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SUPPLEMENT

A SUMMARY OF  
TENNESSEE PUBLIC ACTS, 1953, OF INTEREST  
TO MUNICIPALITIES

By

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DIVISION OF UNIVERSITY EXTENSION  
THE UNIVERSITY OF TENNESSEE

In cooperation with the  
TENNESSEE MUNICIPAL LEAGUE

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## FOREWORD

The 1953 General Assembly passed a number of public acts of general interest to Tennessee cities. Several of these, particularly Public Chapter No. 1, providing for a 1¢ share of the State gasoline tax for municipal streets, sponsored by the Tennessee Municipal League, are of great importance to the cities of this State.

The Municipal Technical Advisory Service has again this year, as it did in 1951, reviewed all general legislation passed during the last session and has prepared this summary for city officials. An effort has been made to use, so far as practicable, the same system of indexing in the Subject Index which follows, as is used in the 1950 Supplement to the Code of Tennessee.

Certain cities may wish to make preliminary plans or take action now under the provisions of the new legislation. However, they should not attempt to carry out any provisions of the new legislation without having a complete copy of the act to use as a guide. Copies of these acts may be requested from the Secretary of State, Nashville, Tennessee. MTAS, upon request, will be glad to assist city officials in the application of the new laws.

Victor C. Hobday,  
Executive Director



# SUBJECT INDEX

Chapter No.      Page No.

## AIRPORTS

Appropriations for municipal airports . . . . .	251	14
State Bureau of Aeronautics may match municipal funds. . . . .	205	10

## ANNEXATION

Annexed territory may be counted in com- puting a city's population in distribution of shared taxes. . . . .	121	7
--	-----	---

## APPROPRIATIONS

General Appropriation Act. . . . .	78	5
General Education Appropriation Act. . . . .	70	4
Municipal airport appropriations . . . . .	205	10
Municipal airport appropriations . . . . .	251	14
MTAS appropriation from sales tax increased. .	195	8

## BEER TAX

17% tax on wholesale sale of beer. . . . .	76	4
--	----	---

## BONDS

Changes requirements for issuing municipi- pal bonds. . . . .	233	12
Cities may waive rights in school bond issues . . . . .	48	2
Counties may issue revenue bonds for in- dustrial buildings . . . . .	218	11
Free textbooks, bonds for. . . . .	35	1
Highways, \$10,000,000 State bonds for. . . . .	57	3
Rural roads, \$14,000,000 State bonds for . . .	56	3
Sharing school bond proceeds . . . . .	211	10
Special school districts may waive rights in school bond issues. . . . .	269	15
Voting machines may be purchased by counties by issuing bonds . . . . .	213	10

## BUSES (See: MOTOR CARRIERS)

## CENSUS

Annexed territory may be counted in computing a city's population in distri- bution of shared taxes . . . . .	121	7
Census of school children every 4 years. . . .	182	8

## COURTS

Appearance bonds in city courts. . . . . 196 8

## ELECTIONS

Compulsory time off for employees to vote. . . 203 10

Postcard applications for ballots permitted  
from persons in Armed Forces . . . . . 246 13

Voting machines may be purchased by  
counties by issuing bonds. . . . . 213 10

## ELEVATORS AND ESCALATORS

Changes in inspection periods and fees . . . . 229 12

## GARBAGE DISPOSAL

Feeding garbage to animals regulated . . . . . 94 6

## GASOLINE TAX

1¢ share for city streets. . . . . 1 1

## HEALTH

Feeding garbage to animals regulated . . . . . 94 6

Milk may be regulated by cities. . . . . 114 7

Rabies control in dogs . . . . . 252 14

Tuberculosis control by cities . . . . . 166 7

## HIGHWAYS

\$10,000,000 State bonds for highways . . . . . 57 3

\$14,000,000 State bonds for rural roads. . . . 56 3

(See also: STREETS)

## INDUSTRIAL DEVELOPMENT

Tennessee Industrial and Agricultural Com-  
mission created. . . . . 219 11

## INSPECTION

Boiler inspection law of State does not  
interfere with a city's right to inspect  
boilers. . . . . 197 9

Changes in inspection periods and fees for  
elevators and escalators . . . . . 229 12

## JUNK DEALERS

To assist in identifying property. . . . . 42 2



JUSTICES OF THE PEACE

Jurisdiction in civil cases increased. . . . . 39      2

MILK

Cities may regulate. . . . . 114      7

MOTOR CARRIERS

Buses, maximum length and weight prescribed. . . 32      1

Cities may transfer local bus regulation  
to a municipal transit authority or to  
State Utilities Commission . . . . . 58      4

MOTOR VEHICLES

Driving while intoxicated or under use of  
drugs. . . . . 202      9

MUNICIPAL TECHNICAL ADVISORY SERVICE

Appropriation from General Fund increased. . . 70      4

Appropriation from General Fund increased. . . 78      5

Appropriation from Sales Tax increased . . . . 195      8

PRIVILEGE LICENSES

Fire sales may be regulated and licensed  
by cities. . . . . 201      9

PUBLIC SCHOOLS

Census of school children every 4 years. . . . 182      8

Cities may waive rights in school bond issues. 48      2

Free textbooks (See: TEXTBOOKS)

General Education Appropriation Act. . . . . 70      4

Sharing school bond proceeds . . . . . 211      10

Special school districts may waive rights  
in school bond issues. . . . . 269      15

PUBLIC WORKS

Changes requirements for issuing municipal  
bonds. . . . . 233      12

Cities may cooperate with counties and the  
State in public works projects . . . . . 102      6

Counties may cooperate with cities and the  
State in public works projects . . . . . 101      6

RABIES CONTROL

Rabies control in dogs . . . . . 252      14



## RAILROADS

Clearance requirements of railroad under- passes or overpasses do not apply during construction or repair. . . . .	179	8
--	-----	---

## RETIREMENT SYSTEM FOR STATE AND PUBLIC EMPLOYEES

Incorporation of local teachers' tenure systems into State system . . . . .	263	14
Liberalizes rules for withdrawal of cities from State Retirement System. . . . .	89	6
(See also: SOCIAL SECURITY ACT)		

## SOCIAL SECURITY ACT

Social Security coverage of municipal em- ployees made retroactive in certain cases .	236	13
--	-----	----

## STREETS

1¢ of gasoline tax for city streets . . . . .	1	1
Clearance requirements of railroad under- passes or overpasses do not apply during construction or repair. . . . .	179	8

## TAXES

1¢ share of gasoline tax for city streets . .	1	1
Annexed territory may be counted in computing a city's population in distribution of shared taxes. . . . .	121	7
Pension trusts exempt from State income tax .	238	13
Sales Tax, Cities incorporated before July 1, 1953, may share in distribution of. . . . .	50	2
Theaters, Repeals authority of cities to replace Federal Tax on. . . . .	14	1
Theaters, 2% gross receipts tax to be col- lected monthly instead of annually. . . . .	200	9

## TEXTBOOKS

Free textbooks, appropriation for . . . . .	35	1
Free textbooks, appropriation for, certain school districts. . . . .	55	3

## THEATERS

Authority of cities to replace Federal Tax, repealed . . . . .	14	1
2% gross receipts tax to be collected monthly instead of annually . . . . .	200	9

## UTILITY DISTRICT LAW

Utility districts may be created in two or more counties. . . . .	122	7
--	-----	---



## PUBLIC CHAPTER NO. 1

1¢ of Gasoline Tax for City Streets. Appropriates a 1¢ share of the State gasoline tax and motor vehicle fuel tax to municipalities for use on local streets. Distribution is on a per capita basis and will be made monthly. The yield to a city has been estimated as \$5.20 per capita per annum. The act becomes effective July 1, 1953, and not only covers existing cities, but also provides for including territory annexed to cities and for newly incorporated cities. To become eligible for its share a city must certify its population to the Tennessee State Planning Commission. (In its current publication "How You Can Use It", sent to all cities, the Municipal Technical Advisory Service presents a series of questions and answers on the administration of this Act. In addition, the State Planning Commission has sent each city instructions on how to certify its population for the purposes of this Act).

## PUBLIC CHAPTER NO. 14

Tax on theaters. Repeals authority of municipalities granted by a 1949 act to replace by a local tax any reduction that might be made in the 20% Federal tax on theaters. Due to the financial condition of the theater industry at present, resulting in the recent closing of numerous Tennessee theaters, the Tennessee Municipal League approved this repealer. Despite the passage of this bill, municipalities will continue to have the authority to levy a 2% tax on motion picture receipts.

## PUBLIC CHAPTER NO. 32

Maximum length and weight of buses. Sets maximum length of buses on the highways of the State at 40 feet, and maximum gross weight at 42,000 pounds. Affects municipalities only if a local bus line operated or contemplated operating buses exceeding these limits.

## PUBLIC CHAPTER NO. 35

Appropriation for free textbooks. Appropriates \$5,000,000, payable from issuance of State bonds, for free textbooks for the school years 1953-54 and 1954-55, for grades one through twelve for the public schools of all counties, cities and special school districts, both equalizing and non-equalizing. The State Commissioner of



Education shall furnish to all public school systems a list of the subjects by grades for which textbooks shall be purchased; the actual purchasing is left to the local school boards. (See also Public Chapter No. 55, which provides free textbooks for certain non-equalizing school districts).

#### PUBLIC CHAPTER NO. 39

Justice of the Peace jurisdiction in civil cases increased. Increases jurisdiction of Justices of the Peace (and of City Recorders too, where their charters give them JP powers) in civil cases as follows.

	<u>Former maximum</u>	<u>New maximum</u>
On notes:	\$1000	\$2000
On unsettled accounts:	500	1500
On contract or tort, except libel and slander:	500	2500

#### PUBLIC CHAPTER NO. 42

Junk dealers to assist in identifying property. Requires junk dealers to give officers or other persons inquiring of them information to enable the seller of the junk to be identified.

#### PUBLIC CHAPTER NO. 48

Cities may waive rights in school bond issues. Permits a city operating schools, by ordinance to waive rights to a share of a county bond issue for the construction, maintenance or equipping of school buildings, which bond issues are ordinarily divided between county and city school systems on the basis of average scholastic population.

#### PUBLIC CHAPTER NO. 50

Cities incorporated before July 1, 1953 may share in sales tax distribution. Amends the Sales Tax Law to allow any city incorporated before July 1, 1953 to share in the distribution of



the sales tax, regardless of population. The 1949 law prohibited sharing the tax with cities incorporating thereafter if they had a population of less than 1000. The effective date of this restriction was postponed by legislation both in 1949 and 1951, and this act again postpones the effective date to July 1, 1953.

#### PUBLIC CHAPTER NO. 55

Free textbooks for certain school districts. This act replaces in part, Chapter 132, Public Acts of 1951, which was declared unconstitutional by the Supreme Court. Insofar as the balance of the original appropriation allows, there is appropriated \$2.50 per pupil in average daily attendance for each of the school years 1950-51 and 1951-52\* in grades one through twelve, for the following non-equalizing counties, cities and special school districts, less such sums as may have been paid these school districts under the provisions of Part (7) of Section 13, Chapter 9, Public Acts of 1949:

<u>Counties</u>	<u>Cities</u>	<u>Special School Districts</u>
Shelby	Memphis	Lebanon
Davidson	Nashville	Watertown
Knox	Knoxville	Franklin
Hamilton	Chattanooga	Dayton
Polk		Richard City

\*NOTE: Chapter 35, above, refers to the school years 1953-54 and 1954-55.

#### PUBLIC CHAPTER NO. 56

\$14,000,000 State bonds for rural roads. Authorizes the State to issue up to \$14,000,000 of bonds for use exclusively on the State Rural Road System.

#### PUBLIC CHAPTER NO. 57

\$10,000,000 State bonds for highways. Authorizes the State to issue up to \$10,000,000 of bonds for use exclusively in the construction of highways which are a part of the State Highway System, and/or for matching available Federal funds.



## PUBLIC CHAPTER NO. 58

City may transfer local bus regulation to a municipal transit authority or to State utilities commission. Allows a city governing body, by amendment of the city charter, to transfer its supervision and regulation, jurisdiction and control over local bus and street railway companies to either a municipal regulatory agency created for such purpose or to the State Railroad and Public Utilities Commission.

## PUBLIC CHAPTER NO. 70

General Education Appropriation Act. Appropriates funds for the operation of the public schools of the State, including the University of Tennessee, the various State colleges and special institutions and programs; increases the annual appropriation for the Municipal Technical Advisory Service from the State's General Fund from \$35,000 to \$40,000; requires all Boards of Education in cities, counties and special school districts to hire all public school teachers, principals, and other school personnel on or before May first preceding the scholastic year for which such personnel shall be employed.

## PUBLIC CHAPTER NO. 76

17% tax on wholesale sale of beer. Repeals Chapter 37 of the Public Acts of 1951, which permitted counties and cities to levy a retail tax of up to 10% on beer, and in its place levies a 17% tax on the wholesale sale of beer. This act takes effect on July 1, 1953. (Public Chapter No. 76 does not repeal or in any other way affect Sections 1191.1 through 1191.19 of the 1950 Supplement to the Code of Tennessee, which levy a State tax on wholesalers of \$3.40 per 31-gallon barrel of beer, which tax is shared with the cities to the extent of about 23 cents per capita per year).

The act requires every wholesaler, on or before the 20th of each month, based on his wholesale sales in the preceding calendar month, to remit a net tax to each affected city and county (for portions outside cities). The net tax is the amount of tax left after deductions of 3% of the gross tax to defray the expenses of the wholesaler, and 1/2% of the gross tax for expenses of the State Department of Finance and Taxation in administering this act.

The net tax collected on sales made to a retailer will be paid to the county or municipality in which the retailer's place of business is located; the net tax on all other sales made at the wholesaler's



place of business will be paid to the county or city in which the wholesaler's place of business is located.

A city or county may levy a smaller tax or no tax under the provisions of this act, or may even levy a tax on a unit basis so long as it does not exceed 17% of the wholesale price. In the case where a city or county does not levy a tax, the wholesaler is still required to collect it, and the tax so collected is paid to the county or city in which the purchaser resides, but if the purchaser resides in a city or county levying no tax, the tax so collected will be distributed equally to the cities and counties in which the wholesaler does business. No tax is levied on beer sold to military posts.

Each wholesaler must post an indemnity bond, and is required to furnish wholesale price lists and amendments thereto to the cities and counties in which he makes wholesale sales. The State Department of Finance and Taxation is required to issue rules and regulations for the administration and enforcement of the act.

Each wholesaler must report the quantities of his wholesale sales, broken down by unit prices, sizes and types of containers, within each city and county, to the Department of Taxation and Finance, with copies of the report to the cities and counties concerned. The act requires the signing of delivery tickets, which shall be kept on file for two years for inspection by the State, or by a city or county. The records of each wholesaler shall show his sales to individual retailers and shall be likewise available for audit by these governments for a period of two years. The Department is empowered to make investigations, either on its own initiative or upon request of any city or county receiving the tax; and municipal and county officials, as well as the Department, are empowered to enforce the act.

The act creates a 5-member non-paid Advisory Board, to consist of two persons appointed by the Tennessee Municipal League, two by the Tennessee County Judges Association, and one by the Tennessee Malt Beverage Association, for two-year terms.

The provisions specifically state that if this act is declared unconstitutional the former act authorizing a 10% tax on retail sales will be in full force and effect.

#### PUBLIC CHAPTER NO. 78

General Appropriation Act. Among the appropriations for higher education is the increased appropriation of \$40,000 per annum from the General Fund for MTAS, also carried in the General Education Appropriation Act.



## PUBLIC CHAPTER NO. 89

Liberalizes rules for withdrawal of cities from State Retirement System. Allows a municipality participating in the State Retirement System to withdraw from the System not only because of being financially unable to make its contributions (as previously provided), but also if it finds the making of these contributions "burdensome to itself and its employees". Such withdrawal would be effected by filing a Resolution with the State Retirement Board, and notifying the employees concerned. Employees would still have the choice of withdrawing from the System and receiving a refund of their contributions or allowing the contributions to purchase them a paid up deferred annuity at age 65.

The city will receive a refund of the contributions it has made, less such sums as are necessary to pay all retirement benefits accrued or to accrue in the future to present or retired employees of the city and also less the cost of administering the retirement program in behalf of such employees.

## PUBLIC CHAPTER NO. 94

Feeding garbage to animals. Prohibits feeding garbage to animals (except an individual's own household garbage to his own animals) unless such garbage has been heated to 212 degrees F. by an approved method. Counties, however, may prohibit all such feeding, regardless of heating. Law applies to municipalities disposing of garbage in this manner as well as to private persons or firms.

## PUBLIC CHAPTER NO. 101

Counties may cooperate with cities in public works projects. Allows a county to cooperate with other counties and/or cities and/or the State in constructing, operating and maintaining public works projects, including flood control projects. A joint project, by agreement of the joint participants, may be operated and/or maintained solely by the county itself or by any one of the participants. This is a companion act to Public Chapter No. 102.

## PUBLIC CHAPTER NO. 102

Cities may cooperate with counties and the State in public works projects. Allows a city to cooperate with other cities and/or counties and/or the State in constructing, operating and maintaining public works projects, including flood control projects. A joint project,



by agreement of the joint participants, may be operated and/or maintained by the city itself or by any one of the participants. Public Chapter No. 101 is the companion act.

#### PUBLIC CHAPTER NO. 114

Milk may be regulated by cities. Requires that all dairy products sold in consumer packages in Tennessee shall first be registered with the Commissioner of Agriculture; authorizes the Commissioner to inspect dairy products shipped into Tennessee; authorizes cities and counties to regulate milk and milk products sold therein, and set standards equal to or higher than the State's.

#### PUBLIC CHAPTER NO. 121

Annexed territory may be counted in computing a city's population in distribution of shared taxes. Allows cities to have census taken of annexed areas by the Federal Bureau of the Census or in a manner approved by the Tennessee State Planning Commission. A city would be eligible for the increased receipts resulting from the annexation, after the 1st of July following certification to the State Director of Accounts. Shared taxes involved are the State sales tax and the State tax of \$3.40 per barrel of beer (which should not be confused with the 17% tax on beer levied by Public Chapter No. 76). Provisions for including annexed territory in respect to the distribution of the 1¢ share of the gasoline tax were already included in Public Chapter No. 1.

#### PUBLIC CHAPTER NO. 122

Utility districts. Provides that public utility districts may be created embracing territory in two or more counties.

#### PUBLIC CHAPTER NO. 166

Tuberculosis control by cities. Authorizes State, district, county and municipal health officers to have persons who are suspected of having tuberculosis examined by a physician; requires physicians to report to appropriate health officer TB carriers exposing other persons to infection; empowers health officer to define quarantine limits; authorizes city officials and county courts to provide suitable places of detention for persons subject to quarantine; health officer may release a detained person for voluntary admission to a hospital for TB treatment.



## PUBLIC CHAPTER NO. 179

Clearance requirements of railroad underpasses or overpasses. Provides that the requirements of Sections 2670.1 through 2670.8 of the 1950 Supplement to the Code, relating to minimum clearances, shall not apply to temporary forms, supports, falsework, bracing, etc., used only during and in the construction or repair of any underpass or overpass for a street, road or highway.

## PUBLIC CHAPTER NO. 182

Census of school children every 4 years. Beginning in 1956, and every 4 years thereafter, the Board of Education of each county, city or special school district shall have teachers, or other persons employed for that purpose, take a census of all children up to 18 years of age (no minimum age is indicated), using census cards and record books provided by the State. The census shall include not only personal statistics on each child, but also the name of the school where the child is enrolled or belongs, the distance from the school by the nearest accessible route, and the names and addresses of persons or firms employing or accepting service from children under 18 years.

The census shall be taken by careful inquiry at the residence of each family, and the persons making the census shall swear or affirm to its correctness. Except for the provision of forms by the State, the cost of the census shall be paid out of the school funds of the county, city or special school district. In addition, at or before the opening of the school term, the Superintendent of Schools shall furnish each principal a list of the names and residences of children assigned to that school.

## PUBLIC CHAPTER NO. 195

Increases appropriation for MTAS from sales tax. Increases the annual appropriation for the operation of the Municipal Technical Advisory Service from \$35,000 to \$40,000 from the cities' share of the State Sales Tax, to match the \$40,000 per annum appropriation from the General Fund (Public Chapter No. 78).

## PUBLIC CHAPTER NO. 196

Appearance bonds in city courts. Amends Section 3562 of the Code of Tennessee, 1932, which section is a portion of the Uniform City Manager and Commission Charter, so as to allow any person arrested for the violation of any city ordinance in the presence of a police officer, where



no warrant has been issued, to post up to \$50 (in cash or as an appearance bond), to insure his showing up in Court.

#### PUBLIC CHAPTER NO. 197

Boiler inspection. Provides that the State boiler inspection law does not interfere with a city's right to regulate boilers by ordinance, as long as such regulation complies with the standards of the State law.

#### PUBLIC CHAPTER NO. 200

2% gross receipts tax on theaters to be collected monthly instead of annually. Provides that the State 2% gross receipts tax on theaters, motion picture shows and vaudeville shows shall be paid on or before the 20th of each month, instead of annually. Since municipalities are also authorized to levy this tax, cities having the tax and collecting on an annual basis may wish to amend their ordinances so that their periods of collection will coincide with those of the State.

#### PUBLIC CHAPTER NO. 201

Fire sales. Authorizes a city to regulate and license "fire sales", "creditor's sales", "loss-of-lease sales," "forced-out-of-business sales," and the like. License fee is \$25 per sale. Exempt from the provisions of this act are sheriff's sales, auctions conducted by licensed auctioneers, and persons conducting sales pursuant to a court order.

#### PUBLIC CHAPTER NO. 202

Driving while intoxicated or under use of drugs. Unlawful to drive while intoxicated or under the influence of narcotic or barbitol drugs; in prosecution, chemical tests of blood, urine or breath to show the amount of alcohol in blood shall be admissible in evidence. (This Chapter states that while normally 15/100% or more by weight of alcohol in the blood shall be a presumption of intoxication, it shall not be a conclusive presumption). The penalties for conviction are as follows:



1st & 2nd offenses: \$10-\$500 fine, plus (in the discretion of the Court) up to 1 year in jail, plus (in the discretion of the court) suspension of driving privileges for up to 6 months.

3rd & subsequent offenses: \$50-\$1000 fine, plus mandatory jail sentence of from 2 months to 2 years, plus mandatory suspension of driving privileges for from 2 to 10 years.

#### PUBLIC CHAPTER NO. 203

Compulsory time off for employees to vote. Any employee entitled to vote in a State, county or municipal election, including primary elections, shall be given time off to vote not to exceed 3 hours, without penalty or loss of pay; provided (1) that he has requested such time off at least 24 hours prior to the day of election, and (2) that the employer may specify the hours during which the employee may absent himself, and (3) that no such time off shall be given if the employee's tour of duty begins 3 hours after the opening of the polls, or ends 3 hours before the closing of the polls.

#### PUBLIC CHAPTER NO. 205

State Bureau of Aeronautics may match municipal funds. Amends Section 63 of Chapter 268 of the Public Acts of 1951 (the Miscellaneous Appropriation Act) so that the \$150,000 per annum appropriated to the State Bureau of Aeronautics to be used solely for matching Federal funds, can also be used for matching municipal funds. This amendment and the 1951 act refer only to the fiscal biennium ending June 30, 1953, but Public Chapter No. 251, below, continues this appropriation beyond that date.

#### PUBLIC CHAPTER NO. 211

Sharing school bond proceeds. Provides that a county shall not share the proceeds of school bond issues with cities or special school districts, if the proceeds were based on county taxes not levied on property within said cities or special school districts.

#### PUBLIC CHAPTER NO. 213

Voting machines. Amends the County Public Works Act /Sections 4406.25 (d) and 4406.39 of the 1950 Supplement to the Code/ so as to permit



counties to buy voting machines and pay for them by issuing general obligation bonds on all taxable property in the county.

PUBLIC CHAPTER NO. 218

Counties may issue revenue bonds for industrial buildings. Amends Chapter 137 of the Public Acts of 1951, to give counties the same powers now conferred upon municipalities (after authorization by referendum) to construct, reconstruct, improve or extend any industrial building, including the acquisition of land; to lease or rent such buildings; and to finance such projects by the issuance of revenue bonds payable from the rentals on the buildings.

PUBLIC CHAPTER NO. 219

Tennessee Industrial and Agricultural Commission. Creates a Tennessee Industrial and Agricultural Commission, consisting of the Governor and 8 members appointed by him. The members shall represent various industrial, agricultural, business, labor and governmental interests, with one member to specifically represent Tennessee municipalities.

Purposes of the Commission are to:

1. Promote the location of additional industries and businesses in the State so as to utilize the State's resources and increase employment opportunities.
2. Aid and encourage existing industries of the State.
3. Cooperate with existing State and Federal agencies and local governments and agricultural, business, industrial and educational interests of the State in promotion of industrial development in Tennessee.

To achieve the above purposes, the Commission is authorized to:

1. Undertake studies and research.
2. Disseminate information.
3. Provide advice and technical assistance to existing, prospective and potential industries, to local governments, groups and individuals.
4. Cooperate with the University of Tennessee and other institutions in the interest of industrial experimentation and education.



The Commission shall appoint a qualified executive director, and such other employees as necessary. The personnel, files, library equipment and balance of appropriations of the Industrial Development Division of the Tennessee State Planning Commission are transferred to the Commission. The Commission's work is to be financed by a \$75,000 per annum appropriation from the State and voluntary contributions from municipalities and counties (which are expressly authorized to appropriate funds for such purposes), and from businesses, industries and any other proper source. Sums to be solicited from municipalities will be at the rate of five cents per capita of population, according to the latest federal decennial census.

#### PUBLIC CHAPTER NO. 229

Elevators and escalators. Permits the Tennessee Elevator Safety Board to prescribe fees for construction permits, operating permits, acceptance inspections, initial inspections, and periodic inspections for new and existing elevators, dumbwaiters and escalators; changes periodic inspection of passenger elevators and escalators from every 3 months to every 6 months, and of freight conveyances from every 6 months to every 12 months; increases penalties on an inspector failing to file report; increases fees for operating permit; requires filing detailed plans and specifications with Department of Labor "or its authorized representative"; requires issuance of a construction permit by Department of Labor "or its authorized representative"; sets inspection fees to be paid to the Department of Labor, "or its authorized representative"; and increases fees paid by applicants for elevator inspector licenses.

#### PUBLIC CHAPTER NO. 233

Issuance of bonds for municipal public works. Amends certain sections of the Municipal Public Works Act of 1945 (Sections 4406.7 and 4406.11 of the 1950 Supplement to the Code) in respect to bond issues - primarily general obligation bond issues. This Chapter makes the following changes, in cases "where the bonds are not payable exclusively from the revenue of a Public Works Project":

- (1) Reduces City Council vote on bond issues from 3/4 to a simple majority.
- (2) Raises from 5% to 10% the proportion of voters required to sign a petition forcing an election on such a bond issue. (However, a city council may still, if it wishes, refer the matter to the voters, without such a petition).



- (3) Eliminates the provision that serial bonds begin falling due within three years of issuance.
- (4) Eliminates the provision allowing callable features in bonds.
- (5) Eliminates the provision that bond issues must be advertised in a New York City financial journal.

PUBLIC CHAPTER NO. 236

Social Security coverage of employees. Amends Chapter 90 of the Public Acts of 1951, which permits the extension of Federal Social Security coverage to municipal employees, as follows:

- (1) Specifies that prior to January 1, 1954, any political subdivision authorized to enter into an agreement for this coverage, may make the agreement retroactive to January 1, 1951. After January 1, 1954, an agreement shall be made retroactive only to the first of the year in which the agreement was entered into.
- (2) The Tennessee Municipal League is added to those political subdivisions permitted to obtain Social Security coverage under Chapter 90, Public Acts of 1951.

PUBLIC CHAPTER NO. 238

Pension trusts exempt from State income tax. Provides that the income from stocks and bonds of pension trusts and profit sharing trusts which are exempt from Federal income taxation shall also be exempt from the State income tax.

PUBLIC CHAPTER NO. 246

Applications for absentee ballots. Permits members of the armed forces to make post card applications for absentee ballots for state, county and municipal elections.



## PUBLIC CHAPTER NO. 251

Appropriations for municipal airports. This Chapter, the Miscellaneous Appropriations Act, in addition to authorizing payment for many non-municipal items, appropriates to the Bureau of Aeronautics \$150,000 per annum to be used for the matching of Federal, municipal, county and local funds in the construction and development of airports and airport facilities, for direct grants on a municipal, county or local basis for construction and development of airports and airport facilities and for general aviation promotion. An additional \$150,000 is also appropriated for the same purposes, but may be expended only with the approval of the Governor and the Budget Director.

## PUBLIC CHAPTER NO. 252

Anti-Rabies act. Establishes a Division of Rabies Control in the State Department of Health; all dogs over six months old must, before October 1, 1953, and annually thereafter, be vaccinated against rabies for a cost of not to exceed \$1.00 per vaccination; exempts any city or county from operation of this act if it is maintaining a rabies program in conformity with this act; dogs shall wear vaccination tags on collar at all times, except hunting dogs while in chase; dogs found running at large may be seized by health or peace officers and impounded; dogs not redeemed to be destroyed; County or State Health Departments may confine dogs which have bitten persons or are suspected of having rabies; State Health Department and all Peace Officers and their assistants are empowered to enforce act; County Grand Juries given inquisitorial power to investigate violations of act.

## PUBLIC CHAPTER NO. 263

Incorporation of local teachers' tenure systems into State system. Provides that any teacher tenure system applicable only to a city, town or county and authorized by special act of the General Assembly may be brought under the State teacher tenure system by the following procedure:

- (1) The board having jurisdiction over the local system shall publish a notice of its intent in a newspaper of general circulation in the locality and announce the date for a hearing.



- (2) If, after the hearing, the board determines that joining the State system is to the interest of the teachers concerned, it shall adopt a resolution requesting such merger, and forward a certified copy to the State Commissioner of Education.
- (3) If the Commissioner approves the merger, he shall give proper public notice thereof, and ten days thereafter the merger is accomplished.

PUBLIC CHAPTER NO. 269

Special school districts may waive rights in school bond issues. Permits a special school district, by resolution to waive rights to a share of a county bond issue for the construction, maintenance or equipping of school buildings, which bond issues are ordinarily divided between county and special school districts on the basis of average scholastic population. (This Chapter amends Chapter 191, Public Acts of 1951, and is similar to Chapter 48, which pertains to waivers by cities and which amends Section 2563 of the 1950 Supplement to the Code).