

Filed for intro on 02/02/95  
House Bill \_\_\_\_\_  
By  
\_\_\_\_\_

Senate No. SB0903  
By Harper

AN ACT to amend Tennessee Code Annotated, Title 7, Chapter 3, relative to appropriations of funds to non-profit organizations in counties with metropolitan forms of government.

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

SECTION 1. Tennessee Code Annotated, Title 7, Chapter 3, is amended by adding the following section thereto:

(a) The legislative body of each county with a metropolitan form of government may appropriate funds for the financial aid of any nonprofit organization as defined in Tennessee Code Annotated, Section 6-54-111(a)(2), or any organization otherwise meeting the definition of "nonprofit civic organization" set forth in Tennessee Code Annotated, Section 6-54-111(a)(2)(B), except that it is exempt from taxation pursuant to paragraph (6) subsection (c) of Section 501 of the Internal Revenue Code of 1954, as amended. Such appropriations shall be in accordance with the guidelines of the metropolitan government which shall provide generally that any funds appropriated shall be used to promote the general welfare of the residents of the municipality.

00138892

(b) Any nonprofit organization that desires financial assistance from a county with a metropolitan form of government shall file with the clerk of the legislative body a statement of the proposed use of the funds and the program that serves the residents of the county and a copy of an annual audit. Such report will be open for public inspection during regular business hours of the clerk's office. This subsection shall not apply to nonprofit organizations involved in the study, participation in and appreciation of the visual, performing or literary arts receiving grants from an arts commission or arts board created by the legislative body of the metropolitan government.

(c) Notwithstanding any provision of state law or regulation to the contrary, where counties with a metropolitan form of government publish a budget document that includes the name of each nonprofit charitable or civic organization to which money is appropriated and the specific amount appropriated, and enter into a written agreement with any such organization, no additional resolutions approving such an appropriation shall be required. The clerk of the legislative body shall cause to be published, in a newspaper of general circulation, a list of all nonprofit charitable and civic organizations that are listed as receiving appropriations in the finally adopted budget ordinance.

(d) Notwithstanding any provision of State law or regulation to the contrary, where counties with a metropolitan form of government establish an arts commission or arts board and appropriate funds to that entity in the annual budget, that entity may distribute money to nonprofit organizations involved in the study, participation in and appreciation of the visual, performing, or literary arts without obtaining additional approval from the legislative body. The arts commission or arts board shall provide an annual report to the legislative body prior to the adoption of the annual budget detailing the grant recipients, the monies disbursed, and the purpose for which the money was disbursed.

SECTION 2. 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 3. This act shall take effect on June 1, 1995, the public welfare requiring it.