

SENATE BILL 2596

By Niceley

AN ACT to amend Tennessee Code Annotated, Title 4, Chapter 3, Part 7 and Title 9, relative to the department of economic and community development.

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

SECTION 1. Tennessee Code Annotated, Title 4, Chapter 3, Part 7, is amended by adding the following as a new section:

4-3-710.

(a) The department of economic and community development shall develop a written plan to ensure that two-thirds (2/3) of all money distributed by the department as grants and loans are used for economic development programs in rural counties throughout the state. The distribution of such money must be measured on a per county basis and not on a per capita basis.

(b)

(1) The department shall submit the plan described in subsection (a) to the clerks of the senate and the house of representatives no later than February 1, 2021. Upon receipt, the clerks shall publish the plan and distribute it to the members of the senate and the house of representatives.

(2) The department shall accept and consider comments and suggestions regarding the plan from members of the senate and the house of representatives until at least March 1, 2021.

(3) If the department updates the plan after consideration of the submitted comments and suggestions, the department shall submit the updated plan to the clerks of the senate and the house of representatives no later than

April 1, 2021. Upon receipt, the clerks shall publish the updated plan and distribute it to the members of the senate and the house of representatives.

(4) The plan, or the updated plan if applicable, becomes effective July 1, 2021, unless an alternative plan is created or authorized by public act.

(c) Notwithstanding any law to the contrary, the department must comply with the final plan's distribution requirements for grant and loan funds beginning July 1, 2021.

(d) This section is repealed July 1, 2025.

(e) For purposes of this section:

(1) "Economic development" includes, but is not limited to:

(A) Industrial development;

(B) Infrastructure development;

(C) Creation or retention of private sector jobs;

(D) Job training assistance; and

(E) Broadband accessibility; and

(2) "Rural county" means a county that has less than fifty percent (50%) of its population being within an urbanized area as defined by the United States census bureau.

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