



State of Tennessee

PUBLIC CHAPTER NO. 853

HOUSE BILL NO. 1398

By Representatives Carter, Keisling, Casada, McManus, McCormick, Lollar, Weaver, McDaniel, Durham, Holt, Travis, Powers, Alexander, Matthew Hill, Farmer, Halford, Timothy Hill, Van Huss, Spivey, Hall, Shipley, Ryan Williams, Dean, Pody, Ragan, Goins, Womick, Joe Carr, Faison, Kane, Hawk, Sexton, Littleton, Lynn, Butt, Rich, Dennis, Dawn White, Ramsey, Haynes, Floyd, Dunn, Rogers, Eldridge, Calfee, Swann, Wirgau, Evans

Substituted for: Senate Bill No. 1836

By Senators Watson, Ketron, Gardenhire, Norris

AN ACT to amend Tennessee Code Annotated, Title 6, Chapter 56; Title 9, Chapter 1; Title 9, Chapter 3; Title 9, Chapter 4 and Title 9, Chapter 21, relative to public indebtedness.

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

SECTION 1. Tennessee Code Annotated, Title 9, Chapter 4, Part 51, is amended by adding the following language as a new, appropriately designated section:

(a) No state funds shall be expended to pay the public indebtedness of any municipality; provided, however, this subsection does not preclude any municipality from utilizing its allocation of state-shared taxes for the purpose of paying its public indebtedness.

(b) As used in this section, unless the context otherwise requires:

(1) "Public indebtedness" means the bonds, notes or other evidence of indebtedness lawfully issued or assumed;

(2) "State departmental revenues" means:

(A) Earnings or charges for goods or services; or

(B) Donations, contributions or participation by political subdivisions, foundations, corporations, firms or persons;

(3) "State funds" means state departmental revenues or state revenues;

(4) "State revenues" means the proceeds collected from taxes, licenses, fees, fines, forfeitures or other imposts laid specifically by law for state government; and

(5) "State-shared taxes" means taxes imposed and collected by the state pursuant to law and allocated by law among units of local government.

(c) This section shall not be construed as limiting the authority provided in chapter 13, part 2 of this title or chapter 21, part 7 of this title.

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

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PASSED: April 14, 2014



BETH HARWELL, SPEAKER
HOUSE OF REPRESENTATIVES



RON RAMSEY
SPEAKER OF THE SENATE

APPROVED this 30th day of April 2014



BILL HASLAM, GOVERNOR

ADDENDUM TO HOUSE BILL 1398

This bill has an effective date of April 29, 2014 in accordance with Article III, Section 18 of the Constitution of the State of Tennessee.