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# Highway Funds

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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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# Highway Funds

## Private Acts of 1931 Chapter 670

**SECTION 1.** That upon the receipt from the State of the gasoline tax allocated and paid over by law to the Trustee of all counties of the State having a population of not less than 23,400 and not more than 23,410, under the Federal Census of 1930, or any subsequent Federal Census, the Trustee shall pass said funds to the account of "The County Highway and Bridge Funds" of said Counties and said funds after being so deposited shall be subject to the control and may be expended by the County Highway Commission or County road authorities of said counties in constructing, maintaining and improving the county highways or roads, and for purchasing such machinery, material and equipment, or paying salaries allowed by law to such Highway Commissioners or authorities, necessary clerk or office hire and expenses, as the said Highway Commission or County Highway authorities may deem proper or direct, and in the manner provided by law in such cases; provided that the administrative expenses of the Lauderdale County Highway Commission, consisting of commissioners [sic] salaries, clerk hire, office rents, lights, telephone bills, fixture repairs, office supplies, stamps, stationery, forms, etc., or other necessary administrative expenses, not to exceed, \$ [sic] not exceeding 10% of the total of such funds received from the State during the year for any one year. [sic] or so much thereof as may be necessary, shall be paid out of the amounts received from the two cents gasoline tax fund allocated and paid over to the Trustee of Lauderdale County and taken into account in determining any surplus to be applied at the end of the year to the payment of bonds or interest thereon.

In the event of sickness or other disability of any member of the commission provided for in the law pertaining to the construction and maintenance of public roads in Lauderdale County, Tennessee, so that such commissioner is unable to perform his duties as such, then any other member of the commission is authorized and empowered to perform his said duties in his place and stead, and for such services the commissioner so performing said duties shall receive a salary equal in amount to the salary to which the disabled commissioner is entitled, and this provision shall be construed to become operative from and after January 1, 1937, said salary to be in addition to the salary to which the commissioner so performing said services is entitled. And in the event of the sickness or other disability of more than one of the said commissioners, the commission [sic] still performing his services and duties as such is empowered to employ any person deemed by him to be competent to perform the duties of the second one of the commissioners which has become so disabled, to perform his duties, for which the active commissioner is entitled to contract and pay out of the said road funds for the services of the person so employed an amount not to exceed \$75.00 per month. Any commissioner so disabled for a longer term than 12 months shall not be entitled to draw any salary for his services as such commissioner after the expiration of the 12 months period. And in the event of the sickness or inability of the Secretary (who is also the bookkeeper) to the commission to perform his duties as such, then the commissioner or the active member or members thereof are empowered to employ an Assistant Secretary and Bookkeeper to perform such duties and to pay such Assistant Secretary a salary not to exceed the sum of \$75.00 per month, until such time as the regular Secretary and Bookkeeper may be able to resume his work, and during the time that such Assistant Secretary is employed and performing said duties the regular Secretary shall receive no compensation for services as such Secretary.

As amended by: Private Acts of 1933, Chapter 16  
Private Acts of 1937, Chapter 590

**SECTION 2.** That at the end of each calendar year, the County Highway Commissioners or County Road authorities in such counties, shall notify the Trustee of any and all warrants drawn against said funds and unpaid and any and all outstanding contracts entered into which will necessitate any of said funds received during that year to meet and liquidate and the amount of same, whether said contracts are to be performed in that year or not. Any of said funds received during the year and not expended by the Highway Commission or the County Road authorities, or against which no warrants have been drawn and unpaid, or not necessary to meet and liquidate any contracts as referred to above, at the end of the calendar year, shall be passed by the Trustee to a County Highway Liquidation Fund, and used by the Trustee in paying off the principal and/or interest, or buying in the county highway bonds of said county, as distinguished from county bonded indebtedness incurred for building State Aid Roads or Federal Aid Roads, whether said bonds be due or not; and the Trustee of the County is authorized to use the same for said purposes whenever said bonds, whether due or not, can be paid with accrued interest or purchased at par or less and accrued interest on such bonds, it being the intent and purpose of this amended Act to direct that any surplus of funds received during any calendar year be applied to the payment or purchase of said county highway bonds and accrued interest, as distinguished from bonded indebtedness of said counties incurred in building State Aid or Federal Aid Roads in said county.

As amended by: Private Acts of 1933, Chapter 16

**SECTION 3.** That when said bonds are purchased or paid off by the Trustee it shall be his duty to carry same to the proper authorities of the county and have the same cancelled and recorded and filed as cancelled bonds in the same way and manner as the law requires when said bonds are present by the owners or holders of same and presented for payment and paid when they fall due, it being the purpose of this Act to have said bonds cancelled and retired as a part of the said bonded indebtedness of the county whenever the Trustee either pays same off when due or purchases same with said funds. If at any time the Trustee has not sufficient funds to purchase any of said bonds or pay the same off, he is authorized and directed to use such of said funds as he has in his hands in paying semi-annual interest then due on any or all of the said county highway bonded indebtedness; and if no such interest is due, he is directed to hold and deposit any such funds as he may have in his hands and which he has not been able to use in the purchase or payment of any of said bonds as directed hereinabove on interest just as he does other county funds until such time as he may have the opportunity to purchase or pay same; and the interest collected by him on such funds shall be deposited and kept and used by him as a part of the principal for the purposes set out in this Act.

**SECTION 4.** [Deleted by Private Acts of 1933, Chapter 16]

As amended by: Private Acts of 1933, Chapter 16

**SECTION 5.** [Deleted by Private Acts of 1933, Chapter 16]

As amended by: Private Acts of 1933, Chapter 16

Passed: June 29, 1931.

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