

By: Representative Warren

To: Public Utilities;  
Appropriations

HOUSE BILL NO. 569

1 AN ACT TO AMEND SECTION 77-15-1, MISSISSIPPI CODE OF 1972,  
2 WHICH REQUIRES CERTAIN NATURAL GAS DISTRICTS TO ESTABLISH AND  
3 MAINTAIN A BOARD OF DIRECTORS AND PROVIDE THE QUALIFICATION AND  
4 COMPENSATION FOR SUCH DIRECTORS; TO EXTEND THE DATE OF REPEAL IN  
5 THIS SECTION; AND FOR RELATED PURPOSES.

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

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

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

29 thereafter shall be held at the same time as the supervisor  
30 elections and the terms of such board members shall be concurrent  
31 with the terms of the supervisors. The board of directors,  
32 including any mayors who serve on the board, shall be entitled to  
33 compensation as follows: (a) the chairperson of the board shall  
34 receive Two Hundred Fifty Dollars (\$250.00) per month, and (b) all  
35 other board members shall receive Two Hundred Dollars (\$200.00)  
36 per month. Only mayors of the board shall serve as chairperson  
37 and such mayors shall serve annually on a rotating basis.

38 (2) Two (2) board municipal/county system-user board members  
39 who reside in his or her respective county, and must be customers  
40 of the district, and who must be system-users shall be appointed  
41 as follows for his or her initial term: (a) one (1) board member  
42 from the county lying in the northern section of the district,  
43 appointed by the Lieutenant Governor; and (b) one (1) board member  
44 from the county lying in the southern section of the district,  
45 appointed by the Governor. The appointed board municipal/county  
46 system-user board members may be elected public officials.

47 The initial terms of the two (2) municipal/county system-user  
48 board members shall begin July 1, 2005, and shall serve until the  
49 next general election for supervisors, and thereafter the  
50 municipal/county system-user board members, as described in this  
51 subsection (2), shall be elected at large by the municipal and  
52 county system-users.

53 The municipal/county system-user board members shall be  
54 compensated as prescribed in subsection (1) of this section.

55 (3) All board members shall file any required statements of  
56 economic interest with the Ethics Commission as required by law.  
57 This section shall not apply to any local natural gas district  
58 which leases its distribution system to an investor-owned utility  
59 company regulated by the Public Service Commission.

60 (4) From and after July 1, 2004, the Board of Directors of  
61 the Chickasawhay Natural Gas District shall discontinue

62 distribution of any of the revenues of the district to  
63 municipalities within the district.

64 (5) The provisions of this section shall only apply to the  
65 Chickasawhay Natural Gas District.

66 (6) This section shall stand repealed on July 1, 2008.

67 **SECTION 2.** This act shall take effect and be in force from  
68 and after July 1, 2006.