

By: Representative Clark

To: Ways and Means

## HOUSE BILL NO. 313

1 AN ACT TO ESTABLISH A GRANT FOR THE PURPOSE OF MAKING GRANTS  
2 TO ASSIST BUSINESSES IN PAYING COSTS ASSOCIATED WITH PROVIDING AND  
3 EXPANDING CELLULAR AND BROADBAND ACCESS AND COVERAGE IN RURAL  
4 COUNTIES AND RURAL MUNICIPALITIES; TO PROVIDE THAT THE MISSISSIPPI  
5 DEVELOPMENT AUTHORITY SHALL ADMINISTER THE GRANT PROGRAM CREATED  
6 IN THIS ACT; TO CREATE A SPECIAL FUND IN THE STATE TREASURY,  
7 DESIGNATED AS THE "RURAL COUNTIES AND MUNICIPALITIES CELLULAR AND  
8 BROADBAND FUND"; TO AUTHORIZE THE ISSUANCE OF \$15,000,000.00 OF  
9 STATE GENERAL OBLIGATION BONDS TO PROVIDE FUNDS FOR THE "RURAL  
10 COUNTIES AND MUNICIPALITIES CELLULAR AND BROADBAND FUND"; AND FOR  
11 RELATED PURPOSES.

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

13 **SECTION 1.** (1) For the purposes of this section, the  
14 following terms shall have the meanings ascribed in this section  
15 unless the context clearly indicates otherwise:

16 (a) "MDA" means the Mississippi Development Authority.

17 (b) "Rural county" means a county in the State of  
18 Mississippi with a population of thirty thousand (30,000) or less  
19 according to the most recent federal decennial census.

20 (c) "Rural municipality" means a municipality in the  
21 State of Mississippi with a population of ten thousand (10,000) or  
22 less according to the most recent federal decennial census.



23           (2) There is hereby created in the State Treasury a special  
24 fund to be designated as the "Rural Counties and Municipalities  
25 Cellular and Broadband Fund," which shall consist of funds made  
26 available by the Legislature in any manner and funds from any  
27 other source designated for deposit into such fund. Unexpended  
28 amounts remaining in the fund at the end of a fiscal year shall  
29 not lapse into the State General Fund, and any investment earnings  
30 or interest earned on amounts in the fund shall be deposited to  
31 the credit of the fund. Monies in the fund shall be used to make  
32 grants to businesses for the purposes provided in this section.

33           (3) The MDA shall establish a program to make grants to  
34 businesses for the purpose of assisting such businesses in paying  
35 costs associated with providing and expanding cellular and  
36 broadband access and coverage in rural counties and rural  
37 municipalities. The maximum amount of a grant made to a business  
38 under this section cannot exceed twenty-five percent (25%) of the  
39 cost of the project for which the grant is made. A business may  
40 apply to the MDA for a grant under this section in the manner  
41 provided for in this section.

42           (4) A business desiring a grant under this section must  
43 submit an application to the MDA. The application must include a  
44 description of the project for which the grant is requested, the  
45 cost of the project for which the grant is requested, the amount  
46 of the grant requested and any other information required by the  
47 MDA.



(5) The MDA shall have all powers necessary to implement and administer the program established under this section, and the MDA shall promulgate rules and regulations, in accordance with the Mississippi Administrative Procedures Law, necessary for the implementation of this section.

**SECTION 2.** (1) As used in this section, the following words shall have the meanings ascribed herein unless the context clearly requires otherwise:

(a) "Accreted value" of any bonds means, as of any date of computation, an amount equal to the sum of (i) the stated initial value of such bond, plus (ii) the interest accrued thereon from the issue date to the date of computation at the rate, compounded semiannually, that is necessary to produce the approximate yield to maturity shown for bonds of the same maturity.

(b) "State" means the State of Mississippi.

(c) "Commission" means the State Bond Commission.

(2) (a) The Commission, at one time, or from time to time, may declare by resolution the necessity for issuance of general obligation bonds of the State of Mississippi to provide funds for the grant program authorized in Section 1 of this act. Upon the adoption of a resolution by the Mississippi Development Authority, declaring the necessity for the issuance of any part or all of the general obligation bonds authorized by this subsection, the Mississippi Development Authority shall deliver a certified copy



73 of its resolution or resolutions to the commission. Upon receipt  
74 of such resolution, the commission, in its discretion, may act as  
75 the issuing agent, prescribe the form of the bonds, determine the  
76 appropriate method for sale of the bonds, advertise for and accept  
77 bids or negotiate the sale of the bonds, issue and sell the bonds  
78 so authorized to be sold, and do any and all other things  
79 necessary and advisable in connection with the issuance and sale  
80 of such bonds. The total amount of bonds issued under this  
81 section shall not exceed Fifteen Million Dollars (\$15,000,000.00).  
82 No bonds authorized under this section shall be issued after July  
83 1, 2022.

84 (b) The proceeds of bonds issued pursuant to this  
85 section shall be deposited into the Rural Counties and  
86 Municipalities Cellular and Broadband Fund created pursuant to  
87 Section 1 of this act. Any investment earnings on bonds issued  
88 pursuant to this section shall be used to pay debt service on  
89 bonds issued under this section, in accordance with the  
90 proceedings authorizing issuance of such bonds.

91 (3) The principal of and interest on the bonds authorized  
92 under this section shall be payable in the manner provided in this  
93 subsection. Such bonds shall bear such date or dates, be in such  
94 denomination or denominations, bear interest at such rate or rates  
95 (not to exceed the limits set forth in Section 75-17-101,  
96 Mississippi Code of 1972), be payable at such place or places  
97 within or without the State of Mississippi, shall mature



absolutely at such time or times not to exceed twenty-five (25) years from date of issue, be redeemable before maturity at such time or times and upon such terms, with or without premium, shall bear such registration privileges, and shall be substantially in such form, all as shall be determined by resolution of the commission.

(4) The bonds authorized by this section shall be signed by the chairman of the commission, or by his facsimile signature, and the official seal of the commission shall be affixed thereto, attested by the secretary of the commission. The interest coupons, if any, to be attached to such bonds may be executed by the facsimile signatures of such officers. Whenever any such bonds shall have been signed by the officials designated to sign the bonds who were in office at the time of such signing but who may have ceased to be such officers before the sale and delivery of such bonds, or who may not have been in office on the date such bonds may bear, the signatures of such officers upon such bonds and coupons shall nevertheless be valid and sufficient for all purposes and have the same effect as if the person so officially signing such bonds had remained in office until their delivery to the purchaser, or had been in office on the date such bonds may bear. However, notwithstanding anything herein to the contrary, such bonds may be issued as provided in the Registered Bond Act of the State of Mississippi.



122           (5) All bonds and interest coupons issued under the  
123 provisions of this section have all the qualities and incidents of  
124 negotiable instruments under the provisions of the Uniform  
125 Commercial Code, and in exercising the powers granted by this  
126 section, the commission shall not be required to and need not  
127 comply with the provisions of the Uniform Commercial Code.

128           (6) The commission shall act as issuing agent for the bonds  
129 authorized under this section, prescribe the form of the bonds,  
130 determine the appropriate method for sale of the bonds, advertise  
131 for and accept bids or negotiate the sale of the bonds, issue and  
132 sell the bonds so authorized to be sold, pay all fees and costs  
133 incurred in such issuance and sale, and do any and all other  
134 things necessary and advisable in connection with the issuance and  
135 sale of such bonds. The commission is authorized and empowered to  
136 pay the costs that are incident to the sale, issuance and delivery  
137 of the bonds authorized under this section from the proceeds  
138 derived from the sale of such bonds. The commission may sell such  
139 bonds on sealed bids at public sale or may negotiate the sale of  
140 the bonds for such price as it may determine to be for the best  
141 interest of the State of Mississippi. All interest accruing on  
142 such bonds so issued shall be payable semiannually or annually.

143           If such bonds are sold by sealed bids at public sale, notice  
144 of the sale shall be published at least one time, not less than  
145 ten (10) days before the date of sale, and shall be so published  
146 in one or more newspapers published or having a general



147 circulation in the City of Jackson, Mississippi, selected by the  
148 commission.

149       The commission, when issuing any bonds under the authority of  
150 this section, may provide that bonds, at the option of the State  
151 of Mississippi, may be called in for payment and redemption at the  
152 call price named therein and accrued interest on such date or  
153 dates named therein.

154       (7) The bonds issued under the provisions of this section  
155 are general obligations of the State of Mississippi, and for the  
156 payment thereof the full faith and credit of the State of  
157 Mississippi is irrevocably pledged. If the funds appropriated by  
158 the Legislature are insufficient to pay the principal of and the  
159 interest on such bonds as they become due, then the deficiency  
160 shall be paid by the State Treasurer from any funds in the State  
161 Treasury not otherwise appropriated. All such bonds shall contain  
162 recitals on their faces substantially covering the provisions of  
163 this subsection.

164       (8) Upon the issuance and sale of bonds under the provisions  
165 of this section, the commission shall transfer the proceeds of any  
166 such sale or sales to the Rural Counties and Municipalities  
167 Cellular and Broadband Fund created in Section 1 of this act. The  
168 proceeds of such bonds shall be disbursed solely upon the order of  
169 the Mississippi Development Authority under such restrictions, if  
170 any, as may be contained in the resolution providing for the  
171 issuance of the bonds.



172           (9) The bonds authorized under this section may be issued  
173 without any other proceedings or the happening of any other  
174 conditions or things other than those proceedings, conditions and  
175 things which are specified or required by this section. Any  
176 resolution providing for the issuance of bonds under the  
177 provisions of this section shall become effective immediately upon  
178 its adoption by the commission, and any such resolution may be  
179 adopted at any regular or special meeting of the commission by a  
180 majority of its members.

181           (10) The bonds authorized under the authority of this  
182 section may be validated in the Chancery Court of the First  
183 Judicial District of Hinds County, Mississippi, in the manner and  
184 with the force and effect provided by Chapter 13, Title 31,  
185 Mississippi Code of 1972, for the validation of county, municipal,  
186 school district and other bonds. The notice to taxpayers required  
187 by such statutes shall be published in a newspaper published or  
188 having a general circulation in the City of Jackson, Mississippi.

189           (11) Any holder of bonds issued under the provisions of this  
190 section or of any of the interest coupons pertaining thereto may,  
191 either at law or in equity, by suit, action, mandamus or other  
192 proceeding, protect and enforce any and all rights granted under  
193 this section, or under such resolution, and may enforce and compel  
194 performance of all duties required by this section to be  
195 performed, in order to provide for the payment of bonds and  
196 interest thereon.





197           (12) All bonds issued under the provisions of this section  
198 shall be legal investments for trustees and other fiduciaries, and  
199 for savings banks, trust companies and insurance companies  
200 organized under the laws of the State of Mississippi, and such  
201 bonds shall be legal securities which may be deposited with and  
202 shall be received by all public officers and bodies of this state  
203 and all municipalities and political subdivisions for the purpose  
204 of securing the deposit of public funds.

205           (13) Bonds issued under the provisions of this section and  
206 income therefrom shall be exempt from all taxation in the State of  
207 Mississippi.

208           (14) The proceeds of the bonds issued under this section  
209 shall be used solely for the purposes therein provided, including  
210 the costs incident to the issuance and sale of such bonds.

211           (15) The State Treasurer is authorized, without further  
212 process of law, to certify to the Department of Finance and  
213 Administration the necessity for warrants, and the Department of  
214 Finance and Administration is authorized and directed to issue  
215 such warrants, in such amounts as may be necessary to pay when due  
216 the principal of, premium, if any, and interest on, or the  
217 accreted value of, all bonds issued under this section; and the  
218 State Treasurer shall forward the necessary amount to the  
219 designated place or places of payment of such bonds in ample time  
220 to discharge such bonds, or the interest thereon, on the due dates  
221 thereof.



222           (16) This section shall be deemed to be full and complete  
223 authority for the exercise of the powers therein granted, but this  
224 section shall not be deemed to repeal or to be in derogation of  
225 any existing law of this state.

226           **SECTION 3.** This act shall take effect and be in force from  
227 and after July 1, 2018.

