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• Chamber puts major effort around workforce development through TN Works Agenda
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2022 LEGISLATIVE AGENDA

THE VOICE OF TENNESSEE BUSINESS & MANUFACTURING SINCE 1912
The Tennessee Chamber of Commerce & Industry is proud to announce our 2022 legislative and policy agenda. The Chamber serves as the primary voice of diverse business and manufacturing trade interests on major employment, economic, and policy issues. Our strong statewide partnerships, consisting of small, medium, large employers, and local chambers of commerce and economic development professionals provide us with significant grassroots engagement impacting policy and proposed legislation. Our 2022 agenda is formulated from these businesses and their critical feedback on important issues. Business input focuses on policy issues needed to succeed and ensure Tennessee is one of our nation’s best states to start, relocate, and operate a business.

For the 2022 legislative session, the Tennessee Chamber will primarily be focused on enhancing Tennessee’s workforce which is key in further promoting economic growth. Our 2022 TN Works workforce policy agenda is directed towards helping employers fight Tennessee’s workforce crisis through enhancing technical education, implementing a mobile workforce program to provide high school students the opportunity to explore career opportunities, and more. Our ten-point plan was developed by businesses, workforce experts, and technical education professionals.

Tax and economic implications on Tennessee’s businesses have never been greater. By taking a hard look at the state’s business and economic policies, we will continue to make sound recommendations that continue to improve our economy for the state’s employers. We will also continue to focus on the lasting effects of COVID-19 on the Tennessee business community and the economic, regulatory, hiring, and HR challenges it has presented.

Throughout this legislative agenda, we reiterate the Tennessee Chamber’s core principles of promoting free enterprise, removing obstacles that impede job creation, and providing economic prosperity for all.

**HOW WAS THE AGENDA FORMULATED?**

The Chamber’s 2022 Agenda is devised through thorough research, input from the Chamber Board of Directors, Chamber standing committees, and member surveys. Tennessee business leaders have shared thoughts and concerns through our annual policy survey, and the Chamber is honored to reflect these views in the 2022 Agenda.

Sincerely,

Bradley Jackson
President & CEO

Ryan King
Vice President of Government Affairs

Mallorie Kerby
Associate Vice President of Environment and Energy

Karrington Anderson
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tnchamber.org
PANDEMIC RECOVERY

Tennessee businesses have struggled for nearly two years to cope with the effects of the COVID-19 virus and the balancing act of compliance with federal, state, and local regulations, these laws and regulations sometimes conflicting. Tennessee’s leaders, including Governor Bill Lee and the Tennessee General Assembly, enacted liability protections noted as some of the best in the nation in 2020. We commend their work to make Tennessee a model for other states’ liability protection laws. We encourage the continuation of liability protections which provide shelter from unfounded claims.

Businesses care deeply about the health and well-being of employees, customers, and their communities. Policies removing an employer’s ability to independently manage their operations should be avoided. Businesses need the autonomy and the flexibility to implement internal policies which best fit the needs of their operation.

REDISTRICTING AND ELECTIONS

Tennessee’s elections are frequently recognized as some of the most fairly administered in the country. Election integrity is extremely important to the civic process and public trust. We commend the General Assembly, executive branch, and secretary of state for their efforts to expand voter registration and election security. We support efforts to minimize the influence of politics and campaign fundraising for positions traditionally appointed by Tennessee’s Governor.

We believe redistricting plans should be adopted within the constructs of the United States Constitution, Tennessee Constitution, and other related statutes.

LEGAL CLIMATE & BUSINESS MANDATES

We applaud the progress our state has made with regard to reforming Tennessee civil justice laws, including the Tennessee Civil Justice Act of 2011, which brought fairness to business torts in Tennessee. We oppose new and/or unnecessary torts on the business community.

Our tradition of resisting private rights of action in Tennessee have shown real, successful results. Using this remedy as a compliance system creates a complex and unpredictable set of circumstances for businesses and result in frivolous lawsuits. Rights of action pray on technical mistakes businesses unknowingly make, and the consequences are unpredictable and costly. We caution against proposals that may result in an increase in “sue and settle” techniques.

Mandates and overly burdensome regulations on the business community strangle business growth, impede profitability, and can undermine critical free enterprise principles. The Chamber will oppose unnecessary mandates which will result in economic or other harm to businesses.
ECONOMIC GROWTH & INFRASTRUCTURE
Tennessee has recognized remarkable growth in the area of economic development. The Tennessee Chamber opposes attempts to curb this growth or diminish our attractiveness as a state to locate business. We recognize the need to plan for and account for population growth as a result of successful economic development, however population growth itself should not be an impediment to our state’s positive momentum.

The Chamber supports the enhancement of our overall infrastructure systems to improve rural and urban development in order to help economic growth and development in all areas of Tennessee. The results of the 2017 IMPROVE Act are evident and we commend Tennessee policymakers’ vision to enact these meaningful reforms. Highway funding formulas within this Act should be maintained.

WORKERS’ COMPENSATION, UNEMPLOYMENT, AND EMPLOYMENT LAW POLICY
Tennessee’s Worker’s Compensation and Unemployment systems must work to ensure the integrity of those systems for employers. It is critical that our workers’ compensation system operate fairly. We oppose efforts that could negatively affect Tennessee’s unemployment trust fund by unfairly placing burden on Tennessee employers. We will promote human resources, employment, and labor law policies that maintain employees’ fair treatment while not placing an unneeded burden on employers. Tennessee’s employment-at-will doctrine should be maintained, and anything to undermine this long held philosophy should be avoided.

STATE BUDGET & TAX
We will closely monitor budget proposals that could adversely affect businesses by altering how they are regulated, taxed, incentivized, etc. Tennessee is in the midst of an extremely prosperous time in our state’s history. Projected state revenues continue to show a positive outlook. Tennessee businesses remit taxes in a number of categories, Tennessee continues to have one of the highest Excise Tax rates in the United States. We encourage responsible and meaningful reforms that will provide business taxpayers relief with categorical over collections. We will continue to advocate for targeted use of relief funding to Tennessee businesses most affected by COVID-19.

We encourage the continued refinement, streamlining, and simplification of all categories within Tennessee’s business tax laws. We support decoupling from the United States tax code whenever practical in order to avoid tax hikes and businesses for any reason. While we caution against the federal government increasing taxes on the business community, the General Assembly should remain vigilant not to follow suit and subsequently negatively affect Tennessee’s business tax climate.

To ensure Tennessee’s continued economic growth, the Tennessee Chamber supports proposals that lower overall business tax burdens and efforts that ensure the Tennessee Department of Revenue resolves tax disputes fairly and protects taxpayer confidentiality. Additionally, we will vigorously defend existing business tax exemptions and advocate for economic development policy that allows incentives in order to keep our state competitive with surrounding states.

TECHNOLOGY, DATA, AND CYBERSECURITY
We share a mutual interest with the Legislature and other policymakers in ensuring consumer and other data are protected and safeguarded in a responsible way. Over the past decade, Tennessee businesses have invested hundreds of millions of dollars to ensure customer and the other data is secure and it remains private. Strong digital privacy as a business component is something no successful business can overlook. We also want to ensure that businesses in Tennessee are not unnecessarily burdened by proposed legislation that which can lead to substantial compliance costs.
MANUFACTURING INITIATIVES
Tennessee is recognized as a top state for manufacturing activity which produces significant economic benefits. To promote and enhance our manufacturing climate, we will support initiatives such as state funding for the Smart Factory Institute. This will provide manufacturers with technology and innovation, collaborative relationships, and certifications to improve manufacturing processes through access to the latest technology in advanced manufacturing. We will also support proposals to continue growing Tennessee’s strong manufacturing sector. Efforts to onshore, reshope, upskill, and modernize manufacturing in Tennessee should be promoted.

ENVIRONMENT & ENERGY POLICY
The Tennessee Chamber and its members consistently demonstrate that environmental compliance and stewardship are top priorities. We will ensure a fair and balanced approach to new and existing laws, regulations, and policies that provide minimum economic burden to business and development and increase efficiency while also protecting natural resources. We will advocate for transparent and science-based policy-making, as well as policies that support innovative approaches to environmental stewardship.

WORKPLACE SAFETY
The Chamber will advocate for workers’ compensation, unemployment and occupational health and safety programs that are reasonable and predictable. We will continue to work to ensure compliance and reduce injury as well as costs.

TOSHA and the Tennessee Department of Labor care about the wellbeing of Tennessee workers as well as success and prosperity of Tennessee businesses. They work to educate employers in order to keep them compliant, turning to punishment only as a last resort. This philosophy has protected Tennessee employers from the heavy-handed approach of the federal government. Maintaining Tennessee’s state OSHA program must be protected. The Chamber opposes any effort that would lead to a federally managed occupational health and safety program.

K-12 EDUCATION WORKFORCE POLICY
For business, our education system is vitally important to the business climate and economic growth. The effects of the pandemic on our education system and outcomes directly impact Tennessee businesses. We support the enhancement of quality Tennessee education standards in order to develop a future workforce. Tennessee business leaders have worked diligently and thoughtfully to formulate recommendations set forth in the TN Works policy package. The Tennessee Chamber fully endorses and supports implementation of every included recommendation.

We support continued funding for the implementation of increasing students’ knowledge about career opportunities and paths to a variety of exciting careers. The CAPS system engages K-12 students to connect them with in-demand career knowledge.

TO LEARN MORE: tnchamber.org
TENNESSEE CHAMBER
of Commerce & Industry
TENNESSEE MANUFACTURERS ASSOCIATION

BY THE NUMBERS

<4

$1,000,000
in unemployment support
averages 300%
tax savings for Tennessee employers.

The greatest challenge Tennessee employers face related to hiring is

THE LACK OF AVAILABLE EMPLOYEES WITH CERTAIN CREDENTIALIALED TRADE SKILLS.

Tennessee’s unemployment rate fell below 4% for the first time since January, 2020.
The US Small Business Administration estimates businesses with less than 500 employees account for 44% of US economic impacts.

44%

Tennessee ranked 8th in the Tax Foundation’s 2021 State Business Tax Climate Index.

72% of Tennessee companies say available childcare is the source of workforce challenges in their area.

A majority of Tennessee businesses:

- Believe an excise tax cut is fair and necessary.
- Believe covid liability protections for businesses should be extended.

53%

More than half (53%) of Americans who became unemployed during the pandemic say they are only somewhat active, or not very active at all, in looking for work.

SOURCE: US Chamber of Commerce

57%

Among those currently unemployed who have held multiple jobs since April 2020, 57% held their most recent position for three months or less.

SOURCE: US Chamber of Commerce

26%

of small businesses say the biggest challenge they expect in a post-pandemic world is revenue, with inflation (23%) and COVID-19 compliance (21%) also seen as top-tier issues.

SOURCE: US Chamber of Commerce
BY 2025

60% of jobs paying over $35k will require a postsecondary degree or certificate.

With a workforce participation rate of 60%, Tennessee is tied for 34th in the nation.

156,571 on unemployment = 439,120 available jobs.

For every Tennessean receiving unemployment benefits, there are three available jobs.

THE PURPOSE

REVITALIZING, RECOVERING, & RESTORING THE WORKFORCE IN TENNESSEE THROUGHOUT THE COVID-19 CRISIS

A game-changing workforce-development policy that will drastically enhance Tennessee’s workforce.

tnchamber.org/workforce
TENNESSEE WORKS POLICY ITEMS

TENNESSEE IS IN A CRISIS.

This crisis is one that can only be addressed by adding more employable, skilled prospects to Tennessee’s talent pipeline. This crisis is hindering the economic prosperity of businesses and our citizens.

As Tennessee’s largest broad based statewide business trade association, we have initiated bold efforts to address this crisis. We know that we must act quickly to solve this crisis and our TN WORKS 2022 Agenda provides industry recommendations to state leaders for tangible initiatives to improve our workforce. This initiative is the result of numerous hours of convening and hearing from business leaders and workforce experts who outlined policy goals that will increase the number of skilled workers by 2025. All of this, while providing workers with a living wage career.

The Tennessee Chamber will begin to work toward this initiative in the 2022 legislative session, working with executive branch and legislators to enact major provisions. Governor Lee’s GIVE grant program, in addition to other Drive to 55 programs, has established a great a foundation for these policy recommendations.

Dual Enrollment: Expand Tennessee Promise and HOPE scholarship funding to cover ALL dual enrollment classes taken by K-12 students.

Increasing Postsecondary Enrollment: Incentivize LEA’s to ensure graduating seniors enroll in postsecondary institutions. A goal of 60%, for example, would drastically enhance Tennessee’s long-term workforce participation. This would ensure we meet Tennessee’s Drive to 55 goal, which means 55% of Tennesseans will have a postsecondary credential or degree by 2025.

Career Awareness: Enhance career awareness and guidance regarding in demand professions for middle and high schools informing students about in demand careers. • The Be Pro Be Proud initiative is an innovative and engaging program that matches youth to their preferred career and illuminates the pathway for them. The Chamber supports efforts to implement Be Pro Be Proud in Tennessee. • Continued Support for TN-CAPS Initiative - advocate for recurring funding of the TN-CAPS program, which provides students access to and training for local career paths. (The Perkins V Act specifically requires career exploration in middle school.)

Child Care: • Reimagine opportunities for childcare while guardians are training and while at work. • Incentives to enhance childcare employment, establishing a childcare Support Specialist credential. • Expanded Grants-State could give grants to pay the difference in the increase in pay for an applicable timeframe. • Expand Grants for employers to collaborate opening on-site childcare.

Soft Skill Development: The development of soft skills has been noted by employers as a crucial element to workforce development. Through the well-established Work Ethic Distinction, incentivize local school districts to achieve 60% participation rate through enhanced funding. LEA’s could go beyond minimum requirements of a State of Tennessee Work Ethic Diploma.

Encourage or Incentivize Work Based Learning / Apprenticeship Programs: Where employers, K-12, and higher education institutions work together we know they can establish meaningful workforce programs. Whether it is WBL or formal apprenticeship programs, we believe a significant push to educate, promote, and encourage all entities to engage is vitally important to expedite career readiness.

Computer Science Classes: With the rapid acceleration of technology, all K-12 students need access to basic computer science instruction. The Chamber supports efforts to ensure all school districts can provide these classes, with a minimum of one high school course offering.

CDL Driving Certification Expansion: The transportation of critical goods and products is vitally important to our citizens, business supply chains, and our overall economic growth. There is a significant deficit in the availability of certified drivers in Tennessee. Two policy levers could dramatically improve the number of qualified/certified drivers:

• Assessment Policy: Modify the current assessment policy so that candidates only have to pass the sections they fail vs all three sections each time they take the assessment.
• Expand Testing: Increase the number of testing proctors available in each region.

Funding Coverage of Industry Credentials Within TBR: • Pay full course tuition for adults or dual enrollment students, so there is no out-of-pocket expense for courses that are less than one semester. • Increase credentialing opportunities for inmates to support lower recidivism rates.

Uniform Workforce Certifications or Credentials: Tennessee needs a consistent credentialing program for employers and educational institutions showing an individual has met a minimum skill level. The focus should be on at-risk Tennesseans, as well as enhancing second chance programs through workforce credentialing offered to incarcerated individuals.

tnchamber.org/workforce
The Tennessee Chamber is an organization with a long, proud history. It all began in 1912, when 150 industrialists boarded a train in Chattanooga to head to Nashville. They were on a mission and it involved what they considered to be “unfair taxes.” They were led by a 20-piece brass band and made stops along the railroad route to pick up other businessmen.

They arrived in Nashville to find that trains from the other Grand Divisions of the state were here, bearing business leaders who all shared the same common purpose: create an organization to represent the interests of the state’s businesses.

It was the birth of the ancestor of the Tennessee Chamber of Commerce & Industry, and it was a recognition that, no matter where you are located in the great state of Tennessee, matters of public policy require a cooperative effort and a single, unified voice.

A century later, little has changed.

The Tennessee Chamber’s role remains a simple, but critical, one: to represent the interests of our state’s job creators in matters of public policy and to build a statewide network and coalition of businesses and industries that speak out collectively on matters of interest.

As the Tennessee affiliate of the National Association of Manufacturers, the U.S. Chamber of Commerce, and the American Chemistry Council, the Tennessee Chamber works today with its national and state business allies to maintain a strong, healthy business climate in Tennessee for companies to grow, to profit, to expand, and to hire. After all, that is all we ask from government – a healthy, pro-business climate in which employers can create the stable jobs our citizens deserve and grow the economy that supports our state.
IT’S OUR MISSION...

The Tennessee Chamber of Commerce & Industry is the unified voice of business and premier advocacy organization in the state. The Tennessee Chamber creates prosperity for all Tennesseans through an economy of increased productivity and global competitiveness.