

By: Representative Blackwell

To: Banking and Financial Services

HOUSE BILL NO. 303

1 AN ACT TO PROHIBIT GOVERNMENTAL ENTITIES FROM USING A CENTRAL
2 BANK DIGITAL CURRENCY; TO DEFINE THE TERMS "GOVERNMENTAL ENTITY"
3 AND "CENTRAL BANK DIGITAL CURRENCY"; TO AMEND SECTION 75-1-201, TO
4 PROVIDE THAT THE TERM "MONEY" DOES NOT INCLUDE A CENTRAL BANK
5 DIGITAL CURRENCY; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** All governmental entities in the State of
8 Mississippi are prohibited from using a central bank digital
9 currency in receiving payment for services, remitting payment for
10 expenditures, and in carrying out other functions of such
11 governmental entities.

12 For purposes of this act, the term "governmental entity"
13 means any agency, department, institution, instrumentality, or
14 political subdivision of the State of Mississippi, or any agency,
15 department, institution of a political subdivision.

16 For purposes of this act, the term "central bank digital
17 currency" means a digital currency, a digital medium of exchange,
18 or a digital monetary unit of account issued by the United States
19 Federal Reserve System, a federal agency, a foreign government, a



20 foreign central bank, or a foreign reserve system, that is made
21 directly available to a consumer by such entities. The term
22 includes a digital currency, a digital medium of exchange, or a
23 digital monetary unit of account issued by the United States
24 Federal Reserve System, a federal agency, a foreign government, a
25 foreign central bank, or a foreign reserve system, that is
26 processed or validated directly by such entities.

27 **SECTION 2.** Section 75-1-201, Mississippi Code of 1972, is
28 amended as follows:

29 75-1-201. (a) Unless the context otherwise requires, words
30 or phrases defined in this section, or in the additional
31 definitions contained in other articles of the Uniform Commercial
32 Code contained in other chapters of this title that apply to
33 particular chapters or parts thereof, have the meanings stated.

34 (b) Subject to definitions contained in other articles of
35 the Uniform Commercial Code that apply to particular articles or
36 parts thereof:

37 (1) "Action," in the sense of a judicial proceeding,
38 includes recoupment, counterclaim, setoff, suit in equity, and any
39 other proceeding in which rights are determined.

40 (2) "Aggrieved party" means a party entitled to pursue
41 a remedy.

42 (3) "Agreement," as distinguished from "contract,"
43 means the bargain of the parties in fact, as found in their
44 language or inferred from other circumstances, including course of



45 performance, course of dealing, or usage of trade as provided in
46 Section 75-1-303.

47 (4) "Bank" means a person engaged in the business of
48 banking and includes a savings bank, savings and loan association,
49 credit union, and trust company.

50 (5) "Bearer" means a person in possession of a
51 negotiable instrument, document of title, or certificated security
52 that is payable to bearer or indorsed in blank.

53 (6) "Bill of lading" means a document evidencing the
54 receipt of goods for shipment issued by a person engaged in the
55 business of transporting or forwarding goods.

56 (7) "Branch" includes a separately incorporated foreign
57 branch of a bank.

58 (8) "Burden of establishing a fact" means the burden of
59 persuading the trier of fact that the existence of the fact is
60 more probable than its nonexistence.

61 (9) "Buyer in ordinary course of business" means a
62 person that buys goods in good faith, without knowledge that the
63 sale violates the rights of another person in the goods, and in
64 the ordinary course from a person, other than a pawnbroker, in the
65 business of selling goods of that kind. A person buys goods in
66 the ordinary course if the sale to the person comports with the
67 usual or customary practices in the kind of business in which the
68 seller is engaged or with the seller's own usual or customary
69 practices. A person that sells oil, gas, or other minerals at the



70 wellhead or minehead is a person in the business of selling goods
71 of that kind. A buyer in ordinary course of business may buy for
72 cash, by exchange of other property, or on secured or unsecured
73 credit, and may acquire goods or documents of title under a
74 preexisting contract for sale. Only a buyer that takes possession
75 of the goods or has a right to recover the goods from the seller
76 under Article 2 may be a buyer in ordinary course of business.
77 "Buyer in ordinary course of business" does not include a person
78 that acquires goods in a transfer in bulk or as security for or in
79 total or partial satisfaction of a money debt.

80 (10) "Conspicuous," with reference to a term, means so
81 written, displayed, or presented that a reasonable person against
82 which it is to operate ought to have noticed it. Whether a term
83 is "conspicuous" or not is a decision for the court. Conspicuous
84 terms include the following:

85 (A) A heading in capitals equal to or greater in
86 size than the surrounding text, or in contrasting type, font, or
87 color to the surrounding text of the same or lesser size; and

88 (B) Language in the body of a record or display in
89 larger type than the surrounding text, or in contrasting type,
90 font, or color to the surrounding text of the same size, or set
91 off from surrounding text of the same size by symbols or other
92 marks that call attention to the language.

93 (11) "Consumer" means an individual who enters into a
94 transaction primarily for personal, family, or household purposes.



95 (12) "Contract," as distinguished from "agreement,"
96 means the total legal obligation that results from the parties'
97 agreement as determined by the Uniform Commercial Code as
98 supplemented by any other applicable laws.

99 (13) "Creditor" includes a general creditor, a secured
100 creditor, a lien creditor, and any representative of creditors,
101 including an assignee for the benefit of creditors, a trustee in
102 bankruptcy, a receiver in equity, and an executor or administrator
103 of an insolvent debtor's or assignor's estate.

104 (14) "Defendant" includes a person in the position of
105 defendant in a counterclaim, cross-claim, or third-party claim.

106 (15) "Delivery," with respect to an instrument,
107 document of title, or chattel paper, means voluntary transfer of
108 possession.

109 (16) "Document of title" includes bill of lading, dock
110 warrant, dock receipt, warehouse receipt or order for the delivery
111 of goods, and also any other document which in the regular course
112 of business or financing is treated as adequately evidencing that
113 the person in possession of it is entitled to receive, hold, and
114 dispose of the document and the goods it covers. To be a document
115 of title, a document must purport to be issued by or addressed to
116 a bailee and purport to cover goods in the bailee's possession
117 which are either identified or are fungible portions of an
118 identified mass.



119 (17) "Fault" means a default, breach, or wrongful act
120 or omission.

121 (18) "Fungible goods" means:

122 (A) Goods of which any unit, by nature or usage of
123 trade, is the equivalent of any other like unit; or

124 (B) Goods that by agreement are treated as
125 equivalent.

126 (19) "Genuine" means free of forgery or counterfeiting.

127 (20) "Good faith," except as otherwise provided in
128 Article 5, means honesty in fact and the observance of reasonable
129 commercial standards of fair dealing.

130 (21) "Holder" means:

131 (A) The person in possession of a negotiable
132 instrument that is payable either to bearer or to an identified
133 person that is the person in possession; or

134 (B) The person in possession of a document of
135 title if the goods are deliverable either to bearer or to the
136 order of the person in possession.

137 (22) "Insolvency proceeding" includes an assignment for
138 the benefit of creditors or other proceeding intended to liquidate
139 or rehabilitate the estate of the person involved.

140 (23) "Insolvent" means:

141 (A) Having generally ceased to pay debts in the
142 ordinary course of business other than as a result of bona fide
143 dispute;



144 (B) Being unable to pay debts as they become due;
145 or

146 (C) Being insolvent within the meaning of federal
147 bankruptcy law.

148 (24) "Money" means a medium of exchange currently
149 authorized or adopted by a domestic or foreign government. The
150 term includes a monetary unit of account established by an
151 intergovernmental organization or by agreement between two (2) or
152 more countries. The term "money" does not include a central bank
153 digital currency as defined in Section 1 of this act.

154 (25) "Organization" means a person other than an
155 individual.

156 (26) "Party," as distinguished from "third party,"
157 means a person that has engaged in a transaction or made an
158 agreement subject to the Uniform Commercial Code.

159 (27) "Person" means an individual, corporation,
160 business trust, estate, trust, partnership, limited liability
161 company, association, joint venture, government, governmental
162 subdivision, agency, or instrumentality, public corporation, or
163 any other legal or commercial entity.

164 (28) "Present value" means the amount as of a date
165 certain of one or more sums payable in the future, discounted to
166 the date certain by use of either an interest rate specified by
167 the parties if that rate is not manifestly unreasonable at the
168 time the transaction is entered into or, if an interest rate is



169 not so specified, a commercially reasonable rate that takes into
170 account the facts and circumstances at the time the transaction is
171 entered into.

172 (29) "Purchase" means taking by sale, lease, discount,
173 negotiation, mortgage, pledge, lien, security interest, issue or
174 reissue, gift, or any other voluntary transaction creating an
175 interest in property.

176 (30) "Purchaser" means a person that takes by purchase.

177 (31) "Record" means information that is inscribed on a
178 tangible medium or that is stored in an electronic or other medium
179 and is retrievable in perceivable form.

180 (32) "Remedy" means any remedial right to which an
181 aggrieved party is entitled with or without resort to a tribunal.

182 (33) "Representative" means a person empowered to act
183 for another, including an agent, an officer of a corporation or
184 association, and a trustee, executor, or administrator of an
185 estate.

186 (34) "Right" includes remedy.

187 (35) "Security interest" means an interest in personal
188 property or fixtures which secures payment or performance of an
189 obligation. "Security interest" includes any interest of a
190 consignor and a buyer of accounts, chattel paper, a payment
191 intangible, or a promissory note in a transaction that is subject
192 to Article 9. "Security interest" does not include the special
193 property interest of a buyer of goods on identification of those



194 goods to a contract for sale under Section 75-2-401, but a buyer
195 may also acquire a "security interest" by complying with Article
196 9. Except as otherwise provided in Section 75-2-505, the right of
197 a seller or lessor of goods under Article 2 or 2A to retain or
198 acquire possession of the goods is not a "security interest," but
199 a seller or lessor may also acquire a "security interest" by
200 complying with Article 9. The retention or reservation of title
201 by a seller of goods notwithstanding shipment or delivery to the
202 buyer under Section 75-2-401 is limited in effect to a reservation
203 of a "security interest." Whether a transaction in the form of a
204 lease creates a "security interest" is determined pursuant to
205 Section 75-1-203.

206 (36) "Send" in connection with a writing, record, or
207 notice means:

208 (A) To deposit in the mail or deliver for
209 transmission by any other usual means of communication with
210 postage or cost of transmission provided for and properly
211 addressed and, in the case of an instrument, to an address
212 specified thereon or otherwise agreed, or if there be none to any
213 address reasonable under the circumstances; or

214 (B) In any other way to cause to be received any
215 record or notice within the time it would have arrived if properly
216 sent.

217 (37) "Signed" includes using any symbol executed or
218 adopted with present intention to adopt or accept a writing.



219 (38) "State" means a state of the United States, the
220 District of Columbia, Puerto Rico, the United States Virgin
221 Islands, or any territory or insular possession subject to the
222 jurisdiction of the United States.

223 (39) "Surety" includes a guarantor or other secondary
224 obligor.

225 (40) "Term" means a portion of an agreement that
226 relates to a particular matter.

227 (41) "Unauthorized signature" means a signature made
228 without actual, implied, or apparent authority. The term includes
229 a forgery.

230 (42) "Warehouse receipt" means a receipt issued by a
231 person engaged in the business of storing goods for hire.

232 (43) "Writing" includes printing, typewriting, or any
233 other intentional reduction to tangible form. "Written" has a
234 corresponding meaning.

235 **SECTION 3.** This act shall take effect and be in force from
236 and after July 1, 2024.

