



State of Tennessee

PUBLIC CHAPTER NO. 472

SENATE BILL NO. 656

By Bowling

Substituted for: House Bill No. 616

By Rudder, Marsh, Doggett, Helton

AN ACT to amend Tennessee Code Annotated, Section 5-21-121, relative to county financial management.

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

SECTION 1. Tennessee Code Annotated, Section 5-21-121, is amended by deleting subsection (a) and substituting instead the following:

(1) The director, purchasing agent, members of the committee, members of the county legislative body, other officials of the county, members of the board of education, members of the highway commission, and employees of the finance department and purchasing department shall not have a direct interest in the purchase of supplies, materials, equipment, or contractual services for the county. As used in this subdivision (a)(1):

(A) "Controlling interest" means sufficient ownership in a business or company to control policy and management, including the ownership or control of the largest number of outstanding shares owned by any single individual in a business or company; and

(B) "Direct interest" means a contract with a person personally or with a business in which the person is the proprietor, a partner, or the person having the controlling interest in the business.

(2) Such persons shall not have an indirect interest in the purchase of supplies, materials, equipment, or contractual services for the county unless the person publicly acknowledges the interest. A person who is not a member of a governing body and who is required to publicly acknowledge an indirect interest must do so by reporting the interest to the office of the county mayor to be compiled into a list that must be maintained as a public record. As used in this subdivision (a)(2), "indirect interest" means a contract in which a person is interested, but not directly so, and includes contracts where the person is directly interested and is the sole supplier of goods or services in the county.

SECTION 2. This act takes effect upon becoming a law, the public welfare requiring it.

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PASSED: May 3, 2021


RANDY McNALLY
SPEAKER OF THE SENATE


CAMERON SEXTON, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 18th day of May 2021


BILL LEE, GOVERNOR