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Chapter III - Bond Issues

Dear Reader:

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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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Bond Issues - Historical Notes

A listing of the acts which authorized various bond issues for Williamson County is included below for reference purposes, although these acts are no longer current. Also referenced below is an act which repeals prior law without providing new substantive provisions.

Agricultural Experiment Station

1. Private Acts of 1917, Chapter 575, was the enabling law which allowed the Quarterly Court of Williamson County at any regular, or called, session to issue up to \$150,000 in bonds, at an interest rate of 5%, or less, and with a maturity schedule which could not exceed 25 years to purchase sites for, erect and equip buildings for educational purposes through an agricultural experiment station. The Act contained all the essential details of valid bond legislation and a mandatory tax levy requirement.

Courthouse

1. Private Acts of 1937, Chapter 651, was the legal authority for the Quarterly Court to issue and sell up to \$50,000 in bonds, at an interest rate not to exceed 4%, and to mature at times specified by the court but no longer than thirty years from the date of issue, the proceeds of which would be used to remodel the courthouse in Franklin. All the above could be accomplished by a Resolution of the Quarterly Court which would include all the essential details of a general obligation bond issue, pledging the full faith and credit of the county and making a special tax levy necessary to amortize the principal and interest of the bonds as long as any were due and unpaid.

Debts

1. Private Acts of 1929, Chapter 811, permitted the Williamson County Quarterly Court to issue and sell up to \$200,000 in 5%, 30 year bonds, to pay the outstanding warrants and to acquire rights of way for roads and turnpikes. The issue must first be approved by the people in a referendum vote. If the issue were approved, all the details specified in the act must be closely followed. This Act was repealed by Private Acts of 1931, Chapter 144. 2. Private Acts of 1935, Chapter 59, confirmed and validated all the prior proceedings of the Williamson County Quarterly Court had in connection with the issuance of \$35,000 in funding bonds, dated January 1, 1935, bearing an interest rate of three and one-eighth percent, notwithstanding the lack of any statutory authority at the time of issue. It was the mandatory duty of the Quarterly Court to levy a sufficient tax to amortize these bonds.

Jail

1. Acts of 1941, Chapter 45, allowed the Williamson County Quarterly Court to borrow \$25,000 and to issue up to \$25,000 in bonds, at an interest rate not to exceed 4%, and to mature no later than 30 years from the date of issue, the proceeds of which were to be used in the construction of a county jail in Franklin. All prior actions of the court in connection therewith were legalized and validated. No referendum was necessary but all the essential details must be contained in an appropriate resolution of the Quarterly Court.

Roads

1. Acts of 1901, Chapter 448, authorized the counties of Davidson, Lincoln, Giles, Maury, and Williamson to buy any turnpike or roads in their respective county and make them free public roads. The Quarterly Courts of the counties could issue and sell up to \$250,000 in bonds, at an interest rate not to exceed 6%, and which would mature between 5 and 30 years from the date of issue. Being general obligation bonds, the court must pledge the full faith and credit of the county and may levy a tax to pay them off within the specified maturity period.
2. Private Acts of 1931, Chapter 94, was the enabling Act for the Quarterly Court of Williamson County to issue up to \$350,000 in 5%, 40 year bonds, the proceeds of which would be used to purchase certain turnpikes for public use namely, the Franklin Turnpike, the Franklin- Spring Hill Turnpike, the Nolensville Turnpike, and the Farmington and Fayetteville Turnpike. The court which was further mandated to levy the proper tax to pay the interest and to create a sinking fund.
3. Private Acts of 1937, Chapter 652, permitted the Williamson County Quarterly Court to borrow up to \$50,000 and deliver to its lender 4%, 30 year, bonds, to be applied to the payment of the costs of any rights-of-way which might have been purchased by the county in the construction of roads. No public referendum would be necessary to issue these bonds. They would be the general

- obligation bonds of the county for which a tax must be levied to amortize those outstanding and due.
4. Private Acts of 1939, Chapter 86, was the authority for the Quarterly Court of Williamson County to borrow \$50,000 and to issue bonds, at interest rates of 4% or less, and to mature within 30 years of the issue date, up to \$50,000, to pay for any and all rights of way which might be purchased by the county in the building of roads. These bonds were to be general obligation bonds for which a sufficient tax levy would be made each year as long as any were outstanding and unpaid.
 5. Private Acts of 1947, Chapter 791, allowed the Quarterly Court to borrow \$25,000 and sell an amount, not to exceed \$25,000, in 4%, 30 year bonds, the proceeds of which would be applied to the acquisition of any and all rights of way which might be purchased by the county in the building of roads.
 6. Private Acts of 1949, Chapter 71, ratified and confirmed the prior proceedings of the Williamson County Quarterly Court taken as an Emergency Resolution at the January term, 1947, and at the April term, 1948, for the issue and sale of \$100,000 in bonds at an interest rate not to exceed 3%, the proceeds of which were used to purchase highway equipment and to build and repair roads. The action of the County Judge taken pursuant to the abovementioned Resolutions and the action of the Quarterly Court in the levying of a special tax of 42 cents per \$100 property valuation were likewise ratified and confirmed. The money produced by the special tax levy was sufficient to pay off the obligations of the bonds and the interest then accruing which the Quarterly Court could appropriate lawfully for that purpose.
 7. Private Acts of 1949, Chapter 474, enabled the Quarterly Court to borrow up to \$100,000 and issue bonds at an interest rate and with a maturity schedule to be fixed by the Court. No public referendum would be necessary prior to the bond issue. The proceeds of the issue would be used to purchase highway equipment and to repair and maintain the roads and highways of the county. The bonds would be general obligations of the county.
 8. Private Acts of 1951, Chapter 94, permitted the Williamson County Quarterly Court to issue up to \$75,000 in bonds at an interest rate not to exceed 4%, and to mature according to a schedule to be fixed by the court which funds would be applied to constructing and equipping a garage for the storage and repair of motor vehicles and equipment owned by the county which was used to build, repair, and maintain county highways. All the bonds, for which no referendum was required, would be the general obligations of Williamson County.

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