

By: Representative Clark

To: Ways and Means

HOUSE BILL NO. 322

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, 2025.

84 (b) Any investment earnings on amounts deposited into
85 the special fund created in Section 1 of this act shall be used to
86 pay debt service on bonds issued under this section, in accordance
87 with the proceedings authorizing issuance of such bonds.

88 (3) The principal of and interest on the bonds authorized
89 under this section shall be payable in the manner provided in this
90 subsection. Such bonds shall bear such date or dates, be in such
91 denomination or denominations, bear interest at such rate or rates
92 (not to exceed the limits set forth in Section 75-17-101,
93 Mississippi Code of 1972), be payable at such place or places
94 within or without the State of Mississippi, shall mature
95 absolutely at such time or times not to exceed twenty-five (25)
96 years from date of issue, be redeemable before maturity at such
97 time or times and upon such terms, with or without premium, shall



98 bear such registration privileges, and shall be substantially in
99 such form, all as shall be determined by resolution of the
100 commission.

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

119 (5) All bonds and interest coupons issued under the
120 provisions of this section have all the qualities and incidents of
121 negotiable instruments under the provisions of the Uniform
122 Commercial Code, and in exercising the powers granted by this



123 section, the commission shall not be required to and need not
124 comply with the provisions of the Uniform Commercial Code.

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

140 If such bonds are sold by sealed bids at public sale, notice
141 of the sale shall be published at least one time, not less than
142 ten (10) days before the date of sale, and shall be so published
143 in one or more newspapers published or having a general
144 circulation in the City of Jackson, Mississippi, selected by the
145 commission.

146 The commission, when issuing any bonds under the authority of
147 this section, may provide that bonds, at the option of the State



148 of Mississippi, may be called in for payment and redemption at the
149 call price named therein and accrued interest on such date or
150 dates named therein.

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

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

169 (9) The bonds authorized under this section may be issued
170 without any other proceedings or the happening of any other
171 conditions or things other than those proceedings, conditions and
172 things which are specified or required by this section. Any



173 resolution providing for the issuance of bonds under the
174 provisions of this section shall become effective immediately upon
175 its adoption by the commission, and any such resolution may be
176 adopted at any regular or special meeting of the commission by a
177 majority of its members.

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

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

194 (12) All bonds issued under the provisions of this section
195 shall be legal investments for trustees and other fiduciaries, and
196 for savings banks, trust companies and insurance companies
197 organized under the laws of the State of Mississippi, and such



198 bonds shall be legal securities which may be deposited with and
199 shall be received by all public officers and bodies of this state
200 and all municipalities and political subdivisions for the purpose
201 of securing the deposit of public funds.

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

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

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

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



223 **SECTION 3.** This act shall take effect and be in force from
224 and after July 1, 2021.

