

By: Representative Morris

To: Municipalities

HOUSE BILL NO. 1336

1 AN ACT TO AMEND SECTION 21-17-1, MISSISSIPPI CODE OF 1972, TO  
2 AUTHORIZE MUNICIPALITIES TO ESTABLISH AN EMPLOYER-ASSISTED HOUSING  
3 PROGRAM TO ASSIST EMPLOYEES WHEN PURCHASING A HOME; AND FOR  
4 RELATED PURPOSES.

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

6 **SECTION 1.** Section 21-17-1, Mississippi Code of 1972, is  
7 amended as follows:

8 21-17-1. (1) Every municipality of this state shall be a  
9 municipal corporation and shall have power to sue and be sued; to  
10 purchase and hold real estate, either within or without the  
11 corporate limits, for all proper municipal purposes, including  
12 parks, cemeteries, hospitals, schoolhouses, houses of correction,  
13 waterworks, electric lights, sewers and other proper municipal  
14 purposes; to purchase and hold personal property for all proper  
15 municipal purposes; to acquire equipment and machinery by  
16 lease-purchase agreement and to pay interest thereon, if  
17 contracted, when needed for proper municipal purposes; to sell and  
18 convey any real and personal property owned by it, and make such  
19 order respecting the same as may be deemed conducive to the best  
20 interest of the municipality, and exercise jurisdiction over the  
21 same.

22 (2) In case any of the real property belonging to a  
23 municipality shall cease to be used for municipal purposes, the  
24 governing authorities of the municipality may sell, convey or  
25 lease the same on such terms as the municipal authorities may  
26 elect. In case of a sale on a credit, the municipality shall  
27 charge appropriate interest as contracted and shall have a lien on  
28 the same for the purchase money, as against all persons, until



29 paid and may enforce the lien as in such cases provided by law.  
30 The deed of conveyance in such cases shall be executed in the name  
31 of the municipality by the governing authorities of the  
32 municipality pursuant to their order entered on the minutes of  
33 their meetings. In any sale or conveyance of real property, the  
34 municipality shall retain all mineral rights that it owns,  
35 together with the right of ingress and egress to remove same.  
36 Before any such lease, deed or conveyance is executed, the  
37 governing authorities of the municipality shall publish at least  
38 once each week for three (3) consecutive weeks, in a public  
39 newspaper of the municipality in which the real property is  
40 located, or if no newspaper be published as such, then in a  
41 newspaper having general circulation therein, the intention to  
42 lease or sell, as the case may be, the municipally owned real  
43 property and to accept sealed competitive bids for the leasing or  
44 sale. The governing authorities of the municipality shall  
45 thereafter accept bids for the lease or sale and shall award the  
46 lease or sale to the highest bidder in the manner provided by law.  
47 However, whenever the governing authorities of the municipality  
48 shall find and determine, by resolution duly and lawfully adopted  
49 and spread upon its minutes (a) that any municipally owned real  
50 property is no longer needed for municipal or related purposes and  
51 is not to be used in the operation of the municipality, (b) that  
52 the sale of such property in the manner otherwise provided by law  
53 is not necessary or desirable for the financial welfare of the  
54 municipality, and (c) that the use of such property for the  
55 purpose for which it is to be sold, conveyed or leased will  
56 promote and foster the development and improvement of the  
57 community in which it is located and the civic, social,  
58 educational, cultural, moral, economic or industrial welfare  
59 thereof, the governing authorities of the municipality shall be  
60 authorized and empowered, in their discretion, to sell, convey or  
61 lease same for any of the purposes set forth herein without having



62 to advertise for and accept competitive bids. In any case in  
63 which a municipality proposes to sell, convey or lease real  
64 property under the provisions of this section without advertising  
65 for and accepting competitive bids, consideration for the  
66 purchase, conveyance or lease of the property shall be not less  
67 than the average of the fair market price for such property as  
68 determined by three (3) professional property appraisers selected  
69 by the municipality and approved by the purchaser or lessee.  
70 Appraisal fees shall be shared equally by the municipality and the  
71 purchaser or lessee.

72 (3) Whenever the governing authorities of the municipality  
73 shall find and determine by resolution duly and lawfully adopted  
74 and spread upon the minutes that municipally owned real property  
75 is not used for municipal purposes and therefore surplus as set  
76 forth hereinabove:

77 (a) The governing authority may donate such lands to a  
78 bona fide not-for-profit civic or eleemosynary corporation  
79 organized and existing under the laws of the State of Mississippi  
80 and granted tax exempt status by the Internal Revenue Service and  
81 may donate such lands and necessary funds related thereto to the  
82 public school district in which the land is situated for the  
83 purposes set forth herein. Any deed or conveyance executed  
84 pursuant hereto shall contain a clause of reverter providing that  
85 the bona fide not-for-profit corporation or public school district  
86 may hold title to such lands only so long as they are continued to  
87 be used for the civic, social, educational, cultural, moral,  
88 economic or industrial welfare of the community, and that title  
89 shall revert to the municipality in the event of the cessation of  
90 such use for a period of two (2) years. In any such deed or  
91 conveyance, the municipality shall retain all mineral rights that  
92 it owns, together with the right of ingress and egress to remove  
93 same;



94           (b) The governing authority may donate such lands to a  
95 bona fide not-for-profit corporation (such as Habitat for  
96 Humanity) which is primarily engaged in the construction of  
97 housing for persons who otherwise can afford to live only in  
98 substandard housing. In any such deed or conveyance, the  
99 municipality shall retain all mineral rights that it owns,  
100 together with the right of ingress and egress to remove same;

101           (c) In the event the governing authority does not wish  
102 to donate title to such lands to the bona fide not-for-profit  
103 civic or eleemosynary corporation, but wishes to retain title to  
104 the lands, the governing authority may lease the lands to a bona  
105 fide not-for-profit corporation described in paragraph (a) or (b)  
106 for less than fair market value.

107       (4) Every municipality shall also be authorized and  
108 empowered to loan to private persons or entities, whether  
109 organized for profit or nonprofit, funds received from the United  
110 States Department of Housing and Urban Development (HUD) under an  
111 urban development action grant or a community development block  
112 grant under the Housing and Community Development Act of 1974  
113 (Public Law 93-383), as amended, and to charge interest thereon if  
114 contracted, provided that no such loan shall include any funds  
115 from any revenues other than the funds from the United States  
116 Department of Housing and Urban Development; to make all contracts  
117 and do all other acts in relation to the property and affairs of  
118 the municipality necessary to the exercise of its governmental,  
119 corporate and administrative powers; and to exercise such other or  
120 further powers as are otherwise conferred by law.

121       (5) (a) The governing authorities of any municipality may  
122 establish an employer-assisted housing program to provide funds to  
123 eligible employees to be used toward the purchase of a home. This  
124 assistance may be applied toward the down payment, closing cost or  
125 any other fees or costs associated with the purchase of a home.  
126 The housing assistance may be in the form of a grant, forgivable



127 loan or repayable loan. The program shall be administered by the  
128 municipality in conjunction with Fannie Mae. The governing  
129 authorities of a municipality may contract with one or more public  
130 or private entities to provide assistance in implementing and  
131 administering the program and shall adopt rules and regulations  
132 regarding the eligibility of a municipality for the program and  
133 for the implementation and administration of the program.

134 (b) Participation in the program established under this  
135 subsection shall be available to any eligible municipal employee  
136 as determined by the governing authorities of the municipality.  
137 Any person who receives financial assistance under the program  
138 must purchase a house and reside within certain geographic  
139 boundaries as determined by the governing authorities of the  
140 municipality.

141 (c) If the assistance authorized under this subsection  
142 is structured as a forgivable loan, the participating employee  
143 must remain as an employee of the municipality for an agreed-upon  
144 period of time, as determined by the rules and regulations adopted  
145 by the governing authorities of the municipalities, in order to  
146 have the loan forgiven. The forgiveness structure, amount of  
147 assistance and repayment terms shall be determined by the  
148 governing authorities of the municipality.

149 (6) The governing authorities of any municipality may  
150 contract with a private attorney or private collection agent or  
151 agency to collect any type of delinquent payment owed to the  
152 municipality, including, but not limited to, past due fees and  
153 finances. Any such contract debt may provide for payment contingent  
154 upon successful collection efforts or payment based upon a  
155 percentage of the delinquent amount collected; however, the entire  
156 amount of all delinquent payments collected shall be remitted to  
157 the municipality and shall not be reduced by any collection costs  
158 or fees. Any private attorney or private collection agent or  
159 agency contracting with the municipality under the provisions of



160 this paragraph shall give bond or other surety payable to the  
161 municipality in such amount as the governing authorities of the  
162 municipality deem sufficient. Any private attorney with whom the  
163 municipality contracts under the provisions of this paragraph must  
164 be a member in good standing of The Mississippi Bar. Any private  
165 collection agent or agency with whom the municipality contracts  
166 under the provisions of this paragraph must meet all licensing  
167 requirements for doing business in the State of Mississippi.  
168 Neither the municipality nor any officer or employee of the  
169 municipality shall be liable, civilly or criminally, for any  
170 wrongful or unlawful act or omission of any person or business  
171 with whom the municipality has contracted under the provisions of  
172 this paragraph. The Mississippi Department of Audit shall  
173 establish rules and regulations for use by municipalities in  
174 contracting with persons or businesses under the provisions of  
175 this paragraph. If a municipality uses its own employees to  
176 collect any type of delinquent payment owed to the municipality,  
177 then from and after July 1, 2000, the municipality may charge an  
178 additional fee for collection of the delinquent payment provided  
179 the payment has been delinquent for ninety (90) days. The  
180 collection fee may not exceed fifteen percent (15%) of the  
181 delinquent payment if the collection is made within this state and  
182 may not exceed twenty-five percent (25%) of the delinquent payment  
183 if the collection is made outside this state. In conducting  
184 collection of delinquent payments, the municipality may utilize  
185 credit cards or electronic fund transfers. The municipality may  
186 pay any service fees for the use of such methods of collection  
187 from the collection fee, but not from the delinquent payment.  
188 There shall be due to the municipality from any person whose  
189 delinquent payment is collected under a contract executed as  
190 provided in this subsection an amount, in addition to the  
191 delinquent payment, of not to exceed twenty-five percent (25%) of  
192 the delinquent payment for collections made within this state, and



193 not to exceed fifty percent (50%) of the delinquent payment for  
194 collections made outside of this state.

195 (7) In addition to such authority as is otherwise granted  
196 under this section, the governing authorities of any municipality  
197 may expend funds necessary to maintain and repair, and to purchase  
198 liability insurance, tags and decals for, any personal property  
199 acquired under the Federal Excess Personal Property Program that  
200 is used by the local volunteer fire department.

201 (8) The governing authorities of any municipality may, in  
202 its discretion, donate personal property or funds to the public  
203 school district or districts located in the municipality for the  
204 promotion of educational programs of the district or districts  
205 within the municipality.

206 (9) In addition to the authority to expend matching funds  
207 under Section 21-19-65, the governing authorities of any  
208 municipality, in their discretion, may expend municipal funds to  
209 match any state, federal or private funding for any program  
210 administered by the State of Mississippi, the United States  
211 government or any nonprofit organization that is exempt under 26  
212 USCS Section 501(c)(3) from paying federal income tax.

213 (10) The powers conferred by this section shall be in  
214 addition and supplemental to the powers conferred by any other  
215 law, and nothing contained in this section shall be construed to  
216 prohibit, or to prescribe conditions concerning, any practice or  
217 practices authorized under any other law.

218 **SECTION 2.** This act shall take effect and be in force from  
219 and after July 1, 2003.

