State of Tennessee

PUBLIC CHAPTER NO. 772

HOUSE BILL NO. 1705

Representatives Rudd, Mr. Speaker Sexton, Faison, Zachary, Lamberth, Marsh, Garrett, Cochran, Bulso, Lafferty, White, Howell, Gary Hicks, Todd, Vaughan, Farmer, Moody, Powers, Kumar, Grills, Capley, Davis, Scarbrough, Russell, Littleton, Hawk, Hale, Carringer, Reeves, Doggett, Leatherwood, Fritts, Darby, McCalmon, Greg Martin, Moon, Alexander, Boyd, Maberry, Sherrell, Renea Jones, Slater, Tim Hicks, Crawford, Wright, Lankford, Eldridge, Rudder, Helton-Haynes, Brock Martin, Bricken, Butler, Warner, Atchley, Stinnett, Keisling, Raper, Stevens, Hill, Reneau, Barrett, Gant, Haston, Terry, Williams, Reedy

Substituted for: Senate Bill No. 1922

By Senators Briggs, Bowling, Hensley, Rose, Stevens, Taylor, White

AN ACT to amend Tennessee Code Annotated, Title 4; Title 5; Title 6; Title 7; Title 8; Title 12 and Title 50, relative to employment.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 50, Chapter 1, Part 1, is amended by adding the following as a new section:

(a) As used in this section:

(1) "Employee" means a person, whether appointed, under contract, or hired at-will or on an hourly basis, where an employee-employer relationship is established, who provides services for an employer for which compensation is paid regardless of whether such person renders less than a full day of service per working day or less than a full week of service per working week;

(2) "Employer" means this state and any branch, unit, or political subdivision thereof, including all boards, local education agencies (LEAs), as defined in § 49-1-103, commissions, agencies, institutions, authorities, counties, municipalities, metropolitan governments, and other bodies politic and corporate of this state, created by or in accordance with state law or rule; and

(3) "E-Verify program" means the electronic verification system operated by the United States department of homeland security, or its successor program, as authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, Pub. L. No. 104-208, and the federal Basic Pilot Program Extension and Expansion Act of 2003, Pub. L. No. 108-156.

(b)

(1) Except as provided in subdivision (b)(2), an employer shall not:

(A) Appoint or hire a prospective employee on or after July 1, 2026, without verifying the work authorization status of such prospective employee by using the E-Verify program; or

(B) Adopt an ordinance, resolution, regulation, rule, policy, or guideline contrary to the requirements of this section.

(2) An employer who currently uses a third-party vendor for Form I-9 verification for prospective employees may continue to use such vendor until January 1, 2027, at which time the employer must begin using the E-Verify program.

(c) An employer shall maintain documentation of the E-Verify program inquiry results for each verified employee during the duration of employment showing that the employee is authorized to be employed by the employer.

(d)

(1) The attorney general and reporter may investigate each credible allegation or complaint that a local government or LEA has violated this section.

(2) If the attorney general and reporter concludes that:

(A) A local government has violated this section, then the attorney general and reporter may enforce compliance with this section by taking action in accordance with § 4-1-429 to withhold all funds of this state allocated to the local government via grant, contract, or statute, including, but not limited to, state-shared taxes; or

(B) An LEA has violated this section, then the attorney general may enforce compliance with this section by taking action in accordance with subdivision (d)(2)(A) against the local government that approves the budget of the LEA.

(3) As used in this subsection (d), "local government" means a county, including a county with a metropolitan or charter form of government, an incorporated city or town, and each agency, department, or other subdivision of thereof.

SECTION 2. Tennessee Code Annotated, Section 4-1-429(f)(2), is amended by deleting the subdivision and substituting:

(2) "Local government action" means:

(A) An ordinance, regulation, or order adopted or promulgated by the chief executive officer or governing body of a local government or a regulation, rule, written policy, or written guideline adopted by any agency, department, or other subdivision of the local government; and

(B) An alleged failure to comply with SECTION 1, or another duty or requirement to comply with state law relating to immigration enforcement or persons unlawfully present in this state.

SECTION 3. This act takes effect July 1, 2026, the public welfare requiring it.

HOUSE BILL NO. 1705

PASSED: April 6, 2026

CAMERON SEXTON, SPEAKER
HOUSE OF REPRESENTATIVES

RANDY MCNALLY
SPEAKER OF THE SENATE

APPROVED this 21st day of April 2026

BILL LEE, GOVERNOR