

## Tennessee: Subminimum Wage Exception Removed

Beginning July 1, 2022, Tennessee's subminimum wage exception for employees with a disability is no longer effective. Subsequently, an employee with a disability must be paid at least the current federal minimum wage, regardless of the subminimum wage permitted under the federal Fair Labor Standard Act.

([SB 2042](#) signed by governor April 14, 2022)

## Tennessee: Employers with 35 or More Employees Must Use E-Verify

Effective April 19, 2022, private employers with 35 or more full-time equivalent (FTE) employees on or after January 1, 2023 (and applicable only to the employees they hire on and after that date) must use the federal E-Verify employment verification process to [“demonstrate that they are hiring and maintaining a legal workforce.”](#)

The law also creates the Tennessee Office of Employment Verification Assistance, which will assist employers for free, if they lack internet access or have less than 35 FTE employees, in their E-Verify enrollment. The office can also conduct the E-Verify work status authorization on the employer’s behalf when the employer signs a form stating it qualifies for assistance; and completes the necessary E-Verify paperwork to run the authorization.

Employers must maintain an E-Verify result for each employee that is authorized to work.

## Tennessee: Veterans Entitled to Day Off for Veterans Day

Effective April 20, 2022, all employers must allow their veteran employees to have all of November 11, Veterans Day, as an unpaid holiday if:

- The employee gives at least one month's written notice to their employer that they intend to take the day off accompanied by proof of their veteran status (for instance, their DD Form 214); and
- Their absence, either alone or in combination with other veteran employees' absences, will not cause the employer significant economic or operational disruption on that day.

The holiday doesn't have to be unpaid; employers can choose to pay employees for the holiday even though they take the whole day off.

([HB 2733](#) signed by governor April 20, 2022)