

By: Senator(s) Harkins

To: Finance

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
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 (3) 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 (4) 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 (5) 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 (6) The Mississippi Public Service Commission shall not
67 establish a discriminatory rate schedule for digital asset mining
68 businesses.

69 (7) 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. Digital Asset Mining Council.** (1) There is
74 hereby created a Mississippi Digital Asset Mining Council. The
75 Digital Asset Mining Council shall be composed of the following
76 thirteen (13) members:

77 (a) One (1) member appointed by the Governor;

78 (b) One (1) member appointed by the President of the
79 Senate;

80 (c) One (1) member appointed by the Speaker of the
81 House of Representatives;

82 (d) Two (2) members who are Commissioners of the Public
83 Service Commission;

84 (e) The Executive Director of the Mississippi
85 Department of Environmental Quality or his designee;

86 (f) One (1) member appointed by the largest energy
87 provider in the state by volume of customers served;

88 (g) Three (3) members of the digital asset mining
89 industry, one (1) appointed by the Governor, one (1) appointed by



90 the President of the Senate, and one (1) appointed by the Speaker
91 of the House of Representatives;

92 (h) One (1) member of an environmental nonprofit
93 appointed by the Governor; and

94 (i) Two (2) members of the general public appointed by
95 the Governor.

96 (2) The Digital Asset Mining Council shall determine which
97 member shall serve as chairperson of the council. The members of
98 the council shall receive no compensation for their services, but
99 shall be reimbursed for their actual and necessary expenses in the
100 performance of their duties. All appointments under this section
101 shall be made no more than forty-five (45) days after the passage
102 of this act. A new appointment may be made at any time if a prior
103 appointee can no longer fulfill their duties. Any staffing
104 requirements for the council shall be handled by the Mississippi
105 Department of Environmental Quality.

106 (3) The council shall meet on at least four (4) separate
107 occasions before the conclusion of the year 2023 and shall be
108 tasked with the following determinations:

109 (a) A survey of existing digital asset mining companies
110 in Mississippi, including how many people are employed by such
111 companies;

112 (b) Whether and how attracting digital asset mining
113 companies to Mississippi would impact the state's economy;



114 (c) The impact digital asset mining would have on the
115 existing power grid and how digital asset mining might be used to
116 pay for upgrades to or expansion of the existing power grid;

117 (d) Whether and how attracting digital asset mining
118 might aid in the buildout of renewable energy infrastructure;

119 (e) Whether and how digital asset mining might be used
120 to partner with the state in the cleanup of orphaned oil and gas
121 wells;

122 (f) Whether and how digital asset mining can mitigate
123 methane pollution from landfills and wastewater treatment
124 facilities;

125 (g) Whether and how digital asset mining might perform
126 demand response and/or frequency response for the power grid;

127 (h) What legislative or regulatory actions other states
128 have taken to attract digital asset mining companies to their
129 state, including a list such legislation and regulations; and

130 (i) The environmental impact of digital asset mining in
131 the state.

132 (4) The council shall deliver a report containing the
133 determinations enumerated in paragraphs (a) through (i) of
134 subsection 3 to the Governor and the Chairs of the House and
135 Senate Energy Committees no less than forty-five (45) days before
136 the commencement of the 2024 regular legislative session. The
137 council shall meet again in the year 2024 with the same mandate as
138 provided in subsection (3) of this section and deliver a second



139 annual report. After submission of its second annual report, the
140 council shall disband.

141 **SECTION 4.** Section 75-15-3, Mississippi Code of 1972, is
142 amended as follows:

143 75-15-3. For the purposes of this chapter:

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

149 (b) "Commissioner" means the Commissioner of Banking
150 and Consumer Finance of the State of Mississippi.

151 (c) "Deliver" means to deliver a check to the first
152 person who in payment for same makes or purports to make a
153 remittance of or against the face amount thereof, whether or not
154 the deliverer also charges a fee in addition to the face amount,
155 and whether or not the deliverer signs the check.

156 (d) "Executive officer" means the licensee's president,
157 chairman of the executive committee, senior officer responsible
158 for the licensee's business, chief financial officer and any other
159 person who performs similar functions.

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

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



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

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

172 (i) "Person" means any individual, partnership,
173 association, joint-stock association, trust or corporation, but
174 does not include the United States government or the government of
175 this state.

176 (j) "Personal money order" means any instrument for the
177 transmission or payment of money in relation to which the
178 purchaser or remitter appoints or purports to appoint the seller
179 thereof as his agent for the receipt, transmission or handling of
180 money, whether the instrument is signed by the seller or by the
181 purchaser or remitter or some other person.

182 (k) "Records" or "documents" means any item in hard
183 copy or produced in a format of storage commonly described as
184 electronic, imaged, magnetic, microphotographic or otherwise, and
185 any reproduction so made shall have the same force and effect as
186 the original thereof and be admitted in evidence equally with the
187 original.



188 (l) "Sell" means to sell, to issue or to deliver a
189 check.

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

192 (n) "Virtual currency" means any type of digital
193 representation of value that:

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

196 (ii) Is not recognized as legal tender by the
197 United States government.

198 **SECTION 5.** Section 75-15-7, Mississippi Code of 1972, is
199 amended as follows:

200 75-15-7. Nothing in this chapter shall apply to the sale or
201 issuance or delivering of checks by:

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

205 (b) The government of the United States or any
206 department or agent thereof;

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

209 (d) Agents of a licensee, as provided for in Section
210 75-15-17, provided that this exemption shall apply only to the
211 agent's acts on behalf of the licensee and this exemption shall



212 not exempt the agent from the provisions of this chapter where he
213 conducts money transmissions for his own account;

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

216 (f) Persons not carrying on the trade or business of
217 money transmission, this exemption is intended to include persons
218 who conduct money transmissions only as an incidental act to
219 another trade or business regularly carried on by them and persons
220 who only occasionally and infrequently conduct money transmissions
221 for another person; * * *

222 (g) The Nationwide Mortgage Licensing System and
223 Registry for mortgage brokers, mortgage lenders and mortgage loan
224 originators * * *; or

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

229 **SECTION 6.** This act shall take effect and be in force from
230 and after July 1, 2023, and shall stand repealed on June 30, 2023.

