

By: Franks

To: Public Utilities;  
Ways and Means

COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 1506

1 AN ACT TO AMEND SECTIONS 1, 2, 4 AND 5 OF CHAPTER 309, LAWS  
2 OF 1966, AS AMENDED BY CHAPTER 496, LAWS OF 1982, TO REDESIGNATE  
3 THE MANTACHIE NATURAL GAS DISTRICT AS THE NORTHEAST MISSISSIPPI  
4 NATURAL GAS DISTRICT AND TO INCREASE THE LIMIT ON THE AMOUNT OF  
5 REVENUE BONDS THAT THE DISTRICT MAY ISSUE; AND FOR RELATED  
6 PURPOSES.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

8 SECTION 1. Section 1, Chapter 309, Laws of 1966, as amended  
9 by Chapter 496, Laws of 1982, is amended as follows:

10 Section 1. The Northeast Mississippi Gas District is hereby  
11 created, said district being composed of the following described  
12 areas:

13 (a) All that part of Itawamba County, Mississippi,  
14 lying west of the Tombigbee River;

15 (b) That portion of Lee County lying within one-half  
16 (1/2) mile on either side of the center line of State Highway 363,  
17 extending a distance of five (5) miles west from the county line  
18 dividing Itawamba and Lee Counties;

19 (c) That portion of Lee County lying within one-half  
20 (1/2) mile on either side of the center line of U.S. Highway 78,  
21 extending a distance of five (5) miles west from the county line  
22 dividing Itawamba and Lee Counties, and the unincorporated  
23 community of Mooreville in Lee County; and

24 (d) That portion of Lee County lying within one-half  
25 (1/2) mile on either side of the center line of State Highway 371  
26 (being the highway from Mantachie to Mooreville), extending a  
27 distance of five (5) miles southwest from the county line dividing  
28 Itawamba and Lee Counties.

29 SECTION 2. Section 2, Chapter 309, Laws of 1966, as amended  
30 by Chapter 496, Laws of 1982, is amended as follows:

31 Section 2. The said Northeast Mississippi Gas District shall  
32 be and is hereby declared to be a valid political subdivision of  
33 the State of Mississippi, with the power to sue and be sued and to  
34 contract and be contracted with.

35 SECTION 3. Section 4, Chapter 309, Laws of 1966, as amended  
36 by Chapter 496, Laws of 1982, is amended as follows:

37 Section 4. From and after the effective date of this act,  
38 the powers of the Northeast Mississippi Gas District shall be  
39 vested in and exercised by a board of commissioners consisting of  
40 three (3) residents of the district. The Governor shall appoint  
41 an interim board, the term of which shall expire upon completion  
42 of the construction of the district's natural gas transmission and  
43 distribution system and the election of a successor board as  
44 hereinafter provided.

45 Promptly upon the commencement of natural gas service by the  
46 district to not less than ten (10) individually billed users, the  
47 commissioners shall give notice to each user of an initial  
48 election to be held at a time not less than thirty (30) days nor  
49 more than sixty (60) days from such date. The notice shall state  
50 the time, place, and manner in which the users may vote upon the  
51 selection of the board to terms of one (1), two (2) and three (3)  
52 years by ballot of all users of the district. Such election shall  
53 be held in a manner and according to procedures to be established  
54 by rules and regulations adopted by the board prior to the giving  
55 of notice of such election, and a printed copy of such rules and  
56 regulations shall accompany the notice to be forwarded by regular  
57 mail to the users.

58 Rules and regulations for the conduct of the election shall  
59 provide for a method of nomination of commissioners, notice of  
60 such nominations to be provided to users not less than ten (10)  
61 days prior to the date upon which the election is to be held,

62 along with a method of balloting by mail as well as personal  
63 attendance at the time and place of election, a method of  
64 balloting by proxy vote, and a method of making additional  
65 nominations by users in addition to any nominations proposed by  
66 the board of commissioners. The time of the election shall be  
67 fixed between the hours of 10:00 a.m. and 6:00 p.m. on a day of  
68 the week other than Sunday.

69 In this and all succeeding elections, each user of the  
70 district shall have one (1) vote; provided that when a billing is  
71 made to more than one (1) person at a single location, each such  
72 person shall be limited to casting a pro rata share of the one (1)  
73 vote to which the billing location is entitled.

74 Subsequent to the initial election, there shall be held an  
75 election annually on a date and in a manner substantially  
76 conforming to the initial election, except that in each annual  
77 election following the initial election, commissioners shall be  
78 elected to terms of three (3) years.

79 Vacancies in the office of commissioner during the interim  
80 period shall be filled by appointment of the Governor and,  
81 following the holding of the initial election, shall be filled for  
82 the unexpired term by the remaining commissioners.

83 SECTION 4. Section 5, Chapter 309, Laws of 1966, as amended  
84 by Chapter 496, Laws of 1982, is amended as follows:

85 Section 5. The board shall have the power to make such rules  
86 and regulations as it deems necessary to the operation of the  
87 district and the subsequent election of commissioners and shall  
88 possess, and is hereby granted all necessary power and authority  
89 to construct, acquire, improve, repair and extend a natural gas  
90 transmission and distribution system and to issue revenue bonds  
91 for such purposes. The amount of revenue bonds authorized to be  
92 issued shall not exceed an aggregate of Six Million Dollars  
93 (\$6,000,000.00). Except as herein provided, all powers with  
94 respect to natural gas transmission and distribution systems

95 granted to municipalities of this state by Sections 21-27-11  
96 through 21-27-69, Mississippi Code of 1972, are hereby conferred  
97 upon and may be exercised within the district by the board as if  
98 the system and financing thereof as provided herein were pursuant  
99 to said sections.

100 SECTION 5. This act shall take effect and be in force from  
101 and after its passage.