



**SPEAK OUT!**  
Legislative Issues Affecting  
Oak Ridge and our  
Business Community



**May 3, 2010**

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## **Controversial Development Bill**

Last week in a highly contentious vote the House Judiciary Committee voted to approve [HB 3058](#) a controversial bill by Rep. Frank Niceley (R-Strawberry Plains). The bill as proposed **would require that economic development projects acquiring property would have to give value based on the highest and best use value, instead of the current fair market value.** Chambers and economic development officials believe the legislation if enacted would devastate Tennessee's ability to compete with our surrounding states for economic development projects. The House advanced the measure on a contentious vote of 6-5-1 with all Democrats voting against the measure except Rep. Eddie Bass (D-Prospect) who voted for the measure and Rep. Karen Camper (D-Memphis) who PASSED. All Republicans voted with Rep. Nicely who had spend considerable time and effort to advance the proposal except Rep. Barrett Rich (R-Somerville). Accusations mounted of vote swapping and pressure from House leadership to let the measure advance. The measure will be considered this week in the [House Budget Subcommittee](#). We urge you to contact members of the Subcommittee to voice your concerns.

## **Legislative Budget Stalemate Continues:**

### **Full Committee Schedules Ahead**

This week House and Senate committees were in full swing as legislators worked diligently to decide a plethora of bills before serious budget considerations begin. Most activity last week occurred in the Finance Committees as legislators heard many bills coming from other committees that have been "bottled up" due to volume. Most of the delay in moving forward on closing the current year budget and adopting a new budget for next year has been significant legislative and business opposition to recent proposals by the administration to increase taxes. Members in the House and Senate -- both Democrats and Republicans -- are hesitant to make political moves in a crucial redistricting election year that could damage the prospect of "picking up" or jeopardizing seats in the 2010 election. Moreover, the reality that a new administration will take helm

in less than a year has set in as well for legislators, prompting little interest to adopt new tax proposals.

## **Workers' Comp Bills Advance**

This week the House Budget Subcommittee advanced 2 workers' comp bills sponsored by Rep. Charles Sargent (R-Franklin). The bills [HB 2929](#) and [HB 3015](#) have been scheduled for hearing in the budget subcommittee but had gotten bottled up due to the substantial number of bills on notice. Both bills have already passed the full Senate and will be heard in House Finance Ways and Means committee next week.

## **Drivers License Bill Amended to Accommodate Business: Concerns Still Linger on the Message**

This week the Senate Finance Committee advanced on an 8-3 vote a bill that has been dubbed the "English only" drivers license bill. The amended bill however allows that any individual whose presence as approved by the U.S. Department of Homeland Security, which includes their employment, can take the written exams in their native languages. The amendment takes into account concerns in allowing workers and their spouses to take the drivers license exam. Sponsors of the legislation admit the bill in its amended form does little to change the current practice of the Tennessee Department of Safety in administering driver license exams. Senator Bill Ketron (R-Columbia) noted the importance of the bill in codifying the existing practices. There are still concerns from the business community that the bill even as amended sends the wrong message to companies considering relocating to or expanding in the Volunteer state.

## **Gov. Bredesen Unveils Partnership with Microsoft to Offer Tech Training in Tennessee**

Governor Phil Bredesen last week announced that Tennessee will join forces with Microsoft in an innovative public-private partnership to provide free technology training to people across the state. Through Elevate America, Microsoft will work with the Tennessee Department of Labor to distribute 25,875 vouchers for free, online technology training and certification.

Tennessee will receive 11,500 vouchers for Microsoft Business Certification training, 11,500 vouchers for Microsoft Business Certification exams, and 2,875 vouchers for advanced Microsoft IT Professional online learning.

## **U.S. Senate Poised to Take Up Financial Services Reform**

Senate Democrat leaders this week held a series of roll call votes on a procedural motion that will allow them to take up S. 3217, the Restoring American Financial Stability Act of 2010. Several votes earlier in the week failed to garner the support of 60 senators needed to take up the bill. After an agreement was announced April 28 between Banking Committee Ranking Member Richard Shelby (R-AL) and Banking Chairman Christopher Dodd (D-CT) on "too-big-to-fail" banks, Republicans agreed to move forward on the bill. Senate debate begins at noon on April 29. In comments, Senate Majority Leader Harry Reid (D-NV) said he expected an "open amendment process." The NAM, U.S. Chamber and many other business representatives have expressed significant concerns with the current version of the bill, which includes executive compensation restrictions, including "say on pay" language that would mandate a non-binding shareholder vote on executive compensation arrangements as well as language granting the Securities and Exchange Commission authority to issue rules on proxy access. In addition, the definition of companies covered by the bill is overly broad and could allow the new systemic risk regulator to regulate manufacturers and other non-financial services businesses. While the derivatives title in the bill does include an exemption for manufacturers that use over-the-counter derivatives to manage risk, other provisions in the bill significantly limit the effectiveness of this exemption.

## **URGENT UPDATE: Crucial Business Trade Association**

### **Appointments to Air Pollution Control Board**

The Senate this week may hear legislation (SB 2949/ HB2862) which will remove the Tennessee Chamber and other trade associations, local governments, and interest groups authority to provide the Governor with a list of qualified nominees to the Air Pollution Control Board, as explained in earlier updates.

The Tennessee Chamber is joined in opposing this bill by the Tennessee Petroleum Council, Associated Builders and Contractors of Tennessee, Associated General Contractors, Tennessee Farm Bureau, Tennessee County Services Association, Tennessee Fuel & Convenience Store Association, Tennessee Municipal League, Tennessee Forestry Association, Tennessee Paper Council, Tennessee Bankers Association, Tennessee Road Builders Association and the Tennessee Wildlife Federation. Republican legislators on the committee have led the push for the changes. SB 2949 may be before the full Senate on Thursday, May 6th.

**PLEASE contact members of the [State Senate](#) and encourage them to keep the existing law allowing for business, local governments and environmental groups to provide the Governor with a list of qualified nominees for the board.**

## Legislative Activity for Week of May 3, 2010

### SENATE ACTIVITY

FINANCE, WAYS & MEANS COMMITTEE

TUESDAY, May 4, 2010 – LP 12 – 1:00 PM

WEDNESDAY, MAY 5, 2010 – LP12 –1:00 PM

**SB 3350 by Kyle (HB 2978 by Fitzhugh) - [Status](#)**

As introduced, requires all federal funds received by Tennessee for economic recovery in 2010 to be appropriated in an appropriations act.

**SB 3919 by \*Kyle, Henry (\*HB 3928 by \*Fitzhugh) - [Status](#)**

As introduced, makes appropriations for fiscal years 2009-2010 and 2010-2011.

TAX SUBCOMMITTEE OF FINANCE, WAYS & MEANS

WEDNESDAY, May 5, 2010 – LP 12

(Immediately following FWM Committee)

**\*SB 3901 by \*Kyle (HB 3787 by \*Turner M) - [Status](#)**

As introduced, modifies various tax provisions concerning video programming services, telecommunications services, sales of property for use in business of selling, and determination of net earnings for real estate investment trusts. **This is one of the Administration's Technical Corrections' bills.**

**\*SB 3911 by \*Kyle (HB 3781 by \*Turner M) - [Status](#)**

As introduced, establishes general requirement that gift tax be paid on or before April 15 of each year; requires that taxpayer be provided six-month extension to file gift tax return upon written request. **This is one of the Administration's Technical Corrections' bills. One potential amendment to modify the single article cap has been circulated.**

## TRANSPORTATION COMMITTEE

Wednesday, May 5, 2010 – LP 12 – 9:00 AM

**SB 3912 by Kyle, Stewart. (HB 3780 by Harmon, Turner, M.) - [Status](#)**

As introduced, extends ordinary duration of driver licenses from five to eight years; increases fees for driver licenses and photo identification cards.

## HOUSE ACTIVITY

## COMMERCE COMMITTEE

Tuesday, May 4, 2010 – HHR 16 – 9:00 AM

**\*HB 3167 by \*Curtiss, \*Moore. (SB 3608 by \*Ketrone.) - [Status](#)**

As introduced, requires blasters to file a notice with commerce and insurance prior to the blast occurring.

**HB3232 by \*McCord. (\*SB3052 by \*Woodson.) - [Status](#)**

As introduced, clarifies duties of state board of equalization with regard to providing public records by fax to citizens requesting such. - Amends TCA Title 3; Title 4; Title 5; Title 6; Title 7; Title 8; Title 9; Title 12; Title 16; Title 30; Title 36; Title 39; Title 40; Title 45; Title 47; Title 48; Title 49; Title 55; Title 56; Title 57; Title 61; Title 62; Title 67; Title 68; Title 69; Title 70 and Title 71. Very BROAD Caption, so Chamber will monitor closely.

FINANCE, WAYS & MEANS COMMITTEE

TUESDAY, May 4, 2010 – HHR 16 – 1:30 PM

**HB 3780 by \*Harmon, \*Turner M. (\*SB 3912 by \*Kyle, \*Stewart.) - [Status](#)**

As introduced, extends ordinary duration of driver licenses from five to eight years; increases fees for driver licenses and photo identification cards. This is an Administration bill.

**HB 3598 by \*Fitzhugh, Naifeh, Shaw (\*SB 3335 by \*Herron) - [Status](#)**

As introduced, limits proximate but noncontiguous property added to a megasite to no more than 500 acres.

**\*HB 2928 by \*Sargent (SB 2943 by \*Norris) - [Status](#)**

As introduced, revises determination of meaningful return to work in cases of permanent partial disability by tying it to average weekly wage.

**\*HB 3015 by \*Sargent (SB 2928 by \*Johnson) - [Status](#)**

As introduced, establishes date for maximum medical improvement in cases involving pain management treatments.

CONSERVATION & ENVIRONMENT COMMITTEE

TUESDAY, May 4, 2010 – HHR 29 – 1:30 PM

**HB 3904 by \*Winningham. (\*SB 3651 by \*Yager.) - [Status](#)**

As introduced, enacts the "Tennessee Adventure Tourism and Rural Development Act of 2010." - Amends TCA Title 4; Title 5; Title 6; Title 11; Title 54; Title 55; Title 67; Title 68 and Title 70. The Chamber will MONITOR this bill closely due to its very broad caption.

**HB 2837 by \*Floyd, \*McCormick, \*McDonald, \*Fincher. (\*SB 2717 by \*Watson.) - [Status](#)**

As introduced, includes all minerals under provision clarifying interpretation of

property conveyances and requires permitting for rock harvesting. The Chamber is monitoring this bill as possible amendments can have very significant intended and un-intended consequences on landowners.

**HB 3683 by \*McCord. (SB 3501 by \*Burks.) - [Status](#)**

As introduced, extends period to petition for review of a civil penalty or damage assessment for violating a municipal storm water ordinance from 30 to 35 days.

**BUDGET OF FW&M**

**WEDNESDAY, May 5, 2010 – HHR 16 – 9:30 AM**

**HB 3718 by \*Armstrong. (\*SB 3675 by \*Burchett.) - [Status](#)**

As introduced, requires that, for the purpose of ad valorem property taxation, the value of certain facilities that extract, purify, dehydrate, or otherwise treat landfill methane be assessed at the same percentage as a qualified pollution control facility.

**HB 3360 by \*Campfield. (SB3779 by \*Bunch.) - [Status](#)**

As introduced, prohibits appropriations to certain program in fiscal year 2010-2011 and allocates savings to certain programs.

**HB 3058 by \*Niceley. (SB3090 by \*Burchett.) - [Status](#)**

As introduced, requires fair market value of property to be taken by eminent domain be based on the highest and best use of such property.

**HB 3402 by \*Turner M. (\*SB 3221 by \*Herron.) - [Status](#)**

As introduced, prohibits the acceptance, processing, or disposal of radioactive waste material in any landfill located in the state. See the earlier article. The Chamber **OPPOSES** this bill, as well as the amendment adopted in the state government subcommittee.

**HB 0262 by \*Watson, et al. (\*SB0063 by \*Ketrone, \*Bunch, \*Tracy.) - [Status](#)**

As introduced, requires that all written examinations for driver license or intermediate driver license be in English.

**GOVERNMENT OPERATIONS COMMITTEE**

Tuesday, May 4, 2010 – HHR 16 – 11:30 AM

**\*HB 3163 by \*Curtiss, \*Pitts. (SB 3591 by \*Ketron.) - [Status](#)**

As introduced, creates a procedure for sole proprietors, partners, officers of corporations, and members of limited liability companies engaged in the construction industry to file for an exemption from obtaining workers compensation insurance to cover themselves.

**\*HB 2456 by \*Lynn. (SB 2471 by \*Watson, \*Johnson.) - [Status](#)**

As introduced, extends the advisory council on workers compensation, June 30, 2010.

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Telephone: 615-256-5141 ◆ Fax: 615-256-6726 ◆ Web Site:  
[www.tnchamber.org](http://www.tnchamber.org)

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