



**State of Tennessee**  
**PUBLIC CHAPTER NO. 1068**

**SENATE BILL NO. 2129**

**By Berke, Finney, Stewart, Kyle, Beavers, Crowe, Gresham, Ketron, Massey, Norris, Overbey, Southerland, Tracy, Watson, Harper, Marrero, Burks, Faulk, Herron, Yager**

Substituted for: House Bill No. 2309

By Fitzhugh, Mike Turner, Moore, Harmon, Larry Miller, Naifeh, Shaw, Gilmore, Shepard, McDonald, Jones, Richardson, Johnnie Turner, Kernell, Hardaway, Parkinson, Favors, Lois DeBerry, Pitts, Cooper, Brown, Sontany, Camper, Cobb, Eldridge, Don Miller

AN ACT to amend Tennessee Code Annotated, Title 4, Chapter 29 and Title 50, Chapter 7, to enact the "Tennessee Works Act of 2012".

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

SECTION 1. Tennessee Code Annotated, Title 50, Chapter 7, is amended by adding the following language as a new, appropriately designated part:

50-7-801.

This part shall be known and may be cited as the "Tennessee Works Act of 2012".

50-7-802.

(a) There is hereby established the Tennessee Works Pilot program to provide job training designed to attract new businesses to the state and to assist in the expansion or retention of existing businesses in this state.

(b) The purpose of the Tennessee Works Pilot program is to:

(1) Enhance this state's economic growth and vitality by offering assistance to privately owned businesses and industries in training a new workforce and by creating new jobs and retaining and upgrading existing jobs;

(2) Provide technical education and training as a component of this state's economic development efforts;

(3) Be flexible and responsive to the training needs of business and industry in this state; and

(4) Offering on-the-job training programs to support existing employees and dislocated workers.

50-7-803.

As used in this part:

(1) "Department" means the Department of Labor and Workforce Development;

(2) "Displaced homemaker" means an individual who has been:

(A) Providing unpaid services to the individual's family members in the home; and

(B) Dependent on the income of another family member but is no longer supported by that income;

(3) "Dislocated worker" means an individual who:

(A) Has been terminated or laid off, or who has received a notice of termination or layoff from employment, including an individual:

(i) Currently eligible for unemployment insurance benefits; or

(ii) Who has exhausted entitlement to unemployment insurance benefits;

(B) Has been terminated or laid off, or has received a notice of termination or layoff from employment as a result of any permanent closure of, or any substantial layoff at, a plant, facility, or enterprise, including a facility at which the employer has made a general announcement that the facility will close within one hundred eighty (180) days;

(C) Was self-employed, but is unemployed as a result of general economic conditions in the community in which the individual resides or because of natural disasters; or

(D) Is a displaced homemaker;

(4) "Eligible business" means a business determined by the department to be eligible for Tennessee Works Pilot program grants;

(5) "Eligible training expenses" means expenses determined by the department to be eligible for grants awarded through the Tennessee Works Pilot program; and

(6) "Trade adjustment assistance funds" means funds distributed in accordance with the federal Trade Adjustment Assistance Reform Act of 2002, compiled in Title 19 of the United States Code.

50-7-804.

(a) The department shall administer the Tennessee Works Pilot program by awarding reimbursable screening for potential employment of grants to privately owned businesses for the purpose of screening for potential employment of new and existing employees in this state.

(b)(1) Tennessee Works Pilot program training grants will be awarded to eligible businesses seeking to make new hires during or after the screening period. Such grants shall be used for the eligible training expenses of a dislocated worker:

(A) Who is a first time unemployment insurance claimant. The claimant shall continue to receive unemployment insurance benefits during the screening period; or

(B) Whose job is lost due to workforce off shoring by the worker's former employer and who is currently under a valid trade petition approved by the United States Department of Labor.

(2)(A) A Tennessee Works Pilot program screening period shall last for up to, but no more than, eight (8) weeks. At any time during the screening period or after the screening period, the employer may elect to employ a dislocated worker on a full-time basis.

(B)(i) If an employer elects to employ the dislocated worker and to provide additional on the job training (OJT) to the dislocated worker, then the employer will be eligible to receive a wage offset in return for providing additional OJT to the dislocated worker. The employment and training of a dislocated worker pursuant to this subdivision (b)(2)(B)(i) shall be in accordance with the department's existing OJT program and the department's rules and policies regarding the existing OJT program.

(ii) A dislocated worker shall no longer be eligible to receive unemployment insurance benefits or trade adjustment compensation if the dislocated worker is employed and receiving OJT pursuant to subdivision (b)(2)(B)(i). If the

employer does not retain the dislocated worker following the OJT period and the dislocated worker is otherwise eligible to receive unemployment insurance benefits, then the dislocated worker can, upon filing a claim, resume receipt of unemployment insurance benefits.

(3) An employer shall no longer be eligible for grants through the Tennessee Works Pilot program if the employer does not demonstrate a pattern of continued employment of dislocated workers following the end of the OJT period.

(c) Trade adjustment assistance funds shall only be awarded:

(1) Through the Tennessee Works Pilot program pursuant to subdivision (b)(1)(B); and

(2) To be used in limited cases as an option to expedite employment where the conditions described in subdivision (b)(1)(B) exist.

50-7-805.

(a) The Tennessee Works Pilot program established under this part shall be funded solely with funds received by the state from the United States Department of Labor and shall be subject to the availability of such funds and all laws governing the use of the funds.

(b) No Tennessee Works Pilot program grant shall be awarded to:

(1) Any state entity;

(2) Any county, city, town, or other political subdivision of this state; or

(3) Any organization or group of organizations, described in § 501(c)(3) of the Internal Revenue Code, compiled in 26 U.S.C. § 501(c)(3), that is exempt from income tax under § 501(a) of the Internal Revenue Code, codified in 26 U.S.C. § 501(a).

50-7-806.

The department has authority to adopt rules to effectuate this chapter. The rules shall be adopted in accordance with the rulemaking provisions of the Uniform Administrative Procedures Act, compiled at Title 4, Chapter 5. The department may also adopt emergency rules as determined to be necessary to effectuate this chapter, in accordance with the Uniform Administrative Procedures Act. No rule shall be adopted without prior hearing and notice as provided under the Uniform Administrative Procedures Act.

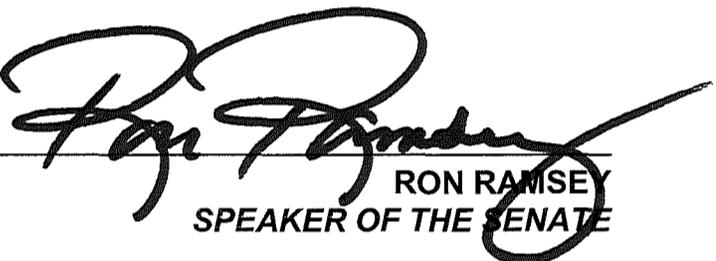
50-7-807.

On or before January 1, 2014, the department shall report to the Commerce, Labor & Agriculture Committee of the Senate and the Commerce Committee of the House of Representatives concerning the department's findings and recommendations concerning the Tennessee Works Pilot program.

SECTION 2. For purposes of promulgating rules and regulations, this act shall take effect upon becoming law, the public welfare requiring it. For all other purposes, this act shall take effect January 1, 2013, the public welfare requiring it.

SENATE BILL NO. 2129

PASSED: May 1, 2012

  
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RON RAMSEY  
SPEAKER OF THE SENATE

  
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BETH HARWELL, SPEAKER  
HOUSE OF REPRESENTATIVES

APPROVED this 21<sup>st</sup> day of May 2012

  
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BILL HASLAM, GOVERNOR