



# State of Tennessee

## PUBLIC CHAPTER NO. 738

HOUSE BILL NO. 1426

By Representatives Jernigan, Gilmore, Stewart, Powell

Substituted for: Senate Bill No. 1446

By Senators Yarbrow, Harper

AN ACT to amend Tennessee Code Annotated, Title 7; Title 9, Chapter 21 and Title 13, Chapter 23, relative to the definition of a "public works project" for which local governments may issue bonds.

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

SECTION 1. Tennessee Code Annotated, Section 9-21-105(21)(B), is amended by adding the following language as a new subdivision:

(ix) Facilities or capital expenditures paid or incurred with respect to development of affordable housing or workforce housing in a county having a metropolitan form of government with a population of not less than six hundred thousand (600,000), according to the 2010 federal census or any subsequent federal census, including expenditures related to a housing trust fund established in accordance with title 7, chapter 8 or title 13, chapter 23, part 5; For purposes of this subdivision (21)(B)(ix), only local governments within which the affordable or workforce housing is located are authorized to issue debt or borrow money, and in no event, shall the credit of any county, city, or town be given or loaned to or in aid of any person, company, association, or corporation, within the meaning of the Constitution of Tennessee, Article II, § 29, without first complying with the applicable requirements of the Constitution of Tennessee, Article II, § 29.

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

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PASSED: March 23, 2016

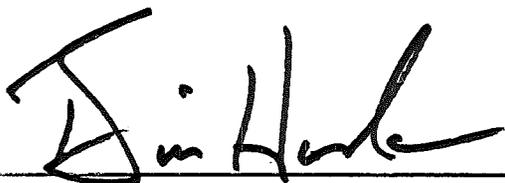


BETH HARWELL, SPEAKER  
HOUSE OF REPRESENTATIVES



RON RAMSEY  
SPEAKER OF THE SENATE

APPROVED this 7<sup>th</sup> day of April 2016



BILL HASLAM, GOVERNOR