TN CHAMBER OF COMMERCE

LEGISLATIVE AGENDA

2022



TENNESSEE CHAMBER
of Commerce & Industry
TENNESSEE MANUFACTURERS ASSOCIATION



LETTER: FROM THE TENNESSEE CHAMBER

The Tennessee Chamber of Commerce & Industry is proud to present our 2027 Legislative and Policy Agenda, outlining the priorities that will guide our advocacy on behalf of Tennessee's business and manufacturing community. As the state's leading voice for business, the Chamber works to advance policies that strengthen our economy, support employers, and create opportunities for businesses and workers across Tennessee.

Our agenda is shaped by extensive grassroots engagement and collaboration with businesses of all sizes, local chambers of commerce, economic development partners, and policy experts. Through member meetings, regional forums, input from our Board of Directors, national partnerships, and our annual policy survey, we work to ensure our priorities reflect the real-world experiences and concerns of employers throughout the state. Your engagement is essential to this process and helps shape the policies that will define Tennessee's economic future.

As we look toward 2027, Tennessee has an opportunity to build on its economic momentum and strengthen its position as one of the nation's best places to live, work, and invest. Achieving that goal will require continued investment in infrastructure, defending and building upon legal reforms that promote fairness and predictability, responsible fiscal policy, and a competitive business climate that encourages investment, innovation, and job creation. The Chamber will work with policymakers to advance practical, pro-growth solutions while addressing the challenges that could affect Tennessee's long-term competitiveness.

Throughout the coming year, the Chamber will remain committed to the principles of free enterprise, economic opportunity, and constructive collaboration between the business community and policymakers. We believe that a strong economy depends on sound public policy, effective partnerships, and an environment in which businesses of all sizes can grow and succeed.

We are grateful for your continued membership, engagement, and partnership. Your perspectives strengthen our advocacy and ensure that the voice of Tennessee business is heard in the legislative process. Together, we will work to advance policies that support a strong, competitive, and prosperous Tennessee for years to come.



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ISSUE RECAP

KEY ISSUES & PRIORITIES

EDUCATION & WORKFORCE DEVELOPMENT:

Strong businesses are powered by their people, and they must have the necessary workforce to maintain and grow productivity and investment. Workforce challenges continue to be a top issue the Chamber hears about from our members. With gaps in both hard and soft skills, we consistently hear that companies lack the required workforce to achieve their maximum potential. Evolving technologies and industries have created shifts in the workforce that require proactive responses for the success of the state. With a strong and robust business climate, a strategically aligned workforce system can set Tennessee apart from our competing states and create more opportunities for Tennesseans of every background. The Chamber will work to advance policies that connect Tennesseans to high-demand careers, make workforce investments more responsive to employers, and help more people enter and remain in the workforce.

The Chamber recommends strengthening career pathways by introducing high-demand fields to students early, expanding work-based learning and apprenticeships opportunities, accelerating short-term stackable credentials through Workforce Pell, and preserving core financial aid programs like Tennessee Promise, Tennessee Reconnect, HOPE, dual enrollment, and TCAT pathways to ensure clear, affordable routes to high-demand careers to all Tennesseans.

To align education with state economic needs, the state should ensure employer input in designing curricula and credential programs, address technical instructor shortages by creating flexible pathways for industry professionals to teach, make data-driven state investments based on labor-market outcomes like wage growth and skills gaps, and rapidly adapt training programs to account for AI and automation.

Increasing overall workforce participation requires treating childcare as critical infrastructure, streamlining existing state and federal affordability resources, accounting for housing and transportation access in economic development decisions, and preparing for state or federal funding shifts so supporting programs remain stable.



TAX:

Through the consistent efforts of the Chamber and other advocacy groups, major tax reforms have passed in recent years, resulting in billions of dollars returned to businesses statewide.

The Chamber will continue to prioritize modernizing the tax code while championing pro-growth, business-friendly policies that maintain Tennessee's competitive tax environment and attract additional business investment to our state.

The Chamber anticipates significant discussions around property tax reform this year and will engage in these discussions when appropriate. The Chamber will work to balance the need for predictable local revenue sources with fairness, reliability, and affordability for Tennessee's businesses and workforce.

The Chamber will continue to oppose tax increases that undermine Tennessee's competitive business climate and place additional burdens on employers. As state budget growth moderates from the levels of recent years, we will closely evaluate proposals to increase state or local tax revenues, with a focus on protecting businesses from unnecessary costs and preserving Tennessee's economic competitiveness. Rather than increasing taxes on employers, the state should continue its exceptional track record of prioritizing responsible budgeting, efficient government operations, and policies that support continued investment, job creation, and economic growth.

LEGAL REFORM:

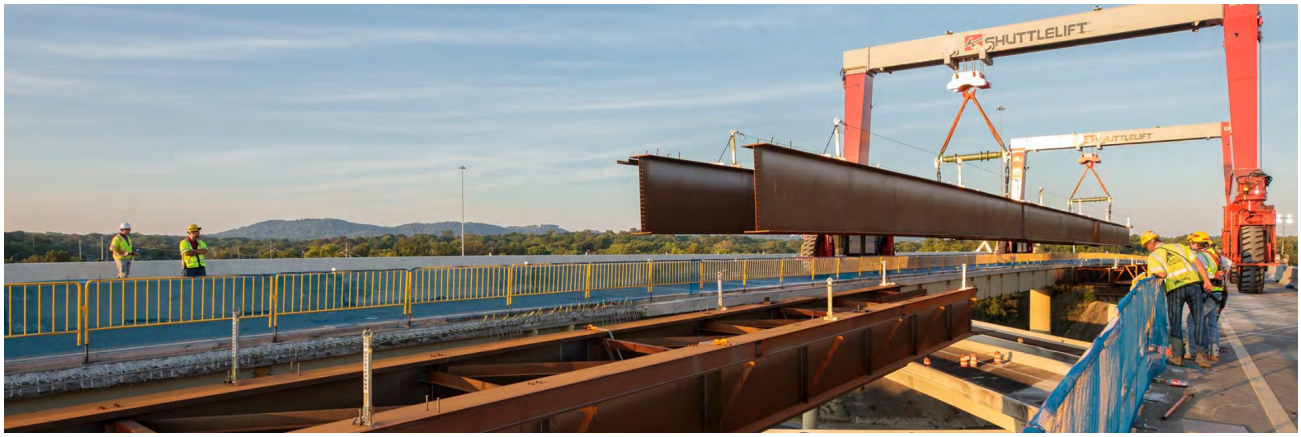
Managing and limiting risk within the legal system is a necessary consideration for businesses as they operate in Tennessee. The Chamber will continue our pursuit of meaningful civil justice reforms to protect taxpayer dollars, businesses, and consumers. Over a decade ago, the legislature passed robust tort reform legislation to retain and attract businesses. Since then, there has been significant turnover in legislators requiring new and continuing education of the importance of these reforms. While we have been successful in thwarting efforts to weaken the legal system and precedents, opponents continue to aim to take advantage of these changing dynamics and introduce novel lawsuits that test long-standing statutes and legal theories.

We will oppose attempts to raise tort caps on damages and broaden the scope of business liability in litigation.

The abuse of the long-standing legal theory of public nuisance law is a prominent example of these attempts to create new liability avenues against Tennessee businesses. We intend to bring legislation to ensure that public nuisance is only used as a cause of action in instances of interferences with public rights to land, rather than allowing it to be applied to virtually anything. This reform would bring public nuisance back in line with its historical purposes and prevent further expansion of the tort theory that activist groups and local governments have used to facilitate policymaking through litigation. By establishing clear boundaries for public nuisance claims, Tennessee can protect businesses from unpredictable liability, preserve the proper role of the courts, and ensure that major policy decisions remain with elected representatives accountable to the public.

Relatedly, the Chamber will support legislation to establish appropriate oversight of local governments' use of contingency-fee contracts with private attorneys to pursue litigation against businesses. The use of contingency-fee contracts allow local governments to sue businesses without having any skin in the game, which incentivizes the pursuit of lawsuits with questionable merit, creating uncertainty and increasing costs for businesses. Additionally, lawsuits with state-wide impact are the purview of the Tennessee Attorney General, and as subdivisions of the state, local governments should not pursue legal actions that contradict the state's legal strategy. The Chamber's legislation, which would require the Attorney General to approve localities' contingency-fee contracts for legal services only in cases that have state-wide impact, would address both of these issues, while leaving open many pathways for local governments to pursue cases within their jurisdiction that have legal merit.

INFRASTRUCTURE:



The tremendous economic prosperity and population growth the state has experienced in the last decade has led to strain on our infrastructure systems and housing supply. The Chamber recognizes that a safe and efficient system of roads and bridges is critical for residents, visitors, and businesses.

Current infrastructure funding mechanisms are becoming increasingly weak due to inflationary construction costs and increases in vehicle fuel efficiency, creating the potential for a gap between the money available for infrastructure spending and the state's needs. The Chamber will work with policymakers to explore recurring revenue streams that will not compromise our state's strong fiscal position or place an overly harsh financial burden on residents and businesses. We will continue to seek input from our Infrastructure Advisory Council, a group of expert stakeholders from across the state, as we engage in these discussions and advocate for policies that support continued investment in all types of infrastructure, including water, solid waste, and energy.



2/3 of the U.S. Is Within a Day's Drive of Tennessee

Making The Volunteer State a Critical Commercial Freight Corridor and a Tourism Hotspot.

HOUSING & GROWTH:

The Chamber recognizes the importance of increasing housing supply to the business community and will join in discussions on incentivizing workforce housing development.

While some will call for slowing economic growth, the Chamber remains committed to responsible pro-growth policies that will drive our continued economic prosperity. We will continue to highlight the positive outcomes of the growing business environment in our state to combat anti-growth sentiment.

315,000
HOMES
NEEDED

The Tennessee Housing Development Agency estimates that Tennessee will need an additional 315,000 homes statewide by 2035 to meet demand from population growth, particularly in cities in the middle and eastern divisions of the state.



HEALTHCARE:

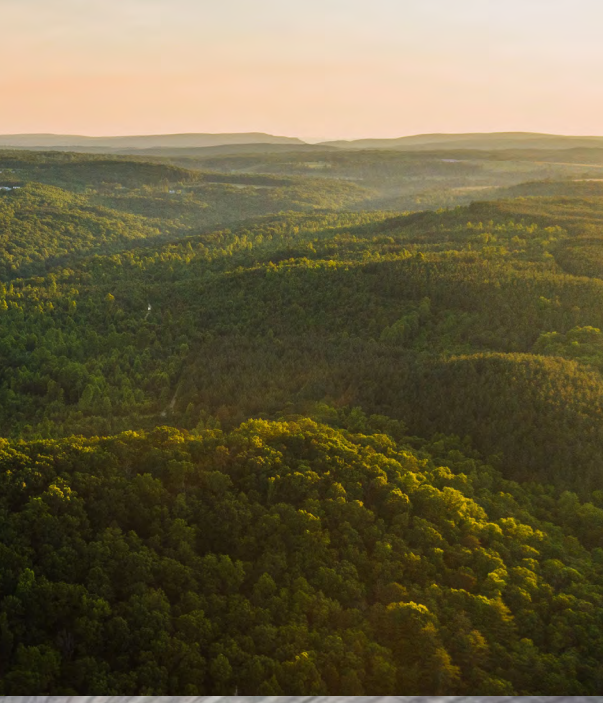
The healthcare industry is a vital component to Tennessee's flourishing economy, and we will continue to support additional investment and innovation within the healthcare sector in our state. The Chamber will seek input and involvement from business leaders in policy discussions pertaining to healthcare, ensuring that the voice of the business community is heard.

We recognize that affordable and reliable healthcare remains a top concern for employers across our state as well as companies looking to make Tennessee their home. The Chamber supports a free-market environment and will work to ensure that government intervention in healthcare is minimal.

The healthcare industry works most efficiently when employers are allowed the flexibility to choose the model most beneficial to their specific company and employees. With this in mind, we will continue to support policies that allow innovation and flexibility in the healthcare marketplace with the goal of lowering burdensome administrative costs to employees and improving outcomes.

The Chamber recognizes the need for investment in rural health systems as well as in workforce education. We will look to strengthen the work the state is already doing to advance these initiatives and close the employment gap for skilled healthcare workers.







ENERGY & ENVIRONMENT:

The Tennessee Chamber and our members recognize the importance of environmental stewardship, regulatory compliance, and responsible resource management. Tennessee's business community has a strong record of investing in technologies and practices that improve efficiency, reduce environmental impacts, and support long-term economic growth. In 2027, the Chamber will continue to advocate for environmental laws and regulations that are grounded in sound science, provide clear and consistent standards, and balance environmental protection with the needs of a growing economy. We will also work to ensure that Tennessee's regulatory framework treats economic development projects fairly and consistently, regardless of the industry, technology, or public perception surrounding them. Projects that meet applicable legal and regulatory requirements should be evaluated on their merits, not subjected to additional barriers because they are politically controversial or face public opposition.

These principles are particularly important as Tennessee considers new investments in data centers and other digital infrastructure. Data centers are increasingly essential to the state's economic competitiveness, supporting artificial intelligence, advanced manufacturing, health care, and the broader digital economy. At the same time, these projects raise important questions about energy demand, water resources, infrastructure capacity, and community impact. The Chamber will work with state and local policymakers, utilities, and industry partners to promote a consistent, transparent, and fact-based approach to data center development.

Our goal is to equip communities with the tools to evaluate projects responsibly while ensuring regulatory and policy certainty that will make Tennessee an attractive place for investment.

The Chamber will also continue to advocate for policies that strengthen Tennessee's energy infrastructure, expand generation and transmission capacity, and support the responsible deployment of emerging energy technologies. Reliable, affordable energy is essential to manufacturing, logistics, digital infrastructure, and nearly every sector of the state's economy. As electricity demand grows, Tennessee must pursue a diverse and resilient energy portfolio that supports dependable baseload power, encourages innovation, and maintains competitive energy costs for businesses and consumers. Through collaboration with policymakers and industry stakeholders, the Chamber will advance practical solutions that ensure Tennessee has the environmental safeguards, infrastructure, and energy resources necessary to sustain investment and economic growth.

LABOR & EMPLOYMENT:

The Chamber champions labor and employment policies that safeguard workplace fairness while fostering a flexible, business-friendly environment. Central to Tennessee's competitive advantage is its employment-at-will doctrine, a pillar of state labor law we will steadfastly protect. We remain focused on defending employer rights and driving candid conversations regarding unionization and workforce management.

Tennessee's robust unemployment trust fund and streamlined workers' compensation system give our employers a distinct advantage over peers in other states. To preserve this edge, the Chamber will advocate for policies that eliminate fraud, ensure long-term fund stability, keep rates low, and promote rapid re-entry into the workforce.

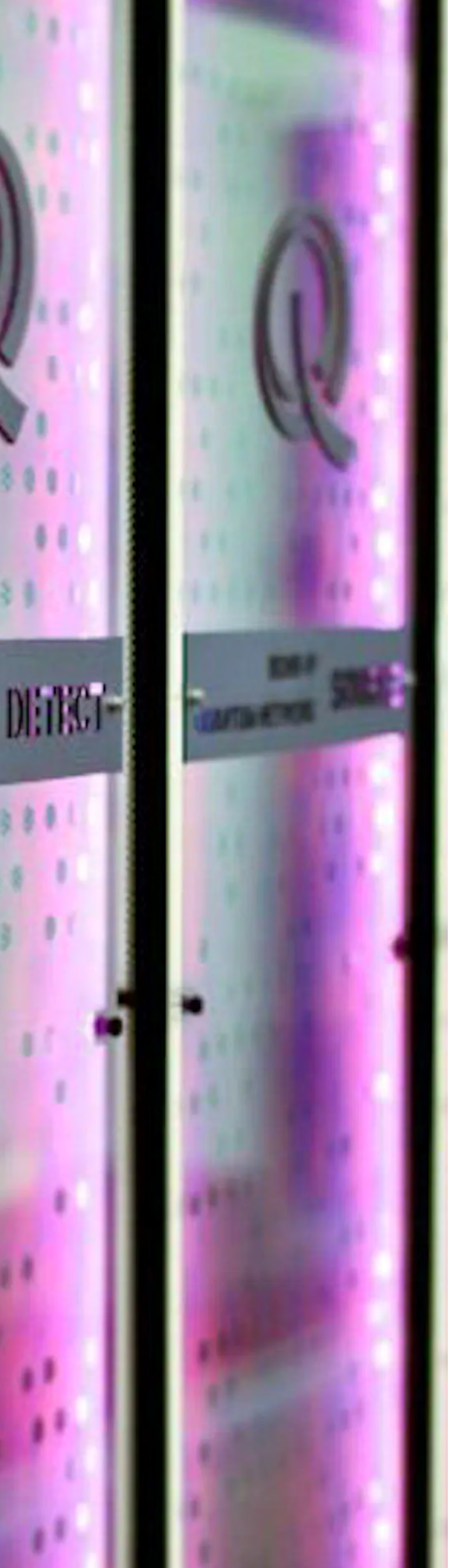
While Tennessee's workers' compensation program is very stable, recent court rulings have created a need for updates to the state's statutes.

TENNESSEE SUPREME COURT *EDWARDS v. PEOPLEASE*

In December 2025, the Tennessee Supreme Court's decision in *Edwards v. Peoplease* broadened the scope of compensable workers' compensation claims by ruling that an aggravation of a preexisting condition does not require permanent anatomical change, reversing decades of precedent and allowing temporary increases in subjective symptoms like pain to qualify for benefits.

To counter this expanded liability and rising costs for employers and insurers, the Chamber will propose legislation seeking to restore objective thresholds established in the 2013 reforms to ensure that the state's workers' compensation program remains grounded in objective standards.





TECHNOLOGY:

Emerging technologies present significant opportunities to strengthen Tennessee's economy, improve productivity, and enhance quality of life. From artificial intelligence (AI) and quantum computing to next-generation nuclear energy and health care innovation, advancements across industries can attract investment, create high-quality jobs, and reinforce Tennessee's competitive position while drastically improving the lives of our citizens. The Chamber will advocate for policies that encourage research, development, commercialization, and adoption of new technologies while ensuring businesses have the flexibility to innovate and compete.

As AI continues to evolve, the Chamber will work with policymakers and industry stakeholders to evaluate proposals that seek to establish safeguards around potential risks associated with the technology. Effective policy should be informed by sound evidence and practical industry experience, addressing legitimate risks without imposing unnecessary regulatory burdens or limiting beneficial applications.

Tennessee should pursue a balanced, forward-looking approach that allows AI developers to innovate, gives businesses the flexibility to adopt and deploy these tools, and ensures that any safeguards are appropriately tailored to identified risks rather than broadly restricting the technology's potential.

More broadly, the Chamber will support a policy environment that encourages investment in emerging industries and technologies, strengthens partnerships between business, research institutions, and government, and removes unnecessary barriers to innovation. Whether advancing next-generation nuclear technologies to meet growing energy demand, supporting breakthroughs in quantum computing, or promoting medical research and health care innovation, Tennessee should remain a place where new ideas can move from development to real-world application. By embracing technological advancement and working collaboratively with industry, Tennessee can attract new investment, expand economic opportunity, solve real-world problems, and improve the lives of all Tennesseans.

EXPECTED 2027 LEGISLATIVE CALENDAR

JANUARY 12
Legislative session begins and the Chamber's opening night reception

JANUARY 16
Inauguration of new Governor

LATE JANUARY - EARLY FEBRUARY
Filing deadline for new bills

EARLY FEBRUARY
Governor's State of the State Address to announce upcoming legislative agenda

MID-MARCH
Committees begin closing

EARLY APRIL
Final budget released

LATE APRIL - EARLY MAY
Adjournment







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