

By: Senator(s) Harkins

To: Finance

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 2603

1 AN ACT TO CREATE THE MISSISSIPPI DIGITAL ASSET MINING ACT; TO
2 AMEND SECTION 75-15-3, MISSISSIPPI CODE OF 1972, TO DEFINE THE
3 TERM "VIRTUAL CURRENCY"; TO AMEND SECTION 75-15-7, MISSISSIPPI
4 CODE OF 1972, TO PROVIDE AN EXEMPTION FOR THE BUYING, SELLING,
5 ISSUING, RECEIVING OR TAKING CUSTODY OF VIRTUAL CURRENCY UNDER THE
6 MISSISSIPPI MONEY TRANSMITTERS ACT; AND FOR RELATED PURPOSES.

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

8 **SECTION 1. Title and definitions.** (1) This article shall
9 be known and may be cited as the "Mississippi Digital Asset Mining
10 Act."

11 (2) The Mississippi Legislature finds the following:

12 (a) Digital asset mining has created thousands of jobs
13 and provided billions of dollars worth of positive economic value
14 for individuals and companies throughout the United States;

15 (b) Digital asset mining has grown significantly in the
16 United States since the ban of digital asset mining in China;

17 (c) Digital asset mining has often faced regulatory
18 challenges at the state and local level;



19 (d) Digital asset mining has the potential to stabilize
20 the power grid and provide revenue for infrastructure projects
21 across the state; and

22 (e) The State of Mississippi wants to explore the
23 potential for digital asset mining in our state, protect the right
24 of individuals and businesses to mine digital assets in our state
25 and provide legal certainty for the digital asset mining industry.

26 **SECTION 2. Digital asset mining protection.** (1) As used in
27 this article, the following words and phrases have the meanings
28 ascribed herein, unless the context clearly indicates otherwise:

29 (a) "Blockchain" means a small group of decentralized
30 computers working together to agree upon information.

31 (b) "Digital asset mining" means the use of electricity
32 to power a computer for the purpose of securing a blockchain
33 network.

34 (c) "Home asset digital mining" means the mining of
35 digital assets in areas zoned for residential use.

36 (d) "Node" means a computational device which contains
37 a copy of a blockchain ledger.

38 (e) "Digital asset mining business" means a group of
39 computers working at a single site and consuming more than one (1)
40 megawatt of energy for the purpose of generating digital assets by
41 securing a blockchain network.



42 (f) "Discriminatory rates" mean electricity rates
43 substantially different from other industrial uses of electricity
44 in similar geographic areas; and

45 (g) "Orphaned well" means an oil or natural gas well
46 where no owner can be located.

47 (2) It shall be legal in the State of Mississippi to run a
48 node or a series of nodes for the purpose of home digital asset
49 mining at a private residence.

50 (3) It shall be legal in the State of Mississippi to operate
51 a digital asset mining business in an area zoned for industrial
52 use.

53 (4) No political subdivision of this state shall place any
54 specific additional limit on sound decibels generated by home
55 digital asset mining beyond the current limit set forth for other
56 forms of sound pollution by such political subdivision.

57 (5) No political subdivision of this state shall impose any
58 requirement on a digital asset mining business which is not also a
59 requirement for data centers in its jurisdiction.

60 (6) No political subdivision of this state shall modify the
61 zoning of a digital asset mining business without the proper
62 notice and comment procedures. A digital asset mining business
63 whose zoning is changed shall have the right to appeal that change
64 in the circuit court of the county in which the business is
65 located, pursuant to Section 11-51-75.



66 (7) The Mississippi Public Service Commission shall not
67 establish a discriminatory rate schedule for digital asset mining
68 businesses.

69 (8) No person or other entity engaged in home digital asset
70 mining nor any digital mining asset business shall be considered a
71 money transmitter under the Mississippi Money Transmitters Act,
72 Section 75-15-1 et seq.

73 **SECTION 3.** Section 75-15-3, Mississippi Code of 1972, is
74 amended as follows:

75 75-15-3. For the purposes of this chapter:

76 (a) "Check" means any check, draft, money order,
77 personal money order or other instrument, including, but not
78 limited, to stored value cards, for the transmission or payment of
79 money. The format of a check may be either paper, electronic,
80 plastic or any combination thereof.

81 (b) "Commissioner" means the Commissioner of Banking
82 and Consumer Finance of the State of Mississippi.

83 (c) "Deliver" means to deliver a check to the first
84 person who in payment for same makes or purports to make a
85 remittance of or against the face amount thereof, whether or not
86 the deliverer also charges a fee in addition to the face amount,
87 and whether or not the deliverer signs the check.

88 (d) "Executive officer" means the licensee's president,
89 chairman of the executive committee, senior officer responsible



90 for the licensee's business, chief financial officer and any other
91 person who performs similar functions.

92 (e) "Licensee" means a person duly licensed by the
93 commissioner under this chapter.

94 (f) "Monetary value" means a medium of exchange,
95 whether or not redeemable in money.

96 (g) "Money transmission" means to engage in the
97 business of the sale or issuance of checks or of receiving money
98 or monetary value for transmission to a location within or outside
99 the United States by any and all means, including, but not limited
100 to, wire, facsimile or electronic transfer.

101 (h) "Outstanding check" means any check issued or sold
102 in Mississippi by or for the licensee that has been reported as
103 sold but not yet paid by or for the licensee.

104 (i) "Person" means any individual, partnership,
105 association, joint-stock association, trust or corporation, but
106 does not include the United States government or the government of
107 this state.

108 (j) "Personal money order" means any instrument for the
109 transmission or payment of money in relation to which the
110 purchaser or remitter appoints or purports to appoint the seller
111 thereof as his agent for the receipt, transmission or handling of
112 money, whether the instrument is signed by the seller or by the
113 purchaser or remitter or some other person.



114 (k) "Records" or "documents" means any item in hard
115 copy or produced in a format of storage commonly described as
116 electronic, imaged, magnetic, microphotographic or otherwise, and
117 any reproduction so made shall have the same force and effect as
118 the original thereof and be admitted in evidence equally with the
119 original.

120 (l) "Sell" means to sell, to issue or to deliver a
121 check.

122 (m) "Stored value" means monetary value that is
123 evidenced by an electronic record.

124 (n) "Virtual currency" means any type of digital
125 representation of value that:

126 (i) Is used as a medium of exchange, unit of
127 account or store of value; and

128 (ii) Is not recognized as legal tender by the
129 United States government.

130 **SECTION 4.** Section 75-15-7, Mississippi Code of 1972, is
131 amended as follows:

132 75-15-7. Nothing in this chapter shall apply to the sale or
133 issuance or delivering of checks by:

134 (a) Any financial institution whose deposits are
135 insured by any agency of the United States government or any trust
136 company authorized to do business in this state;

137 (b) The government of the United States or any
138 department or agent thereof;



139 (c) The State of Mississippi or any municipal
140 corporation, county or other political subdivision of this state;

141 (d) Agents of a licensee, as provided for in Section
142 75-15-17, provided that this exemption shall apply only to the
143 agent's acts on behalf of the licensee and this exemption shall
144 not exempt the agent from the provisions of this chapter where he
145 conducts money transmissions for his own account;

146 (e) Attorneys-at-law, as to checks issued in the
147 regular course of the practice of law;

148 (f) Persons not carrying on the trade or business of
149 money transmission, this exemption is intended to include persons
150 who conduct money transmissions only as an incidental act to
151 another trade or business regularly carried on by them and persons
152 who only occasionally and infrequently conduct money transmissions
153 for another person; * * *

154 (g) The Nationwide Mortgage Licensing System and
155 Registry for mortgage brokers, mortgage lenders and mortgage loan
156 originators * * *; or

157 (h) Buying, selling, issuing, or taking custody of
158 payment instruments or stored value in the form of virtual
159 currency or receiving virtual currency for transmission to a
160 location within or outside of the United States by any means.

161 **SECTION 5.** This act shall take effect and be in force from
162 and after July 1, 2023, and shall stand repealed on June 30, 2023.

