

Senate Amendments to House Bill No. 359

TO THE CLERK OF THE HOUSE:

THIS IS TO INFORM YOU THAT THE SENATE HAS ADOPTED THE AMENDMENTS SET OUT BELOW:

AMENDMENT NO. 1

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

8 SECTION 1. (1) For purposes of this act, the term "utility"
9 shall mean any utility created or operated pursuant to Section
10 21-27-11 et seq., Mississippi Code of 1972.

11 (2) Any utility may institute a program to address certain
12 disputed or delinquent customer accounts. The utility may
13 consider the customer's ability to pay the full amount owed on the
14 account. The utility must adopt rules and procedures to implement
15 the program if instituted. The utility's authority to compromise
16 doubtful claims is limited to the following cases:

17 (a) (i) Instances of error on the part of the utility
18 such as equipment failure or process failure, but only to the
19 extent the customer did not receive the benefit of the utility
20 service;

21 (ii) Instances of error not on the part of the
22 customer due to unforeseen circumstance such as damage, extreme
23 weather-related event, declared disaster or emergency, or

24 mandatory evacuation, but only to the extent the customer did not
25 receive the benefit of the utility service; and

26 (b) Instances where a customer's overdue balance for a
27 utility service can be reasonably adjudged to be uncollectable, in
28 which case the utility may use an installment payment agreement to
29 allow the customer additional time to pay a prescribed portion of
30 the outstanding balance, and as part of the installment payment
31 plan, to offer the use by the utility of accounting procedures to
32 move the remaining balance as an uncollectable debt to a special
33 accounting category of uncollectable or inactive accounts as
34 outlined in the program rules if the customer fulfills all terms
35 of the installment plan. The program must provide that the
36 accounting adjustments under this paragraph (b) do not result in
37 forgiveness of uncollectable debts.

38 (3) The utility may set program parameters to take into
39 account the principle of collateral estoppel as to its own prior
40 service, billing or collection actions.

41 (4) Any utility that participates in the program shall
42 provide to the Governor, Lieutenant Governor, Speaker of the House
43 of Representatives and Mississippi Public Utilities Staff a
44 biannual report that details the utility's revenue collection, the
45 number of accounts that have been adjudged uncollectable, the
46 number of accounts that are participating in the installment
47 payment plans, the number of accounts that are overdue, the
48 percentage of customers who are classified as low-income, and the
49 effect of the program on the utility's revenue collection.

50 (5) This section shall stand repealed on July 1, 2024.

51 **SECTION 2.** Section 31-19-27, Mississippi Code of 1972, is
52 amended as follows:

53 31-19-27. A doubtful claim of the state, or of the county,
54 city, town, village, or levee board is one for which judgment has
55 been rendered and for the collection of which the ordinary process
56 of law has been ineffectual; debts due by drainage districts or
57 other taxing districts or sinking funds to counties under the
58 Rehabilitation Act of 1928, being Chapter 88 * * *, Laws of 1928,
59 and Chapter 16 of the Acts of the Special Session of 1931; those
60 debts due counties by drainage districts, which the Reconstruction
61 Finance Corporation has heretofore refused to refinance; those
62 debts due a municipal utility system as authorized under Section 1
63 of this act; debts due for sixteenth section township school fund
64 loans made to churches, where the board of supervisors finds that
65 the value of the security given therefor is insufficient or
66 inadequate to pay or satisfy the principal and interest of said
67 loan, and when the church repays the principal of said loan; and
68 debts due by counties and townships to drainage districts for
69 drainage district assessments or taxes levied and assessed upon
70 sixteenth section lands.

71 **SECTION 3.** Section 31-19-29, Mississippi Code of 1972, is
72 amended as follows:

73 31-19-29. The Governor, on the advice of the Attorney
74 General or * * * the Commissioner of Revenue, may, upon
75 application of the defendant or debtor proposing a compromise,

76 settle and compromise any doubtful claim of the state, or of any
77 county, city, town, or village, or of any levee board against such
78 defendant or debtor, upon such terms as he may deem proper, the
79 board of supervisors in the case of a county, and the municipal
80 authorities in the case of a city, town or village, and the levee
81 board in the case of a claim of a levee board, concurring therein.
82 The Governor, upon application of a drainage district having
83 obligations outstanding to a county under the provisions of
84 Chapter 88, Laws of 1928, and Chapter 16, Laws of the
85 Extraordinary Session of 1931, or obligations which the
86 Reconstruction Finance Corporation has heretofore refused to
87 refinance, may settle and compromise any claim, debt or obligation
88 that said drainage district may owe any county in the State of
89 Mississippi for money loaned said district under the provisions of
90 said Chapter 88, Laws of 1928, or any other claim, debt or
91 obligation that said drainage district may owe the county which
92 the Reconstruction Finance Corporation has heretofore refused to
93 finance, if the board of supervisors of said county concurs in the
94 application of the drainage district. A utility may compromise a
95 debt owed for water and sewer service only as provided in Section
96 1 of this act. The Governor, upon application by the board of
97 supervisors for any taxing districts of said county or sinking
98 funds of said county under the control and supervision of said
99 board of supervisors having obligations outstanding and due to
100 said county under the provisions of Chapter 88, Laws of 1928, and
101 Chapter 16, Laws of the Extraordinary Session of 1931, may settle

102 and compromise any claim, debt, or obligation that said taxing
103 districts or sinking funds may owe said county for money loaned
104 said taxing districts or sinking funds under the provisions of
105 said Chapter 88, Laws of 1928; and provided that the Governor, on
106 the advice of the Attorney General, and upon application of a
107 church owing a sixteenth section township school fund loan, may
108 settle and compromise such debt or obligation if the board of
109 supervisors of the said county concurs in the application of the
110 said church. The Governor may, on the advice of the Attorney
111 General, in like manner compromise and settle a claim of a
112 drainage district for unpaid assessments or taxes upon sixteenth
113 section lands upon application of the board of supervisors wherein
114 such sixteenth section is situated, if the commissioners of the
115 drainage district concur therein.

116 **SECTION 4.** This act shall take effect and be in force from
117 and after July 1, 2021, and shall stand repealed on June 30, 2021.

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

1 AN ACT TO AUTHORIZE MUNICIPALLY OWNED UTILITIES TO ADOPT
2 RULES AND PROCEDURES AUTHORIZING ACCOUNTING SYSTEM ACCOMMODATION
3 OF CERTAIN UNCOLLECTABLE INDEBTEDNESS OWED BY A CUSTOMER FOR
4 UTILITY SERVICES; TO PROVIDE REPORTING REQUIREMENTS; TO AMEND
5 SECTIONS 31-19-27 AND 31-19-29, MISSISSIPPI CODE OF 1972, IN
6 CONFORMITY THERETO; AND FOR RELATED PURPOSES.

SS26\HB359PS.J

Eugene S. Clarke
Secretary of the Senate