



March 29, 2025

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## Chapter III - Bond Issues

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Sincerely,

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# Chapter III - Bond Issues

## Sinking Fund Investment

### Private Acts of 1943 Chapter 145

**SECTION 1.** That Crockett County, acting through resolution duly adopted by a majority vote of its Quarterly County Court at any regular or specially called meeting, is hereby authorized and empowered to invest all or any part of its sinking funds now on hand and to accrue in bonds of the United States, provided, however, that no investment thereof shall be made except in such bonds as upon their face provide for redemption at not less than face value thereof at a time not in excess of twelve months from the date of issue.

**SECTION 2.** That this Act shall take effect from and after its passage, the public welfare requiring it.

Passed: January 21, 1943.

## Bond Issues - Historical Notes

A listing of the acts which authorized various bond issues for Crockett County is included below for reference purposes, although these acts are no longer current.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. Private Acts of 1897, Chapter 167, permitted the Quarterly County Court of Crockett County to issue twenty-thousand dollars (\$20,000) in bonds, at an annual interest rate not to exceed six (6%) percent with a maturity period not to exceed twenty (20) years. The proceeds from the bonds were to fund the County's outstanding debts. A Funding Board composed of three (3) citizens, one of whom would be the County Chairman, and all of whom would give bonds in the amount of eight thousand dollars (\$8,000) would call in the debts as the County Court would direct, issue the bonds and pay them subject to the limits previously expressed. The details of the issue were prescribed in the Act, as well as, a tax levy for the sinking fund out of which the bonds would be paid.
2. Private Acts of 1913, Chapter 236, authorized the Quarterly County Court of Crockett County to issue and sell thirty thousand dollars (\$30,000) in coupon bonds bearing interest of five (5%) percent, payable semi-annually and a maturity date of twenty (20) years from date of issue. The proceeds from the bonds would be used to pay off the outstanding indebtedness of the County. The Act authorized a tax levy to create a sinking fund out of which the bonds, both principal and interest, would be paid.
3. Private Acts of 1921, Chapter 759, authorized the Quarterly County Court of Crockett County to issue and sell fifty thousand dollars (\$50,000) in coupon bonds, bearing interest of five (5%) percent, payable semi-annually and paid according to a maturity schedule itemized in the Act. The proceeds from the bonds would be used to pay the outstanding debts of the County, except those debts covered by previous bond issues. The Act authorized a tax levy in order to create a sinking fund out of which the bonds would be paid off and retired.
4. Private Acts of 1925, Chapter 813, permitted, subject to the outcome of a successful referendum, the Quarterly County Court to issue negotiable interest bearing coupon notes to pay off all the outstanding debts of the County evidenced by warrants. The notes could not bear interest annually exceeding six (6%) percent, nor have a maturity date beyond twenty (20) years. A special tax would be levied on all the taxable property in the County to provide a sufficient fund out of which to pay the principal and interest of any notes issued under the authority of this Act.
5. Private Acts of 1931, Chapter 754, authorized the Quarterly County Court to issue interest bearing warrants or notes to pay current expenses and any floating indebtedness of the County which was fixed, unfixed or undetermined. The amount of the notes would be left to the discretion of the Court, but could not exceed the restriction set out in the Act and could not bear interest in excess of six (6%) percent or mature in excess of ten (10) years from the date of issuance. The Act authorized the Quarterly County Court to levy a special tax on all taxable property in the County for the purpose of paying off the notes.
6. Private Acts of 1933, Chapter 284, authorized Crockett County through its County Judge to issue

interest bearing coupon bonds in an amount not to exceed two hundred thousand dollars (\$200,000). The proceeds from the sell of the bonds were to be used for refunding, redeeming or paying off certain outstanding bonds previously issued by the County. The interest on the bonds was not to exceed six (6%) percent annually and the bonds were to mature within twenty (20) years from the date of issuance. The County Court was authorized to levy an annual tax to provide a source for paying the interest on the bonds and for retirement of the bonds.

7. Private Acts of 1935, Chapter 33, validated the prior action of the Quarterly County Court in their issuance of thirty-five thousand dollars (\$35,000) in Funding Bonds, bearing a rate of interest of six (6%) percent and a maturity date of twenty (20) years from the date of issuance. The indebtedness which was funded by these bonds was also validated and declared to be the general obligation of the County as was an annual tax levy on all taxable property in Crockett County to pay off the bonds at maturity.
8. Private Acts of 1937, Chapter 125, authorized the Quarterly County Court to issue fifty thousand dollars (\$50,000) in four (4%) percent, sixteen (16) year bonds, payable semi-annually, to fund a like amount of debts which would be certified to the Judge by the Audit and Finance Committee of Crockett County. The bond form and the coupon form for interest were both incorporated into the Act. The Quarterly County Court was authorized to levy a tax on all taxable property in the County to pay the interest on the bonds and to create a sinking fund to use to retire the bonds at maturity.
9. Private Acts of 1937, Chapter 886, permitted the Quarterly County Court to issue fifty thousand dollars (\$50,000) bearing interest at six (6%) percent annually and a maturity schedule as determined by the said Court for the payment of any outstanding debts represented by warrants, bills, or notes. The Act authorized the Quarterly County Court to levy an annual tax on all taxable property in Crockett County sufficient to pay the interest and principal on said bonds as they became due.
10. Private Acts of 1941, Chapter 314, validated all the preceding actions of the Quarterly County Court of Crockett County with reference to a Resolution dated February 3, 1941 which issued one hundred twenty-five thousand dollars (\$125,000) in refunding bonds. To facilitate the issuance of the refunding bonds, the prior debts which were to be refunded by the issue were declared to be the legal, binding, and general obligations of the County and the necessary officials were authorized and empowered to do that which was necessary to effectuate the sale and delivery of the bonds mentioned. An annual tax was to be levied on all taxable property in Crockett County sufficient to pay the interest and principal on the bonds when due.

### **Home For The Aged**

1. Private Acts of 1961, Chapter 230, authorized the Quarterly County Court to issue bonds in the amount of seventy-five thousand dollars (\$75,000) bearing a rate of five (5%) percent interest annually and not to mature beyond twenty (20) years from date of issuance. The proceeds from the sell of the bonds were to be used to acquire a site and to construct a Home for the Aged. The Act authorized a special tax to be levied on all taxable property in Crockett County sufficient to pay the principal and interest on the bonds when due.

### **Jail**

1. Private Acts of 1949, Chapter 482, authorized the Quarterly County Court of Crockett County to issue and sell one hundred thousand dollars (\$100,000) in bonds which bore a four (4%) percent annual interest rate. The proceeds from the sale of the bonds would be used to purchase, build, repair, or construct buildings for the County Jail or the County Poor House and Farm. A tax levy of twenty cents (20¢) on each one hundred dollars (\$100) worth of taxable property in the County was authorized for the purpose of providing funds for paying the interest and principal on said bonds when due. All the foregoing was contingent upon the successful outcome of a county wide election on the question of issuing these bonds.
2. Private Acts of 1959, Chapter 148, authorized the Quarterly County Court of Crockett County to issue interest bearing notes or bonds in an amount not to exceed thirty thousand dollars (\$30,000) with an annual interest rate of five (5%) percent and a maturity date not to exceed five (5) years from the date of issuance. The purpose of this bond issue was to acquire a site for and/or to construct a county jail. The Act authorized a tax levy on all taxable property in the County sufficient to pay the interest and principal on said bonds when due.

### **Memorial**

1. Private Acts of 1945, Chapter 189, permitted the Quarterly County Court of Crockett County to appropriate four thousand five hundred dollars (\$4,500) from the general county fund to erect,

construct, and inscribe a suitable memorial to Crockett County citizens who gave their lives in the two (2) World Wars. The Court could levy a tax for the purpose of creating such a fund and use other funds donated, bequeathed or devised, for the same purpose. A committee of five (5), who would have certain mandatory qualifications, would be appointed to select the location and the inscription of the memorial, and to supervise the details of cost and construction of the memorial.

### **Roads**

1. Private Acts of 1927, Chapter 797, allowed the Quarterly County Court to issue, subject to a referendum, two hundred fifty thousand dollars (\$250,000) in bonds bearing an annual interest rate of six (6%) percent and a maturity date not to exceed thirty (30) years from the date of issuance. The bonds issued would be used to construct hard surfaced roads in Crockett County in connection with the State Highway Department. The Quarterly County Court was authorized to levy a special tax on all taxable property in the county sufficient to pay the interest on the bonds and to create a sinking fund out of which to retire the bonds.
2. Private Acts of 1929, Chapter 307, authorized the Quarterly County Court of Crockett County, subject to a successful referendum, to issue negotiable interest bearing bonds in an amount not to exceed seven hundred fifty thousand dollars (\$750,000) for the purpose of providing funds for the construction, maintenance and repair of certain hard surfaced roads and bridges within the County. The bonds would bear a five and one-half (5½%) percent interest rate and mature in not to exceed forty (40) years. A road commission composed of six (6) members was created for the purpose of carrying out the provisions of the Act. For service in carrying out the provisions of the Act the Road Commissioners would be paid five dollars (\$5.00) per day. An agenda of roads to receive the benefit of the funds was set out in the bill, along with express authority for the Road Commissioners to employ an engineer, solicit bids, award contracts and to institute condemnation proceedings when necessary. The Act specifically stated that more than one (1) election on the question of the issuance of the bonds could be held. This Act was expressly repealed by Private Acts of 1931, Chapter 406.
3. Private Acts of 1931, Chapter 406, repealed in its entirety Private Acts of 1929, Chapter 307, above, which had authorized the issuance of bonds in the amount of seven hundred fifty thousand dollars (\$750,000) for the construction and maintenance of hard surfaced roads and bridges in Crockett County and had created a Road Commission to supervise the funds received from the bond issue.
4. Private Acts of 1939, Chapter 402, authorized the Quarterly County Court of Crockett County, subject to a referendum, to issue one hundred thousand dollars (\$100,000) in bonds for the purpose of building, grading, macadamizing, repairing, and improving the public road system of Crockett County. The funds received from the sell of the bonds were to be divided with the cities in the proportion that their population bore to the population of the whole County. The Crockett County special Hard Road Commission was created by the Act to administer the proceeds of the bonds and to carry out the purposes of the Act. The Quarterly County Court was authorized to levy an annual tax on all taxable property in the county, sufficient to pay the principal and interest on the bonds when due.
5. Private Acts of 1945, Chapter 521, authorized, subject to a referendum, the Quarterly County Court of Crockett County to issue three hundred fifty thousand dollars (\$350,000) in bonds to maintain and repair the existing roads in Crockett County and to maintain and repair those roads later built in said county. The bonds to be issued would bear an annual interest rate not to exceed three and one-half (3½%) percent and to mature not more than twenty (20) years from the date of issuance. The bond and coupon forms were incorporated into the bill. The County would be divided into five (5) road districts. The Hard Road Commission would be composed of a member from each road district. The members would be paid four dollars (\$4.00) daily and the Chairman and Secretary six dollars (\$6.00) daily, not to exceed ten (10) days in one (1) month. The commission could employ an engineer, solicit bids, award contracts, and institute condemnation proceedings as they deemed necessary. An annual tax would be levied on all taxable property in the County to pay off the principal and interest on the bonds. This Act was repealed by Private Acts of 1949, Chapter 329.
6. Private Acts of 1947, Chapter 481, authorized the Quarterly County Court of Crockett County, subject to a successful referendum, to issue bonds in an amount not to exceed two hundred thousand dollars (\$200,000), to construct, maintain, repair, and improve present or future roads and highways in Crockett County, by use of rock hard surface or otherwise. The bonds were to bear an annual interest rate not to exceed three (3%) percent and no maturity schedule was specified in the Act. The County Court was authorized to levy an annual tax of thirty-five cents (35¢) on each one hundred dollars (\$100) worth of taxable property in the County to pay the

interest and principal on the bonds when due. This Act was repealed by Private Acts of 1949, Chapter 328.

7. Private Acts of 1949, Chapter 328, repealed Private Acts of 1947, Chapter 481, above, and directed that all funds received from the bond issue of the repealed Act be deposited by the Trustee of Crockett County to the credit of the County Road Commission for Crockett County, who would then dispense the bonds in the same way as the regular road money is dispensed. The Commission would also make contracts with the State Department of Highways regarding Secondary Federal Aid Roads.
8. Private Acts of 1949, Chapter 329, expressly repealed Private Acts of 1945, Chapter 521, above, and abolished the Hard Road Commission created under said Act. The repeal of the 1945 Act did not affect the validity of the bonds issued under that Act and said issue continued to be a binding obligation of the County under the repealing Act. In order to pay the interest on the said bonds the Quarterly County Court was authorized, under this repealing Act, to levy a tax on all taxable property in the County and to create a sinking fund for the payment of the principal at maturity. All road equipment and any remaining funds under the control of the Hard Road Commission were to be turned over to the County Road Commission to be used and expended by said Commission in the building and maintaining of the public roads in Crockett County.
9. Private Acts of 1957, Chapter 41, permitted the Quarterly County Court to issue one hundred fifty thousand dollars (\$150,000) in general obligation bonds to make general improvements to roads in Crockett County and to purchase gravel for road bases where the State agreed in writing to put black top paving on such roads. The bonds were to bear annual interest of four (4%) percent and were to mature in not to exceed five (5) years from date of issue. All details for the bond issue, the tax levy, and a provision for a "General Improvement Account," were all contained in the Act.
10. Private Acts of 1959, Chapter 67, authorized the Quarterly County Court to issue one hundred thousand dollars (\$100,000) in general obligation bonds, which would be placed in a special account and paid out by the Trustee on warrants from the County Judge, or Chairman, to buy gravel to build up the bases of roads which the State had agreed to pave with black topping. The bonds were to bear interest not to exceed four (4%) percent annually and to mature not beyond five (5) years from date of issuance. The County Court was authorized to levy a tax on all taxable property in the county, sufficient to pay the principal and interest on the bonds when due.
11. Private Acts of 1959, Chapter 293, authorized the Quarterly County Court of Crockett County, to issue thirty thousand dollars (\$30,000) in general obligation bonds. The proceeds of the bonds were to be used for the purchase of highway equipment. The bonds would bear an annual interest rate not to exceed five (5%) percent and were not to mature beyond five (5) years from date of issuance. The Act authorized a tax levy on all taxable property in the County to pay the interest and principal on the bonds when due.
12. Private Acts of 1961, Chapter 275, authorized the Quarterly County Court to issue bonds or make short term notes, as they should decide, in an amount not to exceed sixty-five thousand dollars (\$65,000) for the purpose of purchasing gravel for the base of county roads where the State agreed to blacktop such roads. A tax could be levied by the Quarterly County Court on all taxable property in the County, sufficient to create a fund out of which to pay the principal and interest on said notes or bonds as they mature.
13. Private Acts of 1963, Chapter 180, attempted to amend Private Acts of 1959, Chapter 67, above, by deleting the phrase "in writing" as it appeared in Section 1, of the 1959 Act applicable to the State's agreement to put blacktop paving on roads which would have a gravel base. Further, the 1959 Act would have been amended by raising the amount of the bonds authorized to be issued to one hundred twenty-five thousand dollars (\$125,000), and increasing the interest rate to five (5%) percent. This Act was not approved at the local level and never became a law.

### **Schools**

1. Private Acts of 1929, Chapter 305, was the authority for the County Court to issue bonds in the amount of one hundred thousand dollars (\$100,000), the proceeds of which would be used to retire and pay off the debts of several towns in the County which were incurred for school purposes. Further, the funds would be used for constructing new schools, and for making additions to or repairing existing schools. The bonds would bear interest not to exceed five (5%) percent annually and not mature beyond twenty (20) years. The proceeds of the bonds would be allocated to eight (8) cities in the amount set out in a table in the Act and would be sold by a committee composed of two (2) people to be selected by the County Court and the Secretary of the School Board. The Act authorized a tax levy on all the taxable property in the County sufficient to create a fund to pay off the principal and interest on the bonds.

2. Private Acts of 1929, Chapter 855, validated, confirmed, and legalized all the actions taken by the Quarterly County Court of Crockett County in connection with the issuance of one hundred thousand dollars (\$100,000) in school bonds referred to in Private Acts of 1929, Chapter 305, above. Said bonds were declared to be the valid and binding obligations of the County and required a tax levy be instituted sufficient to pay off the principal and interest on the bonds when due.
3. Private Acts of 1937, Chapter 887, authorized the Board of Directors of the Gadsden Special School District in Crockett County, subject to a successful referendum in said special school district, to issue and sell bonds in an amount not to exceed three thousand dollars (\$3,000). The proceeds from the sale of the bonds would be used for the purpose of repairing, enlarging and/or building new school buildings in said special school district. The bonds would bear interest at an annual rate not to exceed six (6%) percent and no maturity schedule was set out in the Act. A tax would be levied on all taxable property in the school district for the purpose of creating a fund out of which to pay the principal and interest on said bonds when due.
4. Private Acts of 1980, Chapter 226, authorized the Crockett Mills High School District in Crockett County, subject to a referendum in said special school district, to issue and sell bonds in an amount not to exceed one million four hundred thousand dollars (\$1,400,000) for the purpose of constructing, improving, and equipping school buildings in said school district and for acquiring property to accomplish said purpose. The bonds would bear interest at a rate not to exceed ten (10%) percent annually and mature not beyond thirty (30) years from date of issuance. The Act authorized a tax levy of three dollars and ninety-five cents (\$3.95) on every one hundred dollars (\$100) worth of taxable property in the school district to create a fund out of which the interest on the bonds would be paid and the bonds paid and retired at maturity. This Act was repealed by Private Acts of 1981, Chapter 38.
5. Private Acts of 1981, Chapter 38, repealed in its entirety, Private Acts of 1980, Chapter 226, cited above, which had authorized the Crockett Mills Special School District to issue school bonds in the amount of one million four hundred thousand dollars (\$1,400,000).

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