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Summaries of Interest to Municipal Officials

By Dennis W. Huffer Director of Legal Services Tennessee Municipal League Risk Management Pool



The University of Tennessee Municipal Technical Advisory Service In cooperation with The Tennesssee Municipal League



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Abandoned Property

Chapter No. 195 (SB 729/HB 679). <u>Abandoned property – time periods decreased</u>. Amends *Tennessee Code Annotated* § 66-29-106(a) to make unclaimed utility deposits abandoned property if they have remained unclaimed for two, rather than seven, years. Also amends this section to provide that utility refunds ordered by a court or administrative agency are considered abandoned if they have been unclaimed for two years. Also amends this section to require the utility to attempt to notify the subscriber within 120 days of the commencement of the two-year period.

Amends *TCA* § 66-29-110 to provide that property in the possession of a political subdivision that has remained unclaimed for one year, rather than the previous seven, shall be considered abandoned.

Amends *TCA* § 66-29-113 to increase from \$25 to \$50 the value of abandoned property in possession of a person before a report to the treasurer must be made.

Also amends $TCA \$ 66-29-113(e) to require an attempt by the person or entity holding abandoned property to notify the apparent owner if the property is valued at \$50 or more if there is an apparently accurate address. This attempt must be made not more than 120 days before filing the report with the treasurer.

Effective date: July 1, 1993.

Alcoholic Beverages

Chapter No. 157 (SB 1135/HB 574). <u>Wholesalers allowed to do other business</u>. Amends *TCA* § 57-3-404(d) to allow liquor wholesalers to engage in other businesses as long as revenues from the other businesses do not exceed 50 percent of total revenues. Liquor wholesalers may not engage in the beer business.

Effective date: April 12, 1993.

Chapter No. 297 (SB 1459/HB 1363). <u>Beer laws amended</u>. Amends *TCA* Title 57, Chapter 5, Part 1 to do the following:

- Repeal the prohibition on aliens holding beer permits.
- Require applicants for beer permits to pay a non-refundable \$250 application fee to the municipality.
- Impose a \$100-per-year privilege tax on the business of selling, distributing, storing, or manufacturing beer. Revenues from this tax go to the municipality to be used for any municipal purpose. The tax is due on Jan. 1 of each year. Municipalities must mail written notice to each permit holder of the payment

date at least 30 days before Jan. 1. If the permit holder does not pay by Jan. 31, the city must again notify the permit holder that payment is due. If the permit holder does not pay within 10 days after receiving the notice, the permit is void.

- Require municipalities on or before Sept. 1, 1993, to mail written notice to each permit holder (as of May 6, 1993) requesting information required by the act (name of applicant, name of business, location of business, persons having at least a 5 percent ownership interest, etc.)
- Require the permit to be held by the owner of the business.
- Prohibit transfer of permit from one owner to another.
- Allow an owner who operates two or more businesses in the same building to operate same or all pursuant to the same permit.
- Allow a business to sell beer for both on-premises and off-premises consumption pursuant to one permit.
- Require a permit holder to return the permit within 15 days of the termination of business, change in ownership, relocation, or change of the business name.
- Allow cities and beer boards to offer as an alternative to revocation or suspension of a beer permit the payment by the permit holder of a civil penalty of up to \$1,500 for each offense of making sales to minors or a civil penalty of up to \$1,000 for other offenses. If the civil penalty is offered as an alternative, the permit holder has seven days to pay before the revocation or suspension is imposed.
- Prohibit cities and counties from revoking, suspending, or denying a permit to
 a beer business on the basis of its proximity to a church, school, or other place
 of public gathering if a valid permit had been issued to the business as of Jan.
 1, 1993. If beer is not sold for six continuous months, this protection does not
 apply.

Effective date: May 6, 1993.

Chapter No. 308 (SB 941/HB 800). <u>Premier type tourist resorts</u>. Amends *TCA* § 57-4-102(17) to include additional facilities within the definition of premier type tourist resort in which intoxicating liquor may be served.

Effective date: May 13, 1993.

Chapter No. 349 (SB 883/HB 420). <u>Suspension or revocation of beer permits</u>. Amends *TCA* § 57-5-109(c) to require beer boards to consider repeated violations of any local ordinance or state law relative to prohibited sexual contact on the premises of adult-oriented establishments in considering the suspension or revocation of the permit. *Effective date: May* 17, 1993.

Chapter No. 451 (SB 816/HB 721). <u>Residency requirement for liquor and beer applicants</u>. Amends *TCA* § 57-3-208 to provide that a local jurisdiction may not impose a residency requirement on any liquor store applicant who has been continuously licensed for seven consecutive years.

Amends TCA § 57-5-108(a)(1) to prohibit residency requirements for beer applicants. Effective date: May 19, 1993.

Annexation

Chapter No. 36 (SB 19/HB 4). <u>Annexing into another time zone</u>. Amends *TCA* Title 6, Chapter 51, Part 1 to make it unlawful after Dec. 31, 1992, for a municipality to annex, by ordinance upon its own initiative, territory in any county other than the county in which the city hall of the annexing municipality is located if the two counties are located in different time zones.

Effective date: March 17, 1993.

Chapter No. 213 (SB 1180/HB 1043). <u>Annexation--regional airport</u>. Amends *TCA* Title 6, Chapter 51, to provide if three or more municipalities and counties jointly create and participate in a regional airport commission and if the commission's property is located outside the boundaries of the participating municipalities, no municipality may annex the airport property without prior consent of the participating municipalities and counties.

Effective date: April 19, 1993.

Chapter No. 375 (SB 1416/HB 1102). <u>Annexation by municipality with private utility:</u> <u>provision of natural gas by certain utility districts</u>. Amends *TCA* § 6-51-111 to require a utility district and a private utility providing service to an annexing municipality to attempt to reach an agreement in writing for conveyance of the utility district property in the annexed area to the private utility serving the municipality. If an agreement is not reached, the utility district continues to service the area.

This act also amends *TCA* Title 7, Chapter 82 to provide that a natural gas utility district located in a county with more than 5 percent of its territory within the boundaries of a national park may provide natural gas to consumers in any municipalities in an adjacent such county.

Effective date: May 17, 1993.

Boards and Commissions

Chapter No. 188 (SB 1238/HB 669). <u>Bicentennial commission created</u>. Amends *TCA* Title **4** to create a Bicentennial Commission to plan bicentennial celebrations. The commission may work with municipalities and other governmental entities.

Effective date: April 13, 1993.

Building and Utility Codes

Chapter No. 275 (SB 1205/HB 951). Electrical safety code for electric supply stations and lines. Amends *TCA* § 68-101-104(a) to adopt the Aug. 3, 1992, edition of the American National Standard Electrical Safety Code for electrical supply stations and lines. *Effective date: May 7, 1993.*

Chapter No. 478 (SB 1464/HB 1367). <u>Copies of building codes, etc., required; code</u> <u>citations; purchase of land, etc., for entertainment halls</u>. Amends *TCA* Title 6, Chapter 54, Part 1 to require municipalities to retain a copy of standard codes adopted by the municipality as a public record. The act requires citations issued for violations of standardized codes to contain a notation identifying with specificity where a copy of the code is located and the hours during which it may be inspected.

This act also adds code § 6-54-117, which authorizes municipalities to purchase land and install roads and utilities to aid in constructing performance halls, theaters, auditoriums, and other entertainment facilities. The municipality may also issue debt for these purposes.

Effective date: July 1, 1993.

Chapter No. 520 (SB 506/HB 1183). <u>Issuance of building permits -- compliance with</u> workers' compensation coverage required. Amends *TCA* Title 13, Chapter 7, Part 2 to require building permit-issuing officials to make sure contractors have a certificate of compliance from the Department of Labor or other evidence of workers' compensation coverage before issuing the permit. Other evidence is a certificate of insurance, a workers' compensation policy, or a number from a certificate of compliance.

The municipal office must keep the evidence of insurance on file for the life of the permit. After the permit has expired, the municipality must return the evidence by mail within 10 working days.

These requirements do not apply to persons not required to have workers' compensation coverage or to any person who performs or supervises work on his/her own property in the person's own county of residence. These persons must sign an affidavit of exemption, and this must be kept on file by the municipality for the life of the permit.

A person authorized to issue building permits who in good faith accepts the above information is not liable in any criminal or civil action alleging a contractor should have been but was not covered by workers' compensation insurance. Compliance with this act creates a rebuttable presumption that the person acted in good faith.

Violation of this act is a class C misdemeanor.

The Commissioner of Labor is to issue rules to implement the provisions of this act. Effective date: January 1, 1994.

Business Regulation

Chapter No. 147 (SB 359/HB 150). <u>Contractor licensing -- exemption for construction of residence in certain counties</u>. Amends *TCA* § 62-6-102(I)(B)(ii) to provide an exemption from contractor licensing requirements for the construction of residences for resale in one's county of residence in counties with the following populations according to the 1990 or subsequent censuses:

<u>not less than</u>	<u>not more than</u>
7,100	7,175
31,500	31,800
31,900	32,200

Effective date: April 12, 1993.

Chapter No. 148 (SB 1170/HB 151). <u>Obstruction of streets -- exemption for charitable</u> roadblocks. Amends *TCA* § 39-17-307 relative to obstruction of streets to make it a defense to prosecution under that section if the roadblock is done by a charitable organization exempt from federal income taxation under 26 U.S.C. 501(c)(3) or (4), if the members of the organization take reasonable precautions, and if the organization has written approval of the local law enforcement agency.

The act grants immunity to the local government that issued the permit for accidents that happen because of the roadblock.

The act expressly does not supersede existing ordinances governing collection of donations at intersections and also provides that municipalities may by ordinance prohibit charitable roadblocks.

The act does not apply in a county with a population of 80,000 to 83,000.

Effective date: July 1, 1993.

Chapter No. 192 (SB 623/HB 34). <u>Contractor licensing and home improvement contractor licensing</u>. Amends *TCA* § 62-6-103 to exempt churches that own property and undertake not more than 3,000 square feet of new construction or an addition to an existing structure from the requirements of the contractor licensing law.

Amends *TCA* § 62-37-126, part of the Home Improvement Licensing Act, to allow any county by a 2/3 vote of its legislative body to allow that act to be effective in the county.

Amends *TCA* § 62-37-103(7)(B)(ii) to increase the contract price from \$500 to \$3,000 before the Home Improvement Licensing Act applies.

This act also amends the Home Improvement Licensing Act to set a maximum annual licensing fee of \$100, to eliminate the examination fee and the examination, to eliminate license posting requirements, and to eliminate financial solvency requirements.

Effective date: July 1, 1993.

Chapter No. 200 (SB 1497/HB 1365). <u>Private security guards -- carrying weapons</u>. Amends *TCA* § 39-17-1308(a) to make it a defense to unlawful carrying of a weapon if a person has a club and holds a valid registration card as a security guard.

Effective date: April 15, 1993.

Chapter No. 395 (SB 1211/HB 522). <u>Heating, ventilating, air-conditioning, plumbing and electrical contractors -- residential discrimination prohibited</u>. Amends *TCA* § 62-6-111(h) to prohibit a municipality or county from imposing any additional requirements than those provided for in state law upon H.V.A.C. and plumbing and electrical contractors and to prohibit discrimination against a state licensee on the basis of non-residency in the municipality or county.

Effective date: May 19, 1993.

Chapter No. 402 (SB 238/HB 1004). <u>Liquidation sales -- regulation</u>. Amends *TCA* § 47-18-104 to make it an unfair or deceptive trade practice for a business to fail to comply with municipal regulation of liquidation sales enacted pursuant to *TCA* § 6-55-401, <u>et seq.</u> *Effective date: May, 19, 1993.*

City Courts

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Chapter No. 106 (SB 272/HB 266). <u>License plates for municipal judges</u>. Amends *TCA* § 55-4-202(d) to allow municipal judges two license plates upon payment of an additional \$25 fee.

Effective date: March 29, 1993.

Chapter No. 115 (SB 66/HB 160). <u>City judges -- election for eight year term -- clerk</u>. Amends *TCA* Title 16 to allow municipalities by ordinance to require the popular election of the city judge to an eight-year term as an alternative or in addition to the method provided for selecting the judge provided by charter or general law.

The judge elected by popular vote must meet the requirements in Article VI, Section 4 of the state constitution for judges of inferior courts. These requirements are that the judge must be at least 30 years old and a resident of the state for five years and of the circuit or district for one year immediately preceding the election.

The act provides for the filling of vacancies in the office of city judge and for the salary of the judge. The act provides that the salary may be set by ordinance, by charter or general law, or if there is no charter or general law provision, the act itself provides for a salary schedule based upon population.

The act allows the municipality by ordinance to require the popular election of the city court clerk to a four-year term. The act provides for the duties and removal of the clerk and for the filling of vacancies.

The act amends *TCA* §§ 38-4-101, 40-1-106 and 107, and 40-5-102 to make housekeeping changes relative to city judge jurisdiction.

Effective date: April 12, 1993.

Chapter No. 212 (SB 956/HB 528). <u>Environmental court of Nashville</u>. Authorizes the metropolitan council of any county with metro government to designate Division IV of the county's general sessions court as the Environmental Court. Allows judge to issue injunctions, order correction of violations, and punish for contempt.

Effective date: July 1, 1993.

Chapter No. 238 (SB 16/HB 17). <u>Municipal offenders -- public service work -- liability</u>. Amends *TCA* Title 41, Chapter 3, Part 1 to authorize public service work for municipal offenders confined or subject to confinement in a jail or workhouse. The act exonerates the municipality and its officers and employees from liability to the offender, his family, or other persons for acts of the offender if the municipality exercised due care in supervising the offender.

Effective date: April 30, 1993.

Civil Procedure

Chapter No. 156 (SB 423/HB 499). <u>Appeals under the Water Quality Control Act of 1977</u>. Amends *TCA* § 69-3-111 to allow appeals of final orders or final determinations under the Water Quality Control Act to be filed in the Chancery Court of Davidson County or in the chancery court of the county in which the alleged violation took place. The alleged violator chooses the forum.

Effective date: July 1, 1993.

Chapter No. 169 (SB 792/HB 647). <u>Unemployment compensation findings -- effect in</u> other forums. Amends *TCA* § 50-7-304 to provide that findings of fact and law, conclusions, and final orders in the unemployment compensation setting are not conclusive in other actions.

This act also amends $TCA \le 50-7-404$ (3) to provide that the period of limitation on premium collection on interest is suspended for the period the assets of the employer are in control of any court and for six months afterward.

Effective date: April 13, 1993.

Chapter No. 210 (SB 881/HB 846). <u>Removal of vegetation or debris and demolition of dilapidated buildings -- collection of costs</u>. Amends *TCA* § 6-54-113(e)(1) and 13-21-103(6) to allow municipalities to collect the costs of cleaning up vacant lots and demolishing dilapidated buildings by a debt action. The municipality may bring the debt action against more than one or all owners. The fact that multiple owners have been joined in one action may not be considered by the court as a misjoinder of parties.

Effective date: April 19, 1993.

Chapter No. 407 (SB 32/HB 1159). <u>Comparative negligence -- bringing in phantom</u> <u>defendants</u>. Amends *TCA* Title 20 to allow plaintiffs to bring in persons as defendants who are named in an answer or amended answer as being at fault even if the statute of limitations has run. The plaintiff may, within 90 days of the filing of the answer or amended answer in which the person is named at fault, amend the complaint to add the person as a defendant or institute a separate action.

A cause of action brought within 90 days pursuant to the above provisions is not barred by any statute of limitations. The act does not extend any statute of repose.

The act has a reverse severability clause.

Effective date: May 19, 1993.

Conflicts of Interest

Chapter No. 85 (SB 61/HB 39). <u>Members of governing body serving as court reporters</u>. Repeals *TCA* § 12-4-117, which provided that no member of the governing body of a county or municipality would be disqualified from being employed as a court reporter in a case involving the city or county.

Effective date: March 29, 1993.

Crimes and Criminal Procedure

(see also Law Enforcement and Motor Vehicles and Traffic)

Chapter No. 123 (SB 198/HB 620). <u>DUI -- enhancement of punishment using convictions</u> <u>in other states</u>. Amends *TCA* § 55-10-403 to require the use of DUI convictions in other states to enhance punishment under *TCA* § 55-10-401. The judge must give written notice to the defendant that the out-of-state conviction will be used. The indictment must allege the time, place, and state of the prior conviction. The judge hearing a third or subsequent conviction must declare the vehicle used in commission of the offense contraband subject to forfeiture.

Effective date: July 1, 1993.

Chapter No. 164 (SB 988/HB 1418). <u>Juveniles – revocation of driving privileges for</u> <u>weapons at school</u>. Amends *TCA* §§ 55-10-701, 702, 703, and 706 to allow denial or revocation of driving privileges for juveniles aged 13 to 18 convicted of illegally having a weapon on school property. The act requires a weapons safety course before driving privileges can be granted.

Effective date: July 1, 1993.

Chapter No. 200 (SB 1497/HB 1365). <u>Private security guards -- carrying weapons</u>. Amends *TCA* § 39-17-1308(a) to make it a defense to unlawful carrying of a weapon if a person has a club and holds a valid registration card as a security guard.

Effective date: April 15, 1993.

Chapter No. 280 (SB 1025/HB 482). <u>Dissemination of tobacco products to minors</u>. Amends *TCA* § 39-15-408 to make a violation of that section involving providing smoking material or smokeless tobacco to a minor a class A misdemeanor subject to only a fine of up to \$2,500. Other violations of the section are class C misdemeanors. The act also provides that it is an offense (class C misdemeanor) to persuade, entice, send, or assist a minor to acquire, receive or attempt to purchase, acquire, or receive smoking material, smoking paraphernalia, or any smokeless tobacco product.

Effective date: July 1, 1993.

Chapter No. 306 (SB 567/HB 503). <u>Aggravated assault</u>. Amends TCA § 39-13-102 to make a distinction between intentional and reckless aggravated assault. Makes intentional aggravated assault a class C felony and reckless aggravated assault a class D felony.

This act also amends *TCA* Title 39, Chapter 13, Part 2 to define reckless homicide as the reckless killing of another and makes it a class D felony.

Effective date: May 12, 1993.

Chapter No. 322 (SB 398/HB 585). <u>Transmission of AIDS -- quarantine</u>. Amends *TCA* Title 39, Chapter 13, Part 1 to require the Department of Health to issue rules setting procedures for quarantine or isolation of persons who clearly demonstrate willful and knowing disregard for the health and safety of others and who pose a direct threat of significant risk to the public regarding the transmission of HIV. Any quarantined person who escapes commits a class E felony.

A person who has a reasonable belief that a person has knowingly exposed another to HIV may inform the potential victim without incurring any liability. The person making the disclosure is immune from liability for making disclosure of the condition to the potential victim.

Effective date: May 17, 1993.

Chapter No. 338 (SB 1183/HB 592). <u>Reckless killing of child</u>. Amends *TCA* § 39-13-202(a)(4) to make the reckless killing of a child less than 13 years of age murder in the first degree if the death results from aggravated child abuse.

Effective date: July 1, 1993.

Chapter No. 390 (SB 239/HB 212). <u>DUI blood tests</u>. Amends *TCA* § 55-10-406(a)(1) and 55-10-410 to authorize licensed emergency medical technicians and paramedics to withdraw blood for DUI testing.

Effective date: May 19, 1993.

Chapter No. 405 (SB 872/HB 1113). <u>Assisted suicide</u>. Amends *TCA* Title 39, Chapter 13, Part 2 to create and define the offense of assisted suicide. Makes assisted suicide a class D felony. Provides for causes of action for injunction and civil damages.

Effective date: July 1, 1993.

Chapter No. 435 (SB 764/HB 1065). <u>Stalking</u>. Amends TCA § 39-17-315 to change the definition of stalking.

Effective date: May 20, 1993.

Chapter No. 436 (SB 859/HB 1485). <u>Family assault -- informing victim of bail possibility</u>. Amends *TCA* Title 36, Chapter 3, Part 6 to require the arresting officer in situations in which a family or household member is arrested for assault or aggravated assault to inform the victim that the person arrested may be eligible to post bond and be released. The act provides that no cause of action is created by this notification provision.

Effective date: May 20, 1993.

Chapter No. 439 (SB 1087/HB 372). <u>Reports of sexual and other offenses at certain hospitals and facilities to be made to local law enforcement agencies</u>. Amends *TCA* §§ 33-3-104(10), 37-1-605(b), and 71-6-103(c) to require disclosure to local law enforcement agencies of reports of sexual offenses and child and adult abuse at facilities and hospitals whose records are made confidential by state law.

Effective date: July 1, 1993.

Chapter No. 445 (SB 13/HB 370). <u>Computer crimes</u>. Repeals *TCA* §§ 39-14-601 and 602 relative to computer crimes and replaces them with new provisions.

Effective date: July 1, 1993.

Chapter No. 480 (SB 1479/HB 1323). <u>Carrying weapons on recreational property</u>. Amends *TCA* § 39-17-1311(c) to allow municipalities and recreation boards to exempt themselves from the requirement relative to posting signs in recreation areas about penalties for carrying weapons.

Amends TCA § 39-17-1311 to change punishment for carrying weapons on recreation property from a class E felony to a class A misdemeanor. Consequently, required wording on the signs has changed.

Effective date: May 31, 1993.

Chapter No. 491 (SB 1051/HB 835). <u>Driving while impaired -- persons 16-21</u>. Amends *TCA* Title 55, Chapter 10, Part 4 to prohibit a person age 16 or over but under 21 from driving or being in physical control of a vehicle while:

- alcohol concentration in the person's blood is more than .02 percent; or
- under the influence of alcohol; or
- under the influence of drugs; or
- under the combined influence of alcohol and drugs.

The use of prescription drugs is no defense. Driving while impaired is a lesser included offense of driving while intoxicated.

Punishment is a driver license suspension of one year, a fine of \$250, and possible public service work.

Effective date: July 1, 1993.

Economic Development

(see also *Enterprise Zones* and *Urban Development*)

Chapter No. 197 (SB 1372/HB 1101). Loans to industrial development corporations. Amends *TCA* Title 6, Chapter 54, Part 1 and § 7-53-302 to allow municipalities to make, and industrial development corporations to accept, loans to further economic development. The industrial development corporation must be incorporated in the same county in which the municipality is located.

Effective date: April 15, 1993.

Education and Schools

Chapter No. 32 (SB 1220/HB 650). <u>Housekeeping provisions on education</u>. Amends numerous provisions in *TCA* Title 49 to make them consistent with the Comprehensive Education Reform Act of 1984.

Effective date: March 10, 1993.

Chapter No. 62 (SB 1221/HB 651). <u>Career ladder applications</u>. Amends *TCA* § 49-5-5212 to provide that any educator who applies to be evaluated during a year in which a new evaluation system is implemented and whose evaluation is delayed without his/her fault is eligible for career ladder certification and pay supplement the next year if the evaluation is successfully completed during that year. This applies to persons who qualify in 1991/1992.

Effective date: March 22, 1993.

Chapter No. 164 (SB 988/HB 1418). <u>Juveniles – revocation of driving privileges for</u> <u>weapons at school</u>. Amends *TCA* §§ 55-10-701, 702, 703, and 706 to allow denial or revocation of driving privileges for juveniles aged 13 to 18 convicted of illegally having a weapon on school property. The act requires a weapons safety course before driving privileges can be granted.

Effective date: July 1, 1993.

Chapter No. 177 (SB 485/HB 285). <u>Recruitment of African-American teachers</u>. Amends *TCA* § 49-1-302 to require the state board of education to adopt rules urging local boards to recruit, hire, and retain African-American teachers to reflect the percentage of African-Americans in the community.

Effective date: April 13, 1993.

Chapter No. 202 (SB 7/HB 35). <u>Kindergarten -- double sessions</u>. Amends *TCA* § 49-6-201 to allow double kindergarten sessions but provides that if one teacher teaches double sessions, the number of students in both sessions cannot exceed the maximum set for one kindergarten class.

Effective date: April 19, 1993.

Chapter No. 350 (SB 329/HB 472). <u>Boards of education -- criminal records check of applicants</u>. Amends *TCA* Title 49, Chapter 5, Part 4 to allow boards of education to require all persons applying as a teacher to agree to release all criminal investigation records and supply a fingerprint sample and submit to a criminal history records check by the Tennessee Bureau of Investigation.

Effective date: May 17, 1993.

Chapter No. 383 (SB 1411/HB 1343). Enrolling of suspended or expelled students. Amends TCA § 49-6-3401 to provide that nothing requires a local education agency to enroll a student who has been suspended or expelled by another school system. The superintendent must make a recommendation after investigating on whether to enroll the student. If the school board approves a recommendation to deny enrollment, the superintendent must notify the Commissioner of Education. A local education agency that accepts a student who has been suspended or expelled from another system may dismiss the student if the student's suspension or expulsion is found out after enrollment.

Effective date: May 17, 1993.

Chapter No. 385 (SB 1540/HB 1373). <u>Science enrichment program for inner city youth</u>. Creates a summer science enrichment pilot program for inner-city disadvantaged students in grades seven through 12.

Effective date: May 17, 1993.

Chapter No. 481 (SB 1438/HB 1314). Adjustment of Basic Education Program; full funding required by July 1, 1997. Amends *TCA* § 49-3-354 to authorize adjustment of Basic Education Program formula allocations for changes in student enrollment from the year ended June 30, 1991, to the year ended June 30, 1992. The act requires the Basic Education Program to be fully funded no later than the fiscal year beginning July 1, 1997.

Effective date: May 31, 1993.

Chapter No. 487 (SB 555/HB 1070). Local education agency employees serving on state boards. Amends *TCA* Title 49, Chapter 5, Part 2 and Part 3 to allow local education agency employees to serve on state boards, commissions, or committees without loss of pay, leave, compensatory time, or other benefit if the state statute authorizes a teacher or other certified employee to serve on the board. The loss to local governments is covered by state-shared taxes.

Effective date: May 31, 1993.

Chapter No. 525 (SB 155/HB 955). <u>Sharing of proceeds of capital outlay notes in certain</u> <u>counties</u>. Amends *TCA* Title 49, Chapter 3, Part 10 to require class 3, subclass B counties as established in *TCA* § 8-24-101 to share school bond and note proceeds with special school district systems in the county if payable from taxes levied throughout the county. *Effective date: May 31, 1993.*

Chapter No. 534 (SB 1390/HB 1111). <u>Prayer at school events</u>. Amends *TCA* § 49-6-1004 to allow non-sectarian non-proselytizing voluntary prayer initiated and given by student volunteers on public school property during non-compulsory student assemblies, school sporting events, and commencement ceremonies.

Effective date: June 10, 1993.

Elections

Chapter No. 89 (SB 140/HB 921). <u>Non-partisan elections</u>. Amends *TCA* Title 2, Chapter 13, Part 2 to provide that municipal elections are non-partisan unless partisan elections are provided for by municipal charter.

Effective date: March 29, 1993.

Chapter No. 199 (SB 631/HB 1145). <u>Home rule charter amendments -- cost estimates</u>. Amends *TCA* § 6-53-105 to require cost and revenue estimates by the city's chief financial officer to appear on ballots on which amendments to home rule charters appear for a vote of approval or disapproval.

Effective date: April 15, 1993.

Chapter No. 419 (SB 216/HB 205). <u>Emergency telephone service charge -- referendum</u> on increase. Amends *TCA* § 7-86-108(a) to allow the board of directors of emergency communications districts to call a referendum on increasing the emergency telephone service charge. The charge may not be more than \$1.50 per month for residential and \$3 per month for business users. Not more than one election may be held in any 24-month period.

Effective date: May 20, 1993.

Emergency Communications Districts

Chapter No. 411 (SB 1501/HB 1375). <u>Regulation of answering point equipment</u>. Amends *TCA* § 7-86-102 to authorize the Public Service Commission to regulate public safety answering point equipment for the purpose of adopting standards and the protection of proprietary customer specific information.

Amends TCA § 7-86-103(11) to provide that 911 service includes lines but "may include" equipment for processing calls.

Effective date: May 19, 1993.

Chapter No. 419 (SB 216/HB 205). <u>Emergency telephone service charge – referendum</u> on increase. Amends *TCA* § 7-86-108(a) to allow the board of directors of emergency communications districts to call a referendum on increasing the emergency telephone service charge. The charge may not be more than \$1.50 per month for residential and \$3 per month for business users. Not more than one election may be held in any 24-month period.

Effective date: May 20, 1993.

Chapter No. 479 (SB 1493/HB 1362). <u>Accountability of emergency communication</u> <u>districts for funds</u>. Amends *TCA* Title 7, Chapter 86, Part 1 to do the following:

- To provide that all funds of a district are public funds which shall be used exclusively in operation of the district.
- Require notice and a hearing before the legislative body that created the district before an increase in the emergency telephone service charge may be made. The legislative body may make recommendations regarding the levy. This provision does not apply when the initial levy or any increase was approved by referendum.
- Require copies of district's annual audit to be filed with the clerk or recorder who must make copies for the legislative body and with the chief administrative officer of the municipality.
- Establish surety bond requirements effective July 1, 1994, based upon revenues.
- Require the district's budget to have a schedule of salaries.
- Require the budget to be filed with the chief administrative officer and the clerk or recorder who must distribute copies to the legislative body, both before and after adoption.
- Require travel regulations for the district. Minimum must be same as municipality's regulations.
- Require security from depositories for the district's funds.
- Create an advisory board to prepare legislation on standards for certification and training of telecommunications operators and funding for the training. *Effective date: July 1, 1993.*

Emergency Personnel

Chapter No. 390 (SB 239/HB 212). <u>DUI blood tests</u>. Amends *TCA* § 55-10-406(a)(1) and 55-10-410 to authorize licensed emergency medical technicians and paramedics to withdraw blood for DUI testing.

Effective date: May 19, 1993.

Chapter No. 424 (SB 370/HB 1437). <u>Emergency medical technicians and paramedics --</u> <u>following do not resuscitate orders</u>. Amends *TCA* Title 68, Chapter 140 to list conditions under which medical technicians and paramedics used by life-support organizations may honor do not resuscitate orders when responding to a call for assistance.

The do not resuscitate (DNR) order must be on a standard form. The form must contain the printed and signed name of the doctor, the patient's signature or that of an authorized person with a durable power of attorney, their printed names, the name and signature of a witness, and the date.

The act exonerates the emergency medical service personnel from criminal or civil liabilities for honoring the DNR orders.

Effective date: May 20, 1993.

Enterprise Zones

Chapter No. 294 (SB 1340/HB 1224). <u>Enterprise zones -- reimbursement of cost of industrial machinery</u>. Amends *TCA* § 13-28-106(g) to allow carryover reimbursement for a maximum of two fiscal years of the 1.3 percent of the purchase price of industrial machinery if this exceeds the maximum reimbursement of 50 percent of excise tax liability allowed in one year.

Effective date: May 6, 1993.

Chapter No. 493 (SB 990/HB 792). <u>Number of people employed to qualify for tax break</u> <u>lowered</u>. Amends *TCA* § 13-28-106(f)(3)(A) to lower the number of people an employer in an enterprise zone must employ to qualify for the excise tax break from 25 to 15. *Effective date: May 31, 1993*.

Environment

Chapter No. 156 (SB 423/HB 499). <u>Appeals under the Water Quality Control Act of 1977</u>. Amends *TCA* § 69-3-111 to allow appeals of final orders or final determinations under

the Water Quality Control Act to be filed in the Chancery Court of Davidson County or in the chancery court of the county in which the alleged violation took place. The alleged violator chooses the forum.

Effective date: July 1, 1993.

Chapter No. 185 (SB 891/HB 591). <u>Used oil collection</u>. Amends *TCA* Title 68, Chapter 211 to enact the Used Oil Collection Act of 1993. The act is to be funded by a 2-cents-perquart fee on automotive oil to be paid by distributors.

The act allows the Department of Environment and Conservation to make grants, awards, or loans to municipalities and counties to establish and operate used oil collection centers. The department may also make grants or subsidies to local governments to buy equipment that burns used oil as fuel. In awarding these latter grants, priority will be given to local governments that have established used oil collection centers.

The act enacts fairly extensive regulations for used oil collection centers.

Effective date: July 1, 1993.

Chapter No. 254 (SB 1503/HB 1366). Watershed districts -- powers curbed. Amends *TCA* § 69-7-118 to prohibit watershed districts from imposing any permitting requirements on any facility regulated by state law (includes water pollution control, mines, air pollution, atomic energy, solid and hazardous waste, sanitary landfills, petroleum underground storage tanks, and water and sewer). Requires approval of municipality or county in which property is located before the exercise of eminent domain by the district. Restricts other power-granting language in § 69-7-118.

Effective date: April 30, 1993.

Chapter No. 257 (SB 68/HB 56). <u>Stormwater management fees for cities of 100,000 or</u> <u>more</u>. This act is supposed to facilitate compliance with the Water Quality Act of 1977 by cities of 100,000 or more population. The act authorizes the construction and regulation of stormwater facilities. The act authorizes a civil penalty of \$50 to \$5,000 per day for violations of ordinances regulating stormwater discharge.

This act authorizes stormwater facility user fees based upon actual or estimated use. *Effective date: May 7, 1993.*

Chapter No. 325 (SB 491/HB 540). <u>Connection to sewer or septic tanks -- furnishing</u> <u>electricity</u>. Amends *TCA* Title 68, Chapter 221, Part 4 to require persons who construct a house, either mobile or permanent, or establishment, to furnish evidence to the electrical inspector that the building is served by a sewerage system or that a subsurface sewage disposal system permit has been applied for. Farm buildings are excluded.

Public electric systems may not supply electricity for the building until notified by the electrical inspector that the above requirements have been met. Electric systems will not be liable for violation of this provision unless the violation was intentional.

Effective date: July 1, 1994.

Chapter No. 512 (SB 1112/HB 589). <u>Bonds for operation of solid waste facilities</u>. Amends *TCA* § 68-211-116 relative to performance bonds for operation of solid waste facilities to eliminate the ability of the operator to post cash or other securities in lieu of the bond. Funds from bond forfeitures will be placed in the "Solid Waste Disposal Site Restoration Fund" and used to properly close solid waste sites.

Effective date: May 31, 1993.

Chapter No. 523 (SB 222/HB 325). <u>Time extended for regional solid waste plans</u>. Amends *TCA* § 68-211-814 to extend the time by which solid waste regions must submit their plans from Dec. 31, 1993, to July 1, 1994.

Effective date: May 31, 1993.

<u>Finance</u>

(see also *Taxation* topics and *Purchasing*)

Chapter No. 76 (SB 132/HB 173). <u>Financial distress – comptroller study</u>. Amends *TCA* Title 9, Chapter 13 to authorize the comptroller to recommend to the General Assembly procedures to identify and help local governments in financial distress. These procedures are to include the need for state control and supervision.

Effective date: March 25, 1993.

Chapter No. 120 (SB 160/HB 113). <u>Health facilities -- grants</u>. Amends *TCA* § 68-11-106(c) to prohibit any municipality from approving any grant of funds for a health care facility or any portion of it if the facility is in violation of state licensing laws.

Effective date: April 12, 1993.

Chapter No. 185 (SB 891/HB 591). <u>Used oil collection</u>. Amends *TCA* Title 68, Chapter 211 to enact the Used Oil Collection Act of 1993. The act is to be funded by a 2-cents-perquart fee on automotive oil to be paid by distributors.

The act allows the Department of Environment and Conservation to make grants, awards, or loans to municipalities and counties to establish and operate used oil collection centers. The department may also make grants or subsidies to local governments to buy equipment that burns used oil as fuel. In awarding these latter grants, priority will be given to local governments that have established used oil collection centers.

The act enacts fairly extensive regulations for used oil collection centers. Effective date: July 1, 1993.

Chapter No. 195 (SB 729/HB 679). <u>Abandoned property -- time periods decreased</u>. Amends *TCA* § 66-29-106(a) to make unclaimed utility deposits abandoned property if they have remained unclaimed for two, rather than seven, years. Also amends this section to provide that utility refunds ordered by a court or administrative agency are considered abandoned if they have been unclaimed for two years. Also amends this section to require the utility to attempt to notify the subscriber within 120 days of the commencement of the two-year period.

Amends *TCA* § 66-29-110 to provide that property in the possession of a political subdivision that has remained unclaimed for one year, rather than the previous seven, shall be considered abandoned.

Amends *TCA* § 66-29-113 to increase from \$25 to \$50 the value of abandoned property in possession of a person before a report to the treasurer must be made.

Also amends *TCA* § 66-29-113(e) to require an attempt by the person or entity holding abandoned property to notify the apparent owner if the property is valued at \$50 or more if there is an apparently accurate address. This attempt must be made not more than 120 days before filing the report with the treasurer.

Effective date: July 1, 1993.

Chapter No. 197 (SB 1372/HB 1101). <u>Loans to industrial development corporations</u>. Amends *TCA* Title 6, Chapter 54, Part 1 and § 7-53-302 to allow municipalities to make, and industrial development corporations to accept, loans to further economic development. The industrial development corporation must be incorporated in the same county in which the municipality is located.

Effective date: April 15, 1993.

Chapter No. 210 (SB 881/HB 846). <u>Removal of vegetation or debris and demolition of dilapidated buildings – collection of costs</u>. Amends *TCA* § 6-54-113(e)(1) and 13-21-103(6) to allow municipalities to collect the costs of cleaning up vacant lots and demolishing dilapidated buildings by a debt action. The municipality may bring the debt action against more than one or all owners. The fact that multiple owners have been joined in one action may not be considered by the court as a misjoinder of parties.

Effective date: April 19, 1993.

Chapter No. 257 (SB 68/HB 56). <u>Stormwater management fees for cities of 100,000 or more</u>. This act is supposed to facilitate compliance with the Water Quality Act of 1977 by cities of 100,000 or more population. The act authorizes the construction and regulation of stormwater facilities. The act authorizes a civil penalty of \$50 to \$5,000 per day for violations of ordinances regulating stormwater discharge.

This act authorizes stormwater facility user fees based upon actual or estimated use. *Effective date: May* 7, 1993.

Chapter No. 288 (SB 1296/HB 805). <u>Wastewater facilities -- deficits -- depreciation on certain assets precluded</u>. Amends *TCA* § 68-221-1010 to include local governments other than municipalities in those for which a retained earnings or operating deficit does not take into account depreciation on assets acquired with state or federal grant funds. *Effective date: July 1, 1993.*

Chapter No. 303 (SB 1490/HB 1542). <u>State revenue estimates</u>. Amends *TCA* § 9-6-202 to require the state funding board to meet in November of each year to develop consensus estimates of state revenues for the upcoming fiscal year. On Dec. 1, or as soon thereafter as possible, the board must present its estimates.

Effective date: July 1, 1993.

Chapter No. 329 (SB 743/HB 1548). <u>Wastewater facilities -- reports to financing board</u> -- depreciation. Amends *TCA* § 68-221-1010 to provide that depreciation expense may not be considered in determining whether a report will be filed with the wastewater financing board if the wastewater system has total equity at least four times greater than total debt.

Amends TCA § 68-221-1010 to provide that in determining whether a facility has a retained earnings deficit or operating deficit, during the first seven years of operation, depreciation expense shall not be considered. After seven years of operation, all depreciation expense will be considered.

In determining whether a facility has a retained earnings deficit or operating deficit, amounts derived from tap fees, connection charges, and other fees shall be considered revenue.

Effective date: May 17, 1993.

Chapter No. 433 (SB 739/HB 1550). Expense reimbursement; payment of travel expenses; travel and expense policies; vehicles for municipal officials. Amends TCA Title 6, Chapter 54 to:

- Authorize municipalities to reimburse expenses incident to holding office for the mayor, members of the governing body, members of boards and commissions or committee members, and any official or employee whose salary is set by charter or general law.
- Require municipalities wishing to reimburse expenses to pass an ordinance authorizing this.

- Require the chief administrative officer or his/her designee to prescribe expense forms and examine expense reports and make determinations on reimbursability.
- Make clear that expense allowances not adequately documented will be considered compensation for purposes of salary limitations.
- Require MTAS to formulate a model travel and expense policy that can be used by municipalities. This policy is subject to approval by the comptroller.
- Require travel and expense policies to be filed with the comptroller unless the municipality adopts the MTAS model.
- Authorize municipalities to provide vehicles for the use of municipal officials listed above.
- Require a written policy for vehicle use that is separate from the travel and expense policy and that contains no other subject matter.
- Authorize municipalities to pay directly, rather than reimburse, travel expenses if payment is made directly to the provider and not to the official or employee.
- Exempt municipalities of over 100,000 from the requirements of this act. Effective date: July 1, 1993.

Chapter No. 448 (SB 737/HB 1552). <u>Handling public funds</u>; <u>budget requirements</u>. Amends *TCA* Title 6, Chapter 56, Part 1 to provide that each municipal official handling public money "shall be required" to deposit the money in the municipality's accounts as soon as practical but no later than three work days after their receipt. This does not prohibit petty cash funds.

The act provides that every municipal official authorized to disburse public funds "shall be required" to make disbursements by consecutively pre-numbered checks, warrants, or other generally accepted negotiable instruments. Disbursements may also be made by electronic transfer if properly documented and recorded. Violation of the above procedures is a class C misdemeanor.

The act requires all expenditures to be for a lawful municipal purpose and authorizes investments in the Local Government Investment Pool.

The act amends $TCA \$ 6-56-202 to make the Municipal Budget Law of 1982 applicable to all municipalities that do not have budget provisions in their charter requiring detailed estimates of proposed expenditures, expenditures for the preceding fiscal year, proposed expenditures, reasons for recommended departures, and estimates of anticipated revenue from all sources with comparative statements for the past, present, and next fiscal year.

The act amends *TCA* § 6-56-206(b), part of the Municipal Budget Law of 1982, to make budget publication requirements consistent with those in general law charters. *Effective date: July 1, 1993.*

Chapter No. 476 (SB 1550/HB 1433). <u>Utility relocation loans</u>. Amends TCA§ 67-3-617(j)(2)(A) to allow the utility management review board to consider the inability of an applicant to get financing for other government purposes as a result of obtaining a loan for a relocation project in deciding whether to grant a utility relocation loan.

Effective date: May 31, 1993.

Chapter No. 509 (SB 1406/HB 1360). <u>Utilities – use of surplus revenues</u>. Amends *TCA* §§ 7-34-115 and 9-21-308 to do the following:

- Eliminate provisions that allowed municipalities that had retired all bonds that financed a water or natural gas system to use surplus revenues of the system for any municipal purpose if contractual obligations were not violated.
- Require municipalities that violate the section by using surplus water or gas revenues for other municipal purposes to repay illegally transferred funds. If funds are not available to make a lump sum payment, the municipality must submit a five-year plan for reimbursement. This plan must be submitted to and approved by the director of local finance.
- Provide that any city official in violation of the above provisions is subject to ouster.
- Provide that equity investment, for purpose of computing the 6 percent return to the general fund, includes contributions or purchases made from the general fund, including retirement of debt service and purchases of equipment if these are reflected in the utility's financial statement.
- Provide for a hold harmless provision under which the general government would receive from the utility for the fiscal year beginning July 1, 1993, at least the same amount received for the fiscal year beginning July 1, 1992. For subsequent fiscal years, the surplus revenues paid to the general government would be reduced by 20 percent of the total surplus until the formula provided in the act produces the same or greater revenues.

Effective date: July 1, 1993.

Chapter No. 514 (SB 738/HB 1551). <u>Bonds and capital outlay notes</u>. Amends *TCA* § 9-21-206 and 207(b) to increase from 10 to 20 the number of days after publication of notice that general obligation bonds will be issued during which a petition may be filed protesting the issuance of the bonds and necessitating an election.

Amends $TCA \S$ 9-21-604 to limit renewals of three-year capital outlay notes to two, rather than three, additional three-year periods. Requires the local government to retire 1/6, rather than 1/12, of principal amount each year.

Amends *TCA* § 9-21-608 relative to 12-year capital outlay notes to provide that notes issued totaling less than \$2 million must be sold at competitive public sale or informal bid process. Notes totaling more than \$2 million must be sold at competitive sale.

Amends *TCA* § 9-21-609 to eliminate private negotiated sale as a method of selling 12year capital outlay notes and replacing it with an informal bid process under which, where possible, at least three financial institutions are contacted by phone or letter and asked to provide rates of interest for the term of the notes. The local government must in its statement of costs to the director of local finance indicate the number of financial institutions contacted. If only one was contacted, there must be a statement indicating why.

Amends *TCA* § 9-21-609(b) to provide that publishing a notice of competitive sale of 12year capital outlay notes in a New York financial newspaper is not necessary if the total amount is not greater than \$5 million rather than \$1 million.

Amends *TCA* § 12-10-115(a) to require municipalities with taxing power that enter into any lease, loan agreement, or sales contract with a public building authority to comply with the same resolution, notice, and election provisions the municipality must comply with in issuing general obligation bonds, unless the lease, loan agreement, or sales contract is done to retire or refund existing debt.

Effective date: July 1, 1993; effect is prospective only; prior law applies to resolution in process but not made final as of July 1, 1993.

Chapter No. 535 (SB 1277/HB 903). <u>Appropriations Act</u>. Makes appropriations to defray the costs of state government. Among the appropriations are an amount to provide: (1) Firefighter pay supplement not to exceed \$360. (2) Police pay supplement not to exceed \$480.

Effective date: July 1, 1993.

Firefighting

Chapter No. 171 (SB 989/HB 791). <u>Fire department answering hazardous material and</u> <u>natural disaster calls outside city</u>. Amends *TCA* § 6-21-703(a), part of the Uniform City Manager-Commission Charter, to allow the fire departments of cities incorporated under that charter to answer hazardous materials and natural disaster calls regardless of where the emergency exists.

Effective date: April 13, 1993.

Health and Sanitation

Chapter No. 120 (SB 160/HB 113). <u>Health facilities -- grants</u>. Amends *TCA* § 68-11-106(c) to prohibit any municipality from approving any grant of funds for a health care facility or any portion of it if the facility is in violation of state licensing laws.

Effective date: April 12, 1993.

Chapter No. 178 (SB 497/HB 414). Uses of state street aid funds. Amends *TCA* § 54-4-201 to change the definition of "street" on which street aid funds can be expended to include public parking areas and state and federal roads in the municipality. The act clarifies the uses to which street aid funds can be put to include street cleaning, maintenance of rights-of-way, acquisition of storage facilities for street equipment, lights and signs and traffic control devices, and administrative expenses including labor and employee benefits.

Effective date: April 13, 1993.

Chapter No. 210 (SB 881/HB 846). <u>Removal of vegetation or debris and demolition of dilapidated buildings – collection of costs</u>. Amends *TCA* § 6-54-113(e)(1) and 13-21-103(6) to allow municipalities to collect the costs of cleaning up vacant lots and demolishing dilapidated buildings by a debt action. The municipality may bring the debt action against more than one or all owners. The fact that multiple owners have been joined in one action may not be considered by the court as a misjoinder of parties.

Effective date: April 19, 1993.

Home Rule Cities

Chapter No. 199 (SB 631/HB 1145). <u>Home rule charter amendments -- cost estimates</u>. Amends *TCA* § 6-53-105 to require cost and revenue estimates by the city's chief financial officer to appear on ballots on which amendments to home rule charters appear for a vote of approval or disapproval.

Effective date: April 15, 1993.

<u>Insurance</u>

Chapter No. 112 (SB 5/HB 1303). <u>Uninsured motorist coverage</u>. Amends TCA § 56-7-1201(B) to establish priorities for recovery under uninsured motorist insurance. *Effective date: April* 12, 1993.

Chapter No. 137 (SB 930/HB 924). <u>Uninsured motorist coverage as primary coverage</u>. Amends *TCA* § 56-7-1201(b)(1) to provide that uninsured motorist coverage from more than one policy can never be available as primary coverage and that the injured party cannot be considered an occupant of more than one vehicle.

Effective date: April 12, 1993.

Chapter No. 228 (SB 1302/HB 1215). <u>Health insurance -- small employers</u>. Amends *TCA* § 56-7-2209(a) to require small employer (three to 25 employees) health carriers that offer coverage under a basic or standard plan to offer coverage to all eligible employees of the small employer and their dependents. The small employer carrier may not offer coverage to only certain individuals or to only part of a group except in the case of late enrollers. *Effective date: April 28, 1993.*

Chapter No. 277 (SB 1301/HB 992). <u>Health insurance claims standardized forms</u>. Amends *TCA* Title 56, Chapter 1, Part 1 to require the Commissioner of Commerce and Insurance to require standardized forms for all health care insurance claims made in this state. Standardized forms should be in use 180 days after the effective date of this act. *Effective date: May 7*, 1993.

Chapter No. 369 (SB 564/HB 978). <u>Commercial insurance – changes in classifications or</u> rates. Amends *TCA* § 56-8-104 to make it an unfair business practice for a commercial insurer to change classifications or rates more than one year after the renewal or expiration date of the policy without consent of the insured. This provision does not apply when the insured has given misleading information or where the policy specifically allows it.

Effective date: May 17, 1993.

Chapter No. 380 (SB 1425/HB 1226). <u>Auto liability insurance – cancellation</u>. Amends *TCA* § 56-7-1302 to prohibit cancellation of auto liability insurance solely because the driver was involved in a collision not adjudicated the driver's fault.

Effective date: May 17, 1993.

Chapter No. 498 (SB 991/HB 362). <u>Comprehensive health pool -- orderly termination</u> provided for. Amends *TCA* § 56-39-110(a) to increase from \$500,000 to \$1 million the amount paid out by the comprehensive health insurance pool on behalf of a person after which that person is ineligible for coverage.

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This act also provides for the orderly termination of the health insurance pool when the number covered declines as a result of another state-sponsored health plan to the point continuation is no longer feasible.

Effective date: July 1, 1993.

Interlocal Cooperation

Chapter No. 401 (SB 1323/HB 974). <u>Interlocal agreements by subordinate boards</u>. Amends *TCA* § 12-9-104(a) to allow agencies of political subdivisions that have governing boards separate from the governing body of the political subdivision to make interlocal agreement for joint or cooperative action with other such agencies and other public agencies. Governing bodies of political subdivisions must approve agreements made by their agencies before they take effect.

Effective date: May 19, 1993.

<u>Iuveniles</u>

Chapter No. 363 (SB 962/HB 790). <u>Iuveniles – fingerprinting</u>. Amends *TCA* § 37-1-155 to require fingerprinting of juveniles when taken into custody if the juvenile is charged with a delinquent act that would be a felony if committed by an adult. The fingerprinting file must be maintained in the automated fingerprint identification system. It must be accessible only to law enforcement officers and the court and must be maintained separate from adult fingerprint files.

Law enforcement officers may not disclose the fingerprint file to any representatives of a branch of the U.S. armed forces or the Tennessee National Guard. Law enforcement officers may not produce the file pursuant to a subpoena absent adequate notice to the party.

Effective date: May 17, 1993.

Law Enforcement

(see also Crimes and Criminal Procedure and Motor Vehicles and Traffic)

Chapter No. 101 (SB 951/HB 593). <u>Citations by transit inspectors</u>. Amends *TCA* § 7-63-101 to allow transit inspectors employed by a public transportation system or transit authority to issue citations for offenses committed in their presence.

Effective date: March 29, 1993.

Chapter No. 126 (SB 219/HB 223). Police officers -- going onto shopping centers and office parks. Amends *TCA* Title 55, Chapter 10, Part 3 to allow police officers, after receiving written permission of the owner or manager, to go onto the premises of any

shopping center or office park that is generally open to the public to inspect any motor vehicle to determine if the vehicle is properly registered and licensed.

Effective date: April 12, 1993.

Chapter No. 131 (SB 561/HB 146). <u>Locomotive accidents</u>. Amends *TCA* § 55-10-108 to require that law enforcement officers making written reports of locomotive accidents must enter the operating permit number issued by the employing railroad rather than the operator's motor vehicle license number.

Effective date: April 12, 1993.

Chapter No. 265 (SB 445/HB 300). <u>Alternative disposition of seized gambling devices</u>. Amends *TCA* § 39-17-505 to provide for an alternative to the destruction of forfeited gambling devices if the district attorney or law enforcement agency believes the device should not be destroyed in a particular case. The court may grant the alternative disposition if it finds the device will not be used in an unlawful manner.

Effective date: July 1, 1993.

Chapter No. 354 (SB 1068/HB 622). <u>Incident reports -- information on higher education</u> <u>students</u>. Amends *TCA* § 49-7-2205 to require incident and complaint report forms used by law enforcement agencies to indicate whether the victim was a student attending an institution of higher education in the county in which the crime occurred and the name of the school attended by the student.

Effective date: January 1, 1994.

Chapter No. 360 (SB 344/HB 748). <u>Proceedings to keep the peace – provisions repealed</u>. Repeals *TCA* Title 38, Chapter 4 relative to proceedings to keep the peace. *Effective date: July 1, 1993.*

Chapter No. 475 (SB 1445/HB 1446). <u>Public records -- law enforcement personnel</u> <u>records</u>. Amends *TCA* § 10-7-503 to provide that personnel records of law enforcement officers are open to public inspection and to require the custodian of the records to make a record of any inspection and provide notice of the inspection to the officer. The notice must be given within three days of the date of the inspection. The notice must contain:

- the fact that the inspection has taken place.
- the name, address, and telephone number of the person making the inspection.
- for whom the inspection was made.
- the date of the inspection.

The act requires any person making an inspection to provide his/her name, address, business and home phone number, or other identification before the inspection. *Effective date: May 31, 1993.*

Chapter No. 484 (SB 1363/HB 1207). <u>Protection orders – putting in Tennessee crime</u> <u>information system</u>. Amends *TCA* § 36-3-609 to require law enforcement agencies, upon receiving an order of protection, to enter it in the Tennessee Crime Information System. *Effective date: July 1, 1993.*

Chapter No. 490 (SB 285/HB 857). <u>Body cavity searches – search warrant required</u>. Amends *TCA* Title 40, Chapter 7, Part 1 to require a search warrant to conduct a body cavity (anus, vagina, genitals) search unless written consent is obtained on a form prescribed in the act.

The act expressly does not amend law relative to strip searches. The act does not apply to body cavity searches conducted pursuant to written jail or prison security procedures.

The search must be conducted by a licensed physician or nurse.

Law enforcement officers who violate this act, and their government employers, are subject to a cause of action as now provided by law.

Effective date: July 1, 1993.

Chapter No. 527 (SB 4/HB 564). <u>Victims' bill of rights made mandatory</u>. Amends *TCA* Title 40, Chapter 38, Part 1 to make the victims' bill of rights mandatory.

Requires that upon the request of a victim of a violent crime involving serious bodily injury or death of a relative, law enforcement agencies must supply information as to how the victim may seek notification of the release of the offender.

Every effort must be made to dispose of charges against any defendant within 180 days of indictment.

Failure to comply with the chapter on victims' rights does not create a civil cause of action against the government or employees.

Effective date: January 1, 1994.

Mayor-Aldermanic Charter

Chapter No. 320 (SB 377/HB 260). <u>Municipal incorporation requirements made more</u> <u>stringent</u>. Amends *TCA* § 6-1-201(a) to increase the minimum population requirement for incorporating under the Mayor-Aldermanic Charter from 500 to 750 persons. Amends *TCA* § 6-18-103(a) to increase the minimum population for incorporating under the City Manager-Commission Charter from 500 to 1,500 persons.

The act amends all three general law charters to do the following:

• Require a plan of services before a referendum may be held setting forth the identification and projected timing of municipal services to be provided and the revenue from purely local sources to be payable annually. The plan must be attached to the petition to incorporate. The plan must include police protection, fire protection, water service, sewer service, solid waste disposal, road and street construction and repair, recreational facilities, a proposed five-year operational budget, including projected revenues and expenditures, and the revenue from purely local sources to be payable annually. Municipalities first incorporated after July 1, 1993, that produce no local own source revenues in any fiscal year shall not receive any state-shared revenues during the next fiscal year.

NOTE: *Tennessee Code Annotated* §§ 6-1-203 as amended by this act requires in the plan of service a property tax rate to be levied annually on all taxable property.

- Require a public hearing before filing the petition on the question of whether or not to incorporate. The hearing must be advertised in a newspaper of general circulation for two consecutive weeks.
- Prohibit incorporation within five miles of an existing municipality of 100,000 or more and within three miles of any existing municipality. This prohibition does not apply to Davidson County.

This act does not affect petitions filed before the effective date of the act and does not affect reincorporations for incorporations in litigation.

Effective date: July 1, 1993.

Metropolitan Government

Chapter No. 179 (SB 596/HB 1144). <u>Removal of board and commission members in</u> <u>Nashville</u>. Amends *TCA* § 7-2-108 to provide that members of boards, commissions, or authorities in Nashville may be removed by 3/4 vote, rather than 2/3, of the members of the governing body.

Effective date: April 13, 1993.

Chapter No. 212 (SB 956/HB 528). <u>Environmental court of Nashville</u>. Authorizes the metropolitan council of any county with metro government to designate Division IV of

the county's general sessions court as the Environmental Court. Allows judge to issue injunctions, order correction of violations, and punish for contempt.

Effective date: July 1, 1993.

Chapter No. 324 (SB 473/HB 252). <u>New general sessions judges in metropolitan counties</u>. Amends *TCA* § 7-3-311 to allow metropolitan counties to create two additional general sessions judgeships.

Effective date: May 17, 1993.

Chapter No. 335 (SB 1008/HB 1204). <u>Issuance and service of warrants, etc., in metro</u> governments; ordinance penalties. Provides for the issuance and service of warrants and citations in metropolitan governments. Authorizes penalty of up to \$500 for ordinance violations.

Effective date: May 17, 1993.

Modified Council-Manager Charter

Chapter No. 320 (SB 377/HB 260). <u>Municipal incorporation requirements made more</u> <u>stringent</u>. Amends *TCA* § 6-1-201(a) to increase the minimum population requirement for incorporating under the Mayor-Aldermanic Charter from 500 to 750 persons. Amends *TCA* § 6-18-103(a) to increase the minimum population for incorporating under the City Manager-Commission Charter from 500 to 1,500 persons.

The act amends all three general law charters to do the following:

• Require a plan of services before a referendum may be held setting forth the identification and projected timing of municipal services to be provided and the revenue from purely local sources to be payable annually. The plan must be attached to the petition to incorporate. The plan must include police protection, fire protection, water service, sewer service, solid waste disposal, road and street construction and repair, recreational facilities, a proposed five-year operational budget, including projected revenues and expenditures, and the revenue from purely local sources to be payable annually. Municipalities first incorporated after July 1, 1993, that produce no local own source revenues in any fiscal year shall not receive any state-shared revenues during the next fiscal year.

NOTE: *Tennessee Code Annotated* §§ 6-1-203 as amended by this act requires in the plan of service a property tax rate to be levied annually on all taxable property.

- Require a public hearing before filing the petition on the question of whether or not to incorporate. The hearing must be advertised in a newspaper of general circulation for two consecutive weeks.
- Prohibit incorporation within five miles of an existing municipality of 100,000 or more and within three miles of any existing municipality. This prohibition does not apply to Davidson County.

This act does not affect petitions filed before the effective date of the act and does not affect reincorporations for incorporations in litigation.

Effective date: July 1, 1993.

Chapter No. 353 (SB 1107/HB 581). <u>Council meetings -- ordinance readings -- bidding</u> <u>threshold -- staggered terms -- compensation for councilmembers</u>. Amends *TCA* § 6-32-101, part of the Modified City Manager-Council Charter, to allow council meetings to be held only once a month pursuant to an ordinance passed by a 2/3 vote of the entire membership of the council.

Amends TCA § 6-32-202(a) to require only the reading of the caption of each ordinance.

Amends *TCA* § 6-35-205(b)(2) to increase the competitive bidding threshold from \$1,000 to \$2,500.

Amends TCA§ 6-31-107 to allow staggered terms for councilmembers by ordinance adopted by 2/3 vote.

Amends TCA § 6-32-110(a) to allow compensation of councilmembers of \$150 per month and the mayor of \$200 per month by ordinance adopted by 2/3 vote.

Effective date: May 17, 1993.

Motor Vehicles and Traffic

(see also Streets and Public Ways)

Chapter No. 34 (SB 1239/HB 672). Speed limits increased on certain roads. Amends TCA § 55-8-152(g)(1) to increase speed limits from 55 miles per hour to 65 miles per hour on some highways outside urbanized areas of 50,000 or more population. These include highways constructed to interstate standards and connected to a highway on the interstate system; divided four-lane controlled access highways designed or constructed to connect to an interstate highway and that are determined by the U.S. Secretary of Transportation to be adequate for a 65-mile-per-hour speed; and highways constructed to interstate standards and adequate for present and probable future traffic and designated as part of the interstate system.

This act also amends *TCA* § 55-8-152(h) to eliminate the definition of "urbanized area of 50,000 or more population" as including only incorporated municipalities.

Effective date: March 11, 1993.

Chapter No. 35 (SB 1253/HB 674). <u>High occupancy vehicle (HOV) lanes authorized</u>. Amends *TCA* Title 55, Chapter 8 to authorize HOV lanes for the exclusive use of high occupancy vehicles. High occupancy vehicles are public transportation vehicles, private buses, motorcycles, and cars carrying no fewer than two passengers. Unlawful use of the HOV lane during times when it is prohibited is a Class C misdemeanor subject to a \$50 fine.

Effective date: March 11, 1993.

Chapter No. 52 (SB 373/HB 1179). <u>Traffic violation fee in Knoxville</u>. Amends *TCA* § 55-10-315 to allow Knoxville by ordinance to levy a fee of up to \$2 on each traffic conviction. Proceeds are to be used to purchase and maintain an automated information system to support enforcement of traffic safety laws.

> Effective date: For purpose of passing the ordinance, March 22, 1993; for purpose of collecting fee, July 1, 1993.

Chapter No. 93 (SB 372/HB 892). <u>Fine for parking in handicapped space</u>. Amends *TCA* § 55-21-108 to increase the fine for parking in handicapped spaces from \$50 to \$100. *Effective date: March 29, 1993.*

Chapter No. 101 (SB 951/HB 593). <u>Citations by transit inspectors</u>. Amends *TCA* § 7-63-101 to allow transit inspectors employed by a public transportation system or transit authority to issue citations for offenses committed in their presence.

Effective date: March 29, 1993.

Chapter No. 106 (SB 272/HB 266). <u>License plates for municipal judges</u>. Amends *TCA* § 55-4-202(d) to allow municipal judges two license plates upon payment of an additional \$25 fee.

Effective date: March 29, 1993.

Chapter No. 164 (SB 988/HB 1418). <u>Iuveniles – revocation of driving privileges for</u> <u>weapons at school</u>. Amends *TCA* §§ 55-10-701, 702, 703, and 706 to allow denial or revocation of driving privileges for juveniles aged 13 to 18 convicted of illegally having a weapon on school property. The act requires a weapons safety course before driving privileges can be granted.

Effective date: July 1, 1993.

Chapter No. 261 (SB 202/HB 108). <u>Impoundment of vehicles for stolen registration or decal</u>. Amends *TCA* Title 55, Chapter 5 to authorize law enforcement personnel to impound a vehicle if the registration plate or renewal decal is stolen or not otherwise registered to the vehicle.

Law enforcement personnel must get permission from the owner of private property before going onto the property to enforce this act.

Effective date: May 7, 1993.

Chapter No. 272 (SB 959/HB 615). <u>DUI -- restricted license -- first offense</u>. Amends *TCA* § 55-10-403(d)(1) to allow a first DUI offender on a restricted license to drive to and from a "scheduled interlock monitoring appointment" if the judge allows it.

Effective date: May 7, 1993.

Chapter No. 319 (SB 374/HB 452). <u>Motor vehicle records – access</u>. Amends *TCA* § 55-2-106 to require a personal appearance and identification of persons wanting access to motor vehicle records in the county clerk's office, the Department of Safety, or the Department of Revenue. These officers may charge a fee of up to \$1 for each person or vehicle on which information in requested. These provisions do not apply to requests for information from law enforcement agencies.

The Commissioner of Safety must establish a method by which individuals can obtain a record by mail.

Effective date: May 17, 1993.

Chapter No. 337 (SB 1064/HB 888). <u>Uniform traffic citation forms required</u>. Amends *TCA* Title 55, Chapter 10 to require that beginning Jan. 1, 1995, law enforcement officers must use a uniform traffic citation form prescribed by the Department of Safety. **B**efore Jan. 1, 1994, the department must convene and confer with a committee with representatives from local governments and law enforcement organizations on the form and contents of the citations.

Effective date: May 17, 1993.

Chapter No. 399 (SB 647/HB 722). <u>Child Bicycle Safety Act enacted</u>. Amends *TCA* Title 55 to do the following:

- Make it unlawful for any person under 12 years of age to operate or be a passenger on a bicycle without wearing a helmet.
- Make it unlawful for any person who weighs less than 40 pounds or is less than 40 inches high to be a passenger unless secured in a restraining seat.
- Make it unlawful for a parent knowingly to permit a child to violate these provisions.
- Make it unlawful to rent or lease a bicycle for the use of a person under 12 years of age unless the child has a helmet at the time of lease or the lease includes a helmet.

- Make an adult guilty of a violation subject to a fine of \$2 and court costs.
- Make it a defense for the first offense in a 12-month period that the person has bought a helmet or restraining seat since the violation and intends to use them.
- Provide that failure to wear a helmet or be secured in a restraining seat is not admissible in any civil action.

Effective date: January 1, 1994.

Chapter No. 489 (SB 720/HB 869). <u>Lighting requirements for horse-drawn vehicles used</u> <u>for transportation</u>. Amends *TCA* § 55-9-401 to enact lighting requirements for horsedrawn vehicles used primarily for transportation.

Effective date: July 1, 1993.

<u>Ordinances</u>

Chapter No. 393 (SB 161/HB 453). Ordinance penalty increase authorized. Amends *TCA* Title 6, Chapter 54, Part 3 to authorize municipalities to levy a penalty of up to \$500 for violations of municipal ordinances. This does not apply to ordinances regulating moving traffic violations.

Effective date: May 19, 1993.

Parks and Recreation

Chapter No. 256 (SB 53/HB 154). <u>Adopt-a-park programs enacted</u>. Amends *TCA* Title 11, Chapter 24 to authorize municipalities and recreation boards to make formal agreements with business and civic groups and individuals for volunteer services to maintain and make improvements to real and personal property in municipal parks. Plans must be devised by the municipality after consultation with the volunteers.

Effective date: July 1, 1993.

Chapter No. 378 (SB 948/HB 1195). <u>Sports authorities authorized</u>. Authorizes municipalities to create sports authorities; provides for their powers and duties. *Effective date: May 17, 1993.*

Chapter No. 403 (SB 972/HB 1045). <u>Tennessee Ocoee development agency -- contracting</u> <u>with cities</u>. Amends *TCA* Title 64, Chapter 1 to allow the Tennessee Ocoee Development Agency created by the act to manage and operate an olympic event on the Ocoee River, to contract with municipalities and counties for the abandonment, relocation, or adjustment of roads, bridges, and utility lines. The agency must report annually to municipalities and counties in the area.

Effective date: May 19, 1993.

Chapter No. 480 (SB 1479/HB 1323). <u>Carrying weapons on recreational property</u>. Amends *TCA* § 39-17-1311(c) to allow municipalities and recreation boards to exempt themselves from the requirement relative to posting signs in recreation areas about penalties for carrying weapons.

Amends TCA § 39-17-1311 to change punishment for carrying weapons on recreation property from a class E felony to a class A misdemeanor. Consequently, required wording on the signs has changed.

Effective date: May 31, 1993.

<u>Personnel</u>

(see also *Retirement* and *Workers'* Compensation)

Chapter No. 67 (SB 1096/HB 345). Deferred compensation plans -- medical records -- retirement. Amends *TCA* Title 8, Chapter 25, Part 1 to make medical records submitted to or compiled by persons providing deferred compensation plans confidential with certain exceptions. Amends *TCA* Title 8, Chapter 25, Parts 3 and 5 to provide the same confidentiality to medical records submitted to or compiled by persons providing profit sharing or salary reduction plans and cafeteria plans. Amends *TCA* Title 8, Chapter 36, Part 5 to provide the same confidentiality to medical records submitted to medical records of the retirement system.

Amends *TCA* Title 8, Chapter 35, Part 2 to allow solid waste authorities to participate in the Tennessee Consolidated Retirement System.

Amends *TCA* Title 8, Chapter 37, Part 2 to allow rollover of the taxable portion of lump sum payments to an eligible retirement plan.

Amends TCA § 8-34-605 relative to credit for military service.

Amends *TCA* § 8-35-217 to require political subdivisions electing to participate in TCRS after July 1, 1993, to extend Social Security coverage to their employees.

This act also makes numerous other changes to retirement provisions.

Effective date: March 25, 1993.

Chapter No. 169 (SB 792/HB 647). <u>Unemployment compensation findings – effect in</u> <u>other forums</u>. Amends *TCA* § 50-7-304 to provide that findings of fact and law, conclusions, and final orders in the unemployment compensation setting are not conclusive in other actions.

This act also amends $TCA \le 50-7-404(3)$ to provide that the period of limitation on premium collection on interest is suspended for the period the assets of the employer are in control of any court and for six months afterward.

Effective date: April 13, 1993.

Chapter No. 220 (SB 1226/HB 649). <u>Child labor</u>. Amends *TCA* Title 50, Chapter 5 to require that a minor (person under 18) must have a 30-minute unpaid break or meal period if scheduled to work six hours consecutively. The break cannot be during or before the first hour of work.

Effective date: April 19, 1993.

Chapter No. 305 (SB 1082/HB 959). <u>Unemployment compensation</u>. Amends *TCA* § 50-7-301(b)(1) to increase the weekly benefit amount for persons whose average wages paid in the highest two quarters of the base period exceeded \$4,420.01 through \$4,836 for benefit years established on or after July 4, 1993, and through \$5,200.01 for benefit years established after July 3, 1994. Makes other housekeeping changes.

Effective date: July 1, 1993.

Planning and Zoning

Chapter No. 79 (SB 442/HB 580). <u>Borrow-pits for road work by state exempted from</u> zoning. Amends *TCA* Title 13 to exempt borrow-pits for state road work from local zoning and planning regulations. The borrow-pit is exempt under the following conditions:

- The pit is temporary and use does not extend beyond the state project.
- The pit meets all stormwater run-off requirements.
- The pit meets the requirements of the federal Clean Water Act and the Water Pollution Control Act.
- The pit has a reclamation plan approved by the municipality or county.
- The pit is not located on a road operating or that would be operating below level of service "C" because of traffic caused by the borrow site.
- The pit meets all other requirements of the state contract.

This act provides that local government may require surety that affected streets and roads will be restored to their original condition. Reclamation of the pit must be completed before final acceptance of the project.

Effective date: March 25, 1993.

Chapter No. 135 (SB 694/HB 623). <u>Regional planning commissions -- compensation</u>. Amends *TCA* § 13-3-101(d) to allow county and municipal governing bodies of local governments participating in a regional planning commission to establish the compensation for each member nominated by that local government.

Effective date: July 1, 1993.

Chapter No. 203 (SB 363/HB 299). <u>Unrecorded subdivisions -- penalties for transferring</u> tracts -- regional planning. Amends *TCA* § 13-3-410 relative to regional planning to provide that the remedies of that chapter relative to the transfer of lots in unrecorded subdivisions apply only to the owner or agent of the owner. Title to transferred property is not affected unless transfer has been enjoined prior to the conveyance being recorded Title to transferred property remains subject to the regional planning provisions.

Effective date: April 19, 1993.

Public Records

Chapter No. 224 (SB 395/HB 970). <u>Financial statements made confidential</u>. Amends *TCA* § 50-6-405(b)(2) to provide that financial statements filed by employers as evidence of their ability to pay workers' compensation claims are confidential and not a public record.

Effective date: April 19, 1993.

Chapter No. 432 (SB 722/HB 1276). <u>Libraries -- microfilm of vital records open</u>. Amends *TCA* § 68-3-205 to provide that microfilm copies of vital records in a local library are available for public inspection.

Effective date: May 20, 1993.

Chapter No. 475 (SB 1445/HB 1446). <u>Public records -- law enforcement personnel</u> <u>records</u>. Amends *TCA* § 10-7-503 to provide that personnel records of law enforcement officers are open to public inspection and to require the custodian of the records to make a record of any inspection and provide notice of the inspection to the officer. The notice must be given within three days of the date of the inspection. The notice must contain:

- the fact that the inspection has taken place.
- the name, address, and telephone number of the person making the inspection.
- for whom the inspection was made.
- the date of the inspection.

The act requires any person making an inspection to provide his/her name, address, business and home phone number, or other identification before the inspection. *Effective date: May 31, 1993.*

Purchasing

Chapter No. 232 (SB 925/HB 408). <u>Natural and propane gas – exemption from bidding</u> requirements. Amends *TCA* § 6-56-304, part of the Municipal Purchasing Act of 1983, and Title 7, Chapter 51, Part 9 to exempt the purchase of natural and propane gas for resale or municipal use from competitive bidding requirements.

Effective date: April 28, 1993.

<u>Retirement</u>

(see also Personnel)

Chapter No. 67 (SB 1096/HB 345). <u>Deferred compensation plans -- medical records --</u> <u>retirement</u>. Amends *TCA* Title 8, Chapter 25, Part 1 to make medical records submitted to or compiled by persons providing deferred compensation plans confidential with certain exceptions. Amends *TCA* Title 8, Chapter 25, Part 3 and 5 to provide the same confidentiality to medical records submitted to or compiled by persons providing profit sharing or salary reduction plans and cafeteria plans. Amends *TCA* Title 8, Chapter 36, Part 5 to provide the same confidentiality to medical records of the retirement system.

Amends *TCA* Title 8, Chapter 35, Part 2 to allow solid waste authorities to participate in the Tennessee Consolidated Retirement System.

Amends *TCA* Title 8, Chapter 37, Part 2 to allow rollover of the taxable portion of lump sum payments to an eligible retirement plan.

Amends *TCA* § 8-34-605 relative to credit for military service.

Amends *TCA* § 8-35-217 to require political subdivisions electing to participate in TCRS after July 1, 1993, to extend Social Security coverage to their employees.

This act also makes numerous other changes to retirement provisions.

Effective date: March 25, 1993.

Chapter No. 345 (SB 1203/HB 354). <u>Base benefit increase authorized</u>. Amends *TCA* Title 8, Chapter 36, part 1 to authorize a retirement base benefit increase of up to 5 percent. The governing body must pass a resolution authorizing the increase and accepting liability for it.

Effective date: July 1, 1993.

Chapter No. 400 (SB 1289/HB 926). <u>Firefighters and police officers -- return to service</u>. Amends *TCA* Title 8, Chapter 36, Part 8 to provide that any municipal police officer or firefighter retired under TCRS may return to work with a different municipality and continue to draw retirement benefits under conditions enumerated in the act.

This act also provides that retired police officers and firefighters may work, in addition to the 90 days allowed in § 8-36-805, an additional 90 days as a law enforcement instructor in an institution of higher learning, under conditions enumerated in the act. *Effective date: May 19, 1993.*

Chapter No. 508 (SB 1575/HB 1593). Forfeiture of retirement benefits -- conviction of felony. Amends *TCA* Title 8, Chapter 35 to provide that an employee or elected or appointed official forfeits retirement benefits under TCRS if the employee or official is convicted of a felony constituting malfeasance in office in either state or federal court. This applies to persons who become members after May 31, 1993.

The person convicted may choose to have the person designated as the beneficiary, if this is a spouse or child, receive the benefits after the person's death.

Effective date: May 31, 1993.

Streets and Public Ways

(see also Motor Vehicles)

Chapter No. 79 (SB 442/HB 580). <u>Borrow-pits for road work by state exempted from</u> <u>zoning</u>. Amends *TCA* Title 13 to exempt borrow-pits for state road work from local zoning and planning regulations. The borrow pit is exempt under the following conditions:

- The pit is temporary and use does not extend beyond the state project.
- The pit meets all stormwater runoff requirements.
- The pit meets the requirements of the federal Clean Water Act and the Water Pollution Control Act.
- The pit has a reclamation plan approved by the municipality or county.
- The pit is not located on a road operating or that would be operating below level of service "C" because of traffic caused by the borrow site.
- The pit meets all other requirements of the state contract.

This act provides that local government may require surety that affected streets and roads will be restored to their original condition. Reclamation of the pit must be completed before final acceptance of the project.

Effective date: March 25, 1993.

Chapter No. 148 (SB 1170/HB 151). <u>Obstruction of streets -- exemption for charitable</u> roadblocks. Amends *TCA* § 39-17-307 relative to obstruction of streets to make it a defense to prosecution under that section if the roadblock is done by a charitable organization exempt from federal income taxation under 26 U.S Code 501(c)(3) or (4), if the members of the organization take reasonable precautions, and if the organization has written approval of the local law enforcement agency.

The act grants immunity to the local government that issued the permit for accidents that happen because of the roadblock.

The act expressly does not supersede existing ordinances governing collection of donations at intersections and also provides that municipalities may by ordinance prohibit charitable roadblocks.

The act does not apply in a county with a population of 80,000 to 83,000.

Effective date: July 1, 1993.

Chapter No. 178 (SB 497/HB 414). <u>Uses of state street aid funds</u>. Amends *TCA* § 54-4-201 to change the definition of "street" on which street aid funds can be expended to include public parking areas and state and federal roads in the municipality. The act clarifies the uses to which street aid funds can be put to include street cleaning, maintenance of rights-of-way, acquisition of storage facilities for street equipment, lights and signs and traffic control devices, and administrative expenses including labor and employee benefits.

Effective date: April 13, 1993.

Chapter No. 223 (SB 1267/HB 935). <u>Underground utilities damage – act amended</u>. Amends *TCA* Title 65, Chapter 31, Part 1, the Underground Utility Damage Prevention Act, to do the following:

- Broaden coverage of the act to include all underground utilities.
- Require at least three working days (but not more than 10) written or telephone notice to utility owners or operators before excavating in public ways or demolishing buildings.
- Require the person intending to do the excavation to mark the area with safety white color-coded stakes or other marking devices.

- Allow utility owners and operators to form a one-call service providing for mutual receipt of excavation and demolition notices.
- Require utility owners and operators to mark the location of underground utilities in the area of proposed excavation with color-coded stakes or markings. Indications of depth are not required.
- Require excavators to use reasonable care to ascertain depth of utilities.
- Make other housekeeping changes.

Effective date: April 19, 1993.

Taxation (Gasoline)

Chapter No. 396 (SB 520/HB 541). <u>Gasoline -- dispensing through customer-controlled</u> <u>pump</u>. Amends *TCA* § 67-3-402, 67-3-802, and 67-3-811 to more clearly define customercontrolled pumps through which gasoline may be sold to governmental entities. *Effective date: July 1, 1993.*

Taxation (Privilege)

Chapter No. 485 (SB 880/HB 1143). <u>Professional privileges tax – payment by Nashville</u>. Amends *TCA* Title 67, Chapter 4, Part 17 to authorize Nashville to pay the professional privilege tax on behalf of its employees.

Effective date: May 31, 1993.

Taxation (Property)

Chapter No. 47 (SB 37/HB 22). <u>Suits for collection of delinquent taxes</u>. Amends *TCA* § 67-5-2405 to provide that after a suit to collect delinquent property taxes is filed, additional defendants may be added as a matter of right upon filing of notice on behalf of the complainant.

This act also amends *TCA* § 67-5-2409 to provide that consolidation of all suits for delinquent taxes pending against a piece of property is a matter of right upon filing of a notice of consolidation on behalf of the complainant.

Effective date: March 21, 1993.

Chapter No. 78 (SB 235/HB 161). <u>Banks as collection agents for property taxes</u>. Amends *TCA* § 67-5-1801 to allow the county trustee to designate a bank or its branches, or both, to act as collection agent for county and municipal property taxes. The bank may not accept delinquent taxes.

Effective date: July 1, 1993.

Chapter No. 81 (SB 597/HB 425). <u>Collection of delinquent municipal property taxes</u>. Amends *TCA* § 6-55-201 and repeals § 6-55-203 to eliminate antiquated provisions that required the distraint and sale of personal property before delinquent real property taxes could be collected.

Effective date: March 25, 1993.

Chapter No. 168 (SB 602/HB 542). Exemption for residences owned by non-profit schools. Amends *TCA* § 67-5-213(c)(1) and (2) to provide for property tax exemption for residential units owned by non-profit secondary schools that board all or some of their students.

Effective date: April 13, 1993.

Chapter No. 315 (SB 267/HB 1245). <u>Back assessments -- property taxes as debt</u>. Amends *TCA* § 67-1-1005 to provide that the chief administrative officer of a tax jurisdiction may initiate a back assessment or reassessment of property by filing a sworn complaint with the county assessor of property. The complaint must identify the property and state the basis of the complaint. A back assessment or reassessment of delinquent privilege taxes can be initiated by a similar complaint lodged with the county clerk. The clerk's disposition can be appealed to the Department of Revenue. Costs will be added to taxes if the complaint is justified or paid by the jurisdiction if not.

This act repeals *TCA* §§ 67-1-1101-1104 and 67-5-1503 relative to back assessments and reassessments.

Amends *TCA* § 67-5-2101 to provide that property taxes are a personal debt of the property owner and when delinquent may be collected as such. The claim for debt and for enforcement of the tax lien can be joined in the same complaint.

Amends *TCA* § 67-5-1801 to provide that when a person pays property taxes that are the legal obligation of someone else, the person making the payment is subrogated to the rights of the government.

Effective date: May 17, 1993.

Chapter No. 323 (SB 438/HB 735). <u>Personal property taxation -- construction in process</u>. Amends *TCA* § 67-5-903 to provide that tangible personal property the taxpayer treats as construction in process for federal income tax purposes may be reported at 15 percent of its cost as reported for federal income tax purposes. The state Board of Equalization must issue rules for administration of the tax on construction in process.

Effective date: January 1, 1994.

Chapter No. 328 (SB 659/HB 1165). <u>Reappraisal cycle -- third year</u>. Amends *TCA* § 67-5-1601(b) to provide that updating of property values will be done in the third year of the reappraisal cycle if the overall level of appraisal in the jurisdiction is less than 90 percent of fair market value. Any subclass of property in a jurisdiction whose level of appraisal is 90 percent or more that is not within 10 percent of the overall level of appraisal must be updated to the overall level of appraisal.

Amends *TCA* § 67-5-1601(b) to require assessor to maintain a program of real property sales verification.

Effective date: January 1, 1993.

Chapter No. 454 (SB 1560/HB 1513). <u>Tax exemption for low-income housing</u>. Amends *TCA* § 67-5-207 to revise provisions on property tax exemption for low-income housing. The act provides that property may be exempt if the property was approved by the U.S. Department of Housing and Urban Development without low-income guidelines if at least 50 percent of residents have qualifying incomes.

Effective date: May 19, 1993.

Chapter No. 500 (SB 803/HB 326). <u>Property tax relief for low-income and disabled</u> <u>homeowners – minimum income limits increased</u>. Amends *TCA* § 67-5-702(a)(2) and 703(a)(2) to increase the minimum annual income limit for property tax relief for low-income and disabled homeowners from \$6,000 to \$10,000.

Effective date: May 31, 1993.

Taxation (Sales)

Chapter No. 2 (SB 56/HB 16). <u>Exemption for biweekly periodicals</u>. Amends *TCA* § 67-6-329(a)(25) to exempt periodicals distributed on a biweekly or more frequent basis from the sales tax.

Effective date: July 1, 1993.

Chapter No. 51 (SB 157/HB 253). <u>Taxation of telecommunications services and value-added networks</u>. Amends $TCA \$ 67-6-102 (22)(F)(iii) to exempt telecommunications services paid for in Tennessee from sales tax. This act also amends $TCA \$ 67-6-102 (27)(B) and (31) to delete value-added networks from the definition of telecommunications services taxed under the sales tax.

Effective date: March 27, 1993.

Chapter No. 68 (SB 1235/HB 643). <u>Credit for certain telecommunications charges</u>. Amends *TCA* § 67-6-102 and 67-6-507 to provide a credit for sales tax paid to other states on interstate telecommunications charges also taxed in this state.

Effective date: March 25, 1993.

Chapter No. 190 (SB 1311/HB 1084). <u>Temporary sales tax increase made permanent</u>. Amends Chapter 529, Public Acts of 1992, and *TCA* §§ 67-6-202, 203, 204, 205, and 221 to make the half-cent sales tax increase that was supposed to expire on June 30, 1993, permanent, at least until changed again.

Effective date: April 13, 1993.

Chapter No. 231 (SB 763/HB 172). <u>Exemption from sales tax on amusements -- athletic</u> <u>clubs</u>. Amends *TCA* § 67-6-330(a)(19) to make it easier to gain exemption from the sales tax on amusements for fees paid to athletic clubs.

Effective date: July 1, 1993.

Chapter No. 318 (SB 369/HB 447). Exemption for railroad rolling stock repairs and parts. Amends *TCA* § 67-6-313 and 321 to exempt repair service labor and parts for railroad rolling stock used in interstate commerce from sales tax.

Effective date: July 1, 1993.

Chapter No. 409 (SB 842/HB 1281). <u>Exemption for printing equipment and printed</u> <u>matter</u>. Amends *TCA* § 67-6-102(12) and (22(E) and § 67-6-329 to grant exemption from sales tax to certain printing machinery, film, typesetting, and biweekly or more frequent periodicals.

Effective date: May 19, 1993.

Chapter No. 430 (SB 697/HB 736). Exemption for radiant heat for glass production. Amends *TCA* § 67-6-206(b) to exempt from the sales tax electricity used to generate radiant heat for the production of heat-treated glass used by manufacturers.

Effective date: July 1, 1993.

Chapter No. 477 (SB 1469/HB 1407). Exemption for pipes, fittings, and materials to repair utility district systems. Amends TCA § 67-6-209 to exempt from sales tax pipes, fittings, and materials used to repair or maintain existing water systems owned by a utility district.

Effective date: May 31, 1993.

Chapter No. 519 (SB 582/HB 91). Extra allocation to municipality with professional team. Amends *TCA* § 67-6-103 and 67-6-712 to provide for an extra allocation from state and local sales taxes to a city with a sports authority and a professional team in an amount equal to tax revenue derived from taxes on admissions and other sales at the games. These revenues will be for use by the sports authority.

Effective date: May 31, 1993.

<u>Tort Liability</u>

Chapter No. 148 (SB 1170/HB 151). Obstruction of streets -- exemption for charitable roadblocks. Amends TCA § 39-17-307 relative to obstruction of streets to make it a defense to prosecution under that section if the roadblock is done by a charitable organization exempt from federal income taxation under 26 U.S.C. 501(c)(3) or (4), if the members of the organization take reasonable precautions, and if the organization has written approval of the local law enforcement agency.

The act grants immunity to the local government that issued the permit for accidents that happen because of the roadblock.

The act expressly does not supersede existing ordinances governing collection of donations at intersections and also provides that municipalities may by ordinance prohibit charitable roadblocks.

The act does not apply in a county with a population of 80,000 to 83,000.

Effective date: July 1, 1993.

Chapter No. 238 (SB 16/HB 17). <u>Municipal offenders -- public service work -- liability</u>. Amends *TCA* Title 41, Chapter 3, Part 1 to authorize public service work for municipal offenders confined or subject to confinement in a jail or workhouse. The act exonerates the municipality and its officers and employees from liability to the offender, his family, or other persons for acts of the offender if the municipality exercised due care in supervising the offender.

Effective date: April 30, 1993.

Chapter No. 406 (SB 1519/HB 1142). <u>Indemnification of employees</u>. Amends *TCA* § 29-20-310(d) to allow indemnification of governmental entity employees in amounts exceeding the tort liability limits for actions in which the employee's liability is not limited.

Effective date: May 19, 1993.

Chapter No. 407 (SB 32/HB 1159). <u>Comparative negligence -- bringing in phantom</u> <u>defendants</u>. Amends *TCA* Title 20 to allow plaintiffs to bring in persons as defendants who are named in an answer or amended answer as being at fault even if the statute of limitations has run. The plaintiff may, within 90 days of the filing of the answer or amended answer in which the person is named at fault, amend the complaint to add the person as a defendant or institute a separate action.

A cause of action brought within 90 days pursuant to the above provisions is not barred by any statute of limitations. The act does not extend any statute of repose. The act has a reverse severability clause.

Effective date: May 19, 1993.

Uniform City Manager-Commission Charter

Chapter No. 171 (SB 989/HB 791). <u>Fire department answering hazardous material and</u> <u>natural disaster calls outside city</u>. Amends *TCA* § 6-21-703(a), part of the Uniform City Manager-Commission Charter, to allow the fire departments of cities incorporated under that charter to answer hazardous materials and natural disaster calls regardless of where the emergency exists.

Effective date: April 13, 1993.

Chapter No. 320 (SB 377/HB 260). <u>Municipal incorporation requirements made more</u> <u>stringent</u>. Amends *TCA* § 6-1-201(a) to increase the minimum population requirement for incorporating under the Mayor-Aldermanic Charter from 500 to 750 persons. Amends *TCA* § 6-18-103(a) to increase the minimum population for incorporating under the City Manager-Commission Charter from 500 to 1,500 persons.

The act amends all three general law charters to do the following:

• Require a plan of services before a referendum may be held setting forth the identification and projected timing of municipal services to be provided and the revenue from purely local sources to be payable annually. The plan must be attached to the petition to incorporate. The plan must include police protection, fire protection, water service, sewer service, solid waste disposal, road and street construction and repair, recreational facilities, a proposed five-year operational budget, including projected revenues and expenditures, and the revenue from purely local sources to be payable annually. Municipalities first incorporated after July 1, 1993, that produce no local own source revenues in any fiscal year shall not receive any state-shared revenues during the next fiscal year.

NOTE: *Tennessee Code Annotated* §§ 6-1-203 as amended by this act requires in the plan of service a property tax rate to be levied annually on all taxable property.

- Require a public hearing before filing the petition on the question of whether or not to incorporate. The hearing must be advertised in a newspaper of general circulation for two consecutive weeks.
- Prohibit incorporation within five miles of an existing municipality of 100,000 or more and within three miles of any existing municipality. This prohibition does not apply to Davidson County.

This act does not affect petitions filed before the effective date of the act and does not affect reincorporations for incorporations in litigation.

Effective date: July 1, 1993.

Urban Development

Chapter No. 459 (SB 371/HB 272). <u>Central business improvement districts -- board</u> <u>members -- delinquent payment of assessment</u>. Amends *TCA* § 7-84-519 to require the speakers of the Senate and House to appoint the senator and representative to the board of the district in whose legislative district the majority of the CBID is located.

Amends *TCA* § 7-84-528 to provide for a 1 percent penalty in addition to interest on late payment of special assessments.

Effective date: July 1, 1993.

<u>Utilities</u>

Chapter No. 195 (SB 729/HB 679). <u>Abandoned property - time periods decreased</u>. Amends *TCA* § 66-29-106(a) to make unclaimed utility deposits abandoned property if they have remained unclaimed for two, rather than seven, years. Also amends this section to provide that utility refunds ordered by a court or administrative agency are considered abandoned if they have been unclaimed for two years. Also amends this section to require the utility to attempt to notify the subscriber within 120 days of the commencement of the two-year period.

Amends *TCA* § 66-29-110 to provide that property in the possession of a political subdivision that has remained unclaimed for one year, rather than the previous seven, shall be considered abandoned.

Amends *TCA* § 66-29-113 to increase from \$25 to \$50 the value of abandoned property in possession of a person before a report to the treasurer must be made.

Also amends $TCA \$ 66-29-113(e) to require an attempt by the person or entity holding abandoned property to notify the apparent owner if the property is valued at \$50 or more if there is an apparently accurate address. This attempt must be made not more than 120 days before filing the report with the treasurer.

Effective date: July 1, 1993.

Chapter No. 223 (SB 1267/HB 935). <u>Underground utilities damage – act amended</u>. Amends *TCA* Title 65, Chapter 31, Part 1, the Underground Utility Damage Prevention Act, to do the following:

- Broaden coverage of the act to include all underground utilities.
- Require at least three working days (but not more than 10) written or telephone notice to utility owners or operators before excavating in public ways or demolishing buildings.
- Require the person intending to do the excavation to mark the area with safety white color-coded stakes or other marking devices.
- Allow utility owners and operators to form a one-call service providing for mutual receipt of excavation and demolition notices.
- Require utility owners and operators to mark the location of underground utilities in the area of proposed excavation with color-coded stakes or markings. Indications of depth are not required.
- Require excavators to use reasonable care to ascertain depth of utilities.
- Make other housekeeping changes.

Effective date: April 19, 1993.

Chapter No. 288 (SB 1296/HB 805). <u>Wastewater facilities -- deficits -- depreciation on certain assets precluded</u>. Amends *TCA* § 68-221-1010 to include local governments other than municipalities in those for which a retained earnings or operating deficit does not take into account depreciation on assets acquired with state or federal grant funds. *Effective date: July 1, 1993.*

Chapter No. 325 (SB 491/HB 540). <u>Connection to sewer or septic tanks -- furnishing electricity</u>. Amends *TCA* Title 68, Chapter 221, Part 4 to require persons who construct a house, either mobile or permanent or establishment, to furnish evidence to the electrical inspector that the building is served by a sewerage system permit or that a subsurface sewage disposal system permit has been applied for. Farm buildings are excluded.

Public electric systems may not supply electricity for the building until notified by the electrical inspector that the above requirements have been met. Electric systems will not be liable for violation of this provision unless the violation was intentional.

Effective date: July 1, 1994.

Chapter No. 329 (SB 743/HB 1548). <u>Wastewater facilities -- reports to financing board</u> -- depreciation. Amends *TCA* § 68-221-1010 to provide that depreciation expense may not be considered in determining whether a report will be filed with the wastewater financing board if the wastewater system has total equity at least four times greater than total debt. Amends *TCA* § 68-221-1010 to provide that in determining whether a facility has a retained earnings deficit or operating deficit, during the first seven years of operation, depreciation expense shall not be considered. After seven years of operation, all depreciation expense will be considered.

In determining whether a facility has a retained earnings deficit or operating deficit, amounts derived from tap fees, connection charges, and other fees shall be considered revenue.

Effective date: May 17, 1993.

Chapter No. 375 (SB 1416/HB 1102). <u>Annexation by municipality with private utility:</u> <u>provision of natural gas by certain utility districts</u>. Amends *TCA* § 6-51-111 to require a utility district and a private utility providing service to an annexing municipality to attempt to reach an agreement in writing for conveyance of the utility district property in the annexed area to the private utility serving the municipality. If an agreement is not reached, the utility district continues to service the area.

This act also amends *TCA* Title 7, Chapter 82 to provide that a natural gas utility district located in a county with more than 5 percent of its territory within the boundaries of a national park may provide natural gas to consumers in any municipalities in an adjacent such county.

Effective date: May 17, 1993.

Chapter No. 476 (SB 1550/HB 1433). <u>Utility relocation loans</u>. Amends *TCA* § 67-3-617(j)(2)(A) to allow the utility management review board to consider the inability of an applicant to get financing for other government purposes as a result of obtaining a loan for a relocation project in deciding whether to grant a utility relocation loan.

Effective date: May 31, 1993.

Chapter No. 509 (SB 1406/HB 1360). <u>Utilities -- use of surplus revenues</u>. Amends *TCA* §§ 7-34-115 and 9-21-308 to do the following:

- Eliminate provisions that allowed municipalities that had retired all bonds that financed a water or natural gas system to use surplus revenues of the system for any municipal purpose if contractual obligations were not violated.
- Require municipalities that violate the section by using surplus water or gas revenues for other municipal purposes to repay illegally transferred funds. If funds are not available to make a lump sum payment, the municipality must submit a five-year plan for reimbursement. This plan must be submitted to and approved by the director of local finance.
- Provide that any city official in violation of the above provisions is subject to ouster.

- Provide that equity investment, for purpose of computing the 6 percent return to the general fund, includes contributions or purchases made from the general fund, including retirement of debt service and purchases of equipment if these are reflected in the utility's financial statement.
- Provide for a hold harmless provision under which the general government would receive from the utility for the fiscal year beginning July 1, 1993, at least the same amount received for the fiscal year beginning July 1, 1992. For subsequent fiscal years, the surplus revenues paid to the general government would be reduced by 20 percent of the total surplus until the formula provided in the act produces the same or greater revenues.

Effective date: July 1, 1993.

Workers' Compensation

Chapter No. 224 (SB 395/HB 970). <u>Financial statements made confidential</u>. Amends *TCA* § 50-6-405(b)(2) to provide that financial statements filed by employers as evidence of their ability to pay workers' compensation claims are confidential and not a public record.

Effective date: April 19, 1993.

Chapter No. 370 (SB 1121/HB 979). <u>Workers' compensation experience modification</u> <u>factors</u>. Amends *TCA* Title 50, Chapter 6, Part 4 to require that any information relative to an employer's experience modification factor available to an insurance company be sent annually to an employer at no charge.

Effective date: May 17, 1993.

Municipal Technical Advisory Service (MTAS) is a statewide agency of The University of Tennessee's institute for Public Service. MTAS operates in cooperation with the Tennessee Municipal League in providing technical assistance services to officials of Tennessee's incorporated municipalities. Assistance is offered in areas such as accounting, administration, finance, public works, communications, ordinance codification, and wastewater management.

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