

CHAPTER NO. 248

SENATE BILL NO. 2090

By Henry

Substituted for: House Bill No. 2016

By Fitzhugh

AN ACT regarding debt financing by government units, and to amend Tennessee Code Annotated, Title 9, Chapter 1 and Title 49, Chapter 3, Part 12.

WHEREAS, it is the intent of this General Assembly to clarify the meaning of the term "equipment" wherever such term is used in connection with the governmental financing of computer hardware and software.

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

SECTION 1. Tennessee Code Annotated, Title 9, Chapter 1, is amended by adding the following section:

Section 9-1-1___. Whenever the right to issue debt, whether bonds, notes or other obligations, exists for the State of Tennessee, any corporate governmental agency or instrumentality of the State of Tennessee, any county, city, municipal corporation, or other subdivision or public agency or entity thereof to finance capital assets, computer software (whether acquired before, at the same time as, or after the hardware needed for utilization of the software) to the extent accounted for as a capital asset shall constitute equipment for financing purposes.

SECTION 2. Tennessee Code Annotated, Section 49-3-1202(7) is amended by inserting the following sentence immediately after the first sentence:

"Project" also means agricultural land related to educational purposes of an institution purchased from a governmental entity prior to October 1, 2005.

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 to be severable.

SECTION 4. This act shall take effect upon becoming law, the public welfare requiring it.

PASSED: May 12, 2005


JOHN S. WILDER
SPEAKER OF THE SENATE


JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 27th day of May 2005


PHIL BREDESEN, GOVERNOR