

SENATE BILL 3135
By Clabough

AN ACT to amend Tennessee Code Annotated, Title 3; Title 4; Title 5; Title 6; Title 7; Title 8; Title 9; Title 12; Title 13; Title 16; Title 30; Title 36; Title 39; Title 40; Title 45; Title 47; Title 48; Title 49; Title 54; Title 55; Title 56; Title 57; Title 61; Title 62; Title 67; Title 68; Title 69; Title 70 and Title 71, relative to public finances. This act makes appropriations for the purposes of funding state government for the fiscal years beginning July 1, 2001 and July 1, 2002.

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

SECTION 1. Tennessee Code Annotated, Section 4-31-108(i), is amended by adding the following new subdivision:

(8) The general assembly is authorized to transfer funds from this reserve fund for use for other purposes.

SECTION 2. Tennessee Code Annotated, Section 4-31-109, is amended by adding the following new language at the end of subsection (b):

The general assembly is authorized to transfer funds from this reserve fund for use for other purposes.

SECTION 3. Tennessee Code Annotated, Section 4-31-903, is amended by adding the following new language at the end of subsection (d):

The general assembly is authorized to transfer funds from this reserve fund for use for other purposes.

SECTION 4. Tennessee Code Annotated, Section 7-39-305, is amended by deleting subsection (a) in its entirety and by substituting instead the following language:

(a) All bonds issued by the corporation shall be payable solely out of the revenues and receipts derived from the corporation's activities pursuant to the powers and purposes set forth herein; provided, that notes issued in anticipation of the issuance of bonds may be retired out of the proceeds of such bonds. Such bonds may be executed and delivered by the corporation at any time and from time to time, may be in such form and denominations and of such terms and maturities, may be in registered or bearer form, either as to principal or interest, or both, may be payable in such installments and at such time or times not exceeding forty (40) years from the date thereof, may be payable at such place or places whether within or without the state of Tennessee, may bear interest at such rate or rates payable at such time or times and at such place or places and evidenced in such manner, may be executed by such officers of the corporation, and may contain such provisions not inconsistent herewith, as shall be provided in the proceedings of the board of directors whereunder the bonds shall be authorized to be issued. If deemed advisable by the board of directors, there may be retained in the proceedings under which any bonds of the corporation are authorized to be issued an option to redeem all or any part thereof as may be specified in such proceedings, at such price or prices and after such notice or notices and on such terms and conditions as may be set forth in such proceedings and as may be briefly recited in the face of the bonds, but nothing herein contained shall be construed to confer on the corporation any right or option to redeem any bonds except as may be provided in the proceedings under which they shall be issued. Any bonds of the corporation may be sold at public or private sale in such manner, at such price and from time to time as may be

determined by the board of directors of the corporation to be most advantageous, and the corporation may pay all expenses, premiums and commissions which its board of directors may deem necessary or advantageous in connection with the issuance thereof. Issuance by the corporation of one (1) or more series of bonds for one (1) or more purposes shall not preclude it from issuing other bonds in connection with the same project or any other project, but the proceedings whereunder any subsequent bonds may be issued shall recognize and protect any prior pledge or mortgage made for any prior issue of bonds. Proceeds of bonds issued by the corporation may be used for the promotion of any of the purposes of the corporation as set forth in this chapter, including the establishment of a reasonable reserve fund for the payment of principal of and interest on such bonds in the event of a deficiency in the revenues and receipts available for such payment. The general assembly is authorized to transfer funds from this reserve fund for use for other purposes. Any bonds of a corporation may be issued bearing a fixed interest rate or a rate which varies from time to time or a rate which is established from time to time during the term thereof and may be issued granting to the owners thereof put rights and such other rights as the board of directors of the corporation shall determine. In connection with the issuance of its bonds, a corporation is authorized to enter into such additional agreements as shall be necessary to facilitate the issuance and sale of the bonds or establishment of the interest rate or rates, including agreements providing for liquidity and credit enhancement, and reimbursement agreements relating thereto.

SECTION 5. Tennessee Code Annotated, Section 7-53-303, is amended by adding the following new language at the end of subsection (a):

The general assembly is authorized to transfer funds from this reserve fund for use for other purposes.

SECTION 6. Tennessee Code Annotated, Section 7-65-114, is amended by adding the following new language at the end of that section:

The general assembly is authorized to transfer funds from this reserve fund for use for other purposes.

SECTION 7. Tennessee Code Annotated, Section 12-3-905, is amended by adding the following new language at the end of that section:

The general assembly is authorized to transfer funds from this reserve fund for use for other purposes.

SECTION 8. Tennessee Code Annotated, Section 13-22-105(b), is amended by adding the following new subdivision:

(5) The general assembly is authorized to transfer funds from this reserve fund for use for other purposes.

SECTION 9. Tennessee Code Annotated, Section 13-23-122, is amended by designating the existing language of subsection (c) as subdivision (1) and by adding the following new subdivision:

(2) The general assembly is authorized to transfer funds from the reserve fund created under subsection (a) of this section, or any other reserve fund created pursuant to subdivision (1), for use for other purposes.

SECTION 10. This act shall take effect upon becoming a law, the public welfare requiring it.