

HOUSE BILL 950

By Brooks

AN ACT to amend Tennessee Code Annotated, Title 4, Chapter 3, Part 5; Title 5; Title 6; Title 7; Title 11; Title 43, Chapter 24 and Title 68, Chapter 201, relative to environmental protection.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 4, Chapter 3, Part 5, is amended by adding the following as a new section:

(a) As used in this section:

(1) "Department" means the department of environment and conservation;

(2) "Development fund" means the urban green space development fund, created by subsection (b);

(3) "Green space":

(A) Means areas of land, which by reason of having natural and historic features, scenic beauty, or location, possess natural or potential physical, aesthetic, scientific, creative, social, or other recreational values, and are dedicated to and reserved and administered by a local government entity or private nonprofit organization for the recreational and cultural use and enjoyment of the public; and

(B) Includes community gardens, as defined in § 43-24-102; and

(4) "Urban area" means a geographic area that is defined as an urban area by the United States census bureau.

(b) There is created a special account in the state treasury to be known as the Urban Green Space Development fund.

(c)

(1) Moneys in the development fund must be used exclusively by the department to provide grants to local government entities and private nonprofit organizations. All such grants must be made solely for the fee simple purchase of, or purchase of protective interests in, green space located in urban areas.

(2) The department shall establish, administer, manage, and make expenditures and allocations from the development fund.

(3)

(A) A private nonprofit organization seeking grant funding from the development fund must provide matching funds from any nonstate sources on a basis established by the department in a rule promulgated pursuant to the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

(B) For the purposes of this subdivision (c)(3), "matching funds" means both cash and the value of any noncash contribution due to a bargain sale or the donation of land or interest therein made by the landowner as part of a proposed project.

(C) State funds must not be included in determining the amount of the match.

(4) Eligible costs for which moneys from the development fund may be allocated include:

(A) Acquisition of land and any improvements thereon; and

(B) Acquisition of permanent protective interests, including, but not limited to, conservation easements and costs associated with such acquisitions, including, but not limited to, the cost of appraisals,

environmental reports, surveys, title searches and title insurance, and other closing costs.

(5) Grants from the development fund may be awarded for prospective purchases or for acquisitions for which the applicant has closed; provided, that for closed acquisitions, the applicant shall demonstrate that:

(A) The closing occurred no more than twelve (12) months prior to the date of application for the grant; and

(B) An identifiable threat to the future availability of the resource existed at the time of the purchase.

(6) Any private nonprofit organization making an acquisition of land or interest therein pursuant to this section shall grant to the local government where such land is located a perpetual easement placing restrictions on the use or development of the land for a purpose other than green space.

(7) This section does not prevent the subsequent transfer of property acquired pursuant to this section to the state.

(8) The department shall establish guidelines for applications, prioritization, and award of grants from the development fund in consultation with appropriate stakeholders. Consideration shall be given, but not limited to, the financial and administrative capacity of the applicant to complete the project and to maintain and manage the property consistent with the public investment and public interests, such as education, recreation, research, tourism promotion, or orderly community development.

(9) All grant recipients are subject to audit by the comptroller of the treasury as to the funds received pursuant to this section.

(d)

(1) In addition to appropriations made to the development fund, the department may accept other funds, public or private, by way of gift or grant to the development fund. Any such gift or grant shall be deposited into the development fund to be distributed in accordance with this section.

(2) Moneys in the development fund may be invested by the state treasurer in accordance with § 9-4-602.

(3) Interest accruing on investments and deposits of the development fund shall be credited to the development fund, shall not revert to the general fund, and shall be carried forward into the subsequent fiscal year.

(4) Any balance remaining unexpended at the end of a fiscal year in the development fund shall not revert to the general fund but shall be carried forward into the subsequent fiscal year.

SECTION 2. Tennessee Code Annotated, Section 68-201-107, is amended by adding the following as a new subdivision:

( ) Establish a program to incentivize community-led projects that improve air quality.

SECTION 3. This act is not an appropriation of funds, and funds must not be obligated or expended pursuant to this act unless the funds are specifically appropriated by the general appropriations act.

SECTION 4. For the purpose of promulgating rules, this act takes effect upon becoming a law, the public welfare requiring it. For all other purposes, this act takes effect January 1, 2026, the public welfare requiring it.