

By: Senator(s) Nunnelee

To: Environment Prot, Cons  
and Water Res

COMMITTEE SUBSTITUTE  
FOR  
SENATE BILL NO. 2446

1 AN ACT TO CREATE SECTION 49-17-44.1, MISSISSIPPI CODE OF  
2 1972, TO AUTHORIZE THE COMMISSION ON ENVIRONMENTAL QUALITY TO  
3 PETITION THE CHANCERY COURT TO APPOINT A RECEIVER FOR THE  
4 OPERATION AND MANAGEMENT OF ABANDONED SEWER SYSTEMS OR SEWER  
5 SYSTEMS OPERATED IN A GROSSLY INEFFECTIVE MANNER; AND FOR RELATED  
6 PURPOSES.

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

8 **SECTION 1.** The following shall be codified as Section  
9 49-17-44.1, Mississippi Code of 1972:

10 49-17-44.1. If the commission determines that any privately  
11 owned sewer system within its jurisdiction has been actually or  
12 effectively abandoned by its owner, or that its management is  
13 grossly inefficient or irresponsible, the commission may petition  
14 the chancery court of any county wherein the public utility does  
15 business for an order attaching the assets of the privately owned  
16 sewer system and placing such sewer system under the sole control  
17 and responsibility of a receiver. If the court determines that  
18 the petition is proper in all respects and finds, after a hearing  
19 thereon, the allegations contained in the petition are true, it  
20 shall order that the sewer system be placed in receivership. The  
21 court, in its discretion and in consideration of the  
22 recommendation of the commission, may appoint a receiver who shall  
23 be a responsible individual, partnership, corporation or political  
24 subdivision knowledgeable in sewer service affairs and who shall  
25 maintain control and responsibility for the operation and  
26 management of the affairs of such sewer system. The receiver  
27 shall operate the sewer system so as to preserve the assets of the  
28 sewer system and to serve the best interests of its customers  
29 while protecting public health and welfare and the environment.



30 The receiver shall be compensated from the assets of the sewer  
31 system in an amount to be determined by the court. Control of and  
32 responsibility for the sewer system shall remain in the receiver  
33 until the court determines that it is in the best interests of the  
34 customers and the public interest that the sewer system be  
35 returned to the owner, transferred to another owner, or assumed by  
36 another sewer system or public service corporation. If the court,  
37 after hearing, determines that control of and responsibility for  
38 the affairs of the sewer system should not be returned to the  
39 legal owner thereof, the receiver may proceed to liquidate the  
40 assets of the sewer system in the manner provided by law.  
41 Mississippi laws and Mississippi Rules of Civil Procedure  
42 generally applicable to receivership shall govern receiverships  
43 created under this section. Any new owner or operator of a sewer  
44 system transferred or liquidated by the receiver or the chancery  
45 court under this subsection shall obtain all necessary permits and  
46 approvals from the permit board, the Public Service Commission and  
47 any other applicable state or local agencies.

48 **SECTION 2.** This act shall take effect and be in force from  
49 and after its passage.

