

HOUSE BILL 2369
By Kisber

AN ACT to amend Tennessee Code Annotated, Title 7, Chapter 52, Part 4 and Title 65, Chapter 25, Part 2, relative to providers of electric service.

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

SECTION 1. Tennessee Code Annotated Section 7-52-406, is amended by deleting subsection (b) and by substituting instead the following:

(b) Nothing in this part or any private act, charter, metropolitan charter, or amendments thereto, shall allow a municipality, county, metropolitan government, department, board or other entity of local government to provide any service for which a license, certification or registration is required under title 62, chapter 32, part 3, or to provide pager services.

SECTION 2. Tennessee Code Annotated Title 7, Chapter 52, Part 4, is amended by adding the following language as a new, appropriately designated section:

Every municipality operating an electric plant described in Section 7-52-401 has the power and is authorized, on behalf of its municipality acting through the authorization of the board or supervisory body having responsibility for the municipal electric plant, to acquire, construct, own, improve, operate, lease, maintain, sell, mortgage, pledge or otherwise dispose of any system, plant or equipment for the provision of cable service, two-way video transmission, video programming, internet access, internet service or any other like system, plant or equipment within and/or without the corporate or county limits

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of such municipality, and, with the consent of such other municipality, within the corporate or county limits of any other municipality. A municipality shall only be authorized to provide cable service, two-way video transmission, video programming, internet access or other like service through its board or supervisory body having responsibility for the municipality's electric plant. A municipality providing any of the services authorized by this section may not dispose of all or substantially all of the system, plant and equipment used to provide such services except upon compliance with the procedures set forth in Section 7-52-132.

SECTION 3. Tennessee Code Annotated, Title 65, Chapter 25, Part 2, is amended by adding the following language as a new, appropriately designated section:

Notwithstanding any provision of this part to the contrary, a cooperative has the power to provide any services that may be provided by a municipal electric system under Title 7, Chapter 52, Part 4 on the same terms and conditions as a municipal electric system may provide such services and, in connection therewith, may issue its bonds and bond anticipation notes. The general assembly hereby finds that authorization to provide such services is necessary to prepare cooperatives for deregulation of the electric utility industry and that such services are substantially related to the primary purposes set forth in this chapter.

SECTION 4. If any provision of this act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end provisions of this act are declared to be severable.

SECTION 5. This act shall take effect upon becoming a law, the public welfare requiring it.