

Filed for intro on /95
Senate Bill _____
By

House Bill No.HB1849
By Lewis

AN ACT to amend Chapter 553 of the Acts of 1903, as amended,
the same being the charter of the City of Tullahoma, to
establish a School Bond Sinking Fund.

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

SECTION 1. Chapter 553 of the Acts of 1903, and all other acts amendatory thereto, is
further amended by adding the following as a new Section 31:

Section 31. Sales Tax School Bond Sinking Fund.

There is hereby recognized the previous establishment of a School Bond Sinking
Fund created from the deposit of sales tax revenues thereto, for the purpose of setting
aside funds necessary to amortize debt incurred for capital school projects. The sums in
said fund, as it now exists, and hereafter, shall be dedicated and utilized by the Board of
Education of the City of Tullahoma, Tennessee, and/or the Board of Mayor and
Aldermen of the City of Tullahoma, Tennessee, solely for debt service for the retirement
of Bonds whose proceeds were used for City Schools capital improvements. Therefore,
the funds in this Sinking Fund are hereby dedicated solely for the purpose of debt
service for general obligation bond issues whose proceeds were used for City Schools
capital improvements. These funds shall not be diverted for any other purposes,
whether educational or otherwise. No cap shall be placed upon the sums representing
said fund.

SECTION 2. This act shall have no effect unless it is approved by a two-thirds (2/3) vote of the Board of Mayor and Aldermen of the City of Tullahoma within ninety (90) days of the passage of this act. Its approval or nonapproval shall be proclaimed by the presiding officer of the Board of Mayor and Aldermen and so certified to the secretary of state.

SECTION 3. For the purpose of approving or rejecting the provisions of this act, it shall be effective upon becoming a law, the public welfare requiring it. For all other purposes, it shall become effective upon being approved as provided in Section 2.