

State of Tennessee

PUBLIC CHAPTER NO. 276

SENATE BILL NO. 975

By Powers, Bowling

Substituted for: House Bill No. 921

By Marsh

AN ACT to amend Tennessee Code Annotated, Title 7, Chapter 34; Title 7, Chapter 36; Title 7, Chapter 52 and Title 12, relative to contracts.

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

SECTION 1. Tennessee Code Annotated, Section 7-36-112(a), is amended by deleting "fifty thousand dollars (\$50,000)" and substituting "one hundred thousand dollars (\$100,000)".

SECTION 2. Tennessee Code Annotated, Section 7-36-112, is amended by adding the following new subsections:

() In addition to the authorization set forth in subsection (a), the president may let other contracts with the approval of the supervisory board, or pursuant to the purchasing policy or other delegation of authority adopted by the board; provided, that purchasing exceeding in cost the amount specified in subsection (a) must, before a contract is let or work is done, be advertised by the president or the president's designee for bids in accordance with the purchasing policy of the authority.

() The authorization set forth in this section supplements the authorization provided to an energy authority or utility authority created by a private act of the general assembly that operates an electric, water, wastewater, gas, telecommunications, cable television, internet, or broadband facility, and is applicable to the extent provided by the board or other supervisory board of the utility authority.

SECTION 3. Tennessee Code Annotated, Section 7-52-117, is amended by deleting subsections (d) and (e) and substituting:

(d) The superintendent shall let all contracts, subject to the approval of the supervisory body, but may, without such approval, obligate the electric plant on purchase orders up to an amount to be fixed by the supervisory body, but not to exceed one hundred thousand dollars (\$100,000). The superintendent shall let all other contracts with the approval of the supervisory body or pursuant to a purchasing policy or other delegation of authority adopted by the supervisory body. Work or construction exceeding in cost the amount specified in this subsection (d) must, before a contract is let or work is done, be advertised by the superintendent for bids as required by applicable law; provided, that the supervisory body may reject any and all bids.

(e) The superintendent shall make and keep full and proper books and records, subject to the supervision and direction of the supervisory body.

(f) If the supervisory body has jurisdiction over other utility systems, and the superintendent of the plant serves in a similar role for such other utility systems, then this section applies to all purchases of services or property, whether real or personal, all leases and lease-purchases, all contracts, and the disposition of all property for the other utility systems. As used in this subsection (f), "other utility systems" means waterworks, sewerage works, gas, telecommunications, cable television, internet, or broadband systems.

(g)(1) In addition to the powers provided to boards of public utilities operating pursuant to this section, the authorization set forth in this section supplements the

authorization provided to a municipal electric system or other similar system that operates an electric, waterworks, sewerage works, gas, telecommunications, cable television, internet, or broadband facility pursuant to otherwise applicable law, and applies to the extent provided by the supervisory body for the system or, if there is no supervisory body, by the legislative body of the municipality.

(2) Subdivision (g)(1) does not supersede any authority, limitation, or requirement established by the legislative body of the municipality in accordance with the charter of the municipality.

(h) For the purposes of this section, "superintendent" includes a designee of the superintendent or another officer or person as may be authorized by the superintendent of the electric system.

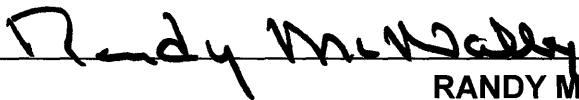
SECTION 4. Tennessee Code Annotated, Title 12, Chapter 3, Part 12, is amended by adding the following as a new section:

Where any local or private act, charter, or general law requires that a local governmental unit purchase by competitive procurement method, the local governmental unit may, notwithstanding the local or private act, charter, or general law, purchase, without public advertisement or competitive soliciting, under contracts or price agreements entered into by the state building commission.

SECTION 5. This act takes effect upon becoming a law, the public welfare requiring it.

SENATE BILL NO. 975

PASSED: April 17, 2023



RANDY McNALLY
SPEAKER OF THE SENATE



CAMERON SEXTON, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 28th day of April 2023



BILL LEE, GOVERNOR