



# *State of Tennessee*

## **PUBLIC CHAPTER NO. 1003**

**SENATE BILL NO. 1894**

**By Gresham**

Substituted for: House Bill No. 1914

By Gant, Doss, Lamberth, Shaw, Alexander, Wirgau, White M, Forgety, DeBerry, Eldridge, Towns

AN ACT to amend Tennessee Code Annotated, Title 7, Chapter 34, relative to the disposition of revenue from a natural gas utility system owned by a municipality.

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

SECTION 1. Tennessee Code Annotated, Section 7-34-115(a), is amended by designating the existing language of the subsection as new subdivision (a)(1) and by adding the following as new subdivision (a)(2):

(2) Notwithstanding subdivision (a)(1) or any other law to the contrary, if the municipal utility system is a natural gas utility system, the municipal utility board with management responsibility for the municipal utility system or, if there is no such board, the municipal governing body, may also devote revenues derived from the system to funding chambers of commerce and economic and community organizations in accordance with an ordinance or resolution adopted by the governing body of the municipality. A municipal utility system whose revenues are devoted pursuant to this subdivision (a)(2) shall not raise rates on customers to cover contributions targeted for economic development efforts. The authorization provided in this subdivision (a)(2) shall only apply to municipal natural gas utility systems that are located in counties having a population of less than three hundred thirty-six thousand four hundred (336,400) according to the 2010 federal census, and the authorization provided in this subdivision (a)(2) is in addition to such authorization as may be provided to municipal utility systems under otherwise applicable law.

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

SENATE BILL NO. 1894

PASSED: April 25, 2018

  
RANDY MCNALLY  
SPEAKER OF THE SENATE

  
BETH HARWELL, SPEAKER  
HOUSE OF REPRESENTATIVES

APPROVED this 21<sup>st</sup> day of May 2018

  
BILL HASLAM, GOVERNOR