



May 20, 2024

Chapter III - Bond Issues

Dear Reader:

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We hope this information will be useful to you; reference to it will assist you with many of the questions that will arise in your tenure with county government. However, the *Tennessee Code Annotated* and other relevant laws or regulations should always be consulted before any action is taken based upon the contents of this document.

Please feel free to contact us if you have questions or comments regarding this information or any other CTAS website material.

Sincerely,

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Bond Issues - Historical Notes

A listing of the acts which authorized various bond issues for Cocke County is included below for reference purposes, although these acts are no longer current. Also referenced below are acts which repeal prior law without providing new substantive provisions.

Buildings - Memorials

1. Public Acts of 1885, Chapter 31, provided for a bond issue of not more than \$25,000 at a 6% interest rate, to be used to fund construction of a new courthouse. This was amended by Public Acts of 1887, Chapter 222, to allow the proceeds of this bond sale to be used also to fund the outstanding indebtedness of Cocke County.
2. Private Acts of 1931, Chapter 182, authorized a bond issue of \$110,000, with a maximum interest rate of 5½%, to be used for construction of a new jail and courthouse.
3. Private Acts of 1931(Ex. Sess.), Chapter 52, validated the issuance by the Cocke County Quarterly County of \$110,000 jail and courthouse bonds, dated March 1, 1931. This act was necessary since the bonds issued by the county had a maximum interest rate of 6%, rather than the 5½% provided for in the first authorizing act.

Debts

1. Public Acts of 1899, Chapter 90, authorized Cocke County to borrow the money necessary to pay their indebtedness, and to issue 6% bonds for the repayment of this money.
2. Private Acts of 1925, Chapter 248, authorized the county to borrow not more than \$50,000 necessary to meet current expenses, and to issue short term notes to repay this amount. This act was amended by Private Acts of 1929, Chapter 343, to increase from \$50,000 to \$80,000 the amount which could be borrowed.
3. Private Acts of 1935, Chapter 154, validated the issuance of \$35,000 funding notes, dated February 1, 1935, and bearing interest at the rate of 6% per annum.

Refunding

1. Private Acts of 1929 (Ex. Sess.), Chapter 24, authorized a \$100,000 bond issue (maximum interest rate 5%, maturity date within thirty years), to be used for refunding the outstanding road bonds of the county.
2. Private Acts of 1931, Chapter 136, validated a \$75,000 bond issue, dated February 15, 1931, maximum interest rate of 6%, for the purpose of refunding the outstanding bonded indebtedness of the county.
3. Private Acts of 1933, Chapter 193, authorized a refunding bond issue in an amount equal to the amount of those bonds maturing between the year 1932 to 1935. These refunding bonds were to bear interest at a maximum rate of 6% and were to mature within thirty years.

Roads

1. Acts of 1905, Chapter 72, provided for the issuance of bonds in the amount of \$100,000 (interest rate 4%, maturity date within thirty years), to be used for repairing certain Cocke County roads designated by this act. Acts of 1905, Chapter 300, amended Chapter 72, by including another road among those designated for repair. Acts of 1905, Chapter 72, was repealed by Acts of 1909; Chapter 15, and both Chapter 72 and Acts of 1905, Chapter 300, were repealed by Acts of 1909, Chapter 231.
2. Acts of 1909, Chapter 37, authorized a \$200,000 road bond issue, with a maximum interest rate of 5%, maturing in not less than ten nor more than thirty years after their issuance. The funds from the sale of these bonds were to be used for improving certain roads designated in the act and for constructing a bridge across the Pigeon River. This act was amended by Acts of 1909, Chapter 295, to provide that the quarterly county court could set the dates on which the semi-annual interest due on these bonds would be payable; and Private Acts of 1911, Chapter 341, amended the 1909 bond issue to add another road to the list of those to be improved.
3. Private Acts of 1915, Chapter 242, authorized subject to voter approval a road bond issue of \$200,000 with a maximum interest rate of 5%, maturity date within thirty years. This act also provided for the establishment of a pike commission to oversee the sale of these bonds and the expenditure of the funds from his bond sale; and the roads to be improved with those funds were

designated by this private act.

4. Private Acts of 1917, Chapter 385, provided for a \$50,000 road bond issue, upon approval by a majority of the quarterly county court. These bonds were to mature within thirty years with a maximum interest rate of 5%, and the roads to be repaired with the proceeds from the sale of these bonds were designated in this act.
5. Private Acts of 1917, Chapter 582, authorized the issuance of bonds in the amount of \$6,000 upon approval by a majority of the quarterly county court, with a maximum interest rate of 5%, maturity date within thirty years. This act also appointed a pike commission to oversee sale of these bonds and the construction of the two roads designated by this act.
6. Private Acts of 1919, Chapter 691, authorized a bond issue of \$135,000, subject to voter approval, for construction and repair of certain roads in Cocke County. These bonds were to mature within thirty years at a maximum interest rate of 5%; and a road commission was named by this act to oversee this construction. Private Acts of 1920 (Ex. Sess.), Chapter 85, amended this act to give the road commission authority to enter and survey any land in the county with the county liable only for actual damages done to the property. The original act was further amended by Private Acts of 1921, Chapter 571, which changed the roads to be improved with these funds.
7. Private Acts of 1921, Chapter 618, provided for the issuance of road bonds in the amount of \$300,000 upon approval by the quarterly county court, with a maturity date within thirty years at a maximum annual interest rate of 6%. Private Acts of 1923, Chapter 214, amended the original bond issue act to increase the types of expenditures that could be made with the proceeds from the bond sale.
8. Private Acts of 1921, Chapter 760, authorized a road bond issue of \$110,000 (maturing in not less than ten or more than thirty years at a maximum interest rate of 6%). This act also appointed a road commission to oversee repair of certain roads designated in this act.
9. Private Acts of 1927, Chapter 599, provided for the issuance of road bonds in the amount of \$1,000,000, to be used for the construction of the "Interstate Road." These bonds were to mature within thirty years with a maximum interest rate of 6%.
10. Private Acts of 1947, Chapter 499, authorized a bond issue of \$30,000. These 4% bonds were to mature within fifteen years and the proceeds from their sale were to be used to repair and rebuild Carson Road. This was amended by Private Acts of 1949, Chapter 187, to provide that the "road commission may do all or part of the work on Carson Road by force account."
11. Private Acts of 1949, Chapter 119, authorized a bond issue of \$25,000 to be used for the purchase of road machinery. These bonds were to mature within twenty-five years at a maximum interest rate of 4%.

Schools

1. Private Acts of 1957, Chapter 219, authorized a bond issue of \$500,000, to match any available Federal funds given for the purpose of purchasing sites for building and or adding to schools. These bonds were to be issued upon approval by the quarterly county court and the court was also given authority to determine the form, denominations, interest rate and details of sale.

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