To: Judiciary A

By: Representative Lamar

## HOUSE BILL NO. 1155

AN ACT TO AUTHORIZE PROPERTY OWNERS IN A RESIDENTIAL SUBDIVISION THAT IS NOT GOVERNED BY A HOMEOWNERS ASSOCIATION TO ESTABLISH OR AMEND COVENANTS, CONDITIONS, AND RESTRICTIONS, INCLUDING THOSE THAT RUN WITH THE LAND; TO AUTHORIZE PROPERTY 5 OWNERS IN A RESIDENTIAL SUBDIVISION THAT IS GOVERNED BY A 6 HOMEOWNERS ASSOCIATION, TO ESTABLISH AND AMEND COVENANTS, 7 CONDITIONS, AND RESTRICTIONS, INCLUDING THOSE THAT RUN WITH THE LAND; TO REQUIRE SUCH PROPERTY OWNERS TO FILE A PETITION TO 8 9 ESTABLISH AND/OR AMEND COVENANTS, CONDITIONS AND RESTRICTIONS, IF 10 NECESSARY; TO REQUIRE NOTICE OF THE HEARING ON SUCH PETITION TO BE 11 PROVIDED THROUGH PUBLICATION; TO PROVIDE THAT IF THE CHANCELLOR 12 FINDS THAT THE PETITION IS WELL TAKEN THEN HE OR SHE SHALL ENTER A 13 DECREE ACCORDINGLY, WHICH SHALL BE FILED WITH THE CHANCERY CLERK; TO BRING FORWARD SECTIONS 17-1-23, 19-5-10, 21-19-63 AND 89-1-69, 14 MISSISSIPPI CODE OF 1972, FOR PURPOSES OF POSSIBLE AMENDMENT; AND 15 16 FOR RELATED PURPOSES. 17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 18 **SECTION 1.** (1) Property owners in a residential subdivision 19 that has been platted in accordance with Section 17-1-23, and that 20 is not governed by a homeowners association may, acting through a majority vote of such owners, establish or amend covenants, 21 conditions, and restrictions, including those that run with the 22 23 land, as provided in this section. 24 (a) Property owners in such a residential subdivision that has existing covenants, conditions, and restrictions, who 25

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- 26 seek to establish additional covenants, conditions, and
- 27 restrictions, or amend the existing, covenants, conditions, and
- 28 restrictions under subsection (1) of this section, shall file a
- 29 petition with the chancery court of the county where the existing
- 30 covenants, conditions, and restrictions were initially filed.
- 31 (b) In such a residential subdivision where no
- 32 covenants, conditions, and restrictions exist, property owners in
- 33 such a residential subdivision who seek to establish covenants,
- 34 conditions, and restrictions under subsection (1) of this section,
- 35 shall file a petition with the chancery court of the county where
- 36 the subdivision is located.
- 37 (3) After filing such petition to amend and/or establish
- 38 covenants, conditions, and restrictions, the chancellor shall set
- 39 a day, either in term time or in vacation, for the hearing of the
- 40 petition, and notice shall be given to all persons interested in,
- 41 affected by, or having objections to the petition, indicating that
- 42 the hearing on the petition will be held on the day fixed by the
- 43 chancellor, and that all such persons will have the right to
- 44 appear and enter their objections, if any, to the proposed
- 45 petition.
- 46 Such notice shall be given by publication in a newspaper
- 47 published or having a general circulation in the county where the
- 48 subdivision is located once each week for three (3) consecutive
- 49 weeks, and by posting a copy of such notice at all entrances to

- 50 the subdivision from a public road, as denoted on the official
- 51 plat of the subdivision.
- 52 The first publication of such notice and the posted notice
- 53 shall be made at least thirty (30) days prior to the day fixed for
- 54 the hearing of the petition, and such notice shall describe the
- 55 subdivision by name as the same appears on the official plat filed
- 56 in the land records of the county and the plat book or cabinet and
- 57 page where filed.
- 58 (3) At the time fixed, the chancellor shall proceed to hear
- 59 all evidence offered in support of the petition, together with all
- 60 objections, if any, that may be presented touching or bearing upon
- 61 the relief requested. If the chancellor finds from the evidence
- 62 that the proposed petition, in whole or in part, is well taken
- 63 then he or she shall enter a decree accordingly, which shall be
- 64 filed with the chancery clerk, and shall be denoted by him or her
- 65 in the official plat book of the county for the subdivision at
- 66 issue and in such other places where matters relating to
- 67 covenants, conditions, and restrictions for subdivisions are
- 68 filed.
- 69 **SECTION 2.** (1) Except as otherwise provided in this
- 70 section, property owners, acting through a majority vote, in a
- 71 residential subdivision that has been platted in accordance with
- 72 Section 17-1-23, and that is governed by a homeowners association,
- 73 may establish and amend covenants, conditions, and restrictions,

- 74 including those that run with the land, as provided in this 75 section.
- 76 If the governing documents for the homeowners' 77 association of such a residential subdivision provide a process 78 for establishing and amending existing covenants, conditions, and 79 restrictions, property owners in the residential subdivision who seek to exercise the authority granted under subsection (1) of 80 81 this section shall comply with the applicable provisions in such 82 governing documents.
- If the governing documents for the homeowners' 83 (3) (a) association of such a residential subdivision do not provide a 84 85 process for establishing and amending covenants, conditions, and 86 restrictions, property owners in a residential subdivision that 87 has existing covenants, conditions, and restrictions, who seek to establish additional covenants, conditions, and restrictions, or 88 89 amend the existing covenants, conditions, and restrictions under 90 subsection (1) of this section, shall file a petition with the chancery court of the county where the existing covenants, 91 92 conditions, and restrictions were initially filed.
  - If the governing documents for the homeowners' (b) association of such a residential subdivision do not provide a process for establishing and amending covenants, conditions, and restrictions, property owners in a residential subdivision where no covenants, conditions, and restrictions exist, who seek to establish covenants, conditions, and restrictions under subsection

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- 99 (1) of this section, shall file a petition with the chancery court 100 of the county where the subdivision is located.
- 101 After filing such petition to amend and/or establish 102 covenants, conditions and restrictions, the chancellor shall set a 103 day, either in term time or in vacation, for the hearing of the 104 petition, and notice shall be given to all persons interested in, 105 affected by, or having objections to the petition, that the hearing on the petition will be held on the day fixed by the 106 107 chancellor and that all such persons will have the right to appear and enter their objections, if any, to the proposed petition. 108
- 109 The notice shall be given by publication in a newspaper published or having a general circulation in the county where the 110 111 subdivision is located once each week for three (3) consecutive weeks, and by posting a copy of such notice at all entrances to 112 113 the subdivision from a public road as denoted on the official plat 114 of the subdivision.
- 115 The first publication of such notice and the posted notice shall be made at least thirty (30) days prior to the day fixed for 116 117 the hearing of the petition, and such notice shall describe the 118 subdivision by name as the same appears on the official plat filed in the land records of the county and the plat book or cabinet and 119 page where filed. 120
- At the time fixed, the chancellor shall proceed to hear 121 122 all evidence offered in support of the petition, together with all objections, if any, that may be presented touching or bearing upon 123

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- 124 the relief requested. If the chancellor finds from the evidence
- 125 that the proposed petition, in whole or in part, is well taken
- 126 then he or she shall enter a decree accordingly, which shall be
- 127 filed with the chancery clerk and shall be denoted by him or her
- 128 in the official plat book of the county for the subdivision at
- 129 issue and in such other places where matters relating to
- 130 covenants, conditions, and restrictions for subdivisions are
- 131 filed.
- SECTION 3. Section 17-1-23, Mississippi Code of 1972, is
- 133 brought forward as follows:
- 17-1-23. (1) When new subdivisions are laid out, the
- 135 governing authority of each municipality or county may, before
- 136 allowing dedication, impose such terms as may be deemed necessary
- 137 to make the provisions of Sections 17-1-1 through 17-1-27,
- 138 inclusive, effective, and such governing authorities may receive
- 139 easements in the land affected whereby such sections may be made
- 140 effective.
- 141 (2) The board of supervisors of any county may order that no
- 142 plat of a subdivision shall be recorded until it has been approved
- 143 by the board of supervisors, and the board of supervisors shall
- 144 have power to require the installation of utilities and laying out
- 145 of streets in subdivisions or to accept performance bonds in lieu
- 146 thereof; the board of supervisors of any county bordering on the
- 147 State of Tennessee having a population of more than sixty-seven
- 148 thousand nine hundred (67,900) but less than seventy thousand

149 (70,000) according to the 1990 federal census and having a land 150 area of more than four hundred seventy (470) square miles but less 151 than five hundred (500) square miles may also, in lieu thereof, 152 require the deposit of monies with the county which shall be 153 placed in a special interest-bearing account in the county 154 treasury, and such board of supervisors at the appropriate time 155 shall spend monies from such account solely for the purpose of constructing or improving the roads and other infrastructure 156 157 within the subdivision with respect to which the deposit or 158 deposits were made.

(3) The governing authorities of a municipality may provide that any person desiring to subdivide a tract of land within the corporate limits shall submit a map and plat of such subdivision, and a correct abstract of title of the land platted, to said governing authorities, to be approved by them before the same shall be filed for record in the land records of the county; and where the municipality has adopted an ordinance so providing, no such map or plat of any such subdivision shall be recorded by the chancery clerk unless same has been approved by said governing authorities. In all cases where a map or plat of the subdivision is submitted to the governing authorities of a municipality, and is by them approved, all streets, roads, alleys and other public ways set forth and shown on said map or plat shall be thereby dedicated to the public use, and shall not be used otherwise unless and until said map or plat is vacated in the manner

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174 provided by law, notwithstanding that said streets, roads, alleys 175 or other public ways have not been actually opened for the use of 176 the public. If any easement dedicated pursuant to the provisions of this section for a street, road, alley or other public purpose 177 178 is determined to be not needed for the public purpose, the 179 easement may be declared abandoned, and ownership of the fee 180 underlying the easement shall revert, regardless of the date of 181 dedication, to the adjoining property owner or owners at the time 182 of abandonment. Ownership of such easement shall extend to the centerline of said abandoned street, road or public way. 183 184 abandonment and reversion shall not affect any private easements 185 which might exist.

(4) If the owner of any land which shall have been laid off, mapped or platted as a city, town or village, or addition thereto, or subdivision thereof, or other platted area, whether inside or outside a municipality, desires to alter or vacate such map or plat, or any part thereof, he may petition the board of supervisors of the county or the governing authorities of the municipality for relief in the premises, setting forth the particular circumstances of the case and giving an accurate description of the property, the map or plat of which is to be vacated or altered and the names of the persons to be adversely affected thereby or directly interested therein. However, before taking such action, the parties named shall be made aware of the action and must agree in writing to the vacation or alteration.

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- 199 Failure to gain approval from the parties named shall prohibit the 200 board of supervisors or governing authorities from altering or 201 vacating the map or plat, or any part thereof. Any alterations of 202 a plat or map must be recorded in the appropriate location and a 203 note shall be placed on the original plat denoting the altered or 204 revised plat. No land shall be subdivided nor shall the map or 205 plat of any land be altered or vacated in violation of any duly 206 recorded covenant running with the land. Any municipality which 207 shall approve such a vacation or alteration pursuant to this 208 section shall be exempt from the sale of surplus real property provisions as set forth in Section 21-17-1. 209
- 210 (5) Subdivision regulation under this section shall not 211 conflict with Article VII of the Chickasaw Trail Economic 212 Development Compact described in Section 57-36-1.
- 213 **SECTION 4.** Section 19-5-10, Mississippi Code of 1972, is 214 brought forward as follows:
- 19-5-10. (1) 215 The board of supervisors of any county is authorized to enter into one or more development agreements with 216 217 the developer or developers of a master planned community in order 218 to authorize, in addition to any other matters to which the board 219 of supervisors may lawfully obligate the county, the master 220 planned community, through a community self-governing entity 221 created by the owners of the property, to administer, manage and 222 enforce the land use restrictions and covenants, land use regulations, subdivision regulations, building codes and 223

224	regulations, and any other limitations and restrictions on land
225	and buildings provided in the master plan for the master planned
226	community, in lieu of the real estate and property owners within
227	the master planned community being subject to the county
228	ordinances and regulations pertaining to buildings, subdivisions,
229	zoning, the county's comprehensive plan, and any other county
230	ordinances and regulations pertaining thereto. Prior to entering
231	into any such development agreement, the board of supervisors
232	shall review the master plan for the master planned community and
233	find that the provisions of the master plan providing for
234	regulations, restrictions, covenants and limitations pertaining to
235	building, subdivisions, zoning and comprehensive planning shall be
236	comparable to, or greater than, similar provisions in the
237	ordinances and regulations of the county. The term of such a
238	development agreement may be not more than thirty (30) years or
239	the number of years allowed in the county's subdivision ordinance
240	for terms of subdivision covenants, whichever is greater. The
241	development agreement shall have attached to it a boundary survey
242	made by a registered land surveyor, and upon approval of the
243	development agreement by the board of supervisors, the boundary
244	survey shall be recorded in the land records of the chancery clerk
245	of the county. The recorded boundary survey shall serve as the
246	description of the property within the master planned community
247	which shall not be subject to the county's zoning map, and the
248	county's zoning map shall simply recognize the territory described

249	in such boundary survey as a "master planned community." Whenever
250	there may be a conflict between the county ordinances and
251	regulations pertaining to buildings, subdivisions, zoning, the
252	county's comprehensive plan, and any other county ordinances and
253	regulations pertaining thereto, and the provisions of such a
254	development agreement, including the provisions of the master plan
255	providing for regulations, restrictions, covenants and limitations
256	pertaining to buildings, subdivisions, zoning and comprehensive
257	planning, the provisions of the development agreement shall
258	prevail if the provisions of the development agreement are
259	comparable to or greater than similar provisions of county
260	ordinances and regulations.

- (2) As used in this section, the term "master planned community" means a development by one or more developers of real estate consisting of residential, commercial, educational, health care, open space and recreational components that is developed pursuant to a long range, multiphase master plan providing comprehensive land use planning and staged implementation and development and the master plan must include the following minimum provisions:
- 269 (a) The real estate described in the master plan must 270 consist of not less than two thousand five hundred (2,500) acres. 271 The master plan may require that not less than fifty percent (50%) 272 of the total dwelling units planned for such acreage must be:

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273	(i) Dwelling units within a certified retirement
274	community certified by the Mississippi Development Authority; or
275	(ii) Dwelling units where at least one (1)
276	occupant:
277	1. Is sixty-two (62) years of age; or
278	2. Receives pension income reported on his or
279	her most recent federal income tax return filed prior to
280	occupancy; or
281	3. Declares himself to be retired.
282	(b) The real estate described in the master plan must
283	be subjected to a set of land use restrictions imposed by deed
284	restriction or restrictive covenants recorded by the developer in
285	the land records of the chancery clerk of the county as land is
286	developed and sold in phases to users. Such restrictions shall
287	include design guidelines and standards that provide for:
288	(i) Internal community self-governance by the
289	owners of the property;
290	(ii) The establishment of one or more legal
291	persons endowed with the powers, rights and duties to administer,
292	manage, own and maintain common areas, establish community
293	activities and enforce the land use restrictions on the common
294	areas and private property; and
295	(iii) The establishment of assessments and lien
296	rights to fund amenities, services and maintenance of common
297	areas

298		(C)	The real	estate	descr	ribec	d in	the	maste	r pl	an mus	st
299	be within	the	territoria	al boun	daries	of	one	or r	more pu	ıbli	c util	Lity
300	districts	esta	blished by	the c	ounty	for	the	prov	vision	of	water	and
301	sewer faci	liti	es and wat	cer and	sewer	ser	rvice	es.				

- 302 The master plan for a master planned community shall be (3) 303 subject to modification from time to time by the original owner or 304 owners of the real estate described in the initial master plan, 305 its affiliates, successors or assigns to meet changing economic 306 and market conditions; provided, however, any such modifications 307 in the master plan which materially change the regulations, 308 restrictions, covenants and limitations pertaining to buildings, 309 subdivisions and land use regulations approved in the development 310 agreement, or which significantly change the overall plan concept, shall be subject to, and shall not take effect until, approved by 311 312 the board of supervisors of the county.
- 313 (4) As used in this section, the term "dwelling unit" means 314 single-family residences, apartments or other units within a 315 multifamily residence, or a room or apartment in a nursing home or 316 congregate-care facility.
- 317 **SECTION 5.** Section 21-19-63, Mississippi Code of 1972, is 318 brought forward as follows:
- 21-19-63. The governing authorities of municipalities may provide that any person desiring to subdivide a tract of land within the corporate limits shall submit a map and plat of such subdivision, and a correct abstract of title of the land platted,

323 to said governing authorities, to be approved by them before the 324 same shall be filed for record in the land records of the county. 325 Where the municipality has adopted an ordinance so providing, no 326 such map or plat of any such subdivision shall be recorded by the 327 chancery clerk unless same has been approved by said governing 328 authorities. In all cases where a map or plat of the subdivision 329 is submitted to the governing authorities of a municipality, and 330 is by them approved, all streets, roads, alleys and other public 331 ways set forth and shown on said map or plat shall be thereby dedicated to the public use, and shall not be used otherwise 332 333 unless and until said map or plat is vacated in the manner 334 provided by law, notwithstanding that said streets, roads, alleys 335 or other public ways have not been actually opened for the use of 336 the public. If any easement dedicated pursuant to the provisions 337 of this section for a street, road, alley or other public purpose 338 is determined to be not needed for the public purpose, the 339 easement may be declared abandoned, and ownership of the fee underlying the easement shall revert, regardless of the date of 340 341 dedication, to the adjoining property owner or owners at the time 342 of abandonment. Ownership of the easement shall extend to the 343 centerline of said abandoned street, road or public way. 344 abandonment and reversion shall not affect any private easements 345 which might exist.

SECTION 6. Section 89-1-69, Mississippi Code of 1972, is

brought forward as follows:

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348	89-1-69.	(1)	In	this	section	1,	"property	owners	5 <b>'</b>	
349	association"	means	an	incorp	porated	or	unincorpo	rated	associatio	n
350	that:									

- 351 (a) Is designated as the representative of the owners 352 of property in a subdivision;
- 353 (b) Has a membership primarily consisting of the owners 354 of the property covered by the dedicatory instrument for the 355 subdivision; and
- 356 (c) Manages or regulates the subdivision for the 357 benefit of the owners of property in the subdivision.
  - (2) A deed restriction or other covenant running with the land applicable to the conveyance of real property that requires a transferee of real property or the transferee's heirs, successors, or assigns to pay a declarant or other person imposing the deed restriction or covenant on the property or a third party designated by a transferor of the property a fee in connection with a future transfer of the property is prohibited. A deed restriction or other covenant running with the land that violates this section or a lien purporting to encumber the land to secure a right under a deed restriction or other covenant running with the land that violates this section is void and unenforceable. For purposes of this section, a conveyance of real property includes a conveyance or other transfer of an interest or estate in real property.

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372	(3) This section does not apply to a deed restriction or
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374	associated with the conveyance of property in a subdivision that
375	is payable to:
376	(a) A property owners' association that manages or
377	regulates the subdivision or the association's managing agent if
378	the subdivision contains more than one (1) platted lot and the
379	right to collect a fee in connection with a future transfer of the
380	property is evidenced by a deed restriction or covenant running
381	with the land filed in the public land records;
382	(b) An entity organized under Section 501(c)(3),
383	Internal Revenue Code of 1986 if the entity has a right to collect
384	a fee in connection with a future transfer of the property
385	evidenced by a deed restriction or covenant running with the land
386	filed in the public land records; or
387	(c) A governmental entity.
388	SECTION 7. This act shall take effect and be in force from

and after July 1, 2023.