

SENATE BILL 316

By Kyle

AN ACT to amend Tennessee Code Annotated, Title 9, Chapter 9 and previously enacted bond acts, relative to debt issuance.

WHEREAS, given current national economic conditions, it is in the best interest of the state to have the greatest flexibility with respect to the issuance of its general obligation debt; now, therefore,

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

SECTION 1. Tennessee Code Annotated, Section 9-9-205(a) is amended by deleting the existing language and substituting instead the following:

(a) Any and all bonds issued by the funding board shall be sold at public sale after due notice of the sale in such manner and at such times as may be approved by the funding board. Notwithstanding the foregoing, until June 30, 2011, the funding board shall have discretion to sell bonds at private sale upon such terms and conditions as it shall determine. The funding board shall report periodically to the chairpersons of the finance ways and means committees as to the terms and method of sale of bonds sold until June 30, 2011, including the basis for selection of underwriters or other initial purchasers at private sale.

SECTION 2. Any language inconsistent with the provisions of this act in any general obligation bond act enacted prior to the effective date of this act shall be of no effect.

SECTION 3. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect the provisions or application 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 4. This act shall take effect upon becoming a law, the public welfare requiring it.