

**Adopted
COMMITTEE AMENDMENT NO 1 PROPOSED TO**

House Bill No. 359

BY: Committee

**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, or any entity created
11 by or authorized by other legislation of the State of Mississippi
12 providing water, sewer, electricity, gas, transportation or other
13 utility services whose rates are not subject to regulation by the
14 Mississippi Public Service Commission.

15 (2) For purposes of this act, "low-income customer" shall
16 mean any customer of a utility whose household income equals or is
17 less than two hundred percent (200%) of the Federal Poverty



18 Guidelines for a household the size of the customer's. A utility
19 may deem a customer to have income less than two hundred percent
20 (200%) of the Federal Poverty Guidelines without further income
21 verification if a member of the customer's household receives
22 benefits through the Supplemental Nutritional Assistance Program
23 (SNAP).

24 (3) Any utility may institute a program to address certain
25 disputed or delinquent customer accounts. The utility must adopt
26 rules and procedures to implement the program if instituted. The
27 utility's authority to compromise doubtful claims is limited to
28 the following cases:

29 (a) (i) Instances of error on the part of the utility
30 such as equipment failure or process failure, but only to the
31 extent the customer did not receive the benefit of the utility
32 service;

33 (ii) Instances of error not on the part of the
34 customer due to unforeseen circumstance such as damage, extreme
35 weather-related event, declared disaster or emergency, or
36 mandatory evacuation, but only to the extent the customer did not
37 receive the benefit of the utility service; and

38 (b) Instances where a low-income customer's overdue
39 balance for a utility service can be reasonably adjudged to be
40 uncollectable, in which case the utility may use an installment
41 payment agreement to allow the customer additional time to pay a
42 prescribed portion of the outstanding balance, and as part of the



43 installment payment plan, to offer the use by the utility of
44 accounting procedures to move the remaining balance as an
45 uncollectable debt to a special accounting category of
46 uncollectable or inactive accounts as outlined in the program
47 rules if the customer fulfills all terms of the installment plan.
48 The program must provide that the accounting adjustments under
49 this paragraph (b) do not result in forgiveness of uncollectable
50 debts.

51 (4) The utility may set program parameters to take into
52 account the principle of collateral estoppel as to its own prior
53 service, billing or collection actions.

54 (5) Any utility that participates in the program shall
55 provide to the Governor, Lieutenant Governor, Speaker of the House
56 of Representatives and Mississippi Public Utilities Staff a
57 biannual report that details the utility's revenue collection, the
58 number of accounts that have been adjudged uncollectable, the
59 number of accounts that are participating in the installment
60 payment plans, the number of accounts that are overdue, the
61 percentage of customers who are classified as low-income, and the
62 effect of the program on the utility's revenue collection.

63 (6) This section shall stand repealed on July 1, 2024.

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

66 31-19-27. A doubtful claim of the state, or of the county,
67 city, town, village, or levee board is one for which judgment has



68 been rendered and for the collection of which the ordinary process
69 of law has been ineffectual; debts due by drainage districts or
70 other taxing districts or sinking funds to counties under the
71 Rehabilitation Act of 1928, being Chapter 88 * * *, Laws of 1928,
72 and Chapter 16 of the Acts of the Special Session of 1931; those
73 debts due counties by drainage districts, which the Reconstruction
74 Finance Corporation has heretofore refused to refinance; those
75 debts due a municipal utility system as authorized under Section 1
76 of this act; debts due for sixteenth section township school fund
77 loans made to churches, where the board of supervisors finds that
78 the value of the security given therefor is insufficient or
79 inadequate to pay or satisfy the principal and interest of said
80 loan, and when the church repays the principal of said loan; and
81 debts due by counties and townships to drainage districts for
82 drainage district assessments or taxes levied and assessed upon
83 sixteenth section lands.

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

86 31-19-29. The Governor, on the advice of the Attorney
87 General or * * * the Commissioner of Revenue, may, upon
88 application of the defendant or debtor proposing a compromise,
89 settle and compromise any doubtful claim of the state, or of any
90 county, city, town, or village, or of any levee board against such
91 defendant or debtor, upon such terms as he may deem proper, the
92 board of supervisors in the case of a county, and the municipal



93 authorities in the case of a city, town or village, and the levee
94 board in the case of a claim of a levee board, concurring therein.
95 The Governor, upon application of a drainage district having
96 obligations outstanding to a county under the provisions of
97 Chapter 88, Laws of 1928, and Chapter 16, Laws of the
98 Extraordinary Session of 1931, or obligations which the
99 Reconstruction Finance Corporation has heretofore refused to
100 refinance, may settle and compromise any claim, debt or obligation
101 that said drainage district may owe any county in the State of
102 Mississippi for money loaned said district under the provisions of
103 said Chapter 88, Laws of 1928, or any other claim, debt or
104 obligation that said drainage district may owe the county which
105 the Reconstruction Finance Corporation has heretofore refused to
106 finance, if the board of supervisors of said county concurs in the
107 application of the drainage district. A utility may compromise a
108 debt owed for water and sewer service only as provided in Section
109 1 of this act. The Governor, upon application by the board of
110 supervisors for any taxing districts of said county or sinking
111 funds of said county under the control and supervision of said
112 board of supervisors having obligations outstanding and due to
113 said county under the provisions of Chapter 88, Laws of 1928, and
114 Chapter 16, Laws of the Extraordinary Session of 1931, may settle
115 and compromise any claim, debt, or obligation that said taxing
116 districts or sinking funds may owe said county for money loaned
117 said taxing districts or sinking funds under the provisions of



118 said Chapter 88, Laws of 1928; and provided that the Governor, on
119 the advice of the Attorney General, and upon application of a
120 church owing a sixteenth section township school fund loan, may
121 settle and compromise such debt or obligation if the board of
122 supervisors of the said county concurs in the application of the
123 said church. The Governor may, on the advice of the Attorney
124 General, in like manner compromise and settle a claim of a
125 drainage district for unpaid assessments or taxes upon sixteenth
126 section lands upon application of the board of supervisors wherein
127 such sixteenth section is situated, if the commissioners of the
128 drainage district concur therein.

129 **SECTION 4.** This act shall take effect and be in force from
130 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 AND OTHER
2 ENTITIES TO ADOPT RULES AND PROCEDURES AUTHORIZING ACCOUNTING
3 SYSTEM ACCOMMODATION OF CERTAIN UNCOLLECTABLE INDEBTEDNESS OWED BY
4 A CUSTOMER FOR UTILITY SERVICES; TO PROVIDE REPORTING
5 REQUIREMENTS; TO AMEND SECTIONS 31-19-27 AND 31-19-29, MISSISSIPPI
6 CODE OF 1972, IN CONFORMITY THERETO; AND FOR RELATED PURPOSES.

