



2011 ABC Tennessee Key Legislative Issues

Bid Preferences (multiple bills) ABC and its members oppose local and state preference laws for awarding public construction contracts. The current practice of “lowest responsive bidder” creates the most open competition and assures that the financial burden on the taxpayers is at a minimum. In addition, public policymakers should be aware that virtually all states around Tennessee have what is called “reverse mirror” laws. This means that if any Tennessee jurisdiction had local preference laws, contractors from these jurisdictions would have a similar preference applied against them when bidding work in these other states. Preference laws, while often well intended, do not serve any useful public good. They drive up costs and deny business opportunities to our companies.

Immigration (SB 1669) (HB 1378) ABC and its members are very supportive of full compliance with federal immigration laws. Although this continues to be a subject of much discussion among public policy makers, ABC and its members encourage them to move cautiously in this area. State laws should be fair and reasonable and penalties for unintentional violations should not be overly harsh. Mandates such as E-verify remain of concern. More attention should be given to prosecution of violations under existing law by district attorneys. ABC believes that more enforcement of existing laws, not more laws, is what Tennessee needs.

Freedom in Contracting Act (SB 1672) (HB 1498)

Tennessee is a “Right to Work” state. As such, construction work should be awarded based on quality, value and price, regardless of labor affiliation. ABC and its members support legislation that would prohibit any public entity that is funded in part or in whole with state funds from continuing into any project agreements with labor organizations involving public works construction projects or require any bidder to pay wages greater than the most current prevailing wage scale established pursuant to Chapter 4, Part 4 of Title 12.

Corporate Contributions (multiple bills) For many years, Tennessee business has been denied the opportunity to make corporate campaign contributions in state and local races. Many states in our region have allowed such contributions for decades. ABC and numerous other business groups support passage of legislation to permit corporate donations with appropriate limits.

Tort Reform (SB 1522) (HB 2008) For Tennessee to maintain a business-friendly climate, be competitive in its efforts to encourage business expansions, recruit new businesses to our state and provide good-paying jobs to our citizens, Tennessee’s existing tort laws must be modified to be competitive with other states in our region. ABC and many other groups are fully supportive of Governor Haslam’s Tort Reform Package.

Construction Foreclosures (2 caption bills) ABC and its members are very concerned about the inability of our general contractors and subcontractors, etc., to get paid when a bank forecloses on a project where it has provided financing. In many instances, the retainage has not been in violation of state law and the banks, in a foreclosure situation, are unwilling to pay for work that has been completed.

Workers’ Compensation (SB 932) (HB 1503) ABC and other business groups are supporting legislation that will further clarify what constitutes a work place injury and real occupational diseases. We are seeking to make further changes to the law as a result of the Tennessee Supreme Court’s Overstreet decision. While workers’ compensation is a no-fault insurance for injured workers, the laws must be fair and balanced to keep workers’ compensation costs in check and provide timely and efficient service.

Bid Specification Changes (SB 1042) (HB 965) In order to assure quality bids on government construction projects, ABC is proposing legislation to provide for at least 48 hours between a modification to bid specifications and the bid time for projects.

About Associated Builders and Contractors (ABC)

Associated Builders and Contractors (ABC) is a national association with 75 chapters representing more than 23,000 merit shop construction and construction-related firms with nearly two million employees. Ranked by U.S. Congress among the most influential organizations in the country, ABC was founded on and remains committed to our three-fold mission of safety and skills training, government affairs, and business development.

In Tennessee, ABC is represented by 3 chapters: West, Middle and East, that represents more than 700 member companies that generate approximately 4 billion in revenue per year.

For more information, please contact:

ABC West Tennessee Chapter, Memphis
Mike Carpenter, President ; (901)794-9212
mike@wtcabc.org; www.wtcabc.org

ABC Mid-Tennessee Chapter, Nashville
Ryan Peebles, President; (615) 399-8323
rpeebles@abctennessee.com; www.abctennessee.com

ABC East Tennessee Chapter, Knoxville
Randy Meritt, President ; (865) 558-9132
randy@abcetn.org; www.abcetn.org

Bob Pitts, Senior Policy Advisor
ABC Mid-Tennessee Chapter, Nashville
(615) 476-7981; bpitts@abctennessee.com

Bob Boles, Government Relations Director
Tennessee Construction Coalition
Representing ABC in Tennessee
(615) 394-6410;
bboles70@gmail.com

