

HOUSE BILL 3474

By Kernell

AN ACT to amend Tennessee Code Annotated, Title 49, Chapter 3, Part 3, relative to funding of special school districts.

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

SECTION 1. Tennessee Code Annotated, Title 49, Chapter 3, Part 3, is amended by adding the following language as a new, appropriately designated section.

§ 49-3-3\_\_\_. Any city which provides funding to a special school district, the borders of which are contiguous with the borders of the city, may provide such funding through a contract with the school district that provides that one-half ( $\frac{1}{2}$ ) of the funds shall be used for the operation of the school system and one-half ( $\frac{1}{2}$ ) of the funds shall be used for the issuance of bonds. Proceeds from the bond issue shall be used only for maintenance of or construction at schools in existence in the district at the time of the issuance of the bonds.

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