

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 1981 – SB 2226

April 7, 2014

**SUMMARY OF ORIGINAL BILL:** Creates the “Healthy Workplace Act” which prohibits workplace harassment, intimidation, or bullying and provides civil legal relief for employees who have been harmed by such actions in the workplace. Authorizes the Commissioner of Labor and Workforce Development (DLWD) to administer the Act, assess civil penalties under certain circumstances, and to promulgate rules and regulations. Requires employers, in consultation with DLWD, to adopt a policy prohibiting harassment, intimidation, or bullying by July 1, 2014. Sets forth information to be included in such policies.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - \$106,000/One-Time  
\$289,300/Recurring

IMPACT TO COMMERCE OF ORIGINAL BILL:

NOT SIGNIFICANT

**SUMMARY OF AMENDMENT (015669):** Deletes all language after the caption. Creates the “Healthy Workplace Act”. Defines “abusive conduct” to include acts or omissions that would cause a reasonable person, based on the severity, nature, and frequency of the conduct, to believe that an employee was subject to an abusive work environment. Defines “employer” to include any county, metropolitan government, municipality, or other political subdivision of this state. Requires the Tennessee Advisory Commission on Intergovernmental relations (TACIR), by July 1, 2015, and in consultation with the Tennessee Municipal League, the Tennessee County Services Association, the municipal technical advisory service (MTAS), and the county technical assistance service (CTAS), to create a model policy for employers to prevent abusive conduct in the workplace. Requires each employer, by January 1, 2016, to adopt a policy to address abusive conduct in the workplace. States that if an employer adopts a policy that prohibits abusive conduct in the workplace, then the employer shall be immune from suit for any employee's abusive conduct that results in negligent or intentional infliction of mental anguish. Effective upon becoming law.

HB 1981 – SB 2226

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**NOT SIGNIFICANT**

Assumption for the bill as amended:

- Based on information provided by the County Technical Assistance Service (CTAS), Municipal Technical Advisory Service (MTAS), and the Tennessee Advisory Commission on Intergovernmental Relations (TACIR), the bill as amended will have a fiscal impact that is considered not significant.

**IMPACT TO COMMERCE WITH PROPOSED AMENDMENT:**

**Unchanged from the original fiscal note.**

Assumptions for the bill as amended:

- No change in business revenue as a result of this bill as amended.
- Any increase in business expenditures to develop and adopt a policy on abusive conduct in the workplace is considered not significant.
- Any net impact to Tennessee jobs is considered not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Lucian D. Geise, Executive Director

/dwl