

By: Senator(s) Thomas

To: Energy; Municipalities

SENATE BILL NO. 2010

1 AN ACT TO AMEND SECTION 21-27-23, MISSISSIPPI CODE OF 1972,  
 2 TO AUTHORIZE A MUNICIPALITY TO ALLOW A MUNICIPALLY OWNED UTILITY  
 3 TO ACCEPT PAYMENT FOR ITS SERVICES BY CREDIT CARD, DEBIT CARD OR  
 4 OTHER FORM OF ELECTRONIC PAYMENT AND TO ABSORB ANY FEES OR CHARGES  
 5 ASSOCIATED WITH THE USE OF SUCH ELECTRONIC PAYMENT IN ITS COST OF  
 6 SERVICE RATE BASE; AND FOR RELATED PURPOSES.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

8 **SECTION 1.** Section 21-27-23, Mississippi Code of 1972, is  
 9 amended as follows:

10 21-27-23. Any municipality may:

11 (a) Borrow money and issue revenue bonds therefor  
 12 solely for the purposes specified in this section and by the  
 13 procedure provided in Sections 21-27-41 through 21-27-69.

14 Money may be borrowed and bonds issued by any municipality of  
 15 the State of Mississippi, as defined in Section 21-27-11, to  
 16 acquire or improve any waterworks system, water supply system,  
 17 sewerage system, sewage disposal system, garbage disposal system,  
 18 rubbish disposal system or incinerators, gas producing system, gas  
 19 generating system, gas transmission system, or gas distribution  
 20 system, electric generating, transmission or distribution system,



21 railroad transportation system for passengers and freight, or  
22 motor vehicle transportation system, including any combination of  
23 any or all of those systems into one (1) system, within or without  
24 the corporate limits thereof, for the purpose of supplying the  
25 municipality and the persons and corporations, both public and  
26 private, whether within or without its corporate limits, with the  
27 services and facilities afforded by the system, provided that  
28 water, electric energy, or gas afforded by any system or systems  
29 may be supplied to such ultimate consumers thereof by sale thereof  
30 to the owners or operators of a distribution system for resale to  
31 the public. Any municipality which shall borrow money and issue  
32 revenue bonds to provide funds with which to acquire a gas  
33 transmission system, if necessary in order to reach and obtain a  
34 source of supply of gas for the municipality, may extend or  
35 construct its gas transmission line into an adjoining state, and  
36 may use and expend part of the proceeds of such issue of revenue  
37 bonds for the purpose.

38 (b) \* \* \* Assume all indebtedness for any system or  
39 systems which may be acquired under the provisions of this section  
40 as all or part of the consideration for the acquisition of such  
41 system or systems and to issue its revenue bonds in exchange for  
42 the bonds or notes evidencing the indebtedness.

43 (c) \* \* \* Acquire or improve any system which it is  
44 authorized to borrow money and issue revenue bonds under



45 subsection (a) of this section to acquire or improve; and to make  
46 contracts in furtherance thereof or in connection therewith.

47 (d) To own, operate and maintain any such system or  
48 combination of any and all of said systems into one (1) system.

49 (e) \* \* \* Establish, maintain and collect rates for the  
50 facilities and services offered by any such system; provided that  
51 if there is a combination of systems into one or more systems, the  
52 municipality establishing the same shall be and is empowered to  
53 establish, maintain and collect rates for any and all of the  
54 services or for any combination thereof, and the municipality may  
55 discontinue any or all of the services upon any failure to  
56 promptly pay the charges fixed for the services. The rates so  
57 fixed for services rendered by any system or combination thereof  
58 may be charged for all services rendered thereby, regardless of  
59 whether the services may have been previously rendered without  
60 rates or charges therefor by the previously existing waterworks  
61 system, water supply system, sewerage system, sewage disposal  
62 system, garbage disposal system, rubbish disposal system or  
63 incinerators, gas producing system, gas generating system, gas  
64 transmission system, or gas distribution system, electric  
65 generating, transmission or distribution system, which shall have  
66 been merged into the combined system. Any such municipality may  
67 pledge for the payment of any bonds issued to acquire or improve  
68 any such combined system, or to refund any bonds previously issued  
69 to acquire or improve any such combined system or to acquire or



70 improve any system merged with such combined system, the revenues  
71 to be derived from the operation of such combined system,  
72 including the charges authorized to be imposed by this section.

73 A municipality may authorize a municipally owned utility to  
74 make early payment of the utility's bills to its electricity  
75 suppliers which offer early payment discounts to the municipally  
76 owned utility. The municipality may immediately refund to a  
77 customer of the municipally owned utility his or her deposit for  
78 municipal utility services after the municipal utility has  
79 determined that payment for all services and any other obligations  
80 which the customer may have incurred in regard to the municipal  
81 utility has been made.

82 A municipality may authorize a municipally owned utility to  
83 accept payment for its services by credit card, debit card or  
84 other form of electronic payment and to absorb any fees or charges  
85 associated with the use of such electronic payment in its cost of  
86 service rate base.

87 If the revenues of any previously existing system being  
88 merged into a combined system are subject to a prior lien, the  
89 revenues and the expenses of any previously existing system shall  
90 be accounted for separately to the extent necessary to satisfy the  
91 covenants relating to the prior lien for so long as the  
92 indebtedness secured by the revenues shall remain outstanding.  
93 Only surplus revenues remaining after the satisfaction of all  
94 covenants relating to the outstanding indebtedness may be pledged



95 to the retirement of any indebtedness to be secured by the  
96 revenues of a combined system. The existence of the outstanding  
97 indebtedness shall not, in and of itself, prevent the combining of  
98 systems as herein provided, so long as the prior lien on the  
99 revenues of any previously existing system is fully satisfied from  
100 the revenues of the previously existing system.

101 (f) \* \* \* Acquire property, real or personal, which may  
102 be necessary to effectuate the powers conferred by this section.  
103 The municipality may purchase electric transmission line  
104 materials, electric distribution system substation equipment,  
105 transformer equipment, and all other appliances, apparatus,  
106 machinery, equipment and appurtenances necessary for the sale of  
107 electricity, such as utility vehicles and fencing, from the  
108 surplus inventory of the Tennessee Valley Authority or any other  
109 similar agency of the federal government and electric power  
110 associations. These purchases by the municipality shall be exempt  
111 from the public bid requirements prescribed in Sections 31-7-12  
112 and 31-7-13. If the power of eminent domain is exercised, it  
113 shall be exercised in the manner provided by Sections 11-27-1  
114 through 11-27-51.

115 (g) \* \* \* Enter into contract with the United States of  
116 America or any agency thereof, under the provisions of acts of the  
117 Congress of the United States, to aid or encourage public works  
118 and the regulations made in pursuance thereof, for the sale of  
119 bonds issued in accordance with the provisions of Sections



120 21-27-41 through 21-27-69 or for the acceptance of a grant to aid  
121 such municipality in acquiring or improving any such system; and  
122 the contracts may contain terms and conditions as may be agreed  
123 upon by and between the municipality and the United States of  
124 America or any agency thereof, or any purchaser of the bonds.

125 (h) \* \* \* Adopt the ordinances and resolutions and to  
126 do all things and perform all acts necessary, proper or desirable  
127 to effectuate the full intent and purpose of Sections 21-27-11  
128 through 21-27-69, including processing, marketing, custom  
129 processing, sale and resale of materials processed through any  
130 facility under its jurisdiction.

131 (i) \* \* \* Borrow from the Mississippi Development Bank  
132 in order to fund the advance purchase of energy for its gas  
133 producing, generating, transmission or distribution system or its  
134 electric generating, transmission or distribution system.

135 (j) Enter into an interlocal agreement in accordance  
136 with Section 21-27-75.

137 **SECTION 2.** This act shall take effect and be in force from  
138 and after July 1, 2024.

