



**STATE OF TENNESSEE  
DEPARTMENT OF COMMERCE AND INSURANCE  
BOARD FOR LICENSING CONTRACTORS**

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**Tennessee's Bid Preference Law**

This is to confirm the bid preference law for those contracting in other states bordering Tennessee. Our state requires the same of nonresident contractors as they do of resident contractors. This statute is found in T.C.A. 12-4-801 and states in part, should the bidder on a public construction project in this state be a resident of another state contiguous to Tennessee, a like reciprocal preference is allowed.

Attached is a copy of the law, under Tennessee Code Annotated, Title 12, Chapter 4 and Part 8. This may also be downloaded from the LexisNexis law resource at [www.michie.com](http://www.michie.com)

Should you need information regarding the reciprocity agreements relative to obtaining a Tennessee contractors license, this information is available from our Board's website at: <http://tn.gov/commerce/boards/contractors/>

**Tennessee Code Annotated**  
**Title 12**  
**Public Property, Printing And Contracts**

**Part 8**  
**—Bidding Preferences**

**12-4-801. Definitions. —**

As used in this part, unless the context otherwise requires:

- (1) “Public construction project” means and includes a public works project as defined in title [9](#), chapter 21;
- (2) “Responsible bidder” means a person who has the capacity in all respects to perform fully the contract requirements, and the integrity and reliability which will assure good faith performance; and
- (3) “Responsive bidder” means a person who has submitted a bid which conforms in all material respects to all documents, whether attached or incorporated by reference, utilized for soliciting bids.

[Acts 1990, ch. 1062, § 2.]

**12-4-802. Allowance of bidding preferences — Reciprocity. —**

Whenever the lowest responsible and responsive bidder on a public construction project in this state is a resident of another state which is contiguous to Tennessee and which allows a preference to a resident contractor of that state, a like reciprocal preference is allowed to the lowest responsible and responsive bidder on such project who is either a resident of this state or is a resident of another state which does not allow for a preference to a resident contractor of that state.

[Acts 1990, ch. 1062, § 3.]

(As of 2/3/11)