

SENATE BILL 127

By Tracy

AN ACT to amend Tennessee Code Annotated, Title 4 and Title 62, Chapter 6, to enact the “Go Build Tennessee Act.”

WHEREAS, the General Assembly finds and declares that meeting the demand for a highly skilled workforce in an ever-growing construction industry is a national crisis that becomes more severe each day; and

WHEREAS, the four major umbrella construction associations, including the Tennessee chapters of the Associated General Contractors and the Associated Builders and Contractors, the Home Builders Association of Tennessee, and the Tennessee Road Builders Association, are acutely aware and fully supportive of a solution to help mitigate the crisis; and

WHEREAS, one-third of all skilled construction workers are over the age of fifty, and the industry will need another 1.5 million workers by 2022; and

WHEREAS, research indicates that young people who are prime candidates for careers in the construction industry are not considering the construction industry as a possible career choice; and

WHEREAS, a significant number of persons in construction are being recruited by governments, educational institutions, healthcare institutions, general industry, and other entities to meet the need for skilled craft workers; and

WHEREAS, the General Assembly recognizes that the construction industry is a barometer of the overall economic health of this State and country, and, regardless of business sector or technological level, an adequate supply of skilled construction workers is essential to building, renovating, servicing, and maintaining facilities and equipment to ensure economic growth and prosperity; and

WHEREAS, it is critically important for this State to secure a viable funding mechanism that adequately provides for the recruitment and training of students and encourages the education of new, skilled construction workers; now, therefore,

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

SECTION 1. Tennessee Code Annotated, Title 4, is amended by adding the following language as a new chapter:

**4-49-101.**

This chapter shall be known and may be cited as the “Go Build Tennessee Act.”

**4-49-102.** As used in this chapter:

(1) “Board” means the state board for licensing contractors, created by § 62-6-104; and

(2) “Corporation” means a nonprofit corporation, which shall be properly incorporated under the laws of this state and approved by the United States internal revenue service as an organization that is exempt from federal income tax under Section 501(a) of the Internal Revenue Code (26 U.S.C. § 501(a)) by virtue of being an organization described in Section 501(c)(3) of the Internal Revenue Code (26 U.S.C. § 501(c)(3)).

**4-49-103.**

(a) There is created the Go Build Tennessee Program, referred to in this chapter as “the program.”

(b) The program shall be administered by a corporation, whose duties shall include, but not be limited to, securing funding to promote and foster the development of a comprehensive statewide program designed to attract and increase career opportunities for secondary and postsecondary students in the construction industry.

**4-49-104.** The corporation may enter into contractual and promotional agreements necessary to effectively stimulate the program for the purposes of educating persons about the construction industry and recruiting persons for careers in the industry.

**4-49-105.**

(a) To fund the program, there is created within the board for licensing contractors a Go Build Account, referred to in this chapter as “the account.” Amounts remaining in the account at the end of each fiscal year shall not revert to the general fund. Money in the account shall be invested by the state treasurer pursuant to title 9, chapter 4, part 6, for the sole benefit of the account.

(b) A minimum of fifty percent (50%) of the total revenue produced from the licensed contractor permit fees assessed pursuant to title 62, chapter 6, part 1, shall be transferred by the board to the account, to be allocated to the corporation solely for the implementation, administration, and management of the program.

(c) The board, with the approval of the corporation, may promulgate rules in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, for:

(1) Collecting fees;

(2) Ensuring that construction service providers comply with this chapter by enforcing the appropriate penalties and sanctions as necessary; and

(3) Disbursing the funds for the program, as necessary, pursuant to subsection (b).

**4-49-106.**

(a) The corporation shall implement the program to promote and encourage the recruitment of potential construction workers, and to develop training programs and create opportunities for new, skilled construction workers in this state.

(b) The corporation may work with state and local governments, private organizations, and citizens as it plans and engages in activities related to the program. In addition to the funds received pursuant to § 4-49-105(b), the corporation may receive

funds from individuals, businesses, governmental entities, foundation grants, and the state as appropriated by the general assembly.

(c) All costs to underwrite the corporation's activities related to the program shall be paid from revenues of the corporation, and no state employee or any other person associated with the corporation shall benefit from the expenditures, either directly or indirectly.

(d) The corporation may exercise all powers authorized pursuant to the Tennessee Nonprofit Corporation Act, compiled in title 48, chapters 51—68.

(e) The corporation may request assistance from any agency of state government, subject to existing statutes, rules, and policies.

**4-49-107.** Beginning with the first full quarter of the calendar year following the effective date of this act and each subsequent quarter, the board shall transfer revenue from the account to the corporation to be allocated in the manner set forth in § 4-49-105(b).

**4-49-108.** The corporation shall pay expenses incurred by the corporation for the administration of the program.

**4-49-109.** The corporation shall submit an annual report to the governor, the speaker of the senate, and the speaker of the house of representatives that includes a statement of its operations. The report shall be submitted within ninety (90) days after the end of the corporation's fiscal year.

**4-49-110.** An independent audit of the program shall be performed annually by a certified, independent public accountant who shall be paid out of fees collected by the corporation. The independent audit shall be submitted to the comptroller of the treasury.

**SECTION 2.** This act shall take effect upon becoming a law, the public welfare requiring it.