal record checks; requires that certain judges be elected by voters within the respective grand divisions of the state.

[\\*HB 2315](#) by [\\*Coleman](#) ( [SB 2306](#) by [\\*Kyle](#)) Judges and Chancellors - As introduced, requires that meetings of judicial selection commission be open to public; requires governor to select candidate from first or second panel; makes certain other changes to the Tennessee Plan.

[\\*HJR 0103](#) by [\\*Kelsey](#) Constitutional Amendments - Proposes a constitutional amendment to provide for popular election of Tennessee's attorney general.

[\\*HB 1150](#) by [\\*Kelsey](#) ( [SB 1231](#) by [\\*Bunch](#)) Judges and Chancellors - As introduced, requires election of judges in accordance with state constitution; abolishes judicial selection commission.

### **Local Government of S&LG**

[HB 1740](#) by [\\*Kelsey](#) ( [\\*SB 1829](#) by [\\*Kyle](#)) Taxes, Personal Property - As introduced, tolls time period for taxpayer to file amended schedule of personal property when taxpayer's personal property account has been audited and the audit reveals that the assessment should be adjusted downward.

### **Government Operations Committee**

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

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

State & Local Government Committee

\*HB 2318 by \*Winningham (SB 2300 by \*Kyle) Energy - As introduced, requires department of

finance a  
meters by  
of provis  
construct

# Millennium Partners

gy  
ies

Speak O  
The Tennes

## Titanium



## Platinum



LLC

# Millennium Partners

## Titanium



A Subsidiary of Northrop Grumman

## Copper



Your world. Delivered.



## Platinum



Washington Division



LIVE LIFESTYLE COMMUNITY



TETRA TECH



Professional Project Services, Inc.

MOD COMPANY

## Copper



## Silver



THE COWPERWOOD COMPANY

Chuck's Car  
CDM Federal  
LeConte Wealtl  
Advanced Mar  
Oak Ridge Pe  
Therm

Chuck's Car Care Center  
CDM Federal Programs  
LeConte Wealth Management  
Advanced Management, Inc.  
Oak Ridge Pediatric Clinic  
Avisco

Proforma  
NetGain Corporation  
NHC Oak Ridge  
Bacon Howard & Company  
Kramer Rayson, LLP  
Thermocopy  
C&C Advertising

U.S. Department of Energy  
CH2MHILL  
Oak Ridge Gastroenterology Associates  
Endoscopy Center of Oak Ridge  
Groves Park Commons  
Amedysis Home Health

ent of Energy  
HILL  
terology Associates  
er of Oak Ridge  
: Commons Avisco  
vertising