

**Adopted  
COMMITTEE AMENDMENT NO 1 PROPOSED TO**

**House Bill No. 1612**

**BY: Committee**

**Amend by striking all after the enacting clause and inserting  
in lieu thereof the following:**

11        **SECTION 1.** For the purposes of this act, the following words  
12 and phrases shall have the meanings ascribed herein unless the  
13 context clearly indicates otherwise:

14                (a) "Homeowners' Association" means a homeowners'  
15 association duly organized as a nonprofit organization with  
16 tax-exempt status under Section 501(c)(3) of the Internal Revenue  
17 Code.

18                (b) "Local improvements" means (i) any improvements  
19 constructed within a special local improvement assessment district  
20 or services established under this act to improve the appearance



or functioning of property located within the district including, but not limited to, parks and related facilities, sidewalks, streets, street curbing, street medians, planting areas, walls, lighting equipment, fountains and flagpoles; (ii) trees, shrubs, flowers and other vegetation; (iii) security enhancements including, but not limited to, cameras, radios, monitors and related equipment; (iv) private patrol services; (v) the acquisition, rehabilitation and sale of property in a special local improvement assessment district; and (vi) any expenditures made in conjunction with the improvements set forth above such as the removal and relocation of utility service or purchase and removal of signs.

(c) "Municipality" means any municipality incorporated under the laws of the state with a population of one hundred fifty thousand (150,000) or more according to the 2010 federal decennial census.

(d) "Special local improvement assessment district" or "district" means a district established pursuant to Section 2 of this act and may be comprised of either residential or nonresidential real property. Nonresidential real property located within or immediately adjacent to a special local improvement assessment district comprised of residential real property may be included within such special local improvement assessment district by a request submitted in writing by the owner of such nonresidential property to the governing authorities of



the municipality. Residential real estate property located within or immediately adjacent to a special local improvement assessment district comprised of nonresidential real property may be included within such special local improvement assessment district by a request submitted in writing by the owner of such residential property to the governing authorities of the municipality.

(e) "State" means the State of Mississippi.

**SECTION 2.** (1) A special local improvement assessment district may be created under this section if the boundaries of the proposed special local improvement assessment district are within the boundaries of the homeowners' association representing that area. Upon delivery of a petition to the clerk of the municipality in which the proposed district is located, signed by the owners of at least sixty percent (60%) of the taxable real property in the homeowners' association representing the area in the proposed district, the municipality shall begin efforts to establish the district; however, if the boundaries of the proposed special local improvement assessment district are located, in whole or in part, within the boundaries of the Capitol Complex Improvement District, or a portion of the proposed district adjoins the boundaries of the Capitol Complex Improvement District, the petition may be delivered to the Capitol Complex Improvement District Project Advisory Committee, and the committee shall deliver the petition to the clerk of the municipality.



70           (2) The homeowners' association representing the property  
71 owners in the proposed special local improvement assessment  
72 district shall submit a strategic plan to the municipality  
73 specifying the local improvements proposed for the district during  
74 the municipality's upcoming fiscal year and the total amount  
75 proposed to be expended for the improvements. Based on the  
76 strategic plan, the governing authorities of the municipality  
77 shall determine the additional millage to be levied upon all  
78 taxable real property in the district, not to exceed six (6)  
79 mills, needed in order to provide funds for the local improvements  
80 as proposed in the strategic plan.

81           (3) Within ninety (90) days of receipt of the strategic  
82 plan, the municipality shall prepare a notice calling for an  
83 election to be held in the proposed district on the question of  
84 whether to establish the special local improvement assessment  
85 district. The date and time of the election and the voting  
86 location shall be fixed in the notice. The municipality shall  
87 publish the notice of the election once each week for at least  
88 three (3) consecutive weeks in a newspaper published or having a  
89 general circulation in the town, with the first publication of the  
90 notice to be made not less than twenty-one (21) days before the  
91 date fixed in the notice of the election and the last publication  
92 to be made not more than seven (7) days before the election. At  
93 the election, all qualified electors of the proposed special local  
94 improvement assessment district may vote, which qualified electors



shall be determined by use of the voter rolls of all municipal voting precincts containing any property in the proposed special local improvement assessment district.

The ballots prepared by the municipality and used in the election shall have printed thereon the additional millage to be assessed, a brief statement of the purposes of the proposed special local improvement assessment district and the words "FOR THE SPECIAL IMPROVEMENT ASSESSMENT DISTRICT" and, on a separate line, "AGAINST THE SPECIAL IMPROVEMENT ASSESSMENT DISTRICT," and the voters shall vote by placing a cross (X) or check (✓) opposite their choice on the proposition.

(4) When the results of the election shall have been canvassed and certified by the municipality, the governing authorities of the municipality shall adopt a resolution creating the special local improvement assessment district if at least sixty percent (60%) of the qualified electors in the proposed special local improvement assessment district who vote in the election vote in favor of creating the district. The resolution shall contain a description of the boundaries of the district and shall specify the millage rate to be levied upon taxable real property in the district for the municipality's fiscal year. At least thirty (30) days before the effective date of the tax, the governing authorities shall furnish to the Department of Revenue a certified copy of the resolution evidencing the tax.



(5) The procedures required in this section for the establishment of a district shall be used for the modification of the boundaries of a district.

**SECTION 3.** (1) Upon the adoption of a resolution establishing a special local improvement assessment district as set forth under Section 2 of this act, the homeowners' association representing the property area in the district shall be authorized to exercise the following powers within the special local improvement assessment district:

(a) To provide for the planning and design of local improvements and the coordination of landscape design on different parcels of property, including the preparation of working drawings for the construction, acquisition and installation of local improvements;

(b) To purchase, acquire, install and construct local improvements;

(c) To purchase and acquire easements, air rights, scenic rights-of-way and other interests in land on which local improvements can be placed and which are necessary or desirable in connection with any local improvements;

(d) To provide for the management of local improvements, including, but not limited to, providing maintenance and services within the district; and



142 (e) To contract with a nonprofit local association duly  
143 incorporated under the laws of the State of Mississippi to  
144 undertake all or a portion of the activities within the district.

145 (2) A special local improvement assessment district  
146 established under Section 2 of this act shall be dissolved upon  
147 completion of all improvements in the district's strategic plan  
148 and satisfaction of all indebtedness incurred in connection with  
149 the district's activities. However, the district may be continued  
150 in effect by following the petition and ballot procedures provided  
151 for the establishment of the district in Section 2 of this act.

152 **SECTION 4.** (1) The proceeds of any special assessment  
153 levied on real property located within a special local improvement  
154 assessment district under Section 2 of this act may be used to pay  
155 costs including administrative costs of and relating to exercising  
156 the powers set forth in Section 3 of this act. The municipality  
157 shall hold the proceeds of the special assessment until disbursing  
158 the proceeds to the homeowners' association representing the area  
159 in a district created under Section 2 of this act. A homeowners'  
160 association shall keep the proceeds of such assessment separate  
161 and apart from other funds of the association. Accounting for  
162 receipts and expenditures of proceeds from the assessment shall be  
163 made separately and apart from the accounting of receipts and  
164 expenditures of the homeowners' association for other funds of the  
165 district. The homeowners' association shall have its books and  
166 records audited annually by an independent certified public



167 accountant and shall file a written report of the audit with the  
168 clerk of the municipality. The clerk of the municipality shall  
169 make the report of the audit available for public review. A  
170 special local improvement assessment district shall operate on the  
171 same fiscal year as the municipality.

172 (2) Any homeowners' association whose area of coverage is an  
173 operating special assessment local improvement assessment district  
174 shall post online notice of its annual meeting. At each annual  
175 meeting, the homeowners' association shall provide an update  
176 regarding the status and use of the monies collected under the  
177 special assessment imposed pursuant to this act and shall hold  
178 elections for officers and board members. Upon dissolution of the  
179 special local improvement assessment district under Section 3(2)  
180 of this act, the term of service of the homeowners' association  
181 officers and board members shall resume the length specified in  
182 the bylaws of the homeowners' association.

183 (3) Nothing in this section shall prevent the use of such  
184 special assessment for the purpose of planning and design of local  
185 improvements for any property located within a district and the  
186 coordination of landscape design on different parcels of property.

187 **SECTION 5.** Any homeowners' association representing the area  
188 in a district established under Section 2 of this act may accept  
189 and expend contributions from any other sources and apply such  
190 contributions to any of the purposes set forth in this act.





**SECTION 6.**

In the event any parcel of taxable property falls under the purview of more than one homeowners' association, each of whose property owners petition to create a special local improvement assessment district under Section 2 of this act, such parcel may not be assessed pursuant to this act more than once at any given time. The parcel shall be assessed by the special local improvement assessment district first approved by the electors pursuant to Section 2 of this act. Following the dissolution of the taxing special local improvement assessment district under Section 3(2) of this act, the next special local improvement assessment district to have been approved by the electors pursuant to Section 2 of this act shall become the taxing district.

**SECTION 7.** This act shall take effect and be in force from and after July 1, 2019.

**Further, amend by striking the title in its entirety and inserting in lieu thereof the following:**

AN ACT TO AUTHORIZE MUNICIPALITIES TO CREATE SPECIAL LOCAL IMPROVEMENT ASSESSMENT DISTRICTS; TO PROVIDE THE NOTICE AND ELECTION PROCEDURES FOR THE ESTABLISHMENT OF SUCH DISTRICTS; TO AUTHORIZE THE LEVY OF AN ASSESSMENT OF UP TO SIX MILLS ON TAXABLE REAL PROPERTY LOCATED WITHIN SUCH ASSESSMENT DISTRICTS; TO PROVIDE FOR THE DUTIES AND POWERS OF SUCH ASSESSMENT DISTRICTS; TO REQUIRE THE DISSOLUTION OF SUCH ASSESSMENT DISTRICTS UNDER CERTAIN CIRCUMSTANCES; TO SPECIFY THE USE FOR THE PROCEEDS OF THE SPECIAL ASSESSMENT; AND FOR RELATED PURPOSES.

