OF SUMMARY

ARCHIVES

INTEREST TO MUNICIPALITIES

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Laws and Regulations -

FOREWORD

The 1959 General Assembly adopted 332 public acts. In this publication we have briefly summarized the subject matter of 135 of these acts which affect municipalities or are of some interest to municipal officials. The analyses are arranged chronologically, as the acts were signed into law, and at the end of this report there is an alphabetical Subject Index for ready reference.

Probably the most significant group of acts from the standpoint of municipal interest were those relating to the encouragement of industrial development. Among these are acts transferring the Tennessee Industrial and Agricultural Development Commission to the Department of Conservation and Commerce, and substantially increasing its budget (Chapters 9 & 17), authority to create Development Credit Corporations to make loans for industrial development (170), the Industrial Park Act (169), the Industrial Highways Act (264), the reduction of the State sales tax on industrial machinery from 3% to 1% (15), authority to employ area industrial agents (230), authority for cities to construct office buildings in the same manner as industrial buildings (152), and approval of the Tennessee-Tombigbee Waterway compact (55).

Among important new laws relating to municipal powers are the provision for acquisition of rights-of-way for streets and highways without a jury of view, which speeds the process (216), regional zoning powers (217), clarification of the respective jurisdictions of municipal utilities and utility districts (166) together with the protection of a city's right to annex and serve the territory (224), and new acts relating to the issuance of bonds by local subdivisions.

The general laws for the creation of municipalities came in for some revision. It is now possible to incorporate under the mayor-aldermen form by only a majority vote of those voting on the question, instead of the previous requirements that 2/3 of those registered must approve (232), and a mayor-aldermen city may be incorporated in two or more counties (295). Six acts were passed amending the Modified City Manager Law, which was passed for Oak Ridge.

A number of acts were passed dealing with utility districts, principally in connection with broadening the powers of the districts, especially in respect to the right to serve its area, and the issuance of refunding bonds.

From the standpoint of taxes, municipalities will now be exempt from having to pay the motor vehicle fuel tax (233), but they lost the right to levy a theater tax (128). By a re-wording of the law on property law assessments, personal property taxes on household goods have been virtually eliminated (279). By Senate Joint Resolution No. 61, the Legislative Council Committee is charged with the responsibility of making a study of the tax, revenue and debt structure of municipalities in relation to the provision of adequate municipal services.

Among the new State services are the Air Pollution Control Service (270), the Radiological Health Service (66), the State Coordinator of Election Activities (148), and the designation of Urban and Rural Highway Engineers in

the State Department of Highways (325). Other important new laws are the State Boating Act of 1959 (212), a law creating General Sessions Courts in most counties (109) and a law to authorize the establishment of county Public Records Commissions (253).

There were fourteen acts dealing with education, among them two authorizing counties to contract for the teaching of the county elementary and high schools (259 and 309). In addition to the act virtually eliminating assessments on household goods, counties may issue capital outlay notes for tax assessment programs (188). Numerous revisions were made in the State Retirement and Teachers' Retirement Systems, including the extension of Social Security coverage to persons not presently covered. Finally, there were numerous acts relating to juveniles and juvenile courts, motor vehicles, and the seizure and sale of contraband liquors and vehicles.

Some 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, or will be available soon in the printed 1959 Public Acts.

Victor C. Hobday Executive Director

May 1959

Public Acts of 1955 and 1957. The Public Acts of 1955 and 1957, as codified and published separately in pocket supplements, are made a part of the Tennessee Code Annotated.

PUBLIC CHAPTER NO. 6

Stream Pollution. Adds radioactive materials to the list of wastes subject to regulation by the Stream Pollution Control Board.

PUBLIC CHAPTER NO. 9

Reorganization of State Government. This Act regroups a number of State administrative units under four new Staff Divisions in the Governor's office and attaches numerous Commissions to various Staff Divisions and Departments for administrative purposes. Of particular interest to municipalities is the assigning of all powers and duties of the Tennessee State Planning Commission, except planning, to the new Staff Division of Finance and Administration, and the assigning of all powers and duties of the Tennessee Industrial & Agricultural Commission to the Department of Conservation and Commerce. This Department, under the reorganization, will have the following four commerce divisions: Industrial Development, Industrial Promotion, Industrial Research, and Nuclear Energy Development. The operation of each provision of the Act is postponed until July 1, 1959, unless placed into operation sooner by executive order of the Governor.

PUBLIC CHAPTER NO. 12

Utility Districts. Validates certificates of indebtedness heretofore issued by any Utility District, the proceedings of the District's Board of Commissioners held in connection therewith, and the payment provisions thereof.

PUBLIC CHAPTER NO. 14

General Education Act. This Act contains many increases in appropriations as compared with the 1957 Act, reflecting primarily the growth of school population and the increased cost of living. There were a few minor decreases in item appropriations.

The changes in the 1959 Act, as compared with the 1957 Act, that are of primary concern to municipalities, are these:

The apportionment of school funds for current operation and maintenance as between a county and its cities and special school districts shall be based on the Average Daily Attendance of the <u>current</u> school year (Sect. 8). Formerly, the apportionment was based on the ADA of the previous year.

A new provision of this Act allows an equalizing county that was non-equalizing in 1955-56 (Davidson County, for example) to levy a pupil transportation tax and not share it with a city (Nashville, for example) operating its own school system (Sect. 8).

The 1959 Act continues the former provision for readjusting (for the coming year) the division of State school funds between a county and other school districts as a result of annexations, reactivations, and creation of new districts, that occurred prior to July 1. But this Act omits the former provision that a county shall also readjust the relative shares of county school tax revenues, in the case of annexations, reactivations and creation of new school districts. This section (Sect. 17) becomes effective on passage of the Act, whereas all other sections take effect July 1, 1959.

The 1959 Act provides teacher, principal-teacher and superintendent salary increases of \$100 for each year of the coming biennium (Sect. 10).

Vocational education teachers, formerly counted as half-time teachers in arriving at the number of teaching positions, will henceforth be counted as full time teachers (Sect. 4 (1) (c)).

A new appropriation of \$447,000 per annum for "vocational training" is provided, in addition to continuing appropriations for "vocational rehabilitation" and "vocational education." (Sect. 22).

The MTAS appropriation is increased from \$45,000 to \$50,000 per annum (Sect. 32).

PUBLIC CHAPTER NO. 15

1% Sales Tax on Industrial Machinery. Amends the Retailers' Sales Tax Act to levy a 1% sales and use tax on "machinery for new and expanded industry," in place of the regular 3% tax. This Chapter does not allow the reduced rate to apply to replacement machinery, but only to "machinery used directly in the manufacturing process, which is incorporated for the first time into plant facilities established in this State."

PUBLIC CHAPTER NO. 16

Peace Bonds. Establishes the range of peace bonds at from \$250 to \$2000, rather than at "such sum as the magistrate may direct," which the law previously prescribed. By definition, a "magistrate" includes "the mayor or chief officer and the recorder of any incorporated city or town, within the limits of their respective corporations."

PUBLIC CHAPTER NO. 17

General Appropriation Act. Provides for the general state operations, including the educational expenditures contained in Public Chapter 14, discussed above. The major items of interest to municipalities contained in the General Appropriation Act are:

A total of \$375,000 per year appropriated for the three new Divisions of Industrial Development, Industrial Promotion and Industrial Research, in the Department of Conservation and Commerce. The 1957 General Appropriations Act and the Miscellaneous Appropriations Act together authorized only \$200,000 per year for the predecessor agency to these Divisions, the Tennessee Industrial & Agricultural Development Commission.

The 1959-60 and 1960-61 appropriations to the Department of Safety for safety education are \$84,000 and \$85,000 as compared with \$68,000 and \$69,000 for the preceding biennium.

Designation of \$3,256,285 annually for the Urban Program of the State Department of Highways.

Continuation of the total appropriations for the Legislative Council Committee of \$100,000 annually. This is of interest to municipalities since Senate Joint Resolution No. 61 directed the Legislative Council Committee to make a study of the tax, revenue and debt structure of incorporated cities and towns in relation to the revenue and debt requirements of providing an adequate level of municipal government services.

Sub-section 19 of Section 1 of this Act broadens the definition of the use to which the Sinking Fund created by $1\frac{1}{2}$ of the net receipts of the Sales Tax can be put. Previously, this Fund was solely for the payment of interest and principal becoming due on state bonds issued after July 1, 1947, for "constructing new state buildings." By this Act, such Fund "may also be used for the acquisition of property for, as well as the construction, repair and maintenance of any State building now in existence or hereafter to be constructed." As Sub-section 5 of Section 67-3047 of the Tennessee Code Annotated permits drawing from the gross proceeds of the Sales Tax, before making any distribution, to make up any deficit in this Sinking Fund, the municipal share of the Sales Tax would be affected only in the event of such a deficit.

PUBLIC CHAPTER NO. 18

\$10,600,000 in Bonds for State Universities. Authorizes the issuance of not more than \$10,600,000 in State general obligation bonds for State institutions of higher learning, to be used for repairs, replacements, additions and improvements, including the acquisition of building sites and equipment for facilities. While the subject of this Act is not of direct municipal interest, the Act does pledge as additional security the Sinking Fund established for the acquisition of property for, and the construction, repair and maintenance of State buildings. As discussed in connection with Chapter 17, above, a deficit in this Sinking Fund would affect in some degree the cities' share of the Sales Tax.

PUBLIC CHAPTER NO. 19

\$30,000,000 in Bonds for Highways. Authorizes the issuance of not more than \$30,000,000 in State general obligation bonds for the construction of State highways and for matching Federal funds.

\$4,600,000 in Bonds for State Buildings. Authorizes the issuance of not more than \$4,600,000 in State general obligation bonds, for improvements to the West Tennessee Tuberculosis Hospital, for the construction of one or more Department of Public Health regional offices and laboratory units (which may be constructed jointly with funds from Federal and/or local governments), for improvements to the State's mental institutions and the adult and youth correctional institutions, for construction near the Capitol Hill area of a State service building, and improvements at the Brentwood Hall State Agricultural Center.

With the exception of the regional offices and laboratory units of the Department of Public Health, this Act has little of municipal interest. However, as in the case of Chapters No. 17 and 18, discussed above, this Act pledges as additional security the Sinking Fund established for the acquisition of property for, and the construction, repair and maintenance of State buildings. And a deficit in this Fund would affect to some degree the cities' share of the Sales Tax.

PUBLIC CHAPTER NO. 22

Small Business Investment Companies. Provides that Small Business Investment Companies chartered by the Tennessee Secretary of State and licensed by the U.S. Small Business Administration, shall have the powers and be subject to the limitations as prescribed by the U.S. Small Business Investment Act of 1958, as amended; that state banks are authorized to purchase stock in such companies; that secured negotiable obligations of such companies may be purchased by insurance companies, investment companies, industrial development corporations, employee and other trusts, etc.

PUBLIC CHAPTER NO. 26

One License Plate for Trucks. Only one license plate will be issued for trucks, truck-tractors, motorcycles, trailers, semi-trailers and vehicles operated under a dealer's license.

PUBLIC CHAPTER NO. 34

Residential District Defined. This Act amends the law on the operation of vehicles and the rules of the road, by defining "residential district," not previously defined.

PUBLIC CHAPTER NO. 37

Loitering. Makes it unlawful "to loiter at night upon or about the grounds of any public school or the ground of any church property." Previously, this prohibition applied only to public schools.

Insurance Benefits for Tuberculosis. Sickness and accident insurance policies (individual or group) which provide coverage for tuberculosis, shall not exclude hospitalization benefits for tubercular patients hospitalized in tax-support institutions of the State, or of any county or municipality.

PUBLIC CHAPTER NO. 39

Passing School Buses. This Act amends the law relating to stopping for vehicles loading or unloading school children, so as to eliminate the requirement that, upon authorized to pass the school bus, the motorist must do so at a speed no greater than 5 miles per hour.

PUBLIC CHAPTER NO. 43

Fingerprinting or Photographing Juveniles. Amends present Juvenile Court law to add a penalty of \$50 to \$150 for the fingerprinting or photographing of a child by "any official" (previously "any person") between his apprehension and his being brought before the Juvenile Court.

PUBLIC CHAPTER NO. 44

Juvenile Court Hearings. Amends Juvenile Court law to open Juvenile Court hearings, in the discretion of the Court, to the general public.

PUBLIC CHAPTER NO. 45

Violation of Motor Vehicle Laws by Child. For a violation of State law or municipal ordinance regulating the operation of motor vehicles, by a child, the Court may, in addition to other possible penalties, fine the child up to \$50, or prohibit him from driving for a fixed or indefinite time, or assess both such fine and restriction.

PUBLIC CHAPTER NO. 48

Offenses Under Registration Law. Adds the following misdemeanors to the offenses under the Registration of Voters law: trying to register under 21 years of age, registering more than one time, and registering under a fictitious name. However, the deprivation of the right to vote or hold office for 10 years does not apply to these misdemeanors.

PUBLIC CHAPTER NO. 50

County Industrial Parks. Adds industrial parks to the list of public works which counties may construct, operate and maintain under the County Recovery and Post War Aid Act of 1945. Under the 1945 Act, a county may exercise the powers therein granted, singly or jointly with one or more counties and/or one or more cities.

While a similar provision was not added to the companion Act, the Municipal Recovery and Post War Aid Act of 1945, the new Industrial Park Act (Chapter 169, below) authorizes both cities and counties to develop industrial parks and provide services thereto. In addition, both counties and cities may avail themselves of the provisions of the Industrial Development Corporations Act and the Industrial Building Bond Act which were passed in 1955.

PUBLIC CHAPTER NO. 53

Watershed Districts. Amends the Watershed Districts Act so that the limitation that "no tract of land shall be assessed for such benefits in an amount in excess of 25% of its assessed valuation for county taxation," shall apply only to watershed districts of 250,000 acres, or larger.

PUBLIC CHAPTER NO. 55

Tennessee-Tombigbee Waterway. Authorizes the Governor to execute a compact with Alabama and Mississippi to promote, develop, construct, regulate and maintain a navigable waterway connecting the Tennessee and Tombigbee Rivers, to be called the Tennessee-Tombigbee Waterway. No funds are appropriated.

PUBLIC CHAPTER NO. 59

Bonds - Municipal. Validates all bonds, including refunding bonds, of Tennessee cities and authorizes such cities, without an election, but solely by resolution of the governing body, to issue and sell refunding bonds not to exceed 6 per cent per annum interest and maturing in not more than 30 years.

PUBLIC CHAPTER NO. 60

Truck Weights. Increases maximum truck weights from 55,980 to 61,580 lbs.

PUBLIC CHAPTER NO. 62

Workmen's Compensation. Amends the Workmen's Compensation Law to require that any medical report submitted to the employer based upon an examination of injuries to an employee, or a true copy of such report, be furnished by the employer to the employee, upon request. The employer may, however, in his discretion, furnish such report to the attorney for the employee or to a member of the employee's family.

PUBLIC CHAPTER NO. 66

Radiological Health Service. Authorizes and empowers the Department of Public Health to create a Radiological Health Service. The functions of this Service include the collecting of information; encouraging, participating in and conducting studies, training, research and demonstrations; measuring radiation and studying effects; applying controls and regulations with respect to radiological safety; requiring the reporting of unexpected or unplanned incidents of excessive exposure. The Act requires the registration of persons

possessing radiation sources, but does not control the use of radiation medically. The Department is authorized to cooperate with municipal and other agencies in administering this act and other safeguards, and in promoting the peaceful uses of atomic energy. The Commissioner of Public Health is empowered to adopt rules and regulations; to make inspections, to issue notices of violations. This Act is enforceable through any Circuit or Chancery court; it takes effect July 1, 1959.

PUBLIC CHAPTER NO. 67

Sales Tax Distribution. All municipalities, regardless of size, will receive the Sales Tax distribution. Prior to the passage of this Act, cities under 1,000 population incorporated after July 1 of a specific legislative year were not eligible for the Sales Tax distribution, and the law was amended every two years to advance this deadline. The population of new cities is to be determined under regulations of the State Planning Commission. Distribution to a new city begins July 1 "following incorporation, election and installation of officials."

PUBLIC CHAPTER NO. 74

Voter's Registration. Provides that a registered voter, who has changed his or her residence from one ward or voting precinct to another within the same county, within 30 days of the next election, may vote in his or her old ward or precinct.

PUBLIC CHAPTER NO. 76

Prisoners Wounding Selves. Authorizes and prescribes punishment for prisoners in city or county jails or other penal institutions who willfully inflict wounds upon their persons for the purpose, or with the effect, of evading assigned labor.

PUBLIC CHAPTER NO. 77

Meat and Poultry Processing. Adds "all plants processing meat or poultry, such as sausage plants and eviscerating plants" to those slaughterhouses already subject to inspection and licensing by the State Department of Agriculture. The Commissioner of Agriculture, in addition to the \$10 annual license fee, may establish hourly rates for inspection services in plants slaughtering and/or processing livestock or poultry, and charge the costs of inspection to the plants inspected.

PUBLIC CHAPTER NO. 78

Plant Pest Act. Amends the Plant Pest Act of 1955 to broaden the definition of "plant diseases"; to elaborate the procedures of the board of review; to expand powers of Commissioner of Agriculture and the Director of Entomology and Plant Pathology to include treatment of land and soil, regulating planting dates, prohibiting planting of certain crops for certain periods, when any of these are to control or eliminate insect pests and plant diseases, and rules have been promulgated.

Under existing provisions of the Plant Pest Act, the Commissioner and Director may enter into cooperative agreements with counties and municipalities for inspection, eradication and control of insect pests and/or plant diseases.

PUBLIC CHAPTER NO. 87

Truck Heights, Lengths and Weights. Increases maximum truck-trailer length from 45 to 50 feet; increases maximum height of auto carriers and vehicles carrying livestock, agricultural commodities and/or farm equipment from $12\frac{1}{2}$ feet to $13\frac{1}{2}$ feet; and increases maximum truck or truck-trailer weight from 55,980 pounds to 61,580 pounds. An additional section makes clear that no state, county or municipal officer (except the Commissioner of Highways by special permit) shall allow any tolerance in the enforcement of these maximum limits.

PUBLIC CHAPTER NO. 91

State Retirement System. Liberalizes provisions relating to leaving the Tennessee State Retirement System, by providing that membership shall cease if an employee has been continuously unemployed as a State employee for 7 years (formerly 5 years) or if, in any 10-year period after he last became a member, the employee renders less than 2 years service (formerly 5 years). By Section 8-3601, Tennessee Code Annotated, legislative bodies of municipalities may elect to have their employees come under the provisions of the Tennessee State Retirement System. Present municipal members of the System are the cities of Bristol, Johnson City and Kingsport, and the Greeneville Light & Power Board.

PUBLIC CHAPTER NO. 92

County Assessments. Permits notice of an increase in assessment by the county board of equalizers to be sent by certified mail.

PUBLIC CHAPTER NO. 93

Teachers' Sick Leave. Increases the maximum accumulated sick leave of a public school teacher from 36 days to 40 days.

PUBLIC CHAPTER NO. 94

Suspension from Riding School Buses. Permits a principal, for good and sufficient reason, to suspend a pupil from riding a school bus, until the case is decided by the county board of education.

PUBLIC CHAPTER NO. 104

Census of School Children. Provides that the scholastic quadrennial census required by Section 49-1703, Tennessee Code Annotated, shall not be taken during any quadrennium in which the Federal decennial census is taken, and, further, that the Federal decennial census figures shall be used in lieu of those figures that would have been secured had such scholastic quadrennial census been taken.

School Attendance. Reduces, from 16 years to 15 years, the minimum age of pupils who may be excused from attending school when, in the opinion of the board of education, their enrollment is detrimental to good order and discipline and is not of substantial benefit to such pupils.

PUBLIC CHAPTER No. 108

Election Laws. Amends many sections of the election laws. Cancels permanent registration if a person fails to vote for 4 successive calendar years in any primary or general election (formerly, the law read "state-wide election"); permits persons under 21 years of age to register and vote in a primary election if they will attain voting age prior to the succeeding general election; provides that within one year after the total number of voters in any election reaches 1,000 persons in any precinct not using voting machines, the county court shall create a new voting precinct contiguous to it; provides that all ballots cast in general elections for national, state, county, municipal and district offices shall be of uniform width established by the State Election Commission; establishes a minimum size of print for ballots; and reduces the number of ballots to be supplied at each voting place from 200% of the registered voters to 110%.

PUBLIC CHAPTER NO. 109

General Sessions Court. Creates a General Sessions Court, effective September 1, 1960, in all counties not already having one, with the exception of eight counties specifically excluded by population range. The General Sessions Court is vested with "all of the jurisdiction and shall exercise the authority conferred by law upon justices of the peace in civil and criminal cases, suits and actions," and effective September 1, 1960, justices of the peace are divested of such powers. However, justices of the peace may still issue criminal and search warrants, accept appearance bonds, issue civil process, serve as members of Quarterly County Court, perform marriages, and administer oaths. Appeal from the General Sessions Court is to the Circuit Court. General Sessions Court also has certain jurisdiction in misdemeanor cases. Separate dockets shall be kept in the Court for civil and criminal cases.

General Sessions Court judges shall be popularly elected for 6-year terms initially, and thereafter for 8-year terms. The Clerk of the Circuit Court serves as the Clerk of the General Sessions Court. General Sessions Courts created by private act shall have the powers and jurisdiction conferred by this Act, but this Act shall not affect any of the powers, jurisdiction or provisions conferred by such private act.

The counties specifically exempted (on a population range basis) from the provisions of this Act are: Gibson, Hancock, Humphreys, Johnson, Sevier and Stewart. In addition, two amendatory acts (Chapters 255 and 265) exempt Perry and Polk Counties, respectively, from the provisions of this Act.

"Drag Racing." Prohibits "drag racing" on public streets, roads and high-ways; provides stiff penalties of fine and/or jail term, plus revocation of driver's license.

PUBLIC CHAPTER NO. 119

Municipal Regulation of Traffic on College Campuses. Upon the request of the State Board of Education (in the case of colleges under its control), or of the Board of Trustees of the University of Tennessee (in the case of the University of Tennessee), municipalities in which these colleges and universities are located, may prescribe and enforce traffic ordinances on the campuses of said institutions. In like manner, the municipalities shall cease such traffic enforcement, upon request. This Act does not prevent a municipality from enforcing traffic ordinances on its streets within the campus.

PUBLIC CHAPTER NO. 121

Teachers' Certificates. Credits earned through correspondence work or class extension work from the University of Tennessee and other colleges approved by the State Board of Education to offer such work, shall be accepted as credit for certification of county, city and special school district superintendents, supervisors, principals and teachers. Formerly, this provision applied only to county school systems. This Act also extends the jurisdiction of the State Board of Education over the issuance and administration of certificates to city and special school districts, in addition to county districts embraced by the previous law. The State Board of Education is authorized to set a reasonable effective date upon which superintendents of city and special school districts shall comply with the provisions of law relating to uniformity in the issuance and renewal of certificates. This Act takes effect on July 1, 1959.

PUBLIC CHAPTER NO. 122

Teachers' Retirement System. Extends Social Security coverage to teachers who were members of the State Teachers' Retirement System prior to the availability of Social Security, but who are not presently covered by Social Security, provided they file an appropriate form before June 30, 1959. This provision becomes effective on the date (tentatively, July 30, 1959) that an agreement between the State of Tennessee and the U. S. Secretary of Health, Education and Welfare is modified; other provisions of the Act become effective upon passage.

In addition, this Act extends to July 1, 1959, the deadline for requesting a correction in the certificate relating to service performed prior to the establishment of the Teachers' Retirement System. The Act modifies the procedures relating to the choice of Optional Retirement Allowances under the Teachers' Retirement System, to provide the same opportunity for a member who is eligible to retire but continues teaching, to protect his beneficiary, as is available to a member who retires upon attaining eligibility.

Membership in the Teachers' Retirement System is mandatory for school teachers not covered by local retirement systems, except as provided in Sub-Section (2) of Section 49-1509, Tennessee Code Annotated.

PUBLIC CHAPTER NO. 123

State Retirement System. Extends Social Security coverage to employees who were members of the State Retirement System prior to the availability of Social Security, but who are not presently covered by Social Security, provided they file an appropriate form before September 1, 1959, and make payment of any lump sum required, prior to September 30, 1959. The provisions concerning the investment of retirement funds are liberalized to permit the investment in common and preferred stocks of not more than 10 per cent of the sum of the various trust funds in the State Retirement System. (Section 8-3601, Tennessee Code Annotated, authorizes the legislative body of any political subdivision, by resolution, to give its employees the opportunity to participate in the State Retirement System.)

This Act further provides that whenever eligibility for Social Security coverage is extended to new classes of persons in the employ of the State or its political subdivisions, the governor is empowered to order and have conducted any necessary supplemental referenda. Such is the case with police and firemen members of the State Retirement System, who, upon approval by referendum, will be eligible for Social Security coverage. Chapter 123 becomes effective on the date an agreement between the State of Tennessee and the U. S. Secretary of Health, Education and Welfare is modified. This is tentatively scheduled for September 30, 1959.

PUBLIC CHAPTER NO. 125

Bonds - Sewer and Waterworks. Amends the Municipal Recovery and Post War Aid Act of 1945 to permit the issuance, without opportunity for referendum, of any type of bonds for waterworks or sewerage purposes if the governing body of the city, by a 3/4 vote, declares that an emergency requires the issuance of such bonds. Previously, issuance without referendum was permitted only when the bonds were payable exclusively from the revenues of a public works project.

PUBLIC CHAPTER NO. 128

Theater Tax. Removes the authority of municipalities to levy a theater tax; reduces the State theater tax from 2 per cent of gross receipts to 1 per cent; and requires the use of serially-numbered theater tickets. This Act takes effect July 1, 1959.

PUBLIC CHAPTER NO. 130

Operation of Railroads. Provides that the failure of an engineer to blow whistle or ring bell at a designated railroad crossing shall constitute negligence. Also specifies that a violation of any other provision of Section 65-1208, Tennessee Code Annotated, shall constitute negligence.

Court Judgments Affecting Local Taxes. Requires the clerk of any court rendering a judgment or decree affecting city or county taxes to furnish a copy of such judgment or decree to the county trustee or to the city treasurer, comptroller or other municipal tax collecting officer concerned.

PUBLIC CHAPTER NO. 132

Regional Planning Regulations. Amends the Tennessee Code Annotated in respect to Regional Planning Regulations by specifying that it is a misdemeanor to falsely represent to a prospective purchaser of real estate that roads or streets will be built or constructed by a county or other political subdivision.

PUBLIC CHAPTER NO. 137

Modified City Manager Act -- Election of Board of Education. Amends the Modified City Manager Act to eliminate the requirement that members of the Board of Education shall be elected "in the same manner" as members of the City Council. However, the requirement that they be elected at the same time and places as Council members is retained.

PUBLIC CHAPTER NO. 138

Modified City Manager Act -- Election to Adopt City Manager Form. Amends the Modified City Manager Act to incorporate the same provisions as occur in Section 6-1804 (of the Uniform City Manager Act), plus the requirement that the petition for incorporation shall include a reference to the boundaries of the councilmanic districts or a map on which the councilmanic districts are shown.

PUBLIC CHAPTER NO. 139

Modified City Manager Act -- Adoption of Charter; Qualification of Electors; Terms of Councilmen; Recall of Members of Board of Education. Permits the incorporation under the Modified City Manager Act of territory in more than one county. Provides that the adoption or surrender of the Modified City Manager form of government shall be accomplished in the same manner as in Sections 6-1805 through 6-1813 of the Tennessee Code Annotated, which are a part of the Uniform City Manager Act, and also in the manner provided by Section 6-3006, newly added to the Code by Chapter 138 (see above). Eliminates the right to vote of persons residing outside the incorporated area, but owning property within. Should a councilmanic district contain more than one voting precinct, a voter may choose at the time of registration in which precinct he desires to vote.

Eliminates overlapping councilmanic terms, by providing that all councilmen shall be elected initially, and in each succeeding election, for 4-year terms (previously half of the candidates receiving the highest numbers of votes were elected initially for 4-year terms, the other for 2-year terms, and thereafter all for 4-year terms). Eliminates the provision that all elections shall be held "at large." Provides that, in addition to other reasons, a vacancy exists if a councilman moves his residence from the district in which he was elected; formerly, the vacancy occurred if he moved his residence from the city. Persons appointed to fill a councilmanic vacancy shall hold office until the next regular city or county election, whichever is first; formerly, the appointee served until the next city election.

Adds provision for recall of members of the Board of Education, to be initiated by a petition signed by qualified voters equal in number to at least 66 per cent of the total vote cast for the Board candidate receiving the highest number of votes in the last regular election. Recall is effective if approved by 66 per cent of persons voting in a recall election. After a recall, a vacancy shall be filled in the same manner as other vacancies on the Board of Education.

PUBLIC CHAPTER NO. 140

Modified City Manager Act -- Election of Justice of Peace; Recall of Councilmen. Provides for the election of a Justice of the Peace for the city at the same time as the first election of councilmen under this Act; thereafter the Justice of the Peace shall be elected at the next regular election for justices of the peace in the State. The Justice of the Peace shall represent the entire city, even though it be in more than one county, and shall be a member of the Quarterly County Court of the county in which the major portion of the population of the city is located.

Makes possible the recall of a councilman upon the filing of a petition signed by qualified voters equal in number to 66 per cent of the total vote cast for the office held by the incumbent at the last regular election, and upon approval of 66 per cent of those voting in the recall election. If the councilman was elected from a district, rather than from the city at large (See Chapter 321, below), only the electors of his district shall be eligible to sign the petition or vote in the recall election. Formerly, all voters of the city were eligible to sign the petition and vote in the election; the petition previously required signatures equivalent to 75 per cent of the total vote cast for the candidate for council receiving the highest number of votes in the last regular election, and the approval of two-thirds of those voting in the recall election.

PUBLIC CHAPTER NO. 142

Social Security -- Retroactive coverage. Amends the State Social Security law to provide that any agreement or modification of an agreement between the State of Tennessee and the U.S. Secretary of Health, Education and Welfare entered into in 1958 or 1959 may be made effective on the first of any calendar quarter retroactive to January 1, 1956. Beginning in 1960, any agreement or modification may be made effective on the first of any calendar quarter within the year such an agreement is entered into.

Extends to June 30, 1961, the period within which local governments can pay, from funds appropriated for the Tennessee State Retirement System, their share of Social Security payments on behalf of their employees.

PUBLIC CHAPTER NO. 148

Coordinator of Election Activities. The Secretary of State shall designate or appoint a person to coordinate election activities throughout the State. Such coordinator shall interpret or have interpreted questions of law for the benefit of local or county election officials; shall arrange for the training of new election officials with a view toward uniformity of election procedures; shall keep the election laws manual up to date and may prepare more condensed handbooks for the use of election officials; and shall review State elections laws and suggest amendments. An appropriation of \$10,000 per annum is provided in Section 39 of Chapter 268, the Miscellaneous Appropriations Act.

<u>Dangerous Weapons</u>. Provides that jail sentences for selling or disposing of dangerous weapons shall be at the discretion of the judge, instead of mandatory, as was the case previously.

PUBLIC CHAPTER NO. 152

Industrial Building Revenue Bond Act of 1951. Adds office buildings to the types of buildings which can be built or acquired under this Act. Broadens the objectives of the Act so as to include the increase of commerce as an objective, as well as the increase of industry. By this Chapter, rentals of industrial and commercial buildings no longer need to be large enough to provide for all expenses of operation, maintenance and depreciation, but only enough to meet bond and interest payments.

PUBLIC CHAPTER NO. 159

Sale of Fireworks. Regulates the manufacture, shipment, wholesale and retail sales of fireworks, by requiring annual permits to be obtained from the State Fire Marshal, who has exclusive power to award and revoke permits. Records of sales by wholesalers must be kept and are subject to inspection by the State Fire Marshal.

Permits the sale, during specified periods, of all types of fireworks classed for transportation purposes by the Interstate Commerce Commission as "Class C Common Fireworks," which class includes Roman candles, sky rockets, wheels, large-sized sparklers, mines, firecrackers not over 1 1/2 inches in length, etc. The periods during which such sales are permitted have been lengthened, as compared with prior law, from June 25 through July 5 to June 20 through July 5, and from December 15 through January 2 to December 10 through January 2. However, this Act provides that fireworks may not be sold to children under 10 years of age, nor exploded within 600 feet of churches, schools and hospitals, nor thrown into or from motor vehicles or "at or near any person or group of people." Paper caps, sparklers (the size limitation of the previous law has been removed), and other novelties may be sold at any time.

The issuance of permits by the State Fire Marshal does not relieve anyone from the responsibility of obtaining State, county or municipal privilege licenses, but the State permit is needed before State and county licenses may be issued. As was the case with the prior law, this Act does not affect the validity of any existing or future private act or any city ordinance further prohibiting or restricting the sale or use of fireworks.

PUBLIC CHAPTER NO. 160

Employment Security Law. Amends the Tennessee Employment Security Law so as to conform with an interpretation of the Federal Internal Revenue Code by the U. S. Secretary of Labor that the non-charging of an employer's account for salaries in excess of \$3,000 is not authorized. Another change made by this Chapter is to require higher "qualifying wages" in order to receive unemployment benefits.

Soil Conservation Committee. Designates the State Soil Conservation Committee as the State agency having the sole responsibility to administer and approve Watershed Districts and programs under present or future acts of Congress. This Act puts into law what has been done in the past by executive order. Among the duties of the Soil Conservation Committee is to review applications, and set priorities thereon, of counties, cities, soil conservation districts, and even watershed districts themselves, for Federal grants-in-aid for plans for creating, and assistance in constructing, watershed district facilities.

PUBLIC CHAPTER NO. 165

Sale of Pistols and Sidearms. Legalizes the sale of pistols and sidearms to persons for home and business protection and for target practice, except to aliens, minors, criminals, persons of unsound mind, drunkards, drug addicts, etc. Prospective buyers shall file a certificate with a firearms dealer stating that he is not one of the persons prohibited from such purchase, and the purpose for which the gun is to be used. The dealer, in turn, shall send a copy of the certificate to the sheriff, or to the police chief if within a municiaplity. If, after three days from receipt of the certificate, the sheriff or police chief makes no objection, the sale may be consummated. Persons who are not dealers may make occasional sales of used firearms, but the same procedure shall be followed. Stiff penalties are provided for violations of this act.

Repeals Section 39-4910 of the Tennessee Code Annotated, thereby permitting the sale of ammunition for pistols and sidearms.

PUBLIC CHAPTER NO. 166

Jurisdiction of Municipal Utilities and Utility Districts. Amends the Utility District Law of 1937 to provide that in determining whether or not the public convenience and necessity requires the creation of a utility district, the county judge shall consider the ability and willingness of an incorporated city or town to serve the area. If he believes the municipality can provide the services, he suspends action for 60 days, during which time the municipality may submit to the judge its plans for serving the area. Upon considering the plans and hearing the utility district's proponents, the judge shall determine a reasonable time within which the municipality shall serve the area. Either party may appeal the judge's decision. If the municipality fails to provide the services as directed, the judge may create the utility district.

The Utility District Law is further amended to provide that municipalities of 5,000 population or over shall have the prior right as respects utility districts to extend water, sewer or other utilities in any territory within 5 miles of their corporate limits; where a municipality is under 5,000, the limit shall be 3 miles; provided that this provision shall not apply within the boundaries of a utility district or to facilities heretofore extended by a utility district beyond its boundaries, or to utility district extensions through agreement with the municipality. This Act also specifies conditions under which a municipality shall lose its prior right to serve.

Funds for Student Activities. Upon authorization of the Board of Education concerned, city, county and special district schools may receive funds for student activities and for events held at or in connection with the school, including contracts with other schools for inter-school events. By July 1, 1960, any Board of Education granting such authorization shall provide reasonable regulations, standard, procedures and an accounting manual for use of its schools in handling such funds. The school principal shall be liable for the safekeeping and proper handling of the funds. On or before September 1, 1960, the Board of Education shall furnish, on request, a copy of such regulations, etc., to the State Commissioner of Education. This act becomes effective July 1, 1959.

PUBLIC CHAPTER NO. 169

Industrial Park Act. Grants any municipality or county the power to acquire lands, rights and easements by gift, purchase or condemnation and to develop such lands into industrial parks within or without the municipality or county, and to maintain and operate such industrial parks. Certain restrictions apply to the acquisition of property owned by a corporation subject to regulation by the Public Service Commission.

A municipality or county may issue bonds to finance industrial parks and pledge its full faith and credit for their repayment, as provided in the Industrial Building Bond Act of 1955, the Municipal Recovery & Post War Aid Act of 1945, and the County Recovery and Post War Aid Act of 1945. The proceeds from sales received from the industrial parks may also be pledged. In addition, the municipality or county may utilize the powers of the Industrial Development Corporations Act of 1955. The municipality or county may sell or lease plots of land and charge fees for services provided within an industrial park, subject to any agreement made with bondholders. Prices, rentals and fees shall produce, insofar as possible, sufficient funds to make principal and interest payments on the bonds when due, as well as to pay the costs of operation, maintenance and depreciation. But note Chapter 152, above, where the rentals of industrial and commercial buildings operated under the Industrial Building Revenue Bond Act of 1951 no longer need to be sufficient to provide for expenses of operation, maintenance and depreciation.

Control of the development, operation and maintenance of the industrial park may be exercised directly by the governing body of the county or municipality, or delegated to a commission or board, to an industrial development corporation, or to a port authority.

Two or more municipalities, two or more counties, or a municipality and a county may act jointly in exercising the powers of this chapter, or may, by resolution, delegate the powers to a joint commission or board, an industrial development corporation, or a port authority.

Before developing an industrial park, a municipality or county must obtain a Certificate of Public Purpose and Necessity from the Building Finance Committee of the Department of Conservation and Commerce.

Development Credit Corporations. Authorizes 25 or more persons to form a private development credit corporation (not involving the State's credit in any way) to promote the State's economic welfare, principally through extending credit for industrial buildings, upon approval by the Commissioner of Insurance and Banking. Loans can be made only to applicants unable to obtain funds through ordinary banking channels.

The capital stock of a Development Credit Corporation shall be at least \$1,000,000. Any domestic corporation organized for the purpose of carrying on business in Tennessee, and all trusts, are authorized to acquire and dispose of bonds, stock, etc., of a Development Credit Corporation. All financial institutions are authorized to become members of such a corporation and to make loans to it.

A Development Credit Corporation may borrow money from Corporation members, at a rate of interest at least 1/4 of 1 per cent higher than the prevailing rate on unsecured commercial loans; may issue bonds, notes or other evidences of its indebtedness; may acquire real and personal property, including real estate for the purpose of constructing industrial plants or other business establishments; may cooperate and avail itself of the facilities of the U. S. Small Business Administration, including loan funds equal to funds available from member financial institutions; may cooperate and avail itself of the facilities of the Tennessee State Planning Commission and the Department of Conservation and Commerce; and may cooperate with local organizations in the promotion and development of business prosperity and economic welfare.

A companion law, Chapter 243, below, authorizes local governments to purchase stock in a Development Credit Corporation.

PUBLIC CHAPTER NO. 172

Workmen's Compensation Law. Increases employer's liability for medical payments from \$1500 to \$1800; increases the maximum weekly benefits for temporary total disability or permanent total disability from \$32 to \$34; increases maximum payments for permanent partial disability or permanent total disability from \$11,000 to \$12,500; and increases maximum death benefits from \$11,000 to \$12,500. Broadens coverage to provide that payments for "temporary partial disability" (as well as for "temporary total disability," mentioned in prior law) shall not be deducted from compensation paid for "permanent partial disability." Adds beryllium and heavy metal poisoning and diseases or conditions caused by exposure to radiation to the list of occupational diseases covered by the Workmen's Compensation Law.

PUBLIC CHAPTER NO. 174

Vocational Rehabilitation of the Blind. Amends the Vocational Rehabilitation of the Blind law to expand the definitions of "blind handicapped individual," "physical restoration" and "vocational rehabilitation." / Under Sub-Section (b) of Section 14-635 of the Tennessee Code Annotated, the State Division of Vocational Rehabilitation of the Blind is authorized to cooperate with political subdivisions in their establishment of workshops and rehabilitation facilities.

Voting Machines. Provides that when another election necessitating the use of a voting machine is to be held within 30 days from a preceding election, the voting machine may be opened after 15 days, upon the agreement of all candidates in such prior election.

PUBLIC CHAPTER NO. 181

Student Learners in Hazardous Occupations. Exempts the employment of a student learner, 16 to 18 years of age, from the 18-year minimum age established for occupations, in the case of steel mills, power-driven machines (such as power punches) and spray painting, where the student learner is enrolled in a course of study and training in a cooperative vocational training program under a recognized State or local public educational authority. Such hazardous work shall be for short periods of time, safety instruction must be given, permission from parents, etc., obtained, and work performed under close supervision. School and work shall be limited to 48 hours a week.

PUBLIC CHAPTER NO. 188

County Notes Tax Exempt. Prohibits the taxation of principal or interest of county capital outlay notes, bond anticipation notes, or tax anticipation notes by the State, or by any county or municipality. Adds "property valuation, tax assessment and tax equalization programs" to the purposes for which counties may issue capital outlay notes.

PUBLIC CHAPTER NO. 194

Condemnation. In condemnation cases under the eminent domain provisions of Chapter 14 of the Tennessee Code Annotated, available to municipalities, the land owner shall be furnished not only a notice of the petition to condemn (as before), but also a copy of the petition.

PUBLIC CHAPTER NO. 197

Professional Bondsmen. Makes it unlawful "for any person while serving as a constitutionally elected peace officer, or as his deputy, or any duly elected or appointed county official, to act as a professional bondsman, directly or indirectly." In addition, it shall be unlawful to accept as surety, for the appearance of a person charged with a criminal offense in any court, a professional bondsman who has been indicted and convicted of any felony in any State or Federal court within a five-year period prior to entering into such undertaking as surety.

PUBLIC CHAPTER NO. 200

Electrical Inspections. Municipal and county governing bodies may request electrical inspections of any property by deputy inspectors appointed by the State Fire Marshal. Previously, only the owner of the property or the electrical supplier could request such an inspection.

Employment Security Law from \$30 to \$32. Disallows weekly benefits for leaving work due to pregnancy, to get married, to move to an area where job opportunities in the employee's regular work are limited, or for other marital or domestic reasons. Makes more definite the periods of disqualification for benefits; for example, establishes a 4 weeks' disqualification period in place of from 1 to 9 weeks' disqualification as determined by the Commissioner of Employment Security. Disallows weekly benefits in certain cases if a person is receiving a pension to which his employer had contributed 50 per cent or more. Makes decisions of the Board of Review binding on the Commissioner. Makes changes in the rules for an employer's reserve ratio, etc. At present, Newport is the only municipality operating under the Employment Security Law, although Section 50-1307 of the Tennessee Code Annotated makes it available to all municipalities and counties.

PUBLIC CHAPTER NO. 203

Civil War Commission. Creates the Tennessee Civil War Commission, composed of 13 members named in the Act. There shall also be an Advisory Council and an Executive Director, and honorary members of the Commission may be appointed. It shall be the duty of the Commission to develop and coordinate the plans of public and private agencies for commemorating the one hundredth anniversary of the Civil War. The Commission shall give special attention to the further preservation and development of battlefields and sites, and the graphic marking thereof. It may lease or purchase lands and enter into contracts.

All agencies of the State and all political subdivisions are authorized to cooperate with the Commission and to grant funds, property, and services to it for the furtherance of the commemoration. An appropriation of \$10,000 for each year of the 1959-61 biennium is provided in Item 26, Section 4, of Chapter 268, the Miscellaneous Appropriations Act. The Commission expires on December 31, 1965.

PUBLIC CHAPTER NO. 204

Condemnation Powers of Colleges. Grants the same condemnation powers as enjoyed by the University of Tennessee, to "existing senior colleges in Tennessee, located on established campuses, granting the bachelor's degree, and holding membership in the Southern Association of Colleges and Secondary Schools," but the property to be condemned must be adjacent to the campus.

PUBLIC CHAPTER NO. 207

Juvenile Courts. Elaborates and redefines the conditions under which a Juvenile Court may order a child 16 years of age or over held for prosecution and sentencing by a circuit or criminal court as if he were an adult.

State Boating Act of 1959. This Chapter constitutes a water safety law regulating the operation of vessels and motorboats on Tennessee waters. The Tennessee Safety Council is charged with the administration of the law and is authorized to promulgate rules and regulations. Operators of boat liveries shall keep records of persons renting motorboats; no vessel shall be overloaded; persons shall not operate vessels or use water skis or devices carelessly or while intoxicated or under the influence of drugs; no water skiing is permitted at night. Reports of accidents involving injury or death, or property damage over \$50, must be filed with the Tennessee Safety Council. Permits for regattas, races, or marine parades must be obtained in advance from the Council.

Nothing in the Act shall prevent the adoption of any local ordinance relating to the operation and equipment-of vessels when the provisions are identical to this Act. However, any subdivision of the State may, after public notice, make application to the Tennessee Safety Council for special rules and regulations with reference to the operation of vessels on any waters within its territorial limits. The Director of the Tennessee Safety Council is empowered to commission Tennessee Game & Fish Commission officers, sheriffs, municipal law enforcement officers, and other officers, to enforce the laws relating to this Act, to enter and inspect any vessel, to execute warrants, to arrest without warrant any person found violating the Act, and to carry firearms. This Act does not provide for boat licensing. This Chapter becomes effective on July 1, 1959.

PUBLIC CHAPTER NO. 216

Condemnation Powers -- Acquisition of Rights-of-way for Streets and Highways Without Jury of View. Grants condemnation powers to municipalities or counties in the acquisition of rights-of-way, land, material, easements and rights for the construction, maintenance, drainage or protection of any street, road, highway, freeway or parkway.

The municipality or county shall deposit with the Clerk of the Circuit or Law Court the amount of damages which it believes proper, and shall file a petition asking that the property be condemned and decreed to the condemner. Notice of the filing of the petition shall be given to the owner of the property. Five days after giving such notice, the municipality or county shall have the right to take possession of the property.

The owner may accept the amount deposited or, after six months following the completion of the construction or improvement, may protest the amount before a petit jury. If he does this, he must accept the amount determined by the petit jury. Should the amount awarded be greater than that placed on deposit, the municipality or county shall pay the court costs, plus 6 per cent interest on the excess of the amount awarded over the amount deposited; if the amount awarded is not greater than the deposit, the property owner shall pay the court costs.

No jury of view is required by this Act. Municipalities may also condemn property for streets under the provisions of Section 6-1007, and (by Court decision) Sections 23-1401 et seq., of the Tennessee Code Annotated.

Regional Zoning by Municipalities. Permits adoption, by municipal ordinance, and after a public hearing, of zoning regulations recommended by a municipal planning commission serving as a regional planning commission, for fringe areas adjoining and within 5 miles of the corporate limits, when the county has no zoning in force. The county's interests are safeguarded by inclusion of a notice period so that the county will have an opportunity to undertake zoning if it desires to do so. If the county undertakes zoning, then the regulations of the regional planning commission are automatically repealed. Residents of an area so zoned by a city are safeguarded by a provision that a majority of the members of the board of zoning appeals shall be residents of the area.

PUBLIC CHAPTER NO. 218

Teachers' Retirement Act. Adds to the existing provisions for crediting military service, by stating that any person called into military service by the President, in time of war or national emergency, within 90 days after leaving service as a teacher in the public schools of Tennessee, shall be entitled to retirement credit for the period of his military service upon condition he returned to teaching service within 5 years from the date of his honorable discharge.

PUBLIC CHAPTER NO. 221

Certified Copy of City Ordinance as Evidence. Permits the introduction of a certified copy, or a certified photostatic copy, of a city ordinance as prima facie evidence in any Court in the State.

PUBLIC CHAPTER NO. 222

Industrial Development Corporations. Amends the Industrial Development Corporations Act, adopted in 1955. Adds "office buildings" to the types of projects authorized by the Act. Adds the legislative intent set forth in Section 3 of Chapter 209 of the Public Acts of 1955 (the Industrial Building Bond Act), plus a declaration that this Chapter is intended to help combat emigration from Tennessee.

This Chapter grants a lease-purchase option to lessees of property of a Development Corporation. It also allows the Corporation, after the payment of all its indebtedness, to lease or convey any or all of its projects to the lessee with or without consideration. It permits the Corporation to make rules and regulations. The Corporation is declared to be performing a public function, and, for the purposes of the Securities Law of 1955, bonds issued by the Corporation shall be deemed to be securities of a political subdivision.

Chapter 222 also provides that "Any municipality may acquire a project site by gift, purchase, lease or condemnation, and may transfer any project site to a corporation by sale, lease or gift. Such a transfer may be authorized by a resolution of the governing body of the municipality without submission of the question to the voters. ..." The site may be inside or outside the city. The powers of this Chapter are supplementary to, and the limitations of this Chapter shall not affect, the powers conferred by any other general, special or local law.

Utility Districts -- Exclusive Right to Serve. Amends the Utility Districts law to strengthen the stated intention that a Utility District shall have the exclusive right to furnish service within the District. However, this Chapter specifically provides that the Utility Districts law shall not interfere with the powers of municipalities to annex territory (including that of a Utility District) and provide services thereto.

PUBLIC CHAPTER NO. 229

Urban Transit Facilities. Expands the definition of "urban transit facilities," as contained in the Municipal Recovery and Post War Aid Act of 1945, to include facilities municipally owned and operated and also facilities municipally owned but leased to private operators. Amends the powers of municipalities under the Act to make clear that they are authorized to lease municipally-owned transit facilities, whether or not the municipality is then operating the facilities itself.

PUBLIC CHAPTER NO. 230

Area Industrial Agents. Authorizes the State Department of Conservation and Commerce to employ Area Industrial Agents to give technical and financial advice to local industry and to act as liaison between firms needing capital and sources of funds. Two or more counties or cities, or counties and cities, may join efforts and resources to employ Area Industrial Agents, and to cooperate with the State program, under such conditions as the Department may prescribe.

PUBLIC CHAPTER NO. 232

Vote Required to Incorporate Under General Law. Changes the requirement that "two-thirds of the voters" must vote favorably to effect incorporation under the Mayor - Aldermen form of government to "at least a majority of the votes cast." Thus, the proportion of favorable vote required to incorporate under the Mayor-Aldermen form is made the same as that for incorporation under the Uniform City Manager form and the Modified City Manager form. Although section 6-118 was not expressly amended to change the reference therein to the requirement of a "two-thirds" vote, it seems likely that this Act amends it by implication and that the courts would give effect to this clear legislative declaration that only a majority of the votes cast shall be required to incorporate under this law.

PUBLIC CHAPTER NO. 233

Municipal Exemption from Motor Vehicle Fuel Tax. Exempts political subdivisions and governmental agencies from the 7ϕ Motor Vehicle Fuel Tax to the same extent and under the same terms and conditions as they are exempt from gasoline privilege taxes and the inspection fees on gasoline and distillate.

Misdemeanor to Maliciously Destroy Property. Makes it a misdemeanor "for any person to maliciously injure, destroy, deface, break, or remove the real or personal property of another." Establishes fine of \$2 to \$50. This Chapter does not repeal any other law relating to the damaging of property.

PUBLIC CHAPTER NO. 235

Felony to Falsely and Maliciously Report a Bomb. Makes it a felony to falsely and maliciously report that a bomb has been placed near any building or structure, or that an explosion or other occurrence capable of endangering life, limb or property may occur in or near any building or structure. Penalty: 1 to 5 years in penitentiary.

PUBLIC CHAPTER NO. 239

Exemption from Regulation by Public Service Commission. Adds to the list of types of vehicles exempt from regulation by the Public Service Commission "any motor vehicle presently operating pursuant to a consignment contract and used exclusively to transport petroleum products to be used or marketed in the regular course of business of the owner, consignee or operator of such motor vehicle; to provide however, that the Tennessee Public Service Commission may inspect said motor vehicles as anticipated by subsection (H) herein for purposes of safety."

PUBLIC CHAPTER NO. 241

Search Warrants. Requires all magistrates, clerks of courts, judges and any other person issuing search warrants to prepare them in an original and two copies, and specifies the information to be contained in the warrants and the disposition of each copy. Failure to comply with this chapter makes any search conducted under a warrant an illegal search and seizure.

PUBLIC CHAPTER NO. 242

Refunding Bonds-Utility Districts. Authorizes Utility Districts to issue refunding bonds under the following conditions:

That the 1958 net revenues of the District were insufficient to meet debt requirements, and if the Utility District commissioners declare by resolution that:

- 1. A default in the payment of debt obligations is likely unless the District can provide additional revenues by means of improvements and extensions to the system;
- 2. The financing of the improvements and extensions will not be feasible without refinancing the present obligations; and
- 3. That the obligations cannot be refinanced except at a higher interest rate than the present bonds carry.

Such refunding bonds, which would be revenue bonds since Utility Districts have no taxing powers, may not bear interest greater than 6 per cent.

PUBLIC CHAPTER NO. 243

Municipalities May Purchase Stock of Development Credit Corporations. Authorizes counties, cities and towns to purchase capital stock of Development Credit Corporations, organized in accordance with Chapter 170, above. Surplus funds may be used or a tax levied. However, no stock shall be purchased or tax levied without the approval, by referendum, of the voters of the county, city or town. Three-fourths of the votes cast are required to carry the election.

PUBLIC CHAPTER NO. 250

Junk Vehicles. Amends the motor vehicle title law to require that any junk dealer or other person purchasing motor vehicles for dismantling shall maintain for 3 years a record, in the form prescribed by the Commissioner of Revenue, of every vehicle bought or sold, dismantled or exchanged, such record to be open to inspection by a representative of the Commissioner.

This Chapter also requires that the junk dealer, or other buyer of a vehicle for dismantling, shall send the certificate of title to the Division of Motor Vehicles of the Department of Revenue, and thereupon the Division shall issue a permit authorizing the dismantling. Previously, the seller of the junk vehicle, rather than the buyer, had to send the certificate of title to the Division. This Chapter also provides that a violation of these provisions constitutes a misdemeanor.

Chapter 250 also eliminates the \$2 fee formerly required for the issuance of a permit to dismantle a vehicle.

PUBLIC CHAPTER NO. 253

County Public Records Commission. Authorizes the County Court of each county to establish a Public Records Commission; permits the photographing, photostating, micro-photographing or the recording of public records and documents on microfilm and the destruction of original records at least 10 years old required by law to be retained, when such records have been so photographed in duplicate. Muninipal records may be ordered destroyed and copies made, but only with the concurrence of the municipal governing body. Where this is done, the municipality shall pay the cost of the reproduction and the cost of storing and exhibiting the photographed copies, and if the municiaplity wants the copies to be kept in a city office it shall bear the cost of the equipment required for examining, exhibiting and projecting the copies and their enlargement reproduction.

Any reproduction of any record authorized by this Chapter shall be deemed to be the original record, and any facsimile of such record duly certified as such by the custodian thereof shall be admissible as evidence in any Court or proceeding in the State, and shall have the same force and effect as the original would have had.

General Sessions Courts. Amends Chapter No. 109 (see above), which establishes county General Sessions Courts, to exempt (on a population range basis) Perry County from the provisions of the act.

PUBLIC CHAPTER NO. 258

Drainage Districts May Contract with Other Agencies. Authorizes Drainage Districts to cooperate and contract with persons or private corporations and with local, State or Federal agencies, including cities, quasi-municipalities, counties, utility districts, watershed districts, conservation districts, levee districts, other drainage districts, similar districts in adjoining states, the State Department of Agriculture, the Tennessee Valley Authority, U. S. Corps of Engineers, and the Secretary of Defense. Drainage Districts may exercise all the powers and receive all the benefits relating to watershed districts under certain specified Federal laws.

PUBLIC CHAPTER NO. 259

County May Contract with Special School Districts. Authorizes a county board of education to contract with a special school district for the teaching of the county high school. This is in addition to the previous authority for such contracts with private schools or city schools. The prior law is further amended to redefine the conditions of such a contract, including provisions for the administration of the high school and the qualification of teachers.

PUBLIC CHAPTER NO. 261

Municipal Utility Board May Operate Gas System. Amends section 6-1511, T.C.A. (Municipal Electric Plant Law of 1935), to empower and authorize the transfer of waterworks, sewerage and gas systems to a board of public utilities organized under this law. This section had been construed by the Tennessee Supreme Court to mean that only permission was given by the legislature for such transfers and that a municipality must be authorized by some other legislative act to make the transfer. This amendment makes it clear that municipalities "shall have the power and are hereby authorized" to make such transfers.

PUBLIC CHAPTER NO. 263

Solicitation for Charity. Requires any person or firm soliciting donations for charity to file, upon request of the Secretary of State and within 60 days, detailed reports of its financial transactions for the previous fiscal or calendar year, such statement to be authenticated by a Certified Public Accountant. This Chapter states that these requirements do not apply to persons or firms whose residence or principal office is in Tennessee, they being subject to investigation by local authority.

Industrial Highway Act. Authorizes the State Department of Highways, with the Governor's approval, to use any powers granted under any general law to construct and maintain industrial highways when the Department finds that such highways are necessary to (a) secure the development of an industrial site or park, or (b) lessen serious congestion and hazards or facilitate the movement of persons, commodities or raw materials, and no other feasible means exist for accomplishing these objectives.

Municipalities and counties are authorized to participate in the construction and maintenance of such highways, and, in fact, are expected to be responsible for the local share of such highways within their respective jurisdictions. The highways may be of the limited access type.

The Department is authorized to make agreements with municipalities or counties regarding the acquisition of rights-of-way and the relative proportion of construction and maintenance costs to be borne by the Department and the municipality or county. The State shall not share in the cost of constructing any part of an industrial highway within an industrial site or park or privately-owned tract, unless such part is a link in a highway serving areas beyond the industrial park or privately-owned tract, in which case the right-of-way or easements shall be conveyed to the State, as in the case of other highways.

PUBLIC CHAPTER NO. 265

General Sessions Courts. Amends Chapter No. 109 (see above), which establishes county General Sessions Courts, to exempt (on a population range basis) Polk County from the provisions of the act.

PUBLIC CHAPTER NO. 267

Municipalities to Receive Part of Proceeds from Sale of Confiscated Vehicles. Provides that 50 per cent of the proceeds of funds received from the sale by the State of vehicles, aircraft or boats, not a common carrier, confiscated in connection with the seizure of unstamped alcoholic beverages, when the seizure had been made by a police officer of an incorporated municipality, shall be paid to the municipality.

PUBLIC CHAPTER NO. 268

Miscellaneous Appropriations Act. Appropriates funds primarily for the purpose of defraying the expenses of the 1959 General Assembly and the printing of the 1959 Public and Private Acts. Of municipal interest are the following appropriations: an additional \$50,000 a year to the Tennessee Educational Television Commission to be used for matching funds of qualified applicants; an additional \$40,000 to the Tennessee Historical Commission, of which \$30,000 shall be used "for such historical projects as the Commission may approve"; \$5000 for the biennium 1959-61 to the Tennessee State Fire College at Murfreesboro for purchase of new fire equipment and maintenance of present equipment and building, together with the unexpended balance of any funds for the 1959 fiscal year; \$15,000 for 1959-60 and \$30,000 for 1960-61 for giving teachers at "the four special schools" raises comparable to the salary increases granted public school teachers by the General Education Act, provided the

budgets of these schools are not sufficient to grant the raises otherwise; sums not to exceed \$25,000 for 1959-60 and \$50,000 for 1960-61 for the Radiological Health Service created by Chapter 66, above; \$10,000 for each year of the biennium for the Civil War Commission, created by Chapter 203, above; \$50,000 for each year of the biennium for planning, surveying and collecting data for the formation of watershed districts; \$800,000 a year for the Tennessee Aeronautics Commission for matching Federal, municipal, county, and local funds in the construction and development of airports and airport facilities and for general aviation promotion, plus \$50,000 a year for administration; and \$10,000 a year for the office of State Elections Coordinator, created by Chapter 148, above.

PUBLIC CHAPTER NO. 269

Condemnation -- Vesting Title to Property. Amends the condemnation procedure relating to the acquisition of property for school purposes, so that a decree of court vests title to the property in the city or county board of education. Previously, after the decree of court, the owner of the property condemned executed a deed in fee simple to the board of education. This change shortens and speeds the procedure.

PUBLIC CHAPTER NO. 270

Air Pollution Control Act. Authorizes the creation of an Air Pollution Control Service in the State Department of Public Health. The Service is authorized to advise, consult and cooperate with other State agencies, political subdivisions, industries, the Federal government, etc.; to collect and disseminate information; to encourage and conduct studies; to encourage local agencies to handle air pollution problems to the greatest extent that their resources permit; and to provide technical assistance and cooperation to local and regional control programs.

The Commissioner of the Department of Public Health, or his authorized deputy, may inspect buildings and equipment, except that entry into dwellings is not authorized. The Commissioner, or his deputy, may also require persons (including municipalities, public corporations and industries) engaged in operations contributing to air pollution to supply information, when available, about the pollution. Present or future municipal or county ordinances not inconsistent with this Act are valid. Any political subdivision may enter into a contract, compact, or mutual agreement with another political subdivision for joint use of personnel, funds, or other resources for the control of air pollution.

The Act does not authorize the Air Pollution Control Service itself to order abatement of air pollution, this being a matter left to local ordinance. Chapter 270 becomes effective on July 1, 1959.

PUBLIC CHAPTER NO. 272

Traffic Violations by Minors. Amends the law relating to operators' licenses to broaden the provisions relating to the operation of vehicles by minors under 18 years of age. Extends the liability of an adult who has signed the minor's application for a permit or license, to include not only negligence or wilful misconduct, but also the "violation of any motor vehicle law of this state or any municipality thereof," and makes the law apply not only to highways but also to streets. As before, this liability of the adult can be avoided if the minor has deposited proof of financial responsibility.

Dumping on Private or Public Property. Broadens the application of the law prohibiting dumping on private or public property. Adds public parks and playgrounds to the previously-listed highways, rivers and streams, and permits a jail sentence of 10 days in lieu of or in addition to a minimum \$25 fine. Previously, only the fine was authorized.

PUBLIC CHAPTER NO. 276

MTAS Appropriation. Amends the Sales Tax law to increase the monthly allocation for the Municipal Technical Advisory Service from \$3750 to \$5000.

PUBLIC CHAPTER NO. 277

Financial Responsibility of Motorists. Amends and revises the Financial Responsibility Law in many respects, the major ones of which are the following:

Bonds posted to assure financial responsibility must remain in force for 2 years after an accident (previously 1 year); accident report forms shall make clear whether deposit of security is required, as would be the case if no insurance or other protection covers accident; property damage coverage required for an acceptable motor vehicle insurance policy is increased from \$1000 to \$5000; period of revocation of operator's license and vehicle registration increased from 1 to 2 years, and prior to restoration of license and registration proof of financial responsibility must be given; unlicensed persons convicted of an offense requiring revocation or suspension of license, or of driving without an operator's license or vehicle registration, may not obtain a license, nor obtain or retain vehicle registration, without giving and maintaining proof of financial responsibility for 5 consecutive years; "any motor vehicle in any manner involved in an accident in which one or more persons suffer death or personal injury requiring hospitalization, with respect to which the commissioner is required to suspend the operator's license or non-resident's operating permit shall be subject to impoundment immediately after such accident"; before the reinstatement of a license and/or registration, where the filing of proof of financial responsibility has been required, the operator shall pay a \$25 fee to the Commissioner of Insurance and Banking.

This Chapter takes effect July 1, 1959, except the provision for the \$25 fee prior to reinstatement of license and/or registration, which provision became effective from and after its passage.

PUBLIC CHAPTER NO. 278

Fair Trade Liquor Law. Amends the Local Option Liquor Law to prohibit selling liquor below established prices. Levies an additional tax of 15 cents on each case of liquor sold at wholesale, to be used by the Department of Finance & Taxation for the enforcement of this Chapter.

Personal Property Assessments. For all practical purposes, eliminates the payment of personal property taxes on household goods. This is accomplished by amending the law on the assessment of property so that "household and kitchen furniture, tableware, musical instruments, wearing apparel, jewelry, and other personal property of similar character used in the taxpayer's own household, together with all intangible property, including bank accounts, of the taxpayer, may be assumed prima facie by the tax assessor to be of a value not in excess of \$1000 in the absence of any tax return or schedule to the contrary." The State Constitution provides the \$1000 tax exemption on personal property. The detailed provisions for the assessment of personal property taxes, formerly contained in the law, have been eliminated.

Chapter 279 retains the provision for assessing personal property of businesses and industries, including banks and insurance companies, and, in fact, extends it to businesses not otherwise provided for or exempted.

This Chapter also eliminates the general law authority to levy a poll tax. Chapter 279 takes effect on July 1, 1959.

PUBLIC CHAPTER NO. 286

Reports of Traffic Convictions. Requires judges to include in each abstract of a traffic conviction, which they send to the Department of Safety, information as to whether or not there was in effect at the time of the violation an automobile liability policy or bond with respect to the operation of the motor vehicle involved.

PUBLIC CHAPTER NO. 289

Enforcement of Compulsory School Attendance. Amends the law relating to school attendance so as to place the sole responsibility and authority for the enforcement of the compulsory attendance laws in the board of education, and its designated employees and officers, of each county, city, and special school district. Formerly, this responsibility was exercised "in cooperation with other state and county agencies."

This Chapter also removes the authority of the State Commission of Education to withhold and declare forfeited part or all of the State school appropriation of any county, city, or special school district which refuses or neglects to comply with and to enforce the provisions of the compulsory attendance laws.

PUBLIC CHAPTER NO. 295

Incorporation under Mayor-Aldermen Form. Amends the general law pertaining to the Mayor-Aldermen form of government to permit the incorporation of "any part of two or more counties not included within any municipality." Provides a number of additions to the text of the Code -- relating to filing of voters' list, publication of notice, holding of election, certifying results, registering charter, etc. -- necessary to permit such incorporation. Although this Act

refers to a "two-thirds vote" for incorporation, it seems probable that the courts would interpret it to limit its application so as to accomplish the sole, obvious purpose of the legislature to make certain provisions of existing law available to unincorporated territories located in two or more counties.

PUBLIC CHAPTER NO. 299

Incidental Business. Amends Section 67-4316 of the Tennessee Code Annotated to define "incidental business" as a "business carried on separately and not a part of the business made the subject of privilege taxation."

PUBLIC CHAPTER NO. 301

Sale of Confiscated Alcoholic Beverages and Property. Amends various sections of the Tennessee Code Annotated relating to Local Option Liquor and Contraband Goods. Requires the sale of confiscated alcoholic beverages and property by the Director of Standards and Purchases, instead of by the Commissioner of Finance and Taxation; eliminates the necessity for the seizing officer to appraise the value of confiscated liquor and to post a copy of the receipt at the place of seizure; requires persons claiming any liquor seized to file a claim within 10 days following the seizure, rather than "at any time before the sale."

Requires each sheriff, deputy sheriff, constable or any municipal police officer, who has seized any intoxicating liquors, to make an itemized list thereof, and to deliver a signed copy of the list to the Department of Finance and Taxation at the same time as the liquor. The officer making the seizure shall also furnish the county judge or the mayor, as the case may be, with a copy of the itemized list. The Department of Finance and Taxation shall issue a receipt for the liquor turned over to it, and shall also furnish the county judge or the mayor with a copy of the list of liquor received.

PUBLIC CHAPTER NO. 302

Confiscated Liquor and Vehicles -- Hearing Procedures; Disposition of Confiscated Property. Amends Section 57-623 of the Tennessee Code Annotated, relating to the confiscation and sale of unstamped liquor, and vehicles, aircraft or boats seized in connection with the seizure of unstamped liquor. Authorizes the Commissioner of Finance and Taxation to hold hearings personally or to designate a hearing officer. The hearing officer shall make findings of fact, but the Commissioner shall issue the order. Stenographic records shall be made of all hearings, and claimant shall be entitled to a copy thereof upon paying reasonable cost therefor.

This Chapter also amends Section 57-625 by deleting the provision that confiscated property may be retained by the Department of Finance and Taxation and devoted to official use.

Confiscated Liquor and Vehicles -- Public Sale. Authorizes the Director of Standards and Purchases to dispose of at public sale all motor vehicles and intoxicating beverages which have been seized by an authorized agent, employee, or representative of the Department of Finance and Taxation, Department of Safety, the State Game and Fish Commission, or by a sheriff, deputy sheriff or constable, when any such motor vehicle or intoxicating beverage has been used, owned or possessed in violation of any State law relating to intoxicating liquors, or any law relating to narcotic and contraband drugs, or in violation of certain Game and Fish laws.

The State shall retain 10 per cent of the sale price to cover the costs of administering this Act; the balance shall be paid over to the respective State departments and agencies. This Chapter continues the prior provision that when any intoxicating liquor has been seized by a county or municipal law enforcement officer, the State shall retain 10 per cent of the sale price for administration, and the balance shall be paid to the county or municipality represented by the arresting officer. Chapter 267, above, returns 50 per cent of the sale price of confiscated vehicles to the municipality concerned.

Chapter 303 forbids the purchase by any State, county, or city officer, employee or agent of any of the property authorized to be sold under this law.

PUBLIC CHAPTER NO. 305

Vocational Rehabilitation. Amends the Vocational Rehabilitation Law to specify that the State Division of Vocational Rehabilitation shall not expend funds appropriated to it for the rehabilitation of those handicapped individuals who are attempting to achieve "independent living" (as contrasted with institutional care or heavy reliance on home attendants), although the Division may defray administration and counseling and guidance expenses related thereto. However, other State agencies or local governments or private sources may make funds available to the Division so as to obtain Federal aid or funds to purchase services for the rehabilitation of handicapped individuals.

This Chapter also expands the definitions of "handicapped individual," "physical restoration" and "vocational rehabilitation." Chapter 305 shall take effect when the Federal government provides, by public law, for the rehabilitation of handicapped individuals for independent living.

PUBLIC CHAPTER NO. 307

Revalidation of Motor Vehicle by Tab affixed to License Plate. Permits the revalidation of motor vehicle registration plates for a year at a time, or a part of a year, by tabs, stickers or other devices affixed to the registration plates.

Broadens the law defining as a misdemeanor the operation of vehicles without registration plates, to include operation without the appropriate tabs or stickers, and to set the penalty at from \$25 to \$50 and/or not to exceed 30 days in jail, and further, to provide that a convicted person shall be required to register the vehicle involved and pay the full annual fee, regardless of the time such violation occurred.

State Retirement System -- Credit for Prior Service. Extends the period during which credit may be obtained in the State Retirement System for prior service. Specifically, any employee of the State or of a political subdivision, who became a member of the System on or before March 15, 1959 (formerly, Dec. 31, 1957), and who was an employee of the State, a political subdivision, or of the educational system of the State, or of any county, city or special school district receiving funds from the State, prior to the passage of this Chapter (formerly, April 10, 1953) may claim credit for such prior service. However, a certified statement of the service must be filed prior to June 30, 1959 (formerly Dec. 31, 1955).

PUBLIC CHAPTER NO. 309

County May Contract for the Teaching of Elementary Schools. Authorizes a county to provide for the teaching of its elementary schools, as well as its high schools ("high schools" were authorized by prior law), by contracts with the authorities of private schools, or the boards of education of city or special school districts ("special school districts" were added by Chapter 259, above). However, such contracts may not be made with a church-sponsored or church-related school, or a parochial school.

PUBLIC CHAPTER NO. 318

Modified City Manager Act -- Election and Removal of City Judge. Amends the Modified City Manager Act to provide (1) that the City Judge shall be elected by popular vote for a term of 4 years, at the same time as provided for the election of councilmen and in the same manner as provided for the election to the Board of Education, (2) that he must be a person licensed to practice law in Tennessee, and (3) that he shall be removed in accordance with the general Ouster Law. The Modified City Manager Act previously provided that the Judge would be appointed by the city council for a 3-year term, and could be removed by the council for cause and after a public hearing. Chapter 318 deletes the conditions under which the city judge shall recuse himself, contained in the original Act.

PUBLIC CHAPTER NO. 320

County Highway Bonds. Authorizes any county to issue bonds for the construction and improvement of county highways, roads and bridges; to pledge monies received from the State by way of grants for county roads, highways and bridges, and amounts not exceeding 50 per cent of State aid funds derived from the distribution of the gasoline tax. "In addition, the county may pledge to levy a tax upon the taxable property in the county for the payment of the bonds and interest thereon" (underlining supplied). Further on in the Act, this authority to tax is phrased in these words: "To pledge the full faith and credit and unlimited taxing power of the county, or portion thereof as the case may be . . ." (underlining supplied). Thus, the Quarterly County Court could levy a county-wide tax or could restrict it to certain districts, as it wished.

This Chapter calls for approval of plans by the Rural Road Division of the State Department of Highways. The Rural Road Division is also charged with the responsibility for preparing a model contract and performance Bond, which the counties shall use.

PUBLIC CHAPTER NO. 321

Modified City Manager Act -- Incorporation of Inactive Voting Precincts; List of Registered Voters When Incorporation Involves Two Counties. Amends the Modified City Manager Act to provide that "if the area to be incorporated includes inactive voting precincts and/or portions of inactive voting precincts (a precinct in which a general state election has not been held for five (5) years prior to the date of filing the petition for incorporation), said mactive voting precinct and/or portions of said inactive precincts shall be included in a contiguous voting precinct."

This Chapter also states that if the area to be incorporated lies in two or more counties, the election commission <u>not</u> conducting the incorporation election is required to provide a certified copy of the list of registered voters in the area to be incorporated which lies within its jurisdiction, to the election commission which is holding the election.

PUBLIC CHAPTER NO. 324

Recovery of Taxes Erroneously Paid to Municipalities. Provides that the procedures established by law for the recovery of taxes erroneously paid to the State shall also apply to the recovery of all taxes collected by any municipality. Other provisions are added to prescribe the exact procedures to follow in recovering municipal taxes.

PUBLIC CHAPTER NO. 325

Urban and Rural Engineers in State Highway Department. Provides for a Chief Urban Engineer and a Chief Rural Engineer in the Bureau of Engineering of the State Department of Highways, to supervise the work of the Bureau in urban and rural areas, respectively. With the approval of the Commissioner of Highways, the State Highway Engineer may organize the Bureau into additional divisions.

PUBLIC CHAPTER NO. 327

Revocation of Utility District. Amends the Utility District law to authorize the revocation of a newly-formed Utility District in counties with a population of 482,000 or more according to the Federal Census of 1950, or any subsequent Federal Census, if no affirmative action is taken by the District within a year following the filing of its order of incorporation. This Chapter at present applies only to Shelby County.

PUBLIC CHAPTER No. 328

Refinancing of Revenue Bonds. Amends the Revenue Bond Act of 1937 to add utility and sanitary districts to the definition of "municipality," so

that they, as well as counties, cities, towns and townships, may use the provisions of the Act. Adds to the allowable costs of refinancing, redemption premiums and such legal, fiscal and other expenses for the issuance and sale or exchange of the refunding bonds as the governing body of the local government shall deem reasonable and proper. This Chapter specifies that the refunding bonds may not bear a rate of interest greater than that borne by the notes, bonds or other obligations refinanced.

Chapter 328 continues the previous requirement that refunding bonds shall be sold at not less than par at public sale upon sealed proposals. However, this Chapter deletes the former proviso that the refunding bonds could be sold at not less than par at private sale if the issue were \$10,000 or less, or if the bonds were sold to a Federal agency. In its stead has been placed a provision allowing utility and sanitary districts to sell refunding bonds at not less than par at either public or private sale.

This Chapter further provides that the proceeds from the sale of such refunding bonds may be deposited in escrow for the payment of the obligations to be refunded, provided such obligations mature or are callable for redemption within 12 months from the date of delivery of such refunding bonds.

PUBLIC CHAPTER NO. 332

Write-In Votes with Voting Machines. Amends the Dortch Ballot Law (which applies to all counties and municipalities), to require that printed ballots be available upon request of a voter, for write-in votes when voting machines are used.

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