



*Lynn Fitch*  
**ATTORNEY GENERAL**  
OPINIONS AND POLICY

December 2, 2024

The Honorable Steve Watkins  
Mayor, City of Quitman  
Post Office Box 16  
Quitman, Mississippi 39355-0016

Re: Municipality as a Member of a Chamber of Commerce

Dear Mayor Watkins:

The Office of the Attorney General has received your request for an official opinion.

### **Questions Presented**

1. Mississippi Code Annotated Section 17-3-1 provides that a municipality may expend monies “for the purpose of advertising and bringing into favorable notice the opportunities, possibilities and resources of such municipality.” Is there some other Mississippi statute or regulation that gives a municipality the authority to join a local chamber of commerce and pay annual municipal membership fees?
2. May the City of Quitman (“City”) pay chamber of commerce annual municipal membership assessment fees?

### **Brief Response**

1. Upon the proper factual determination, a municipality may contribute funds to a chamber of commerce pursuant to Sections 17-3-1, 21-19-44, or another applicable statute.
2. See Response 1. The City may only pay the chamber of commerce annual membership fees if the expenditure conforms with Sections 17-3-1, 21-19-44, or another applicable statute, which is a factual determination for the City to make.

### **Applicable Law and Discussion**

Initially, your request asks whether there is any statute other than Section 17-3-1, commonly referred to as the advertising statute, that allows a municipality to pay annual membership fees to a chamber of commerce. Prior opinions have consistently cited Section 17-3-1 as the authority for

municipalities to contribute or pay membership fees to chambers of commerce. *See* MS AG Op., *Horne* at \*1 (Feb. 22, 1982); MS AG Op., *Brooks* at \*1 (Mar. 5, 2010). Pursuant to Section 7-5-25, opinions of this office are issued on prospective questions of state law. We do not make factual determinations by official opinion. This opinion does not purport to list every statute that could apply to your situation, nor can we opine on whether it is legal for the City to pay the chamber of commerce membership fees in this instance, as these would both require our office to make factual determinations. With these limitations, we offer the following for future guidance.

Section 17-3-1 provides:

The board of supervisors of any county in Mississippi, and the mayor and board of aldermen or board of commissioners of any municipality in the State of Mississippi, may in their discretion, set aside, appropriate and expend moneys, not to exceed one mill of their respective valuation and assessment for the purpose of advertising and bringing into favorable notice the opportunities, possibilities and resources of such municipality or county.

Upon the appropriate factual finding by a municipality that the funds will be used in accordance with Section 17-3-1, this advertising statute allows the municipality to provide money to a chamber of commerce. Further, Section 21-19-44 allows municipalities “to appropriate, contribute and donate to, or expend budgeted funds for, local economic development organizations and designated Main Street programs.” When asked whether a municipality could donate the use of municipal facilities to a chamber of commerce under Section 21-19-44, this office opined:

While the above-cited opinions issued by this office have concluded that a local chamber of commerce is, per se, qualified to receive a donation by a municipality, it is the opinion of this office that the governing authorities of a municipality must determine, consistent with the facts, that the local chamber of commerce may receive a donation pursuant to Sections 21-19-44 - 44.1, Section 21-17-1(3)(a)(1), (3)(b)(ii), or another applicable statute.

MS AG Op., *Barton* at \*2 (Oct. 5, 2020) (internal citations omitted); *see also* MS AG Op., *Barton* at \*2 (July 24, 2015). This remains the opinion of this office. Accordingly, if a municipality determines that contributing to a chamber of commerce by way of membership dues is for the purpose of advertising and bringing into favorable notice the opportunities, possibilities, and resources of the municipality pursuant to Section 17-3-1 or that Section 21-19-44 or another statute applies, it may provide funds to the local chamber of commerce. As stated above, whether it is legal for the City to pay the chamber of commerce annual municipal membership assessment fees in this particular instance requires a factual determination by the City and is outside the scope of an official opinion.

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If this office may be of any further assistance to you, please do not hesitate to contact us.

Sincerely,

LYNN FITCH, ATTORNEY GENERAL

By: */s/ Beebe Garrard*

Beebe Garrard  
Special Assistant Attorney General

OFFICIAL OPINION