



State of Tennessee
PUBLIC CHAPTER NO. 957

SENATE BILL NO. 3759

By Norris

Substituted for: House Bill No. 3778

By McCormick

AN ACT to amend Tennessee Code Annotated, Title 4, relative to state government.

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

SECTION 1. Tennessee Code Annotated, Section 4-31-102(19), is amended by deleting the phrase "correctional facilities" and by substituting instead the phrase "capital projects".

SECTION 2. Tennessee Code Annotated, Section 4-31-119, is amended by deleting the section in its entirety and by substituting instead the following:

(a) The state delegates to the Tennessee local development authority the authority to allocate on behalf of the state the portion of the "national qualified energy conservation bond limitation", as defined in § 54D of the Internal Revenue Code of 1986, codified in 26 U.S.C. § 54D, that is allocated to the state pursuant to § 54D, in a manner consistent therewith. The authority may make such allocations from a list of recommended allocations presented to it by the Department of Economic and Community Development. The department shall consider both state and local government projects and issuers when developing recommendations.

(b) The Department of Economic and Community Development shall serve as the coordinator and administrator of such Qualified Energy Conservation Bond programs, establishing the terms and provisions of the programs and adopting such procedures with respect to such programs as necessary or appropriate.

(c) The authority has the power and is authorized to issue its negotiable bonds for a qualified energy conservation project as a capital project under Part 4 hereof if the Commissioner of the Department of Economic and Community Development certifies that such project complies with a Qualified Energy Conservation Bond program developed by the department, which certification shall be conclusive. In applying § 47-14-103, and related provisions of Title 47, Chapter 14, to such bonds issued by the authority, the effective rate of the interest on any such bond shall be determined by reducing the interest payable by the authority with respect to such bond by the amount of payments from the United States Treasury Department that the authority expected, at the time of the issuance of such bond, to receive with respect to such bond.

SECTION 3. Tennessee Code Annotated, Section 4-31-405, is amended by adding the following new subsection:

(d) If the capital project is a qualified energy conservation project, the local government unit shall first apply to the Department of Economic and Community Development. Any loan agreement for such qualified energy conservation project must be recommended by the commissioner of that department.

SECTION 4. This act shall take effect July 1, 2012, the public welfare requiring it.

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PASSED: April 23, 2012

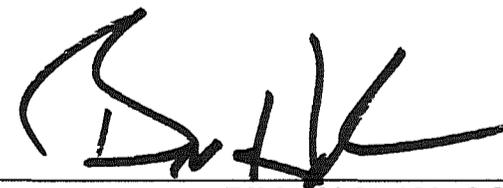


RON RAMSEY
SPEAKER OF THE SENATE



BETH HARWELL, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 10th day of May 2012



BILL HASLAM, GOVERNOR