



**State of Tennessee**  
**PUBLIC CHAPTER NO. 752**

**SENATE BILL NO. 2420**

**By Norris**

Substituted for: House Bill No. 2300

**By Todd**

AN ACT to amend Tennessee Code Annotated, Title 7, Chapter 53, relative to industrial development corporations.

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

SECTION 1. Tennessee Code Annotated, Section 7-53-302, is amended by adding the following language as a new subsection:

(d) In addition to the powers specified in subsection (a) and upon the adoption of a resolution of the county legislative body, a corporation in any county having a population of over nine hundred thousand (900,000), according to the 2010 federal census or any subsequent federal census:

(1) Has the following powers, together with all powers incidental to such powers or necessary for the performance of those powers, to:

(A) Enter into loan agreements with others with respect to one (1) or more projects or for activities, costs, debt restructuring or working capital associated with projects for such payments or deferrals and upon such terms and conditions as the board of directors of the corporation may deem advisable in accordance with this chapter; and

(B) Sell, exchange, donate, forgive debt, grant and convey any or all of its assets or properties, including, without limitation, all or any part of the rents, revenues and receipts of the corporation from its projects, whenever its board of directors shall find any such action to be in furtherance of the purposes for which the corporation was organized; and

(2) Shall not enter into a loan agreement, accept a note or issue any indebtedness, or otherwise provide financing for working capital that:

(A) Exceeds two hundred fifty thousand dollars (\$250,000) in principal amount to any project or borrower; or

(B) Provides for a term in excess of five (5) years, including any renewals or extensions of such financing.

SECTION 2. Tennessee Code Annotated, Section 7-53-308, is amended by designating the existing language as subsection (a) and by adding the following language as a new subsection:

(b)(1) Notwithstanding any provision of this chapter to the contrary, nothing in this section shall prevent the board of directors from transferring all or any part of its assets in accordance with the terms of any lease, sale contract, loan agreement, mortgage or deed of trust entered into by the corporation.

(2) This subsection (b) shall apply to any county having a population of over nine hundred thousand (900,000), according to the 2010 federal census or any subsequent federal census.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.

SENATE BILL NO. 2420

PASSED: April 7, 2014



RON RAMSEY  
SPEAKER OF THE SENATE



BETH HARWELL, SPEAKER  
HOUSE OF REPRESENTATIVES

APPROVED this 22<sup>nd</sup> day of April 2014



BILL HASLAM, GOVERNOR

ADDENDUM TO SENATE BILL 2420

This bill has an effective date of April 21, 2014 in accordance with Article III, Section 18 of the Constitution of the State of Tennessee.