

# SB 776 - HB 965

## FISCAL NOTE



Fiscal Review Committee  
Tennessee General Assembly

March 7, 2025

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**SUMMARY OF BILL:** Encourages state agencies to include a provision in requests for proposals (RFPs) for state construction contracts asking whether contractors, subcontractors, or other workers will employ apprentices through certified or registered apprenticeship programs. Encourages contractors and subcontractors involved in state construction projects to hire apprentices through certified or registered programs. Effective on November 1, 2026.

### FISCAL IMPACT:

#### NOT SIGNIFICANT

##### Assumptions:

- Defines "state construction contracts" as state-funded projects involving construction, reconstruction, improvement, rehabilitation, installation, alteration, renovation, or demolition of buildings or facilities, with a minimum value of \$1,000,000.
- The proposed legislation encourages, rather than mandates, apprenticeship hiring, resulting in no enforcement or compliance costs to state agencies.
- Employment of apprentices does not qualify a business to be certified as a Governor's Office of Diversity Business Enterprise entity; therefore, there will be no additional expenditures to the Department of General Services.
- The answers received by respondents of the proposal will not impact the acceptance of a particular bidder and is not expected to result in any significant fiscal impact to future state contracts.
- It is assumed that adding the suggested language to RFPs will incur minimal expense, as agencies regularly update contract documents.
- The proposed legislation only encourages state agencies to include apprenticeship-related provisions in RFPs, meaning businesses are not required to change their hiring practices.
- Since participation is voluntary and does not impose additional costs, the proposal is unlikely to significantly impact business expenses or workforce dynamics.

## **IMPACT TO COMMERCE:**

### **NOT SIGNIFICANT**

#### Assumptions:

- The proposed legislation only encourages state agencies to include apprenticeship-related provisions in RFPs, meaning businesses are not required to change their hiring practices.
- Since participation is voluntary and does not impose additional costs, the proposal is unlikely to significantly impact business expenses or workforce dynamics.

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Bojan Savic". The signature is written in a cursive, flowing style.

Bojan Savic, Executive Director