

HOUSE BILL 2427

By Evans

AN ACT to amend Tennessee Code Annotated, Title 50 and Title 56, relative to liability of certain contractors.

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

SECTION 1. Tennessee Code Annotated, Section 50-6-113, is amended by deleting subdivision (f)(1)(B) and substituting instead the following:

(f)(1)(B) This requirement set out in subdivision (1)(A) shall apply whether or not the person employs fewer than five (5) employees. Sole proprietors and partners shall not be required to carry workers' compensation insurance on themselves.

SECTION 2. Tennessee Code Annotated, Section 50-6-113, is amended by deleting subdivision (f)(1)(B) and substituting instead the following:

(f)(1)(B) Notwithstanding subdivision (f)(1)(A), a sole proprietor or partner engaged in the construction industry shall not be required to carry workers' compensation on themselves if they are doing work directly for the owner of the property pursuant to subdivision (f)(1)(C), but shall be required to carry workers' compensation insurance on any subcontractor, employee or worker not otherwise covered by a policy of workers' compensation; however, if a sole proprietor or partner is working as an intermediate contractor or subcontractor contractor, then workers' compensation insurance shall be required on themselves.

SECTION 3. The provisions of SECTION 1 shall take effect upon becoming a law, the public welfare requiring it, and shall remain in effect until 12:01 a.m. on March 31, 2012. The provisions of SECTION 2 shall take effect at 12:01 a.m. on March 31, 2012.