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Bond Issues - Historical Notes

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which authorized various bond issues for Knox County is included below for reference purposes, although these acts are no longer current.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.

Debts

1. Public Acts of 1887, Chapter 140, authorized Knox County to fund her outstanding warrants issued for debt contracted in the building of a new courthouse, and to issue bonds in lieu of said warrants.

Buildings/Memorials

1. Private Acts of 1919, Chapter 736, authorized a bond issue of \$125,000 to be used for remodeling the courthouse. These bonds were to mature within twenty years, at an interest rate set by the quarterly county court.
2. Private Acts of 1927, Chapter 791, provided for a \$150,000 issue of bonds to be used for constructing a county poor farm and a workhouse for female prisoners. These bonds were to mature within five years at a maximum annual interest rate of 5%. This was amended by Private Acts of 1929, Chapter 229, to provide that the sale of these bonds and use of their proceeds would be supervised by a special committee appointed by the quarterly county court rather than by the Poor House Committee.
3. Private Acts of 1929, Chapter 227, authorized a bond issue of \$1,000,000, for a new courthouse, jail and other public buildings. Subject to voter approval, these bonds would bear interest at an annual rate of 4½% for a maximum of twenty years.
4. Private Acts of 1929, Chapter 463, authorized a bond issue of \$150,000, to erect and equip a workhouse, maximum interest rate of 5%, with the county judge to set the maturity date.
5. Private Acts of 1929, Chapter 596, validated the issuance by the Knox County Quarterly Court of bonds in the amount of \$100,000 for the poor farm, at the October, 1928 term of court.
6. Private Acts of 1929, Chapter 610, provided for a bond issue of \$150,000, to be used for building Memorial Auditorium. These bonds were to mature within twenty years, at a maximum annual interest rate of 5%.
7. Private Acts of 1935, Chapter 370, authorized a \$250,000 bond issue for the construction of a new county jail. These bonds were not subject to voter approval and their maximum interest rate was to be 4½%.
8. Private Acts of 1941, Chapter 530, provided for the issuance of bonds in the amount of \$40,000, to be used for improvements on the John Tarleton Institute, with a maximum annual interest rate of 4%, and a maturity date within twenty years.
9. Private Acts of 1943, Chapter 403, provided for the issuance of the "Memorial Bonds of Knox County, Tennessee" in the amount of \$30,000. These bonds were to mature within twenty years at a maximum annual interest rate of 5%.
10. Private Acts of 1947, Chapter 752, authorized the City of Knoxville and Knox County to borrow money and issue their bonds therefor, in the aggregate amount of not more than \$4,000,000 for the purpose of erecting and constructing a public building in the City of Knoxville for use as a courthouse and a city hall. This act was repealed by Private Acts of 1949, Chapter 11.
11. Private Acts of 1949, Chapter 684, authorized Knox County and Knoxville jointly to issue the "UT Memorial Research Center and Hospital Bonds" in the amount of \$1,000,000.

Refunding

1. Public Acts of 1887, Chapter 140, provided for a bond issue in the amount necessary to refund the indebtedness the county had incurred in the construction of the courthouse. These bonds were to mature within fifteen years.
2. Public Acts of 1899, Chapter 147, authorized a bond issue in the amount necessary to refund the floating debt of the county, with a maximum interest rate of 4%, to mature within thirty years.
3. Acts of 1903, Chapter 601, authorized a \$125,000 bond issue with a maximum annual interest rate of 4%, to be used to refund the outstanding debt of the county.
4. Private Acts of 1919, Chapter 381, provided for the issuance of the "Knox County Refunding Bonds" in the amount of \$150,000, to be used to refund the indebtedness incurred by the building

of the Mascot Elementary School and other debts of the school system. These bonds were to bear interest at an annual rate of 6% and were to mature within twenty years.

5. Private Acts of 1931, Chapter 594, authorized a \$200,000 bond issue, to be used for refunding the debt incurred by building the Solway and McBee Ferry bridges (maximum interest rate of 5%, maturity date within twenty years).
6. Private Acts of 1935, Chapter 538, validated the issuance of funding bonds in the amount of \$500,000, dated April 1, 1935, maturing by 1945 with an interest rate of 4%.
7. Private Acts of 1937 (2nd Ex. Sess.), Chapter 8, validated the action of the Knox County Quarterly Court in issuing \$250,000 of "Emergency Relief Bonds" dated October 1, 1937, with an interest rate of 3¾%.

Roads

1. Private Acts of 1915, Chapter 117, provided for a \$500,000 bond issue (maturity date within thirty years, 5% annual interest rate) to be used for building pike roads and bridges.
2. Private Acts of 1917, Chapter 577, authorized a bond issue of \$500,000, the proceeds from which were to be used to construct a road from the Blount County line, through Knoxville, to Mascot. These bonds were to mature within thirty years at a maximum annual interest rate of 5%.
3. Private Acts of 1919, Chapter 528, authorized the quarterly county court to issue interest-bearing warrants for terms up to twenty years, to be used to build bridges across any river or stream to connect state highways in the county. This act also authorized a tax levy of up to \$1.00 per \$100 assessed value, to be used for redeeming these warrants.
4. Private Acts of 1929, Chapter 226, authorized a bond issue of \$250,000 to be used to construct a bridge over the Holston River, at or near McBee's Ferry. These bonds were to mature within twenty years, at a maximum annual interest rate of 4½%.
5. Private Acts of 1929, Chapter 228, provided for a bond issue of \$500,000 to construct the Henley Street Bridge, with a maximum annual interest rate of 4½% and maturity dates within twenty years.
6. Private Acts of 1929, Chapter 254, provided for a \$200,000 bond issue which was to be used for the construction of a bridge at or near Solway Ferry on the Clinch River. These bonds were to mature within twenty years at a maximum annual interest rate of 4½%.
7. Private Acts of 1931, Chapter 243, authorized another bond issue of \$500,000, to be used in constructing the Henley Street Bridge. This additional bond issue was necessary since the funds from the first issue, authorized by Private Acts of 1929, Chapter 228, had been placed in the Bank of Tennessee at Nashville and that bank had subsequently failed as the Depression struck Tennessee.
8. Private Acts of 1941, Chapter 460, authorized a bond issue of \$150,000 to be used for purchasing machinery, equipment and tools for the county road department. These bonds were to mature within twenty years, at a maximum annual interest rate of 5%.
9. Private Acts of 1947, Chapter 590, provided for a bond issue of \$100,000 to be used for purchasing machinery, equipment and tools for use upon the county highways and bridges. These bonds were to mature within twenty years with a maximum annual interest rate of 5%.
10. Private Acts of 1949, Chapter 59, authorized a bond issue of \$500,000 to be used in the construction of "Boyd's Bridge" with a maximum annual interest rate of 5%.
11. Private Acts of 1953, Chapter 475, was the last private act authorizing a bond issue for the county road system. This act provided for 5% bonds in the amount of \$480,000 to be used for constructing the Riverdale-Kimberline Heights Bridge.

Schools

1. Private Acts of 1911, Chapter 206, provided for a bond issue of \$50,000 to be used for discharging the balance owed on the purchase of the Central High School site in Fountain City.
2. Private Acts of 1913, Chapter 235, provided for the issuance of high school bonds in the amount of \$50,000, with a maturity date within twenty years and an annual interest rate of 4½%.
3. Private Acts of 1915, Chapter 1, authorized Knox County to issue bonds in the amount of \$125,000, to be used to purchase land which was then to be donated to the University of Tennessee for experimental agricultural purposes. These bonds had an interest rate of 5% and were to mature within twenty years.
4. Private Acts of 1915, Chapter 129, authorized a \$50,000 bond issue (maximum interest rate 5%,

maturity date within twenty years), to be used for constructing a high school building in Knox County.

5. Private Acts of 1927, Chapter 320, provided for a \$300,000 bond issue to be used for acquiring lands for the University of Tennessee to use for agricultural experimental and educational purposes. These bonds were to mature within twenty years with a maximum interest rate of 5%.
6. Private Acts of 1931, Chapter 237, authorized a \$500,000 issue of "Knox County School Bonds" with a maximum interest rate of 5% and a maturity date within twenty years. The proceeds from this bond issue were to be used in constructing school buildings.
7. Private Acts of 1941, Chapter 512, authorized a \$600,000 bond issue (maximum interest rate 4%, maturity date within thirty years) to be used for constructing school buildings.
8. Private Acts of 1945, Chapter 210, authorized the issuance of a total of \$1,000,000 worth of bonds over a ten year period, to be used for school purposes. These bonds were to bear interest at a maximum rate of 5% and were to mature within twenty years from their date of issuance.
9. Private Acts of 1947, Chapter 556, provided for the issuance of the "Knox County Emergency School and Improvement Bonds" in the amount of \$2,000,000. These bonds were to bear interest at a maximum rate of 5%, payable semi-annually, and were to mature under conditions determined by the quarterly county court.
10. Private Acts of 1949, Chapter 838, authorized a bond issue of \$2,000,000, to be used for school purposes in Knox County. These short term notes were to bear interest at a maximum rate of 2½%.

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