

By: Representative Taylor

To: Public Utilities;  
Appropriations

HOUSE BILL NO. 1550

1 AN ACT TO AMEND SECTION 77-15-1, MISSISSIPPI CODE OF 1972, TO  
2 PROHIBIT MEMBERS OF THE BOARDS OF DIRECTORS OF NATURAL GAS  
3 DISTRICTS FROM RECEIVING ANY COMPENSATION OTHER THAN PER DIEM AND  
4 ACTUAL TRAVEL REIMBURSEMENT; AND FOR RELATED PURPOSES.

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

6 **SECTION 1.** Section 77-15-1, Mississippi Code of 1972, is  
7 amended as follows:

8 77-15-1. Notwithstanding any other provisions of law to the  
9 contrary, all local natural gas districts containing two (2) or  
10 more municipalities and nonmunicipal customers shall establish and  
11 maintain a board of directors composed of: (a) the mayors of each  
12 municipality within the district whose terms shall be concurrent  
13 with their terms of office as mayor; and (b) one (1) system-user  
14 from each county within the district, who shall not be a public  
15 official. The county system-user board members shall be elected  
16 by the system-users residing outside of a municipality, in the  
17 county in which such board member resides. In order to qualify as  
18 a candidate for election to the board, each person shall obtain,  
19 on a petition, twenty-five (25) signatures from system-users in  
20 the county in which such person resides. The signatures shall be  
21 of system-users residing outside of a municipality and the  
22 candidate shall be a system-user who resides outside of a  
23 municipality. The board shall call an election within fifteen  
24 (15) days after July 1, 1989, to be held within sixty (60) days  
25 from the date such election is called. Those persons elected to  
26 the board shall serve until the next general election for  
27 supervisors and the election for such board members thereafter  
28 shall be held at the same time as the supervisor elections and the

29 terms of such board members shall be concurrent with the terms of  
30 the supervisors. Any mayor who devotes a substantial amount of  
31 time to the operations of a local natural gas district may receive  
32 additional compensation as approved by the board of directors.  
33 From and after July 1, 2005, directors of natural gas districts  
34 who are operating in conformity to this section may receive  
35 compensation in the amount of Fifty Dollars (\$50.00) per day for  
36 actual service rendered to the district and actual travel  
37 expenses. No such director shall receive any salary or other form  
38 of compensation except for what is provided in this section.

39 All board members shall file any required statements of  
40 economic interest with the Ethics Commission as required by law.  
41 This section shall not apply to any local natural gas district  
42 which leases its distribution system to an investor-owned utility  
43 company regulated by the Public Service Commission.

44 From and after July 1, 2004, the Board of Directors of the  
45 Chickasawhay Natural Gas District shall discontinue distribution  
46 of any of the revenues of the district to municipalities within  
47 the district.

48 **SECTION 2.** This act shall take effect and be in force from  
49 and after July 1, 2005.