



# State of Tennessee

## PUBLIC CHAPTER NO. 280

### SENATE BILL NO. 1209

By Johnson; Mr. Speaker Ramsey; Kelsey

Substituted for: House Bill No. 850

By Marsh, McCormick, Hawk, Doss, Casada, Durham, Ryan Williams, Carter, Hall, Holt

AN ACT to amend Tennessee Code Annotated, Title 4; Title 7; Title 12; Title 41; Title 50; Title 58 and Title 62, relative to certain wage requirements.

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

SECTION 1. Tennessee Code Annotated, Section 12-4-401, is amended by deleting the section and substituting instead the following:

This part shall be known and may be cited as the "Prevailing Wage Act for State Highway Construction Projects".

SECTION 2. Tennessee Code Annotated, Section 12-4-402, is amended by deleting the section and substituting instead the following:

As used in this part, unless the context otherwise requires:

- (1) "Commission" means the prevailing wage commission;
- (2) "Highway contractor" means any contractor, subcontractor, person, firm or corporation engaged in a state construction project for the purpose of building, rebuilding, locating, relocating or repairing any streets, highways or bridges;
- (3) "Prevailing wage" means the rate of pay as determined according to this part;
- (4) "State contract" means any contractual agreement, written or oral, entered into by any person, firm or corporation with this state for the performance of work on a state highway construction project; and
- (5) "State highway construction project" means any construction project for the purpose of building, rebuilding, locating, relocating or repairing any streets, highways or bridges.

SECTION 3. Tennessee Code Annotated, Section 12-4-403, is amended by deleting the language "state construction projects" wherever it may appear and substituting instead "state highway construction projects".

SECTION 4. Tennessee Code Annotated, Sections 12-4-403, 12-4-405(1), 12-4-408 and 12-4-411(a), are amended by deleting the language "contractor" wherever it may appear and substituting instead "highway contractor".

SECTION 5. Tennessee Code Annotated, Section 12-4-404(b), is amended by deleting the language "state construction" and substituting instead the language "state highway construction".

SECTION 6. Tennessee Code Annotated, Sections 12-4-405(5) and 12-4-406(a), are amended by deleting the language "contractors" wherever it may appear and substituting instead "highway contractors".

SECTION 7. Tennessee Code Annotated, Sections 12-4-407, 12-4-409 and 12-4-411(b) are amended by deleting the language "state construction project" wherever it may appear and substituting instead "state highway construction project".

SECTION 8. Tennessee Code Annotated, Section 12-4-405(2)(A), is amended by deleting the subdivision and redesignating existing subdivisions accordingly.

SECTION 9. Tennessee Code Annotated, Section 12-4-405(3)(A), is amended by deleting the subdivision and redesignating existing subdivisions accordingly.

SECTION 10. Tennessee Code Annotated, Section 12-4-405(4), is amended by deleting the language "and biennially for building construction", and further amended by adding the word "highway" immediately before the language "contractor or contractors".

SECTION 11. Tennessee Code Annotated, Sections 12-4-409 and 12-4-412, are amended by deleting the language "contractor or subcontractor" wherever it may appear and substituting instead the language "highway contractor or subcontractor".

SECTION 12. Tennessee Code Annotated, Section 12-4-903(3)(C)(i), is amended by deleting the subdivision and substituting instead the following:

(i) Wages that exceed:

(a) The state's most current prevailing wage scale established pursuant to part 4 of this chapter if the agreement involves a state highway construction project, as defined by § 12-4-402; or

(b) The Tennessee Occupational Wages Report, as defined by § 12-4-907, if the agreement involves a construction project other than a project described in subdivision (3)(C)(i)(a); or

SECTION 13. Tennessee Code Annotated, Section 12-4-410, is amended by deleting the language "contractor and subcontractor" wherever it may appear and substituting instead the language "highway contractor and subcontractor".

SECTION 14. Tennessee Code Annotated, Title 12, Chapter 4, Part 9, is amended by adding the following new sections thereto:

12-4-906.

If compliance with this part by the state and its political subdivisions, agencies and instrumentalities, relative to a specific contract, project, or program would result in the denial of federal funds that would otherwise be available to the state and its political subdivisions, agencies and instrumentalities, then the state or its political subdivisions, agencies or instrumentalities may require a private employer to pay its employees a wage necessary to meet the federal requirements to obtain the federal funds, but only relative to such contract, project or program.

12-4-907.

For purposes of this part, Tennessee Occupational Wages Report means the applicable report that is published by the department of labor and workforce development, employment security division.

SECTION 15. Tennessee Code Annotated, Section 41-6-204, is amended by deleting the language "prescribed by the Prevailing Wage Act of 1975, compiled in title 12, chapter 4, part 4" and substituting instead the language "the mean wage for the applicable occupation under the "construction and extraction occupations" published in the Tennessee Occupational Wages Report, as defined in § 12-4-907".

SECTION 16. Tennessee Code Annotated, Section 7-4-205(a), is amended by deleting the language:

the prevailing wage rate for all types and classifications of work for contractors entering into a state contract pursuant to the Prevailing Wage Act of 1975, compiled in title 12, chapter 4, part 4

and substituting instead the language:

the mean wage for the applicable occupation under the "construction and extraction occupations" published in the Tennessee Occupational Wages Report, as defined in § 12-4-907

SECTION 17. Tennessee Code Annotated, Section 7-4-205(b), is amended by deleting the language:

an average of the prevailing wage rate for all types and classifications of work for contractors entering into a state contract pursuant to the Prevailing Wage Act of 1975, compiled in title 12, chapter 4, part 4

and substituting instead the language:

the mean wage for the applicable occupation under the "construction and extraction occupations" published in the Tennessee Occupational Wages Report, as defined in § 12-4-907

SECTION 18. This act shall take effect January 1, 2014, the public welfare requiring it, and shall apply to contracts entered into or renewed on or after that date.

SENATE BILL NO. 1209

PASSED: April 11, 2013



RON RAMSEY  
SPEAKER OF THE SENATE



BETH HARWELL, SPEAKER  
HOUSE OF REPRESENTATIVES

APPROVED this 25<sup>th</sup> day of April 2013



BILL HASLAM, GOVERNOR