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# Public Acts of 1975 Chapter 371

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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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# Public Acts of 1975 Chapter 371

**COMPILER'S NOTE:** The following act is a public act of special application and is not codified in Tennessee Code Annotated.

**SECTION 1.** The State of Tennessee, acting by resolution of its funding board, is authorized to issue and sell direct general obligation interest-bearing bonds of the state of Tennessee in the amount of two million dollars (\$2,000,000). Such bonds may be issued and sold in one block or in several installments as the funding board may determine, after advertisement as provided by law.

**SECTION 2.** Said bonds and the interest-bearing coupons attached thereto shall be in such form, mature at such time or times within thirty (30) years from the date of their issuance, be payable at such place or places both as to principal and interest, and be in such denomination and bear such rate of interest payable semi-annually, as the funding board shall by resolutions direct. However, the maximum rate determined by the funding board in no instance shall exceed the legal rate as provided in Section 47-14-104 of the Tennessee Code Annotated. The bonds shall be executed in the name of the state by the governor and the state treasurer, either manually or by facsimile signatures, and shall be countersigned by the secretary of state or the comptroller of the treasury with the great seal of the state or a facsimile thereof attached thereto, or imprinted thereon, and the interest coupons shall be executed with lithographed facsimile signature of the governor and secretary of state. The bonds shall be sold by the funding board after the advertisement as provided in this act; and when they have been sold, the proceeds derived from the sale thereof shall be paid to the state treasurer to be disbursed by him and other fiscal officers and agencies of the state as provided by the general law and this act. The bonds and interest payable thereon shall be exempt from taxation by the state of Tennessee and each county, municipality and taxing district thereof.

**SECTION 3.** When the bonds are so issued and sold they shall be direct general obligations of the state of Tennessee for the payment of which well and truly to be made according to the tenor, effect and terms thereof the full faith and credit of the state, together with its taxing power, shall irrevocably be pledged. The bonds authorized herein shall be issued agreeable to the terms of Chapter 165, Public Acts of 1937, as amended, and Sections 9-901 through 9-920, inclusive, and Section 59-607 of the Tennessee Code Annotated; and they shall be financed, retired and paid both as to principal and interest as provided in such 1937 act and Code sections and shall be subject to the terms and conditions therein and herein contained.

As additional security for the payment of the bonds with interest, as herein authorized, there is hereby expressly pledges a sufficient amount of the sinking fund arising from the collection of taxes under the last two paragraphs of Section 1, Chapter 17, Public Acts of 1949, as amended, to secure the prompt payment of the bonds with interest as they fall due.

When the bonds are sold and proceeds paid over to the state treasurer, the funds shall be paid out by him and the proper fiscal officers of the state, as provided by general law, but only on order of the commissioner of agriculture, provided further, however, that a work program has been prepared by the Obion-Forked Deer Basis Authority and approved by the commissioner of finance and administration and the commissioner of agriculture.

**SECTION 4.** The proceeds of any and all issues of bonds herein authorized shall be allocated to the Department of Agriculture for the purpose of providing funds for needed improvements in the Obion-Forked Deer Basin, under the direction of the Department of Agriculture.

**SECTION 5.** From the proceeds of any issue of bonds herein authorized, the funding board shall have authority to cause such amounts to be withheld or deducted as necessary to defray the expense of advertising the bond issue for the sale and furnishing an approved legal opinion of bond attorneys.

**SECTION 6.** No funds shall be obligated under the authority of this Act until such time as the General Assembly has appropriated sufficient funds to pay the first year's obligation of principal and interest on the amount of bonds to be issued and the state funding board has determined that such funds are available; except that if obligations have already been incurred by authority of the State Building Commission for any project for which the issuance of bonds is authorized herein, the provisions of this section shall not apply.

**SECTION 7.** This Act shall take effect on becoming a law, the public welfare requiring it.

Passed: May 30, 1975.

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