



Many Tennessee Businesses Must Utilize Alternative Business Models Amid Outbreak

Insights

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Although other counties in Tennessee already have issued similar mandates regarding restaurants, bars, and fitness clubs in an effort to prevent the spread of COVID-19, Tennessee Governor Bill Lee signed [Executive Order 17](#) on Sunday requiring certain businesses across the state to utilize alternative business models starting at midnight CDT on Monday 23, until midnight CDT April 6.

Executive Order No. 17: A State-Wide Mandate Through April 6, 2020

The Order, which is entitled “An Order to Mitigate the Spread of COVID-19 By Limiting Social Gatherings, Dine-In Service, and Gym Use, and Exposure at Nursing and Retirement Homes, and Providing Flexibility for Restaurants Regarding the Sale of Alcohol,” prohibits social gatherings of 10 or more individuals. Additionally, restaurants, bars, and similar food and drink establishments across Tennessee can offer only drive-thru, take-out or delivery options. The Order also loosens regulations regarding service of alcohol. Through April 6, 2020, these same establishments may sell alcohol by take-out or delivery (with the purchase of food) in closed containers to those who are age 21 or up.

Additionally, gym and fitness/exercise centers (or substantially similar facilities) are to suspend in-person services until April 6. These businesses are not prohibited from utilizing digital programming, however.

Memphis Proclamation In Effect As Of March 21

After declaring a state of civil emergency on March 19, Memphis Mayor Jim Strickland expanded the proclamation by ordering all restaurants to close their dining rooms and offer takeout or delivery service only. Bars and gyms must close their facilities to the public, and the mayor is asking that all worship services be streamed online or postponed until further notice. Additionally, theaters, bowling alleys, arcades, indoor climbing facilities, indoor skating rinks, trampoline parks, and other similar recreational or entertainment facilities are ordered to close.

Hookah bars, cigar bars, and vaping lounges offering their products for on-premises consumption are included. Mayor Strickland is also prohibiting on-site consumption of food or beverage within any private fraternal, social, golf or country clubs or similar private clubs. This [Order](#) went into effect at 12:00 a.m. on March 21.

Shelby County Executive Order in Effect as of March 22

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Shelby County Mayor Lee Harris issued an [Executive Order](#) on March 20 requiring the closure for on-site dining at restaurants and on-premises consumption at bars and other food and beverage establishments in unincorporated Shelby County. The Order does not apply to delivery, takeout, and drive-thru establishments. This Order went into effect at 6:00 a.m. on March 22.

Nashville Under “Safer At Home” Order, Closing Non-Essential Businesses for 14 Days

On March 22, Metro Nashville and Davidson County, Tennessee Mayor John Cooper announced the “Safer At Home” Order. Pursuant to the Order, non-essential businesses in Davidson County, Tennessee are ordered to close for 14 days, beginning at 12:01 a.m. on Monday, March 23, 2020. There is a [List of Essential Activities and Businesses](#) that are allowed to continue while the Order is in effect. Additionally, the Order encourages Davidson County residents to remain at home and avoid group gatherings of more than 10 people.

Conclusion

While there currently is not a [state-wide](#) mandate closing all non-essential businesses and/or issuing a “shelter in place,” and Governor Lee’s Order specifically states that it is not a “shelter in place” order, more than 1500 physicians across the state have petitioned the governor to issue one. This will be something to watch in the days following.

For now, we will continue to monitor the rapidly developing COVID-19 situation as appropriate. Make sure you are subscribed to [Fisher Phillips’ Alert System](#) to get the most up-to-date information. If you are a Tennessee employer who has between 50 and 99 employees and are thinking of temporarily laying off some or most of your workforce because of the current economic climate, please contact [one of our Tennessee attorneys](#). Such a lay-off may be covered under [Tennessee’s “Plant Closing and Reduction in Operations” Act](#).

For other information, contact your Fisher Phillips attorney or a member of our [COVID-19 Taskforce](#). You can also review our nationwide [Comprehensive and Updated FAQs for Employers on the COVID-19 Coronavirus](#) and our [FP Resource Center For Employers](#), maintained by our Taskforce.

This Legal Alert provides an overview of a specific state law. It is not intended to be, and should not be construed as, legal advice for any particular fact situation.

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