



Tennessee Enacts Prevailing Wage, Wage Theft Legislation

Date: 5.31.2013

A new Tennessee law prohibits local governments from requiring private employers to provide more generous health insurance benefits, leave policies, hourly wage standards or prevailing wage standards than that required by state or federal law as a condition of doing business in the locality. Signed by Governor Bill Haslam, the new law (H.B. 501) is effective immediately. Any such local laws already enacted are unenforceable.

Under the new law, "local government" is defined as a county, including any county having a metropolitan form of government, or municipal government, or any agency or unit thereof or any other political subdivision of the state.

The new law also prohibits local governments from requiring construction contractors to pay a prevailing wage to their employees in excess of minimum wages under state law. However, this does not apply to contracts with the federal government if funding would be denied.

In addition, the new law enacts the Tennessee Wage Theft Protection Act. The Act prohibits a county, municipality, or political subdivision of the state from adopting or maintaining in effect any law, ordinance, or rule that creates requirements, regulations, or processes for the purpose of addressing wage theft.

If you have any questions about this or other workplace developments, please contact James Mulroy, at (901) 462-2600 or MulroyJ@jacksonlewis.com, or the Jackson Lewis attorney with whom you regularly work.

© 2013, Jackson Lewis LLP. This Update is provided for informational purposes only. It is not intended as legal advice nor does it create an attorney/client relationship between Jackson Lewis LLP and any readers or recipients. Readers should consult counsel of their own choosing to discuss how these matters relate to their individual circumstances. Reproduction in whole or in part is prohibited without the express written consent of Jackson Lewis LLP.

This Update may be considered attorney advertising in some states. Furthermore, prior results do not guarantee a similar outcome.

Jackson Lewis LLP represents management exclusively in workplace law and related litigation. Our attorneys are available to assist employers in their compliance efforts and to represent employers in matters before state and federal courts and administrative agencies. For more information, please contact the attorney(s) listed or the Jackson Lewis attorney with whom you regularly work.

[practices](#)

Wage and Hour Compliance

