



## Rutherford County

**County Seat: Murfreesboro**

**Population: 257,048**

**Field Consultant:**

**Doug Bodary**

Murfreesboro was the state capital from 1819 through 1826. In 1843, the legislature spent its first few weeks in session arguing about where to put the permanent capital. After a long debate and several contested votes, Murfreesboro came in second behind Nashville. One of the reasons that Murfreesboro claimed it should be chosen was because it (not Nashville) is the geographic center of the state. However, the House and Senate eventually chose Nashville.

For more information, visit  
<http://www.tnhistoryforkids.org>

## Recent Changes to the Law on County Officials' Surety Bonds

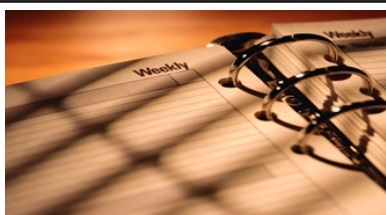
Last session, several laws relating to surety bonds were amended by **Public Chapter 315**. The two biggest changes involved increasing the minimum bond amount for many county officials and agencies and requiring bonds to be filed with the County Clerk rather than the Comptroller. The Comptroller's office issued a memorandum regarding the changes which can be found [here](#).



While the new law became effective April 29, 2013, the new minimum bond amounts only apply to renewals and new bonds obtained after the effective date of the act. Existing surety bonds are valid until their expiration date. If, however, an official leaves office prior to the bond's expiration, the new official must obtain a bond in accordance with the new law. The provision requiring blanket bond coverage of \$150,000 for all county employees not otherwise covered is effective immediately. If a county's current coverage is less than \$150,000 per claim, the coverage must be updated upon renewal.

All surety bonds should now be filed in the County Clerk's office. If, however, a bond was submitted to the Division of Local Government Audit prior to July 1, 2013, that bond will continue to be processed by LGA.

For more information, contact **Ms. Joyce Welborn in the Division of Local Government Audit at 615-401-7864, your CTAS field consultant, or the CTAS Nashville office at 615-532-3555.**



## Upcoming Events

*Legal Issues in Human Resources -- Sept 10, 11, 24, & 25*  
*TCSA Fall Conference & Trade Show -- Oct 9-11*

**CTAS Events Calendar | Training Website**

## Qualified Energy Conservation Bond (QECB) Program Workshop

The Tennessee Department of Environment and Conservation's Office of Energy Programs (OEP) is offering a FREE workshop designed to provide information about QECBs and the opportunities they bring to local governments and public universities. Participants will learn about qualified energy projects, financing strategies, and hear case studies from industry experts about how capital projects across the state are conserving energy and saving money.



**FINANCE DIRECTORS, FACILITIES DIRECTORS, AND OTHER OFFICIALS ARE ENCOURAGED TO ATTEND!**



### QECB Basics

Qualified Energy Conservation Bonds are direct subsidy bonds, similar to Build America Bonds. QECBs may be issued by state and local governments to finance qualified energy

conservation projects. Qualified energy conservation projects include energy efficiency capital expenditures in public buildings, green communities programs, renewable energy production, various research and development, and energy reduction measures for mass transit. More information on QECBs may be found at this website: <http://www.tn.gov/environment/energy/qualified-energy-conservation-bonds.shtml>.

Through this sub-allocation process, OEP will be accepting proposals for the utilization of \$46,542,300 anticipated to be available.

### Workshop Basics (Lunch Provided)

Each workshop will feature an overview of QECBs, industry expert testimony, detailed case studies, and opportunities to have questions and concerns answered. Information will also be provided regarding the upcoming RFP, and how eligible entities can prepare proposals once the RFP is released in the fall.

<b>Nashville</b>	<b>9/3/13 10:30-1:30</b>	<b>Ellington Ag Center, Ed Jones Auditorium, 440 Hogan Rd</b>
<b>Knoxville</b>	<b>9/6/13 10:30-1:30</b>	<b>UT Conference Center, 600 Henley St</b>
<b>Jackson</b>	<b>9/11/13 10:30-1:30</b>	<b>Jackson Energy Auth. Training Center, 320 Hwy 45 By-Pass</b>
<b>Chattanooga</b>	<b>9/12/13 10:30-1:30</b>	<b>GreenSpaces, 63 Main St</b>

### Contact Us

For additional information, please contact:

Pete Westerholm, Office of Energy Programs; 615.532.0238, [pete.westerholm@tn.gov](mailto:pete.westerholm@tn.gov)

Katie Southworth, Office of Energy Programs; 615.532.1291, [katie.southworth@tn.gov](mailto:katie.southworth@tn.gov)

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**Don't forget to register for the TCSA Fall Conference & Trade Show!**  
**October 9-11, Chattanooga Marriott**  
**[Registration Form](#) | [More Info](#)**

## *Hatch Act Update*

The **federal Hatch Act** restricts the political activity of local government officials and employees who work in connection with programs financed in whole or in part by federal loans or grants. The act applies to a local government official or employee if the individual “performs duties in connection with an activity financed in whole or in part by federal funds.” *Special Counsel v. Gallagher*, 44 M.S.P.R. 57, 61 (1990). If an individual meets this standard, the Hatch Act applies even if the person’s salary does not include any federal funds.

On December 19, 2012, Congress passed the Hatch Act Modernization Act of 2012 (this Act became effective on January 27, 2013). The Modernization Act amended the Hatch Act to allow local government employees whose salaries are paid partially by federal funds to run for partisan office. Prior to this change, local government employees were prohibited from running for partisan office if they worked in connection with programs financed in whole or in part by federal loans or grants. With the change, the federal Hatch Act no longer prohibits local government employees from running for partisan office unless the employee’s salary is paid exclusively by federal loans or grants.

The Modernization Act did not change the federal Hatch Act’s prohibitions against using one’s official authority to affect the result of an election or coercing an employee to make a political contribution. A local government official or employee is still covered by these prohibitions if the individual works in connection with a program financed in whole or in part by federal loans or grants, even if the connection is relatively minor. A covered official or employee who runs for office would violate these provisions of the Hatch Act if the individual:

- uses any public funds to support his own candidacy;
- uses his office to support his candidacy, including by using official email, stationery, office supplies, or other equipment or resources; or
- asks subordinates to volunteer for his campaign or contribute to the campaign.

The U.S. Office of Special Counsel (OSC) has exclusive jurisdiction to investigate and prosecute complaints alleging a violation of the Hatch Act. The OSC has recently investigated at least one county official in Tennessee which could signal a forthcoming increased presence in our state.

The OSC will issue advisory opinions to any person seeking advice about political activity under the Hatch Act. You may request such advice by phone, fax, mail or e-mail. The contact information for the OSC is listed below.

**Hatch Act Unit**  
U.S. Office of Special Counsel  
1730 M Street, N.W., Suite 218  
Washington, D.C. 20036-4505  
Tel: (800) 85-HATCH or (800) 854-2824  
(202) 254-3650  
Fax: (202) 254-3700  
E-mail: [hatchact@osc.gov](mailto:hatchact@osc.gov)





## National Flood Insurance Program Reforms



FEMA

As the result of the Biggert-Waters Flood Insurance Reform Act of 2012 there are several changes in 2013 that may impact property owners with insurance in identified areas of flood risk. Those with insurance can no longer rely on subsidized rates as policies begin to convert to full risk rates. The elimination of subsidies can mean big increases for some property owners and as new maps are released rate increases can occur when the newer maps identify a higher flood risk. Subsidies for non-primary residences, business properties and severe repetitive loss properties will be phased out as rates increase 25 percent per year until they reflect the full risk rate. These changes became effective January 1, 2013, at policy renewal, for non-primary residences. The rate increases for commercial buildings and severe repetitive loss properties will become effective for policy renewals after October 1, 2013.

Also effective October 1, 2013 full risk rates will apply to all new policies. No longer will subsidized rates be transferred to a new property owner. If an existing policy lapses, upon renewal, full risk rates will apply. For any building that was uninsured as of the date the reform act was enacted any such new policy will move to a full risk rate.

In Tennessee the Department of Economic and Community Development serves as the state coordination agency for the National Flood Insurance Program. Questions regarding the National Flood Insurance Program should be directed to Stanley Harrison at 423-434-0158 or [Stanley.harrison@tn.gov](mailto:Stanley.harrison@tn.gov).



### Spotlight on CTAS Services: Energy Management

CTAS offers many different types of technical services ranging from debt management studies to solid waste management. Energy management services provide counties with the insight and professional skills needed to identify opportunities to reduce energy costs. CTAS works with counties to (among other tasks):

- Assist counties through identifying operations with high energy costs through an independent energy audit (energy auditor is a UT employee trained in energy audits, not a salesman for a certain product).
- Assist county officials with developing a capital improvement plan for an energy efficiency retrofit project to target high energy consuming items discovered in the energy audit, if replacement of these items is financially beneficial to the county government.
- Identify grants, incentives and/or low-interest loan opportunities through TDEC, TVA, or other agencies that can fund help energy-related improvements.

CTAS has had the opportunity to work with Sumner County on a jail energy renovation project that was awarded a TDEC Tennessee Clean Energy Grant that will net Sumner County approximately \$49,000 in annual energy cost savings. The Cannon County Sheriff has also utilized CTAS' energy management services to retrofit the Cannon County Jail with numerous energy efficiency improvements to replace worn out 18-year-old HVAC units, T12 florescent lamps, a new tankless water heater to replace a 20-year-old failing system and replacing the 20-year-old leaking jail roof with an energy efficient spray polyurethane foam roof. CTAS assisted the county in securing funding for the entire project through an increase in litigation tax that was earmarked to a low interest loan issue, so that no cost of the jail renovation fell on the county property tax rate.

To find out more about our energy management services, please contact your field consultant or CTAS directly at 615-532-3555.