

By: Representatives Bounds, Anderson  
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To: Public Utilities

HOUSE BILL NO. 505

1 AN ACT TO CREATE THE MISSISSIPPI BROADBAND ACCESSIBILITY ACT;  
2 TO PROVIDE LEGISLATIVE FINDINGS; TO PROVIDE DEFINITIONS FOR THE  
3 ACT; TO REQUIRE THE DIRECTOR OF MISSISSIPPI PUBLIC UTILITIES STAFF  
4 TO ESTABLISH AND ADMINISTER THE BROADBAND ACCESSIBILITY GRANT  
5 PROGRAM FOR THE PURPOSE OF PROMOTING THE DEPLOYMENT AND ADOPTION  
6 OF BROADBAND INTERNET ACCESS SERVICES TO UNSERVED AREAS; TO  
7 PROVIDE THAT THE PROGRAM SHALL BE ADMINISTERED PURSUANT TO  
8 POLICIES DEVELOPED BY THE PUBLIC UTILITIES STAFF, SUBJECT TO THE  
9 REQUIREMENTS OF THE ACT, WHICH SHALL PROVIDE FOR THE AWARDING OF  
10 GRANTS TO NON-GOVERNMENTAL ENTITIES THAT ARE COOPERATIVES,  
11 CORPORATIONS, LIMITED LIABILITY COMPANIES, PARTNERSHIPS, OR OTHER  
12 PRIVATE BUSINESS ENTITIES THAT PROVIDE BROADBAND SERVICES; AND FOR  
13 RELATED PURPOSES.

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

15 **SECTION 1.** This act shall be known and may be cited as the  
16 Mississippi Broadband Accessibility Act.

17 **SECTION 2.** The Legislature finds that the availability of  
18 high-speed broadband services, with the preference of speeds of  
19 twenty-five (25) megabits per second of download speed and three  
20 (3) megabits per second of upload speed or greater, in unserved  
21 rural Mississippi is important for economic development,  
22 education, health care, and emergency services in Mississippi, and  
23 that grants and other incentives set forth in this act will



24 further those objectives by encouraging new investment in  
25 broadband infrastructure.

26 **SECTION 3.** For the purposes of this article, the following  
27 words shall have the following meanings unless the context clearly  
28 indicates otherwise:

29 (a) "End user" means a residential, business,  
30 institutional, or government entity that uses broadband services  
31 for its own purposes and does not resell such broadband services  
32 to other entities. An internet service provider (ISP) and mobile  
33 wireless service provider are not an end user for the purposes of  
34 this act.

35 (b) "Middle mile project" means a broadband  
36 infrastructure project that does not provide broadband service to  
37 end users or to end-user devices.

38 (c) "Minimum service threshold" means a connection to  
39 the Internet that provides capacity for transmission at an average  
40 speed per customer of at least twenty-five (25) megabits (Mbps)  
41 per second downstream and at least three (3) megabits (Mbps) per  
42 second upstream.

43 (d) "Rural area" means any area within this state not  
44 included within the boundaries of any incorporated city or town  
45 having a population in excess of twenty-five thousand (25,000)  
46 inhabitants, according to the latest federal decennial census.

47 (e) "Unserved area" means any rural area in which there  
48 is not at least one provider of terrestrial broadband service that



49 is either: (i) offering a connection to the Internet meeting the  
50 minimum service threshold; or (ii) is required, under the terms of  
51 the Federal Universal Service Fund or other federal or state  
52 grant, to provide a connection to the Internet at speeds meeting  
53 the minimum service threshold by March 28, 2023.

54 **SECTION 4.** (1) The Director of Mississippi Public Utilities  
55 Staff shall establish and administer the broadband accessibility  
56 grant program for the purpose of promoting the deployment and  
57 adoption of broadband Internet access services to unserved areas.  
58 By August 1, 2021, the director shall adopt rules and policies to  
59 administer the program and begin to accept applications for  
60 grants, and shall adopt such rules as may be necessary to meet the  
61 future needs of the grant program.

62 (2) The program shall be administered pursuant to policies  
63 developed by the Public Utilities Staff in compliance with this  
64 act. The policies shall provide for the awarding of grants to  
65 non-governmental entities that are cooperatives, corporations,  
66 limited liability companies, partnerships, or other private  
67 business entities that provide broadband services. Nothing in this  
68 article shall expand the authority under state law of any entity  
69 to provide broadband service.

70 (3) There is hereby created the Mississippi Broadband  
71 Accessibility Fund as a special fund in the State Treasury. The  
72 fund is subject to appropriations by the Legislature and gifts,  
73 grants, and other donations received by the Public Utilities Staff



74 for the broadband accessibility grant program or fund. The Public  
75 Utilities Staff may not spend appropriations for the program for  
76 purposes other than those listed in this section. Any monies  
77 appropriated to the Public Utilities Staff for broadband grants  
78 that are unspent at the end of a fiscal year shall be carried over  
79 for use by the program in the next fiscal year. The Public  
80 Utilities Staff shall develop rules ensuring that expenses  
81 incurred to administer the program must not exceed the lesser of  
82 seven percent (7%) of the total amount appropriated for the  
83 program in any fiscal year or Seven Hundred Fifty Thousand Dollars  
84 (\$750,000.00). Monies in the fund shall be invested by the State  
85 Treasurer for the sole benefit of the fund.

86 (4) (a) Individual grants awarded by the Public Utilities  
87 Staff under this section may only be awarded for projects in  
88 unserved areas, and may not exceed the lesser of:

89 (i) Thirty-five percent (35%) of the project  
90 costs; or

91 (ii) One Million Five Hundred Thousand Dollars  
92 (\$1,500,000.00) for projects that will be capable of transmitting  
93 broadband signals at or above the minimum service threshold.

94 (b) The Public Utilities Staff shall ensure that not  
95 less than forty percent (40%) of funds appropriated for grants be  
96 utilized in unincorporated areas of the state.

97 (c) Subject to the limitations in this subsection (4),  
98 grants shall be awarded pursuant to the service criteria developed



99 by the Public Utilities Staff, with priority given to projects  
100 that meet any of the following:

101 (i) Seek to leverage grant funds through private  
102 investment and extension of existing infrastructure;

103 (ii) Serve locations with demonstrated community  
104 support, including, but not limited to, documented support from  
105 local government;

106 (iii) Demonstrate the operator's technical and  
107 managerial capabilities to complete the project within two (2)  
108 years of the grant;

109 (iv) Demonstrate the applicants' necessary  
110 financial resources;

111 (v) Are most cost effective and technically  
112 efficient in that they propose to serve the highest number of  
113 unserved homes, businesses and community anchor points for the  
114 least cost and best level of service, emphasizing projects  
115 including the highest broadband speeds;

116 (vi) Provide material broadband enhancement to  
117 hospitals located in rural areas; and

118 (vii) Support local libraries in this state for  
119 the purpose of assisting the libraries in offering digital  
120 literacy training pursuant to state library and archive  
121 guidelines.

122 (d) For the purposes of awarding grants, the Public  
123 Utilities Staff shall take into consideration the average pole



124 attachment rates that a grant applicant charges to an unaffiliated  
125 entity, provided that this paragraph (d) shall not apply to a  
126 public utility.

127 (e) In order to promote the deployment of grant funds  
128 in an inclusive manner that is consistent with the racial, gender,  
129 geographic, urban, rural, and economic diversity of the state, the  
130 Public Utilities Staff may give additional consideration to an  
131 applicant that provides documentation that it has been certified  
132 as a Disadvantaged Business Enterprise. For projects funded under  
133 this act, the Public Utilities Staff shall encourage grant  
134 applicants to use vendors and subcontractors that have been  
135 certified as Disadvantaged Business Enterprises.

136 (5) For each fiscal year in which grant funds are available,  
137 the Public Utilities Staff shall accept applications within a  
138 90-day grant window that it shall establish. Applications for  
139 eligible projects will be evaluated according to a scoring system  
140 developed by the Public Utilities Staff that incorporates the  
141 priorities listed in this section, with grant awards published  
142 within ninety (90) days after expiration of the filing window.  
143 Grant applications shall be published by the Public Utilities  
144 Staff on the Internet at the end of the filing window, and  
145 existing service providers shall have thirty (30) business days  
146 from the date of publication to file objections to the eligibility  
147 of a proposed project. The Public Utilities Staff shall address  
148 any objections within thirty (30) days of submission and shall



149 make any appropriate changes to grant awards based on a finding of  
150 ineligibility resulting from such protest. Subject to such  
151 protest procedure, grants issued by the Public Utilities Staff  
152 shall be conditioned upon compliance with the terms of the grant  
153 but shall not otherwise be revocable. Providers' grants shall be  
154 paid within thirty (30) days upon the Public Utilities Staff  
155 receiving written certification of the completion of the project  
156 and evidence of compliance with the terms of the grant as  
157 prescribed by the Public Utilities Staff.

158 (6) Grants shall be conditioned on project completion within  
159 two (2) years of awarding of the grant. If a recipient fails to  
160 complete a project within the two-year deadline due to reasons  
161 other than delay caused by a government entity, the Public  
162 Utilities Staff may revoke the grant in its entirety and  
163 rededicate the funds to a new recipient.

164 (7) The Public Utilities Staff shall condition the release  
165 of any grant funds awarded under this act on both of the  
166 following:

167 (a) The progressive completion, as measured on not more  
168 than a quarterly basis, of the approved project.

169 (b) Operational testing, when possible, to confirm the  
170 level of service proposed in the grant application. Such  
171 regulations shall not exceed in degree or differ in kind from  
172 testing and reporting requirements imposed on the grant recipient  
173 by the Federal Communications Commission, as adjusted for the



174 service specifications in the Public Utilities Staff grant  
175 agreement.

176 (8) Notwithstanding any other provision of this section,  
177 eligible projects shall include any of the following:

178 (a) Projects to serve unserved areas in which the grant  
179 applicant is either or both: (i) an existing or future service  
180 provider which has or will receive support through federal  
181 universal service funding programs designed specifically to  
182 encourage broadband deployment in an area without broadband  
183 access; or (ii) an existing or future service provider which has  
184 or will receive other forms of federal or state financial support  
185 or assistance, such as a grant or loan from the United States  
186 Department of Agriculture; provided, however, that any award of  
187 state funds under this section, when combined with other forms of  
188 state or federal support or assistance dedicated to the project,  
189 other than interest-bearing loans, may not exceed sixty percent  
190 (60%) of the total project costs. Nothing in this section shall  
191 prohibit a grant applicant who has not previously received any  
192 federal or state funds, grants or loans for broadband deployment  
193 from applying for and receiving grant funds under this section.

194 (b) Middle mile projects, where the applicant  
195 demonstrates that the project will connect other service providers  
196 eligible for grants under this section with broadband  
197 infrastructure further upstream in order to enable the providers  
198 to offer broadband service to end users; provided that eligible





199 projects under this paragraph (b) may include projects in an  
200 unserved area or a rural area that does not meet the definition of  
201 an unserved area but otherwise meets the requirements of this  
202 section, for which the grant applicant demonstrates, by specific  
203 evidence, the need for greater broadband speeds, capacity, or  
204 service which is not being offered by an existing service  
205 provider.

206 (c) Projects to provide broadband service to a specific  
207 hospital, public school, public safety, or economic development  
208 site in a rural area that does not meet the definition of an  
209 unserved area but otherwise meets the requirements of this  
210 section, for which the grant applicant demonstrates, by specific  
211 evidence, the need for greater broadband speeds, capacity, or  
212 service which is not being offered by an existing service  
213 provider.

214 (d) Grants issued under paragraphs (b) and (c) of this  
215 subsection (8) shall not exceed forty percent (40%) of the total  
216 funds appropriated for grants on an annual basis.

217 **SECTION 5.** This act shall take effect and be in force from  
218 and after July 1, 2021.

