

SENATE BILL 3778  
By Henry

AN ACT to amend Tennessee Code Annotated, Title 6 and  
Title 13, relative to purchasing.

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

SECTION 1. Tennessee Code Annotated, Section 6-56-302, is amended by deleting the following language from item (1) "bidding and purchasing;" and by substituting instead the following language:

bidding and purchasing, provided that the charter provision or private act at minimum establishes within the provisions of the charter or act itself dollar limits for which competitive bidding would be required, any exemptions from the competitive bidding process, and general bid process procedures which would include, but not be limited to procedures regarding public advertising, securing, and opening of bids;

SECTION 2. Tennessee Code Annotated, Title 13, Chapter 21, Part 1 is amended by adding the following as new section:

(a) All purchases made by authorized officials of a public housing authority using or encumbering housing authority funds shall be made in accordance with the procedures on competitive bidding:

(1) A city housing authority shall be governed by the provisions of Tenn. Code Ann. Sec. 6-56-301 *et seq.* provided that if the municipality creating the authority is exempt from the provisions of the act, purchases shall be made in accordance with the competitive bidding procedures of the municipality.

(2) A county housing authority shall be governed by the competitive bidding procedures of the county creating the authority.

(3) A housing authority created by two or more local governments shall be governed by provisions which are required to be part of the inter-local agreement creating the authority. Any pre-existing authorities shall have until January 1, 2007, to adopt procedures regarding competitive bidding.

(b) For the purpose of these provisions only, the board of commissioners of the housing authority shall be considered the governing body for purchases made by the housing authority.

SECTION 3. If any provision of this act or the application thereof to any person or circumstance 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, the provisions of this act are declared severable.

SECTION 4. This act shall take effect July 1, 2006, the public welfare requiring it.