

SENATE BILL 2400

By Robinson

AN ACT to amend Tennessee Code Annotated, Title 4;
Title 9; Title 12; Title 50 and Title 67, relative to
state funds.

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

SECTION 1. Tennessee Code Annotated, Title 9, Chapter 4, Part 6, is amended by
adding the following as a new section:

(a) As used in this section:

(1) "Employee" means any individual who receives salary, wages, or
other remuneration from a private entity;

(2) "Incentives" means any moneys, credits, tax exemptions, tax credits,
tax exclusions, tax deductions, rebates, investments, or grants;

(3) "Living wage" means a pay rate of at least twelve dollars and fifty
cents (\$12.50) per hour worked;

(4) "Private entity" means any person; business; partnership; company;
association; corporation; for-profit entity; or nonprofit entity, as long as the
aforementioned entities have at least one (1) employee;

(5) "State funds" means any moneys from the state treasury,
departmental revenues, or incentives; and

(6) "State governmental entity" means any agency, authority, board,
commission, department, or office within state government or any autonomous
state agency, authority, board, commission, council, department, office, or
institution of higher education.

(b) Notwithstanding any law to the contrary, the commissioner of finance and administration shall not authorize the disbursement of any moneys from the state treasury pursuant to § 9-4-601(a) to a private entity unless the private entity to whom the disbursement is intended first provides evidence, in a form as determined satisfactory by the commissioner, that the private entity pays its employees a living wage.

(c) Notwithstanding any law to the contrary, a state governmental entity shall not authorize the disbursement of any state funds to a private entity unless the private entity to which the disbursement is intended first provides evidence, in a form as determined satisfactory by the state governmental entity, that the private entity pays its employees a living wage.

SECTION 2. Tennessee Code Annotated, Title 12, Chapter 4, Part 1, is amended by adding the following as a new section:

All contracts entered into for the purchase of goods and services by state governmental entities must include language requiring the applicable private entity that will receive state funds under the contract to pay living wages to its employees in compliance with SECTION 1. The living wage requirement is not waivable. Any contract in violation of this section or SECTION 1 is void as against public policy.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it, and applies to the disbursement of state funds, and contracts entered into, amended, or renewed, on or after the effective date of this act.