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# Private Acts of 1939 Chapter 559

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Sincerely,

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# Private Acts of 1939 Chapter 559

## SECTION 1.

- (a) The Term "County Judge or Chairman" when used in this Act shall mean the County Judge or Chairman of Claiborne County.
- (b) The Term "County Court Clerk" when used in this Act shall mean the County Court Clerk of Claiborne County, Tennessee.
- (c) The Term "Sheriff" when used in this Act shall mean the Sheriff of Claiborne County, Tennessee.
- (d) The Term "Trustee" when used in this Act shall mean the Trustee of Claiborne County, Tennessee.
- (e) The Term "Circuit Court Clerk" when used in this Act shall mean the Circuit Court Clerk of Claiborne County, Tennessee.
- (f) The Term "Register of Deeds" when used in this Act shall mean the Register of Deeds of Claiborne County, Tennessee.
- (g) The Term "Highway Commissioners" when used in this Act shall mean the Commissioners of Highways of Claiborne County, Tennessee.
- (h) The Term "Tax Assessor" when used in this Act shall mean the Tax Assessor of Claiborne County, Tennessee.
- (i) The Term "Commissioner" when used in this Act shall mean any superintendent or person or persons appointed or elected by the Quarterly County Court over any department or institution of Claiborne County.
- (j) The Term "Quarterly County Court" when used in this Act shall mean any body or group of people having jurisdiction over the operation of the fiscal affairs of Claiborne County, Tennessee.
- (k) The Term "Clerk and Master" when used in this Act shall mean the Clerk of The Chancery Court of Claiborne County, Tennessee.
- (l) The Term "County Superintendent" when used in this Act shall mean the County Superintendent of Schools of Claiborne County.
- (m) The Term "School Board" when used in this Act shall mean the County Board of Education of Claiborne County.
- (n) The Term "Budget" when used in this Act shall mean the appropriation of money appropriated by the County Court for each department or activity of Claiborne County for the period shown by the adoption of the budget by the Quarterly County Court and any appropriation authorized by Statute.
- (o) The Term "Official of the County" when used in this Act shall mean any Official authorized by the Quarterly County Court or the Statutes of the State of Tennessee to draw from the County Treasury and expend money of Claiborne County.
- (p) The Term "Budget Committee" when used in this Act shall mean a Committee of three (3) members of the Quarterly County Court appointed by the Quarterly County Court of Claiborne County as hereinafter provided.
- (q) The Term "Expenditure or Expend" when used in this Act shall mean the Act of committing Claiborne County to expend monies then and there in the County Treasury or to come into the County Treasury of Claiborne County.

**SECTION 2.** That at least ninety days prior to the time when the annual tax levy or any part thereof is made, the Budget Committee of Claiborne County shall prepare a budget containing a complete plan itemized and classified according to function and activity of all proposed expenditures and all estimated revenues by sources and borrowings for the County for the ensuing appropriation year, which shall begin on the first day of July of each year, or at such other date as may be provided for by law for the beginning of the appropriation year. Opposite each item of proposed expenditure, the budget shall show in separate parallel columns the amount appropriated for the preceding appropriation year, the amount expended during that year, the amount appropriated for the current appropriation year, and the increases or decreases in the proposed expenditures for the ensuing year as compared with the appropriation for the current year. This budget shall be accompanied by:

*First:* A statement of the contemplated revenues and disbursements, liabilities, reserves and surplus or deficit of Claiborne County as of the date of the preparation of the budget.

*Second:* An itemized and complete financial balance sheet of each fund account of the said Claiborne County at the close of the last preceding appropriation year.

As amended by: Private Acts of 1941, Chapter 125

**SECTION 3.** That a brief synopsis of the budget shall be published in a newspaper having general circulation in Claiborne County or by notice posted in the lobby of the Court House in one or more conspicuous places, and notice given of one or more public hearings at least fifteen days prior to the date set for hearing, at which any citizen of the said Claiborne County shall have the right to attend and state his views thereon. After such hearing is had, the Budget Committee shall submit to the Quarterly County Court with recommendation for adoption such budget as may be agreed upon. However, it shall not be mandatory upon the Quarterly County Court to adopt the budget recommended by the Budget Committee, but the Quarterly County Court shall by appropriate order adopt and enter on the minutes thereof a budget covering all expenditures for the County for the next appropriation year, itemized and classified as required by Section 2 of this Act, provided, however, that it is mandatory upon the Quarterly County Court to levy a tax rate, assuming that not more than 85% of the total tax aggregate produced by such rate will be collected during the ensuing appropriation year, which will produce, together with the usual miscellaneous revenues and any unexpended balances carried over from the preceding appropriation year, an amount at least equal to the amounts appropriated in the budget so adopted by the Quarterly County Court.

The Quarterly County Court at any regular or special session may make appropriations only in the event there is a surplus on hand in the general fund of the County sufficient to pay such appropriations or only when the Quarterly County Court shall levy a special tax to provide revenue sufficient to pay the appropriations as made. In the event the Quarterly County Court shall undertake to make an appropriation when no funds are thus available, such attempted appropriation shall be void and the County shall not be liable therefor. No funds set up in the budget as approved by the Quarterly County Court at the beginning of the fiscal year shall be transferred to any other item in the budget unless at the end of the fiscal year there shall remain a balance in said particular fund which might be needed to meet a deficiency in some other particular fund or appropriation carried in the budget. Nothing herein contained shall be construed as authorizing the Quarterly County Court to appropriate from the general funds of the County any sum of money to be used for any special County purpose.

As amended by: Private Acts of 1947, Chapter 444

**SECTION 4.** That the Budget Committee of Claiborne County, may require the heads or other responsible representatives of all departments, divisions, boards, commissions, agencies, or offices of said County to furnish such information as may be deemed advisable and in such form as may be required in relation to their respective affairs and activities.

**SECTION 5.** That the Quarterly County Court shall cause to be made out immediately preceding the regular October session of such Court in each and every year hereafter a statement showing the aggregate amount of the receipts and itemized disbursements of the twelve months period ending on the immediately preceding August 31st. A copy of such statement shall be posted in the lobby of the Court House in a conspicuous place, or published in one or more newspapers of the County.

**SECTION 6.** That it shall, likewise, be the duty of the School Board on or before the first Monday in April of each year to prepare and file with the budget committee an itemized statement or budget, as specified in Section 2 of this Act, of the funds which said Board estimates will be necessary for the maintenance and operation of the schools and expenses incident thereto for the year commencing the first day of September following the filing of such statement or budget.

**SECTION 7.** That the Quarterly County Court shall include in the County Budget required by law and as a part thereof, a budget for the schools of the County, a brief synopsis of which shall be posted as required in Section 4 of this Act.

**SECTION 8.** [Deleted by Private Acts of 1953, Chapter 209].

**SECTION 9.** That any Official of Claiborne County that has the power, right, or authority to expend County Funds from the Treasury of the County or funds coming into the County Treasury from the State of Tennessee in excess of the monies or funds then and there actually in the Treasury of the County to the credit of his or her department of the County government or in excess of the budget adopted by the Quarterly County Court of Claiborne County covering that certain period of time as shown by the budget, such County Official making any overdrafts on the County Treasury or commitments in excess of the amount appropriated for the specific purpose for which the expenditure was made by the Quarterly County Court of Claiborne County, shall be personally liable, together with his sureties on his official bond, to Claiborne County for such overdrafts or over expenditures, and the County shall have cause of action of

debt to recover from such official or officials and their bondsmen the amount of the overdraft or over expenditure with interest from date.

**SECTION 10.** That it shall be unlawful and a felony in office for any official or employee of Claiborne County to draw, sign, issue, deliver, or to authorize the drawing, signing, issuance, or delivery of any purchase order, warrant, or other commitment during the appropriation year when such warrant, purchase order or other commitment added to amounts previously expended shall exceed the appropriation made by the Quarterly County Court for the specific purpose for which the expenditure is made.

That it shall be mandatory upon the members of the Quarterly County Court to determine whether or not warrants or purchase orders or other commitments have been issued or made in violation of the intent of this Act and if Warrants, Purchase Orders, or other commitments are found to have been issued in violation of the intent of this Act, it shall be mandatory, upon the Court or its qualified representative, to certify the facts to the District Attorney General for presentation to the Grand Jury at the next term of the Circuit Court; and it shall be the duty of the District Attorney General to present the facts to the said Grand Jury and to institute such other proceedings as may be necessary to give full effect to the provisions of this Act.

As amended by: Private Acts of 1943, Chapter 291

**SECTION 11.** That it shall be a felony in office for any official of the County, including the members of the Highway Commission, the members of the School Board, the County Superintendent, the County Judge, the County Court Clerk, the Circuit Court Clerk, the Sheriff, the Trustee, the Register of Deeds, the Clerk and Master, the Tax Assessor, or any other official of the County, to violate any provision of this Act, to fail or to refuse to perform any of the duties placed upon them or any of them by this Act, and any such officer or official failing to perform the duties imposed by this Act or otherwise violating this Act, or who procures aids or abets in the violation of any provision of this Act, provided further that any County official convicted under this Act, shall be subject to removal from office under the ouster laws of the State of Tennessee, and it shall be mandatory upon the Quarterly County Court to appropriate the necessary funds for the prosecution of such cause.

As amended by: Private Acts of 1943, Chapter 291

**SECTION 12.** That the Quarterly County Court shall at the April 1939 regular session of such Court, and at the expiration of each second calendar year period thereafter, elect a Budget Committee consisting of three members of the Court, such Budget Committee to receive as compensation for their services a per diem fee of \$3.00 per each and every day spent in the preparation of the budget, as hereinbefore specified; provided, however, the total compensation of each member of the Committee shall not in any one appropriation year exceed the sum of \$48.00.

**SECTION 13.** That in order that the fiscal affairs of Claiborne County, Tennessee, may be placed on a cash basis, said County is hereby authorized and empowered to issue at one time or from time to time bonds of Claiborne County for the purpose of funding any or all warrants, notes, interest coupons, or other indebtedness of said County now outstanding or which are to be outstanding on or before August 31st, 1939. The holders of such indebtedness are directed at such time or times as they may wish, to present said indebtedness for payment and present said indebtedness to the County Judge, the County Court Clerk and the County Trustee of Claiborne County, Tennessee, for identification and verification; the County Judge, County Court Clerk and the County Trustee are authorized to examine such indebtedness so presented and if satisfied that such indebtedness is genuine, to issue their certificates certifying such indebtedness to be genuine. Such certificates are to be in any convenient form and may be issued as to the indebtedness of one holder or as to the indebtedness of a group of holders.

**SECTION 14.** That for the purpose of funding and retiring from time to time indebtedness of Claiborne County, Tennessee, certified to be genuine, as provided in Section 13, the Quarterly County Court may authorize not exceeding \$400,000.00 Funding Bonds of Claiborne County, Tennessee. Such bonds shall bear interest at not exceeding the rate of Six per cent (6%) per annum, shall be in denominations corresponding to the denominations of the indebtedness which is to be exchanged therefor, shall mature not more than twenty (20) years from their date of issuance, may be callable for redemption at the option of the County on any interest payment date at par and accrued interest pursuant to such notice as may be prescribed by the Quarterly County Court, and shall be in such form and in such details, not inconsistent with the provisions hereof, as may be prescribed by the Quarterly County Court in the resolution authorizing the issuance of the bonds.

**SECTION 15.** That the Funding Bonds herein authorized shall be executed in behalf of the County by the County Judge and the County Court Clerk, under the County Seal, and shall be by the County Trustee of Claiborne County, Tennessee, deposited with a National Bank located in Nashville, Tennessee, as Escrow and Exchange Agent, with appropriate directions that as if and when the outstanding indebtedness hereinbefore mentioned and described and authorized to be funded, are surrendered, there shall be

delivered in exchange therefor a like amount of Funding Bonds, all pursuant to appropriate resolutions to be adopted by the Quarterly County Court of Claiborne County, Tennessee, not inconsistent with the provisions of this Act. Said Bonds shall be issued in exchange for and upon the simultaneous cancellation of a like par principal amount of the indebtedness authorized to be funded.

**SECTION 16.** That the Funds Bonds herein authorized shall be fully registered as to principal and interest. The County Trustee shall act as Registrar and the name and address of the registered holder shall appear on the back of each bond and on the books of the County Trustee. Principal of and interest on each Funding Bond shall be payable only to the registered holder. Each bond may be assigned by the registered holder to other registered holders pursuant to procedure to be established by the Quarterly County Court in the resolution authorizing the bonds.

**SECTION 17.** That in order to facilitate the issuance of the Funding Bonds herein authorized and in order to establish the legality of the indebtedness to be funded thereby, all warrants, notes, and interest coupons of Claiborne County, Tennessee, which are to be funded under the provisions of this Act and which are herewith certified to be genuine by the County Judge, the County Court Clerk and the County Trustee in the manner provided in Section 13 hereof, are hereby validated and confirmed and declared to be the valid and enforceable obligations of Claiborne County, Tennessee.

**SECTION 18.** That the Quarterly County Court of Claiborne County is authorized and directed annually to levy taxes on all taxable property in Claiborne County at such rates and in such amounts as will be fully sufficient to pay interest on such funding bonds issued under the provisions hereof as may be from time to time outstanding and to provide a Sinking Fund adequate to retire said bonds at maturity.

**SECTION 19.** That any holder or holders of bonds issued under the provisions of this Act or any officers being a part in interest in either law or in equity by suit, action or mandamus may force and compel the performance of the duties requested by this Act of the governing body or any part or officer of the unit. Inasmuch as the purpose of this Act is to place and maintain the fiscal affairs of Claiborne County, Tennessee, on a cash basis, the provisions of this Act will constitute an irrevocable contract with the holders of the bonds issued under the provisions of this Act.

**SECTION 20.** That Clark and Company of Nashville, Tennessee, are hereby authorized to act as Fiscal Agents for Claiborne County, Tennessee, in the handling of this program in regard to the exchange of bonds, for which said Clark and Company shall be entitled to Two and one-half (2½%) per cent of the par value amount of indebtedness so exchanged in accordance with the provisions of this Act and which said fee shall be payable from any available funds of Claiborne County, Tennessee.

**SECTION 21.** That the holding of any section, or part thereof, or any subsection, sentence, clause or phrase of this Act, to be void or ineffective for any cause, shall not affect any other section or part thereof of this Act. It is hereby declared, and shall be conclusively presumed, that this Act and each section, sub-section, sentence, clause and phrase thereof, would have been passed and enacted, irrespective of the fact that any one or more sections, sub-sections, sentences, clauses, and phrases thereof would have been passed and enacted, irrespective of the fact that any one or more sections, sub-sections, sentences, clauses or phrases thereof be declared unconstitutional or void or ineffective for any cause.

**SECTION 22.** That all laws and parts of laws in conflict with the provisions of this Act be and the same are hereby repealed and this Act shall take effect from and after its passage, the public welfare requiring it.

Passed March 6, 1939.

**COMPILER'S NOTE:** The above act was held not to be in contravention of the general law in Kivett v. Runions 191 Tenn. 62, 231 S.W. 2d 384 (1950).

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