

STATE OF TENNESSEE

PUBLIC CHAPTER NO. 402

HOUSE BILL NO. 2294

**By Representatives Litz, Mike Turner, Fincher, Yokley, Bone, McDonald,  
Fitzhugh, Hackworth, Bass**

Substituted for: Senate Bill No. 2305

By Senators Kyle, Jackson, Burks, Marrero, Harper, Barnes, Stewart, Ford,  
Haynes

AN ACT to amend Tennessee Code Annotated, Title 68, Chapter 221, Parts 10 and Part 12, relative to the state revolving loan fund programs.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 68-221-1004, is amended by adding the following language as a new subsection thereto:

( ) The department shall deposit into the fund any funds from the American Recovery and Reinvestment Act of 2009 to make loans and to subsidize loans made under the program authorized by this part.

SECTION 2. Tennessee Code Annotated, Section 68-221-1005, is amended by adding the following language as a new subsection thereto:

( )

(1) The department and the authority may use any funds from the American Recovery and Reinvestment Act of 2009 to make loans and to subsidize loans made through the program authorized by this part, through such mechanisms as forgiveness of principal and negative interest rates;

(2) The department and the authority may administer the program using such funds in accordance with the criteria set by the federal government; and

(3) The department may promulgate such rules and develop such forms as may be deemed necessary for such program.

SECTION 3. Tennessee Code Annotated, Section 68-221-1204, is amended by adding the following language as a new subsection thereto:

( ) The department shall deposit into the fund any funds from the American Recovery and Reinvestment Act of 2009 to make loans and to subsidize loans made under the program authorized by this part.

SECTION 4. Tennessee Code Annotated, Section 68-221-1205, is amended by adding the following language as a new subsection thereto:

( )

(1) The department and the authority may use any funds from the American Recovery and Reinvestment Act of 2009 to make loans and to subsidize loans made through the program authorized by this part, through such mechanisms as forgiveness of principal and negative interest rates;

(2) The department and the authority may administer the program using such funds in accordance with the criteria set by the federal government; and

(3) The department may promulgate such rules and develop such forms as may be deemed necessary for such program.

SECTION 5. This act shall take effect upon becoming a law, the public welfare requiring it.

**PASSED: May 28, 2009**

  
KENT WILLIAMS, SPEAKER  
HOUSE OF REPRESENTATIVES

  
RON RAMSEY  
SPEAKER OF THE SENATE

**APPROVED this 9th day of June 2009**

  
PHIL BREDESEN, GOVERNOR