



State of Tennessee

PUBLIC CHAPTER NO. 956

SENATE BILL NO. 2182

By Lundberg

Substituted for: House Bill No. 2797

By Hulsey

AN ACT to amend Tennessee Code Annotated, Title 5; Title 6; Title 7; Title 13 and Title 48, relative to the development of housing.

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

SECTION 1. Tennessee Code Annotated, Title 7, Chapter 53, Part 3, is amended by adding the following as a new section:

(a) As used in this section:

(1) "Housing opportunity county" means a county with acute needs for additional housing to support the expected growth in population due to the undertaking of one (1) or more economic development projects, whether located in the county or surrounding area, that are certified by the commissioner of economic and community development as expected to result in the employment of more than one thousand (1,000) new employees.

(2) "Project" includes, notwithstanding § 7-53-101, all public infrastructure that is located in or is necessary to be constructed for a qualified residential development;

(3) "Public infrastructure" means roads, streets, traffic signals, sidewalks, lighting, utilities, including water, wastewater, electric, gas, and broadband, and stormwater improvements that will be dedicated to public entities or will be owned by private companies that have a franchise to provide the applicable utility services to the qualified residential development; and

(4) "Qualified residential development" means an area to be developed for residential housing, which may be single-family housing or multi-family housing; provided, that at least eighty percent (80%) of the developable area in the development is expected to be used for residential housing, as determined by the industrial development corporation.

(b) In addition to all powers granted to an industrial development corporation granted pursuant to this chapter, an industrial development corporation created by a housing opportunity county or by a municipality within the boundaries of the housing opportunity county or jointly by any combination of such entities has the following additional powers:

(1) To construct and install public infrastructure for qualified residential developments or contract with a private party for the construction and installation of such public infrastructure;

(2) To accept loans and grants of money from this state or the United States or any agency or instrumentality of this state or the United States, upon such terms and conditions as this state, the United States, or the agency or instrumentality may impose, for purposes of carrying out the design, construction, installation, financing, or undertaking of public infrastructure; and

(3) To make loans and grants of money to private entities constructing and installing public infrastructure for qualified residential developments within the

boundaries of the housing opportunity county upon such terms as the industrial development corporation deems advisable.

(c) If this state or an agency or instrumentality of this state makes a loan or grant to an industrial development corporation in a housing opportunity county for the purposes described in this section, such loan or grant must be made upon such terms as are embodied in a written agreement between this state or an agency or instrumentality of this state and the industrial development corporation and that are approved by the comptroller of the treasury and the commissioner of finance and administration.

SECTION 2. This act takes effect upon becoming a law, the public welfare requiring it.

SENATE BILL NO. 2182

PASSED: April 23, 2024



RANDY McNALLY
SPEAKER OF THE SENATE



CAMERON SEXTON, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 9th day of May 2024



BILL LEE, GOVERNOR