

By: Senator(s) King

To: Public Utilities

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 2560

1 AN ACT TO AMEND SECTION 77-15-1, MISSISSIPPI CODE OF 1972,
2 WHICH REQUIRES THE CHICKASAWHAY NATURAL GAS DISTRICT TO ESTABLISH
3 AND MAINTAIN A BOARD OF DIRECTORS AND PROVIDE THE QUALIFICATION
4 AND COMPENSATION FOR SUCH DIRECTORS; TO EXTEND THE DATE OF REPEAL
5 IN 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, 2007.

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