



State of Tennessee
PUBLIC CHAPTER NO. 347

SENATE BILL NO. 1602

By Marrero

Substituted for: House Bill No. 1685

By Kernell, Coley, Camper, Lollar, White, Towns, Richardson, Cooper, Lois DeBerry, Larry Miller,
McManus

AN ACT to amend Tennessee Code Annotated, Title 49, Chapter 3, Part 3, relative to funding of special school districts.

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

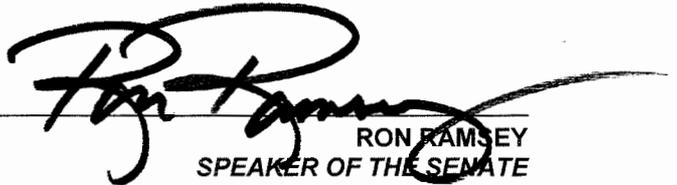
SECTION 1. Tennessee Code Annotated, Title 49, Chapter 3, Part 3, is amended by adding the following language as a new, appropriately designated section:

§ 49-3-3__. Any city which provides funding to a special school district, the borders of which are coterminous with the borders of the city, may provide such funding through a contract with the school district that provides that one-half ($\frac{1}{2}$) of the funds shall be used for the operation of the school system and one-half ($\frac{1}{2}$) of the funds shall be used for the issuance of bonds. Upon agreement of both the city legislative body and the board of education of the special school district, proceeds from the bond issue shall be used only for maintenance of or construction at schools in existence in the district at the time of the issuance of the bonds.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

SENATE BILL NO. 1602

PASSED: May 19, 2011



RON RAMSEY
SPEAKER OF THE SENATE



BETH HARWELL, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 30th day of May 2011



BILL HASLAM, GOVERNOR