



# State of Tennessee

## PRIVATE CHAPTER NO. 24

HOUSE BILL NO. 1568

By Representative Terry

Substituted for: Senate Bill No. 1556

By Senators Reeves, White

AN ACT to amend Chapter 429 of the Private Acts of 1931; and any other acts amendatory thereto, relative to the Murfreesboro Solid Waste Authority.

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

SECTION 1. Chapter 429 of the Private Acts of 1931, and any other acts amendatory thereto, is amended by adding the following as a new Article XXI:

### **Section 108 – Short Title.**

This article shall be known and may be cited as the Murfreesboro Solid Waste Authority Law.

### **Section 109 – Definitions.**

As used in this act, unless the context otherwise requires:

(a) "Authority" or "solid waste authority" means any public instrumentality organized pursuant to this act;

(b) "Bonds" or "revenue bonds" means bonds, notes, interim certificates or other obligations of an authority issued pursuant to this act, or pursuant to any other law, as supplemented by, or in conjunction with, this act;

(c) "City Council" means the duly elected and seated City Council of the City of Murfreesboro;

(d) "Contracting party" or "other contracting party" means a party to a sale contract or loan agreement except the authority;

(e) "Person" means any and all persons, natural or artificial, including an individual, firm or association, and municipal or private corporation organized or existing under the laws of this state or another state, and a governmental agency or county of this state and a department, agency, or instrumentality of the executive, legislative, and judicial branches of the federal government;

(f) "Project" means a solid waste disposal facility or resource recovery facility, or a combination thereof;

(g) "Resource recovery facility" means land, rights in land, buildings, facilities, and equipment suitable or necessary for the recovery or production of energy or energy producing materials in any form resulting from the controlled processing or disposal of solid waste or the systematic separation, extraction, and recovery of recyclable materials from the solid waste stream, including facilities or systems for the storage, conversion, or transportation thereof;

(h) "Revenue" means all rents, fees, and other charges received by the authority for use of its projects, facilities, and services, including, without limitation, all amounts received for the collection, transportation, disposal, or processing of solid waste, the operation of any project, or the sale, storage, distribution, or transportation of energy, energy producing materials, or other materials or commodities by the authority;

(i) "Solid waste" means:

(1) Garbage, trash, refuse, abandoned material, spent material, byproducts, scrap, ash, sludge, and all discarded material, including solid, liquid, semisolid, or contained gaseous material resulting from industrial, commercial, and agricultural operations, and from community activities. Solid waste includes, without limitation, recyclable material when it is discarded or when it is used in a manner constituting disposal;

(2) "Solid waste" does not include:

(A) Solid or dissolved material in domestic sewage, or solid or dissolved materials in irrigation return flows, or industrial discharges that are point sources subject to permits under § 402 of the Federal Water Pollution Control Act, codified in 33 U.S.C. § 1342;

(B) Steel slag or mill scale that is an intended output or intended result of the use of an electric arc furnace to make steel; provided, that such steel slag or mill scale is sold and distributed in the stream of commerce for consumption, use, or further processing into another desired commodity and is managed as an item of commercial value in a controlled manner and not as a discarded material or in a manner constituting disposal; or

(C) Except to the extent inconsistent with applicable federal law, soil is not discarded material constituting waste as long as the soil is intended for use or reuse as soil;

(j) "Solid waste facility" means land, rights in land, buildings, facilities and equipment suitable or necessary for collecting, receiving, transferring, placing, confining, compacting, treating, or covering solid waste or for processing solid waste by, without limitation, incinerating, composting, separating, grinding, shredding, reducing, or otherwise modifying the characteristics or properties thereof, including all property, real and personal, appurtenant thereto or connected with such work; and

(k) "State of Tennessee" means the state of Tennessee and, unless otherwise indicated by the context, an agency, authority, branch, bureau, commission, corporation, department or instrumentality thereof now or hereafter existing.

**Section 110 – Creation; resolutions.**

(a) The City may create a solid waste authority by resolution; provided, that the public shall have the opportunity to comment on such resolution. The resolution creating the authority may be amended by the City Council to dissolve the authority. The creating resolution shall give the authority a name which shall identify it as a separate public entity. This name shall be used by the authority unless the name is amended by resolution approved by the City Council. Resolutions creating, amending, or dissolving an authority shall be certified by the city recorder and sent to the secretary of state and the commissioner of environment and conservation.

(b) The authority shall replace the City as a member of the Central Tennessee Municipal Solid Waste Region and shall designate a person or persons to represent the authority on the region's board.

(c) Should Rutherford County form a county authority pursuant to the Solid Waste Authority Act of 1991, the authority created under this section may:

(1) Continue the operation of the city-created authority by retaining the same board of directors appointed to the authority, joining the newly formed county authority, and designating a person or persons to represent the authority on the county-formed authority; or

(2) Provided the county-formed authority agrees to assume all responsibilities and obligations of the city-formed authority created by the city, dissolve the city-formed authority, and join the county-formed authority.

**Section 111 – Board of directors.**

(a) A resolution creating, or amending the resolution creating, an authority shall provide for the establishment of a board of directors to administer the activities of the authority. The board of directors shall consist of an odd number, not less than five (5) nor more than seven (7) members. The members of the board shall be nominated by the mayor and approved by the City Council. The members of the board shall serve for terms of six (6) years or until their successors are elected and are qualified by taking an oath of office, except that the initial board shall have approximately one-third (1/3) of the members with terms of two (2) years and approximately one-third (1/3) of the members with terms of four (4) years, so as to stagger the terms of office.

(b) City Council members and municipal officers may serve as directors, but the board of directors is not required to include such members.

(c) Directors may receive compensation if provided for by the resolution approved by the City Council. The resolution establishing the compensation may differentiate council members, city officials, and department heads so as to compensate only those directors who are not officials or employees of the City, except for reimbursement for actual expenses incurred in connection with the director's official duties.

**Section 112 – Board of directors; officers; vacancy; removal.**

(a) The directors shall meet and organize as a board and shall elect one (1) of its members as chair, one (1) as vice chair, one (1) as secretary, and one (1) as treasurer, and such officers shall annually be elected thereafter in like manner. The duties of the secretary and treasurer may be performed by the same director. In the absence of the chair, vice chair, secretary, or treasurer, another member may be elected to fill the vacancy for the anticipated term thereof. An action taken by the directors may be authorized by resolution at a regular or special meeting, and such resolution shall take effect immediately and need not be published or posted. A majority of the board of directors shall constitute a quorum for the transaction of business. The concurring vote of a majority of all the directors shall be necessary for the exercise of any of the powers of the authority.

(b) Any vacancy on the board shall be filled for the unexpired term by the City Council. Any member appointed to the board may, for reasonable cause, be removed by the City Council; provided, that such removal shall be preceded by a full hearing before the remaining members of the board after adequate notice of such hearing, and a report of such hearing shall be forwarded to the City Council. "Reasonable cause" includes, but shall not be limited to, misconduct in office, failure to perform duties prescribed by this act, the Solid Waste Management Act of 1991, or other applicable law, or failure to diligently pursue the objectives for which the authority was created.

**Section 113 – Public instrumentalities; powers and duties.**

(a) A solid waste authority created pursuant to this act shall be a public instrumentality of the City. The authority shall have the following powers, together with all powers incidental thereto or necessary for the performance of such powers, to:

(1) Have succession by the name given in the resolution or resolutions creating the authority, unless dissolved as provided in this act;

(2) Sue and be sued and prosecute and defend, at law or in equity, in any court having jurisdiction of the subject matter and of the parties;

(3) Have and use a corporate seal and alter the same at pleasure;

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(4) Plan, establish, acquire, whether by purchase, exchange, gift, devise, lease, or otherwise, and construct, equip, furnish, improve, repair, extend, maintain, and operate one (1) or more projects, which projects shall be situated within the city boundaries, including all real and personal property, facilities, and appurtenances which the board of directors of the authority may deem necessary in connection therewith and regardless of whether or not any such project shall then be in existence;

(5) Acquire, whether by purchase, exchange, gift, devise, lease, or otherwise, any and all types of property, whether real, personal or mixed, tangible, or intangible, and whether or not subject to mortgages, liens, charges, or other encumbrances and hold, sell, lease, exchange, donate, or convey any or all of its properties, facilities, or services, whenever the board of directors of the authority shall find such action to be in furtherance of the purposes for which the authority is created;

(6) Remove, receive, transport, collect, purchase, transfer, or otherwise obtain solid waste for disposal or processing from any municipality, county, the state of Tennessee, the United States government, or any agency thereof, the Tennessee Valley authority, or any person, and enter into contracts, agreements, or other arrangements in connection therewith;

(7) Sell, transfer, distribute, or otherwise dispose of electricity, steam, gas, fuels, or other forms of power. Energy, or energy-producing material, or any other material, product, or commodity resulting from the operation of any project, facility, or service of the authority to any municipality, county, the state of Tennessee, the United States or any agency thereof, the Tennessee Valley authority or any person, and enter into contracts, agreements, or other arrangements in connection therewith;

(8) Make and enter into all contracts, trust instruments, agreements, and other instruments with any municipality, the state of Tennessee, the United States government, or any agency thereof, the Tennessee Valley authority, or any person, including, without limitation, bonds and other forms of indebtedness and contracts for the management and operation of any project, facility, or service of the authority or the treatment, processing, storage, transfer, or disposal of solid waste;

(9) Incur debts, borrow money, issue bonds, and provide for the rights of the holders of such bonds;

(10) Pledge all or any part of the revenues and receipts of the authority to the payment of any indebtedness of the authority, and make covenants in connection with the issuance of bonds or other indebtedness or to secure the payment of such bonds or other indebtedness;

(11) Have control of its projects, facilities, and services with the right and duty to establish and charge fees, rentals, rates, and other charges for the use of the facilities and services of the authority, and the sale of materials or commodities by the authority, and collect revenues and receipts therefrom, not inconsistent with the rights of holders of its bonds;

(12) Apply for and accept donations, contributions, loans, guaranties, financial assistance, capital grants, or gifts from any municipality, county, the state of Tennessee, the United States government or any agency thereof, the Tennessee Valley authority, or any person for or in aid of the purposes of the authority and enter into agreements in connection therewith;

(13) Operate, maintain, manage, and enter into contracts for the operation, maintenance, and management of any project undertaken, and make rules and regulations with regard to such operation, maintenance, and management;

(14) Exercise all powers expressly given in this act and in the creation and amendment of resolutions and establish bylaws and make all rules and regulations not inconsistent with the creation and amendment of resolutions or this act, deemed expedient for the management of the affairs of the authority;

(15) Enter onto any lands, waters, and premises for the purpose of making surveys, soundings, and examinations in and for the furtherance of the purposes authorized by this act and the Solid Waste Management Act of 1991 at reasonable times and with written notice to property owners;

(16) Employ and pay compensation to such employees and agents, including attorneys, accountants, engineers, architects and financial advisors, as the board of directors shall deem necessary for the business of the authority;

(17) Use in the performance of its functions the officers, agents, employees, services, property, facilities, records, equipment, rights, and powers of the City, with the consent of the City and subject to such terms and conditions as may be agreed upon; and

(18) Exercise all powers expressly given to it and establish and make rules and regulations not inconsistent with this act and the Solid Waste Management Act of 1991, deemed expedient for the management of the authority's affairs.

(b) Except as otherwise provided in this act, an authority, with the concurrence by ordinance of the City Council, may exercise exclusive jurisdiction and exclusive right to control the collection of solid waste within its boundaries, and to control the disposition of solid waste collected within its boundaries.

(c) The power granted to an authority by this section shall not prevent a manufacturing firm which holds a permit from the state of Tennessee to dispose of or utilize its own solid wastes on the property of the manufacturing firm.

**Section 114 – Exclusion of waste originating outside region.**

The authority may restrict access to its solid waste disposal facilities and may regulate the flow of all municipal solid waste within the City by requiring the disposal of any transported waste at a specific solid waste disposal facility.

**Section 115 – Assignment or loan of employees.**

For the purpose of aiding the authority, the City may assign or loan any of its employees, including its engineering staff and facilities, and may provide necessary office space, equipment or other facilities for the use of such authority.

**Section 116 – Bonds.**

(a) The authority has the power to issue bonds from time to time in order to accomplish its purposes. Except as otherwise expressly provided in this act, all bonds issued by the authority shall be payable solely out of the revenue and receipts derived from the authority's projects or of any portion thereof as may be designated in the proceedings of the board of directors under which the bonds shall be authorized to be issued, including debt obligations of the lessee or contracting party obtained from or in connection with the financing of a project. Such bonds may be issued in one (1) or more series, may be executed and delivered by the authority at any time and from time to time, may be in such form and denomination and of such terms and maturities, may be subject to redemption prior to maturity either with or without premium, may be in fully registered form or in bearer form registerable either as to principal or interest, or both, may bear such conversion privileges and be payable in such installments and at such time or times not exceeding forty (40) years from the date thereof, may be payable at such place or places whether within or without the state of Tennessee, may bear interest at such rate or rates payable at such time or times and at such place or places and evidenced in such manner, and may contain such provisions not inconsistent herewith,

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all as shall be provided in the proceedings of the board of directors whereunder the bonds shall be authorized to be issued.

(b) Bonds of the authority shall be executed in the name of the authority by such officers of the authority and in such manner as the board of directors may direct and shall be sealed with the corporate seal of the authority. If so provided in the proceedings authorizing the bonds, the facsimile signature of any of the officers of the authority may appear on such bonds, and a facsimile of the corporate seal of the authority may appear on the bonds in lieu of the manual signature of such officer and the manual impress of such seal; provided, that at least one (1) of the signatures appearing on such bonds shall be a manual signature. Interest coupons attached to such bonds shall be executed with the facsimile signatures of the officers who shall execute the bonds, who shall adopt as and for their own signatures their respective facsimile signatures appearing on such coupons. Bonds issued under this act, and the coupons appurtenant thereto, bearing the signature of any officer in office on the date of signing thereof shall be valid and binding obligations, notwithstanding that before the delivery thereof such person shall have ceased to be an officer of the authority.

(c) Any bonds of the authority may be sold at public or private sale for such price and in such manner and from time to time as may be determined by the board of directors of the authority to be most advantageous, and the authority may pay all expenses and commissions which its board of directors may deem necessary or advantageous in connection with the issuance thereof.

(d) All bonds of the authority and the interest coupons applicable thereto are hereby made and shall be construed to be negotiable instruments.

(e) Interim certificates or notes or other temporary obligations issued by the authority pending the issuance of its revenue bonds shall be payable out of revenues and receipts in like manner as such revenue bonds, and shall be retired from the proceeds of such bonds upon the issuance thereof, and shall be in such form and contain such terms, conditions and provisions consistent with this act and the Solid Waste Management Act of 1991 as the board of directors may determine.

(f)

(1) Any bonds or notes of the authority at any time outstanding may at any time and from time to time be refunded by the authority by the issuance of its refunding bonds in such amount as the board of directors may deem necessary, but not exceeding the sum of the following:

(A) The principal amount of the obligations being refinanced;

(B) Applicable redemption premiums thereon;

(C)

(i) Unpaid interest on such obligations to the date of delivery or exchange of the refunding bonds;

(ii) In the event the proceeds from the sale of the refunding bonds are to be deposited in trust as hereinafter provided, interest is to accrue on such obligations from the date of delivery to the first or any subsequent available redemption date or dates selected, in its discretion, by the board of directors, or to the date or dates of maturity, whichever shall be determined by the board of directors to be most advantageous or necessary to the authority;

(D) A reasonable reserve for the payment of principal of and interest on such bonds and/or a renewal and replacement reserve;

(E) If the project to be constructed from the proceeds of the obligations being refinanced has not been completed, an amount

sufficient to meet the interest charges on the refunding bonds during the construction of such project, and for two (2) years after the estimated date of completion, but only to the extent that interest charges have not been capitalized from the proceeds of the obligations being refinanced; and

(F) Expenses of the authority, including bond discount, deemed by the board of directors to be necessary for the issuance of the refunding bonds.

(2) A determination by the board of directors that any refinancing is advantageous or necessary to the authority, or that any of the amounts provided in (f)(1)(F) should be included in such refinancing, or that any of the obligations to be refinanced should be called for redemption on the first or any subsequent available redemption date or permitted to remain outstanding until their respective dates of maturity, shall be conclusive; provided, that prior to the adoption by the board of directors of the resolution authorizing the issuance of refunding bonds under this section, the plan for refunding shall be submitted to the comptroller of the treasury or the comptroller's designee for review, and the comptroller of the treasury or the comptroller's designee may report thereon to the board of directors within fifteen (15) days from the date the plan is received by the comptroller of the treasury or the comptroller's designee, and the comptroller of the treasury or the comptroller's designee shall immediately acknowledge receipt in writing of the proposed refunding plan. After receiving the report of the comptroller of the treasury or the comptroller's designee or after the expiration of fifteen (15) days from the date the refunding plan is received by the comptroller of the treasury or the comptroller's designee, whichever date is earlier, the board of directors may take such action with reference to such proposed refunding plan as it deems advisable.

(g) Any such refunding may be effected, whether the obligations to be refunded shall have then matured or shall thereafter mature, either by sale of the refunding bonds and the application of the proceeds thereof to the payment of the obligations to be refunded thereby, or by the exchange of the refunding bonds for the obligations to be refunded thereby with the consent of the holders of the obligations so to be refunded, and regardless of whether or not the obligations to be refunded were issued in connection with the same projects or separate projects, and regardless of whether or not the obligations proposed to be refunded shall be payable on the same date or different dates or shall be due serially or otherwise.

(h) Unless the obligations to be refunded are to be retired at the time of delivery of the refunding bonds, the board of directors shall, prior to the issuance of the refunding bonds, cause notice of its intention to issue the refunding bonds to be given to the holders of the outstanding obligations by publication of an appropriate notice one (1) time each in a newspaper of general circulation in a municipality with respect to which the corporation was organized, and in a financial newspaper published in New York, New York, and having national circulation. Such notice shall identify the obligations proposed to be refunded and set forth the estimated date of delivery of the refunding bonds. As soon as practicable after the delivery of the refunding bonds, and whether or not any of the obligations to be refunded are to be called for redemption, the board of directors shall cause notice of the issuance of the refunding bonds to be given in the manner provided in this subsection (h). If any of the obligations to be refunded are to be called for redemption, the board of directors shall cause notice of redemption to be given in the manner required by the resolution or ordinance authorizing such outstanding obligations.

(i) The principal proceeds from the sale of any refunding bonds shall be applied, only as follows, to either:

(1) The immediate payment and retirement of the obligations being refunded; or

(2) To the extent not required for the immediate payment of the obligations being refunded, then such proceeds shall be deposited in trust and together with any investment income thereon to provide for the payment and

retirement of the obligations being refunded, and to pay any expenses incurred in connection with such refunding, but provision may be made for the pledging and application of any surplus for any purposes of the authority, including, without limitation, provision for the pledging of any such surplus to the payment of the principal of and interest on any issue or series of refunding bonds or other obligations of the authority. Money in any such trust fund may be invested in direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States government, or obligations of any agency or instrumentality of the United States government, or in certificates of deposit issued by a bank or trust company located in the state of Tennessee, if such certificates shall be secured by a pledge of any of the obligations having an aggregate market value, exclusive of accrued interest, equal at least to the principal amount of the certificates so secured. Nothing herein shall be construed as a limitation on the duration of any deposit in trust for the retirement of obligations being refunded but which shall not have matured and which shall not be presently redeemable or, if presently redeemable, shall not have been called for redemption.

**Section 117 – Bonds; security; guarantees.**

(a) The principal of and interest on any bonds issued by the authority shall be secured by a pledge of such revenues and receipts out of which the same may be made payable. The proceedings under which the bonds are authorized to be issued may contain any agreements and provisions respecting the maintenance of the projects or other facilities covered thereby, the fixing and collection of rents, fees, or payments with respect to any projects, facilities, or systems or portions thereof covered by such proceedings, the creation and maintenance of special funds from such revenues and from the proceeds of such bonds, and the rights and remedies available in the event of default, all as the board of directors shall deem advisable and not in conflict with this act or the Solid Waste Management Act of 1991. To the extent provided in the proceedings authorizing any bonds of the authority, each pledge and agreement made for the benefit or security of any of the bonds of the authority shall continue to be in effect until the principal of and interest on the bonds for the benefit of which the same were made shall have been fully paid, or adequate provision for the payment thereof shall have been made by the authority. In the event of default in such payment or in any agreements of the authority made as a part of the proceedings under which the bonds were issued, such payment or agreement may be enforced by suit, mandamus, or the appointment of a receiver in equity, or any one (1) or more of such remedies, all as provided in the proceedings under which the bonds are issued.

(b) The City may guarantee or otherwise secure the payment of bonds, notes, or similar obligations of the authority by resolution of the City Council. The City may pledge any discretionary revenues and/or may pledge the full taxing powers of the City. Prior to any meeting of the City Council considering action to guarantee or secure the payment of any bond, note, or similar obligation of an authority, reasonable public notice shall be published describing the matter to be considered and containing an estimate of the dollar amount of any contingent liability that may be authorized. Any resolution or ordinance of the City approving of a guarantee or otherwise providing security for the payment of an authority's bonds, notes or similar obligations shall specify the officer or officers of the City authorized to execute documents necessary to implement the City Council's action.

**Section 118 – City Obligation.**

The City shall not be liable for the payment of the principal or interest on any bonds, notes, or other instruments evidencing indebtedness of the authority except as provided in this act. Neither shall the City be liable for the performance of any pledge, mortgage, obligation, or agreement of any kind whatsoever that may be undertaken by the authority except as provided in this act.

**Section 119 – Authority revenues or income; directors or employees.**

No part of the revenues or income of the authority shall inure to the benefit of any director or employee of the authority except as expressly authorized by this act.



**Section 120 – Public instrumentality; tax exemptions.**

(a) The authority is declared to be performing a public function on behalf of the City and to be a public instrumentality of the City. Accordingly, the authority and all properties at any time owned by it and the income therefrom and all bonds issued by it and the income therefrom shall be exempt from all taxation in the state of Tennessee.

(b) For purposes of the Tennessee Securities Act of 1980, compiled in Tennessee Code Annotated, Title 48, Chapter 1, Part 1, bonds issued by the authority shall be deemed to be securities issued by a public instrumentality or a political subdivision of the state of Tennessee.

**Section 121 – Audits and auditors.**

Except as otherwise approved by the comptroller of the treasury, an authority created pursuant to this act has the power and shall cause to be made an annual audit of the accounts and records of the authority. The audit shall include all funds of the authority, whether held by the authority or pursuant to trust indentures. The comptroller of the treasury shall be responsible for ensuring that the audits are prepared in accordance with generally accepted governmental auditing standards and determining if the audits meet minimum audit standards which shall be prescribed by the comptroller of the treasury. No audit may be accepted as meeting the requirements of this section until such audit has been approved by the comptroller of the treasury. The audits may be prepared by certified public accountants, public accountants, or by the comptroller of the treasury. In the event the authority shall fail or refuse to have the audit prepared, then the comptroller of the treasury may appoint a certified public accountant or public accountant or direct the department of audit to prepare the audit. The cost of such audit shall be paid by the authority. All such audits shall be completed as soon as practicable after the end of the authority's fiscal year. One (1) copy of the audit shall be furnished to each member of the board of directors, the chief executive officer of the City and the comptroller of the treasury. Copies of each audit shall also be made available to the public.

**Section 122 – Contracts; payment; taxation.**

(a) The state of Tennessee or any county or municipality is authorized, whenever the same shall be found desirable by the City Council, to enter into contracts, agreements, or other arrangements with the authority regarding any project, facility, or service of the authority, including, without limitation, the collection, transfer, storage, transportation, processing, or disposal of solid waste or the purchase, sale, lease, or other disposition of energy, energy-producing materials, gas, fuel, and other materials, commodities, or properties of the authority. Any such contract or agreement may extend for any period not exceeding forty (40) years from the date thereof.

(b) Any payments to be made to the authority pursuant to an agreement may be payable from general funds to the extent permitted by law, or from such limited source as may be agreed upon between the authority and such entity, and in the case of payments to be made from general funds, the annual tax sufficient to make such payments to the authority when the same become due. Such tax shall be assessed, levied, collected and paid in like manner as other taxes of such municipality and shall be in addition to all other taxes now or hereafter authorized to be levied by such municipality. Such tax shall not be included within any statutory or other limitation as to rate or amount for such municipality but shall be excluded therefrom and be in addition thereto and in excess thereof.

(c) No payments shall be construed to be an indebtedness of a municipality within the meaning of any constitutional or statutory provision.

**Section 123 – Cumulative and supplemental provisions; notice or approval.**

Neither this act nor anything herein contained shall be construed as a restriction or a limitation upon any powers which the authority might otherwise have under any laws of this state but shall be construed as cumulative of and supplemental to any such powers. No proceeding notice or approval shall be required with respect to the issuance

of any bonds of the authority or any instrument as security therefor except as provided in this act, notwithstanding any law to the contrary; provided, that nothing herein shall be construed to deprive the state of Tennessee and its governmental subdivisions of their respective police powers over properties of the authority, or to impair any power of any official or agency of this state and its governmental subdivisions which may be otherwise provided by law.

**Section 124 – Powers and duties; appropriations; taxation.**

(a) The City has all necessary powers in order to further the purposes of this act, including, without limitation, the power to:

(1) Provide that any funds available to it for solid waste or resource recovery purposes shall be paid directly to the authority; and

(2) Sell, lease, dedicate, donate, or otherwise convey to the authority any of its interest in any existing solid waste disposal or resource recovery facility or other related property, or grant easements, licenses, or other rights or privileges therein to the authority.

(b) The City may appropriate general funds or unappropriated moneys from any other fund, to pay expenses of the authority or provide for the operation of any of the projects, facilities, and systems authorized by this act, levy a tax, in addition to all other taxes, upon all taxable property within the City, sufficient to pay such appropriation to the authority. Any such tax on property shall be collected in the same manner as other property taxes of the county or municipality are collected and, similarly, all laws for the enforcement of county and municipal tax liens shall apply.

(c) A person who willfully violates the ordinances or resolutions passed by the City with respect to which the authority was organized or willfully fails, neglects, or refuses to comply with such ordinances or resolutions is subject to the penalties provided in Tennessee Code Annotated, Section 68-211-918. Each day of continued violation constitutes a separate offense.

(d) In addition to the penalties provided herein, the City may enforce any ordinances, resolutions, or contracts issued or entered into to carry out this section by instituting legal proceedings to enjoin the violation of this section, in any court of competent jurisdiction, and such court may grant a temporary or permanent injunction restraining the violation of this section.

**Section 125 – Project sites; gifts, purchases, leases or condemnation.**

The City may acquire a project site by gift, purchase, lease, or condemnation, and may transfer a project site to the authority by sale, lease, or gift. Such transfer may be authorized by a resolution of the City Council without submission of the question to the voters, and without regard to the requirements, restrictions, limitations or other provisions contained in any other law.

**Section 126 – Taxation.**

Whenever, and as often as, a municipality or a county enters into a contract with the authority, the municipality or county shall provide by resolution for the levy and collection of a tax sufficient to pay when due the annual amount payable under such contract as and when it becomes due and payable, and to pay any expenses of maintaining and operating the project required to be paid by the municipality or county under the terms of such contract or by instrument collateral thereto and, furthermore, to pledge such tax and the full faith and credit of the municipality or county to such payments. Such tax shall be assessed, levied, collected, and paid in like manner as other taxes of the municipality or county. Such tax shall not be included within any statutory or other limitation of rate or amount of the municipality or county but shall be excluded therefrom and be in addition thereto and in excess thereof, notwithstanding and without regard to the prohibitions, restrictions, or requirements of any other law, whether public or private. There shall be set aside from such tax levy into a special fund an amount sufficient for the payment of the annual amount due under any such contract,

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and the money in such fund shall be used exclusively for such purpose and shall not be used for any other purpose until such annual amount has been paid in full. The foregoing shall not be construed to limit the power of the authority or other contracting party to enter into contracts with a municipality or county not having the power of taxation.

**Section 127 – Execution of leases, contracts, deeds of conveyance or instruments.**

Except as otherwise provided in this act, all leases, contracts, deeds of conveyance, or instruments in writing executed by the authority shall be executed in the name of the authority by the chair and secretary of the authority, or by such other officers as the board of directors, by resolution, may direct, and the seal of the authority shall be affixed thereto.

**Section 128 – Cumulative provisions; notice or approval.**

(a) Neither this act nor anything herein contained shall be construed as a restriction or limitation upon any powers which an authority, as a public corporation, might otherwise have under any laws of this state, but shall be construed as cumulative of any such powers.

(b) No proceedings, notice or approval shall be required for the organization of the authority or the issuance of any bonds or any instrument as security therefor, except as herein provided, notwithstanding any other law to the contrary; provided, that nothing herein shall be construed to deprive the state and its governmental subdivisions of their respective police powers over properties of the authority, or to impair any power thereover of any official or agency of the state and its governmental subdivisions which may be otherwise provided by law.

(c) Projects may be acquired, purchased, constructed, reconstructed, improved, bettered, and extended and bonds may be issued under this act for such purposes, notwithstanding that any other general, special, or local law may provide for the acquisition, purchase, construction, reconstruction, improvement, betterment, and extension of a like project, or the issuance of bonds for like purposes, and without regard to the requirements, restrictions, limitations, or other provisions contained in any other general, special, or local law.

**Section 129 – Dissolution.**

An authority may be dissolved by a resolution of the City Council. Upon dissolution, the assets of the authority shall accrue to the City to the extent the authority has assets in excess of liabilities. In the event that the authority has liabilities in excess of assets, the resolution of dissolution shall provide for the allocation of assets of the authority among the creditors of the authority by agreement between the creditors of the authority and the board of directors of the authority. In the event that such an agreement cannot be reached within ninety (90) days after the approval of the resolution to dissolve the insolvent authority, then the board of directors of the authority shall petition the chancery court for an equitable allocation of assets. The chancery court shall hear the cause and shall enter a decree for the allocation of the assets of the authority among the authority's creditors. After the final disposition of the assets of the authority, the board of directors of the authority shall notify, in writing, the City Council, the secretary of state, and the department of environment and conservation of these actions, whereupon the board of directors and the authority shall cease to exist.

**Section 130 – Construction of law.**

This act is remedial in nature and shall be liberally construed to effect its purpose of providing for a systematic and efficient means of solid waste disposal and encouraging the best utilization and conservation of energy and natural resources.

SECTION 2. This act shall have no effect unless it is approved by a two-thirds (2/3) vote of the legislative body of the City of Murfreesboro. Its approval or nonapproval shall be proclaimed by the presiding officer of the legislative body and certified to the secretary of state.

**HB1568**

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 as provided in Section 2.

HOUSE BILL NO. 1568

PASSED: April 13, 2023



CAMERON SEXTON, SPEAKER  
HOUSE OF REPRESENTATIVES



RANDY MCNALLY  
SPEAKER OF THE SENATE

APPROVED this 28<sup>th</sup> day of April 2023



BILL LEE, GOVERNOR