

By: Representative McBride

To: Ways and Means

HOUSE BILL NO. 1363

1 AN ACT TO AMEND SECTIONS 69-46-5 AND 69-46-7, MISSISSIPPI
2 CODE OF 1972, TO REQUIRE THAT ANY PUBLIC OR PRIVATE ENTITIES
3 RECEIVING FUNDS FROM THE MISSISSIPPI LAND, WATER AND TIMBER
4 RESOURCES BOARD MUST COMPLY WITH THE PUBLIC PURCHASING LAWS FOR
5 THEIR PROJECTS; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** Section 69-46-5, Mississippi Code of 1972, is
8 amended as follows:

9 69-46-5. The board shall have the following powers and
10 duties:

11 (a) To develop marketing plans and opportunities for
12 independent farmers in Mississippi;

13 (b) To encourage the commercialization of new
14 agricultural technology businesses;

15 (c) To initiate the development of processing
16 facilities for Mississippi agricultural commodities;

17 (d) To initiate the development of Mississippi
18 wholesale distribution businesses for agricultural inputs and
19 products;

20 (e) To promote the development of institutional and
21 specialty markets for Mississippi agriculture products;

22 (f) To encourage additional research for new
23 agricultural product development;

24 (g) To develop a working relationship with the state
25 offices of the United States Department of Agriculture as may be
26 appropriate for the promotion and development of agriculture in
27 Mississippi;

28 (h) To promote the rural quality of life in Mississippi
29 through such programs as 4-H, Future Farmers of America and
30 agricultural education;

31 (i) To encourage, promote and initiate the development
32 of alternative energy strategies, applied research technologies
33 and commercialization enterprises that focus on Mississippi
34 natural resources, including, but not limited to, agriculture,
35 timber and poultry products and byproducts;

36 (j) To file an annual report with the Governor,
37 Secretary of the Senate and the Clerk of the House of
38 Representatives not later than December 1 of each year, with
39 recommendations for any legislation necessary to accomplish the
40 purposes of the Mississippi Land, Water and Timber Resources Act;

41 (k) The board may promulgate and enforce rules and
42 regulations, in accordance with the Mississippi Administrative
43 Procedures Law, as may be necessary to carry out the provisions of
44 the Mississippi Land, Water and Timber Resources Act;

45 (l) To expend funds out of the Mississippi Land, Water
46 and Timber Resources Fund to carry out its powers and duties under
47 the Mississippi Land, Water and Timber Resources Act;

48 (m) The board may provide funds to public entities and
49 private entities through loans, grants, contracts and any other
50 manner the board determines appropriate for the purposes of
51 carrying out the provisions of the Mississippi Land, Water and
52 Timber Resources Act. Any public entities or private entities
53 receiving funds provided by the board under this chapter through
54 loans, grants, contracts or any other manner must comply with the
55 public purchasing requirements in Section 31-7-1 et seq. for their
56 projects.

57 **SECTION 2.** Section 69-46-7, Mississippi Code of 1972, is
58 amended as follows:

59 69-46-7. (1) (a) The Mississippi Land, Water and Timber
60 Resources Board may accept and expend funds appropriated or

61 otherwise made available by the Legislature and funds from any
62 other source in order to carry out the provisions of the
63 Mississippi Land, Water and Timber Resources Act. Such funds
64 shall be deposited into a special fund hereby established in the
65 State Treasury to be known as the "Mississippi Land, Water and
66 Timber Resources Fund." Unexpended amounts derived from bond
67 proceeds or private funds, or both, remaining in the fund at the
68 end of a fiscal year shall not lapse into the State General Fund,
69 and any investment earnings or interest earned on such amounts in
70 the fund shall be deposited to the credit of the fund. All other
71 unexpended amounts remaining in the fund at the end of a fiscal
72 year shall lapse into the State General Fund. The board may
73 provide to the Mississippi Department of Agriculture and Commerce
74 not more than Two Hundred Fifty Thousand Dollars (\$250,000.00), in
75 the aggregate, of monies in the fund that are derived from
76 proceeds of bonds issued under Sections 1 through 16 of Chapter
77 538, Laws of 2001, and/or Sections 1 through 16 of Chapter 542,
78 Laws of 2002, for the purpose of providing additional funds to
79 defray costs incurred by the department in assisting the board in
80 carrying out the provisions of the Mississippi Land, Water and
81 Timber Resources Act. However, the Mississippi Department of
82 Agriculture and Commerce may not use any portion of such funds for
83 the purpose of hiring any person as an employee as defined in
84 Section 25-3-91(c). The Mississippi Department of Agriculture may
85 escalate its budget and expend such funds, when provided by the
86 board, in accordance with rules and regulations of the Department
87 of Finance and Administration in a manner consistent with the
88 escalation of federal funds. The board may provide to the
89 Mississippi Development Authority not more than Two Hundred Fifty
90 Thousand Dollars (\$250,000.00), in the aggregate, of monies in the
91 fund that are derived from proceeds of bonds issued under Sections
92 1 through 16 of Chapter 538, Laws of 2001, and/or Sections 1
93 through 16 of Chapter 542, Laws of 2002, for the purpose of

94 providing additional funds to defray costs incurred by the
95 Mississippi Development Authority in assisting the board in
96 carrying out the provisions of the Mississippi Land, Water and
97 Timber Resources Act. However, the Mississippi Development
98 Authority may not use any portion of such funds for the purpose of
99 hiring any person as an employee as defined in Section 25-3-91(c).
100 The Mississippi Development Authority may escalate its budget and
101 expend such funds, when provided by the board, in accordance with
102 rules and regulations of the Department of Finance and
103 Administration in a manner consistent with the escalation of
104 federal funds.

105 (b) (i) The Mississippi Land, Water and Timber
106 Resources Board may provide to the Mississippi Department of
107 Agriculture and Commerce not more than One Hundred Twenty-five
108 Thousand Dollars (\$125,000.00), in the aggregate, of monies in the
109 fund that are derived from proceeds of bonds issued under Sections
110 1 through 16 of Chapter 505, Laws of 2003, and One Hundred
111 Twenty-five Thousand Dollars (\$125,000.00), in the aggregate, of
112 monies in the fund that are derived from proceeds of bonds issued
113 under Sections 72 through 87 of Chapter 1, Laws of 2004 Third
114 Extraordinary Session, for the purpose of providing additional
115 funds to defray costs incurred by the department in assisting the
116 board in carrying out the provisions of the Mississippi Land,
117 Water and Timber Resources Act. However, the Mississippi
118 Department of Agriculture and Commerce may not use any portion of
119 such funds for the purpose of hiring any person as an employee as
120 defined in Section 25-3-91(c). The Mississippi Department of
121 Agriculture and Commerce may escalate its budget and expend such
122 funds, when provided by the board, in accordance with rules and
123 regulations of the Department of Finance and Administration in a
124 manner consistent with the escalation of federal funds.

125 (ii) The Mississippi Land, Water and Timber
126 Resources Board may provide to the Mississippi Development

127 Authority not more than One Hundred Twenty-five Thousand Dollars
128 (\$125,000.00), in the aggregate, of monies in the fund that are
129 derived from proceeds of bonds issued under Sections 1 through 16
130 of Chapter 505, Laws of 2003, and One Hundred Twenty-five Thousand
131 Dollars (\$125,000.00), in the aggregate, of monies in the fund
132 that are derived from proceeds of bonds issued under Sections 72
133 through 87 of Chapter 1, Laws of 2004 Third Extraordinary Session,
134 for the purpose of providing additional funds to defray costs
135 incurred by the Mississippi Development Authority in assisting the
136 board in carrying out the provisions of the Mississippi Land,
137 Water and Timber Resources Act. However, the Mississippi
138 Development Authority may not use any portion of such funds for
139 the purpose of hiring any person as an employee as defined in
140 Section 25-3-91(c). The Mississippi Development Authority may
141 escalate its budget and expend such funds, when provided by the
142 board, in accordance with rules and regulations of the Department
143 of Finance and Administration in a manner consistent with the
144 escalation of federal funds.

145 (iii) The Mississippi Land, Water and Timber
146 Resources Board may provide to the Department of Audit not more
147 than Fifty Thousand Dollars (\$50,000.00), in the aggregate, of
148 monies in the fund that are derived from proceeds of bonds issued
149 under Sections 1 through 16 of Chapter 505, Laws of 2003, and
150 Fifty Thousand Dollars (\$50,000.00), in the aggregate, of monies
151 in the fund that are derived from proceeds of bonds issued under
152 Sections 72 through 87 of Chapter 1, Laws of 2004 Third
153 Extraordinary Session, for the purpose of providing additional
154 funds to defray costs incurred by the department in assisting the
155 board in carrying out the provisions of the Mississippi Land,
156 Water and Timber Resources Act. However, the Department of Audit
157 may not use any portion of such funds for the purpose of hiring
158 any person as an employee as defined in Section 25-3-91(c). The
159 Department of Audit may escalate its budget and expend such funds,

160 when provided by the board, in accordance with rules and
161 regulations of the Department of Finance and Administration in a
162 manner consistent with the escalation of federal funds.

163 (2) The Mississippi Land, Water and Timber Resources Board
164 shall set aside One Million Dollars (\$1,000,000.00) of the monies
165 in the Mississippi Land, Water and Timber Resources Fund that are
166 derived from proceeds of bonds issued under Sections 1 through 16
167 of Chapter 505, Laws of 2003, for the purpose of providing funds
168 to the Mississippi Department of Agriculture and Commerce for use
169 in making payments to ethanol producers under Section 69-51-5
170 during the state fiscal year beginning July 1, 2003, and ending
171 June 30, 2004. Any monies set aside which are not used for such
172 purposes during the fiscal year shall no longer be set aside for
173 such purposes after the end of the fiscal year. In addition, if
174 the Commissioner of Agriculture and Commerce determines during
175 such fiscal year that no ethanol producer will be eligible for
176 such payments during the fiscal year, the commissioner shall
177 inform the board of his determination and the monies set aside
178 shall no longer be set aside for such purposes. The Mississippi
179 Department of Agriculture and Commerce may escalate its budget and
180 expend funds, when provided by the board under this subsection
181 (2), in accordance with rules and regulations of the Department of
182 Finance and Administration in a manner consistent with the
183 escalation of federal funds.

184 (3) In anticipation of the issuance of bonds authorized for
185 the purpose of providing funds for the Mississippi Land, Water and
186 Timber Resources Fund, the State Bond Commission is authorized to
187 negotiate and enter into any purchase, loan, credit or other
188 agreement with any bank, trust company or other lending
189 institution or to issue and sell interim notes for the purpose of
190 carrying out the provisions of the Mississippi Land, Water and
191 Timber Resources Act. All borrowings made under this subsection
192 (3) shall be evidenced by notes of the State of Mississippi, which

193 shall be issued from time to time, for such amounts, in such form
194 and in such denomination and subject to such terms and conditions
195 of sale and issuance, prepayment or redemption and maturity, rate
196 or rates of interest not to exceed the maximum rate authorized for
197 bonds in Section 75-17-101, and time of payment of interest as the
198 State Bond Commission shall agree to in such agreement. Such
199 notes shall constitute general obligations of the State of
200 Mississippi, and shall be backed by the full faith and credit of
201 the state. Such notes may also be issued for the purpose of
202 refunding previously issued notes. No note shall mature more than
203 three (3) years following the date of its issuance. The State
204 Bond Commission is authorized to provide for the compensation of
205 any purchaser of the notes by payment of a fixed fee or commission
206 and for all other costs and expenses of issuance and service,
207 including paying agent costs. Such costs and expenses may be paid
208 from the proceeds of the notes. Borrowings made under the
209 provisions of this subsection (3) shall not exceed the aggregate
210 sum of Five Million Dollars (\$5,000,000.00) outstanding at any one
211 time.

212 (4) Any public entities or private entities receiving funds
213 provided by the board under this chapter through loans, grants,
214 contracts or any other manner must comply with the public
215 purchasing requirements in Section 31-7-1 et seq. for their
216 projects.

217 **SECTION 3.** This act shall take effect and be in force from
218 and after July 1, 2005.