



County Technical Assistance Service  
INSTITUTE *for* PUBLIC SERVICE

November 19, 2024

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## Chapter III - Bond Issues

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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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# Chapter III - Bond Issues

## Bond Issues - Historical Notes

### **Buildings - Memorials**

1. Private Acts of 1923, Chapter 660, authorized a bond issue of \$40,000 for building a courthouse in Jasper. This issue was conditional upon approval by Marion County voters and was to have a maximum interest rate of 6% per annum.
2. Private Acts of 1937, Chapter 736, authorized a bond issue of \$25,000 for the reconstruction, repair, and equipping of the county jail. The Quarterly County Court was to set the interest rate and maturity date, provided that the bonds matured within twenty years.

### **Debts**

1. Private Acts of 1911, Chapter 43, was a \$20,000 bond issue, to mature within twenty years at a maximum annual interest rate of 5%, for the purpose of retiring county indebtedness.
2. Private Acts of 1929, Chapter 498, authorized Marion County to issue bonds of \$150,000 for the purpose of retiring indebtedness for schools and acquiring rights-of-way. These bonds were to have a maximum interest rate of 5% per year.
3. Private Acts of 1935 (Ex. Sess.), Chapter 100, was a bond issue of \$40,000 for the purpose of retiring county indebtedness. These bonds were to have a maximum interest of 6% per annum and were to mature annually, beginning in June, 1939, and ending in June, 1946.
4. Private Acts of 1937, Chapter 385, had provisions for a bond issue of \$50,000 to retire indebtedness. The bonds were exempt from taxation and their annual interest rate and maturity date were to be set by the Marion County Quarterly Court.
5. Private Acts of 1939, Chapter 71, was a bond issue of \$112,000 to be used for retiring indebtedness for various county purposes. These bonds were to have a 5% annual interest rate and were to mature in five year sequences.

### **Refunding**

1. Private Acts of 1933, Chapter 452, authorized refunding bonds of \$135,000, which were tax exempt and had a maximum interest rate of 6% per annum.
2. Private Acts of 1941, Chapter 65, validated the issuance of \$962,000 of refunding bonds, with an interest rate of 3½% per annum. These bonds had been authorized by a resolution of the Marion County Quarterly Court on November 12, 1940, and were to mature annually from 1943 to 1968.

### **Roads - Bridges**

1. Public Acts of 1901, Chapter 417, was a bond issue of \$100,000 for improving public roads in Marion County. These bonds were to mature within thirty years, but no interest rate provision was contained in the authorization act.
2. Acts of 1903, Chapter 290, authorized a bond issue of \$150,000 for improving county roads. These bonds were to mature serially within thirty years, with varying rates of interest, ranging from 5% to 4½% to 4%.
3. Private Acts of 1917, Chapter 794, authorized a bond issue of \$160,000 upon approval by the voters. These bonds were to mature within thirty years at a maximum interest rate of 5% per annum.
4. Private Acts of 1927, Chapter 383 of was a bond issue of \$145,000 for roads in Marion County. The maximum annual interest rate on these bonds was 5% and they were to mature in not more than thirty years. The Marion County Rural Road Commission was created to oversee the expenditure of these funds; but it was abolished by Chapter 5, Private Acts of 1929, which amended the original act by placing the rights, powers and duties of the Rural Road Commission in the Marion County Road Commission.

### **Schools**

1. Private Acts of 1921, Chapter 178, amended the general law to provide that school bonds could be issued by majority vote of the Quarterly County Court of Marion County at any regular or special session, with the provision that these bonds not exceed 3% the value of taxable property in the county. This was amended by Chapter 606 of the Private Acts of 1921 to provide that a certain portion of the funds from one of these bond sales be paid to a commission for the purpose

- of purchasing a site and building a school in South Pittsburg.
2. Private Acts of 1929, Chapter 11, was a bond issue of \$225,000, subject to voter approval, for the purpose of building a new high school. These bonds were to have a maximum interest rate of 5% and were to mature in not more than thirty years.
  3. Private Acts of 1929, Chapter 571, authorized the Marion County Board of Education to issue bonds of \$75,000 for the purpose of building a high school at Whitwell. These bonds were to have a maximum interest rate of 6% and were to mature within fifteen years.
  4. Private Acts of 1931, Chapter 658, authorized the Marion County Quarterly Court to issue the "Marion County High School Bonds" in the amount of \$65,000. The Court was also to set the maturity date and interest rate of these bonds, but the interest rate was not to exceed 5½% per year.
  5. Private Acts of 1937, Chapter 375, was a \$25,000 bond issue, to mature within twenty years, with a maximum interest rate of 5%. The proceeds from this bond sale were to be used for the purpose of building a school at Monteagle.
  6. Private Acts of 1947, Chapter 678, provided for a \$700,000 bond issue, to be used for school buildings. These bonds were to mature by 1967 and their interest rate could not exceed 3% per year
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