MISSISSIPPI LEGISLATURE REGULAR SESSION 2002
By: Senator(s) Nunnelee
To: Environment Prot, Cons and Water Res

COMMITEE SUBSTITUTE FOR SENATE BILL NO. 2446

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

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

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

49-17-44.1. If the commission determines that any privately owned sewer system within its jurisdiction has been actually or effectively abandoned by its owner, or that its management is grossly inefficient or irresponsible, the commission may petition the chancery court of any county wherein the public utility does business for an order attaching the assets of the privately owned sewer system and placing such sewer system under the sole control and responsibility of a receiver. If the court determines that the petition is proper in all respects and finds, after a hearing thereon, the allegations contained in the petition are true, it shall order that the sewer system be placed in receivership. The court, in its discretion and in consideration of the recommendation of the commission, may appoint a receiver who shall be a responsible individual, partnership, corporation or political subdivision knowledgeable in sewer service affairs and who shall maintain control and responsibility for the operation and management of the affairs of such sewer system. The receiver shall operate the sewer system so as to preserve the assets of the sewer system and to serve the best interests of its customers while protecting public health and welfare and the environment.
The receiver shall be compensated from the assets of the sewer system in an amount to be determined by the court. Control of and responsibility for the sewer system shall remain in the receiver until the court determines that it is in the best interests of the customers and the public interest that the sewer system be returned to the owner, transferred to another owner, or assumed by another sewer system or public service corporation. If the court, after hearing, determines that control of and responsibility for the affairs of the sewer system should not be returned to the legal owner thereof, the receiver may proceed to liquidate the assets of the sewer system in the manner provided by law. Mississippi laws and Mississippi Rules of Civil Procedure generally applicable to receivership shall govern receiverships created under this section. Any new owner or operator of a sewer system transferred or liquidated by the receiver or the chancery court under this subsection shall obtain all necessary permits and approvals from the permit board, the Public Service Commission and any other applicable state or local agencies.

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