

HOUSE BILL 2355

By Todd

AN ACT to amend Tennessee Code Annotated, Title 5,
Chapter 8, relative to investment funds.

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

SECTION 1. Tennessee Code Annotated, Section 5-8-301(b)(5)(A)(ii), is amended by deleting it in its entirety and by substituting instead the following:

(ii) Bonds, notes or other obligations of any county or municipal corporation, or instrumentality thereof, of this state, including bonds, notes or other obligations payable from revenues, but expressly excluding bonds of any road, levee or drainage district;
and

SECTION 2. Tennessee Code Annotated, Section 5-8-301(b)(7), is amended by deleting it in its entirety and by substituting instead the following:

(7) The county's own bonds or notes issued in accordance with title 9, chapter 21 and bonds or notes issued by a public building authority created under title 12, chapter 10, the proceeds of which were used to make a loan to the county;

SECTION 3. Tennessee Code Annotated, Section 5-8-301(c)(2), is amended by adding the following sentence at the end of such subdivision:

Notwithstanding the foregoing, such investments may have a maturity of greater than two (2) years from the date of investment if the obligation represented by such investment may be tendered by the holder to the issuer or an agent of the issuer at intervals of two (2) years or less and, with the approval of an investment committee as set forth herein, such investments may have a maturity of greater than five (5) years from the date of investment if the obligation represented by such investment may be

tendered by the holder to the issuer or an agent of the issuer at intervals of five (5) years or less.

SECTION 4. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end, the provisions of this act are declared severable.

SECTION 5. This act takes effect upon becoming law, the public welfare requiring it.