

STATE OF TENNESSEE
OFFICE OF THE
ATTORNEY GENERAL
PO BOX 20207
NASHVILLE, TENNESSEE 37202

July 11, 2005

Opinion No. 05-109

Municipal Eligibility for State Grants

QUESTION

Whether an incorporated municipality is eligible for state grants if the municipality chooses not to contribute financially or participate in the Joint Economic and Community Development Board for the county where the municipality is located.

OPINION

No. In applying for a grant, a municipality must certify its compliance with the statute establishing joint economic and community development boards.

ANALYSIS

Tenn. Code Ann. § 6-58-114(b) establishes a joint economic and community development board in each county, to be created by interlocal agreement. Membership on the board is to include city and county governments, private citizens and present industries and businesses. Tenn. Code Ann. § 6-58-114(c). The activities of the board are funded by the participating governments. Tenn. Code Ann. § 6-58-114(g). Under Tenn. Code Ann. § 6-58-114(i), when a city or a county applies for a state grant, it must certify compliance with the requirements of Tenn. Code Ann. § 6-58-114. In addition, Tenn. Code Ann. § 6-58-110 says that counties and cities that do not have an approved growth plan cannot receive a grant. Tenn. Code Ann. § 6-58-110.¹

A municipality must include a certification of compliance with Tenn. Code Ann. § 6-58-114 with its grant application. It follows that a municipality that is not participating in or helping fund

¹ The grants that are unavailable to cities and counties without an approved growth plan include Tennessee housing development agency grant programs, community development block grants, Tennessee industrial infrastructure program grants, industrial training service grants, Intermodal Surface Transportation Efficiency Act funds or any subsequent federal authorization for transportation funds, and tourism development grants. Tenn. Code Ann. § 6-58-110.

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the local joint economic and community development board would not be able to provide the required certification. Thus, the municipality would not be eligible for a grant.

PAUL G. SUMMERS
Attorney General

MICHAEL E. MOORE
Solicitor General

KATE EYLER
Deputy Attorney General

Requested by:

The Honorable Roy Herron
State Senator
10A Legislative Plaza
Nashville, TN 37243-0024