

By: Representative Clark

To: Ways and Means

HOUSE BILL NO. 143

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



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

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

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

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

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

65 (2) (a) The commission, at one time, or from time to time,
66 may declare by resolution the necessity for issuance of general
67 obligation bonds of the State of Mississippi to provide funds for
68 the grant program authorized in Section 1 of this act. Upon the
69 adoption of a resolution by the Mississippi Development Authority,
70 declaring the necessity for the issuance of any part or all of the
71 general obligation bonds authorized by this subsection, the
72 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, 2024.

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



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

104 (4) The bonds authorized by this section shall be signed by
105 the chairman of the commission, or by his facsimile signature, and
106 the official seal of the commission shall be affixed thereto,
107 attested by the secretary of the commission. The interest
108 coupons, if any, to be attached to such bonds may be executed by
109 the facsimile signatures of such officers. Whenever any such
110 bonds shall have been signed by the officials designated to sign
111 the bonds who were in office at the time of such signing but who
112 may have ceased to be such officers before the sale and delivery
113 of such bonds, or who may not have been in office on the date such
114 bonds may bear, the signatures of such officers upon such bonds
115 and coupons shall nevertheless be valid and sufficient for all
116 purposes and have the same effect as if the person so officially
117 signing such bonds had remained in office until their delivery to
118 the purchaser, or had been in office on the date such bonds may
119 bear. However, notwithstanding anything herein to the contrary,
120 such bonds may be issued as provided in the Registered Bond Act of
121 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, 2020.

