By: Representatives McMillan, Morgan

To: Forestry; Education

## HOUSE BILL NO. 1120

AN ACT TO AMEND SECTION 29-3-45, MISSISSIPPI CODE OF 1972, TO 1 2 AUTHORIZE SCHOOL BOARDS TO PUBLISH ADDITIONAL NOTICE OF THE SALE 3 OF TIMBER AND FOREST PRODUCTS ON SIXTEENTH SECTION LANDS AT SCHOOL OFFICES AND OTHER LOCATIONS AND IN TRADE PUBLICATIONS AND OTHER 5 MEDIA; TO AUTHORIZE THE ELECTRONIC SUBMISSION OF BIDS ON TIMBER AND FOREST PRODUCTS ADVERTISED FOR SALE; AND FOR RELATED PURPOSES. 7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 8 SECTION 1. Section 29-3-45, Mississippi Code of 1972, is amended as follows: 9 10 29-3-45. (1) (a) The board of education shall, by order placed upon its minutes, enter into an agreement with the State 11 12 Forestry Commission for the general supervision and management of 13 all lands classified as forest lands and of all timber or other forest products under the control of the board on sixteenth 14 15 section lands, and lieu lands which have not been so classified. However, any school board may contract with private persons or 16 businesses for the reforestation of sixteenth section lands and 17 18 may contract with a registered forester to be paid from the 16th 19 Section Interest Fund for a review of any forestry management 20 decision or forestry practice including the sale of timber for

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H. B. No. 1120 24/HR43/R1644 PAGE 1 (RKM\EW) 21 sixteenth section forest land provided that any implementation of 22 a forestry management decision or forestry practice to be taken as 23 a result of the review described in this subsection shall be subject to the approval of both the commission and the Secretary 24 25 of State. When such agreement has been entered into, no timber or 26 other forest products shall be sold from any of the sixteenth 27 section lands or lieu lands except such as have been marked or 28 approved for cutting by the State Forestry Commission's employees. 29 The Forestry Commission, or its designated employee, shall fix the 30 minimum total cash price or minimum price per unit, one thousand 31 (1,000) feet or other measure, at which the marked timber or other forest products shall be sold. The sales may be made for a lump 32 33 sum or upon a unit price as in the opinion of the board may be calculated to bring the greatest return. Sales shall be made upon 34 35 such other terms and conditions as to manner of cutting, damages 36 for cutting of unmarked trees, damages to trees not cut and other 37 pertinent matters as the board of education shall approve.

- (b) The State Forestry Commission shall have the sole authority and control in scheduling of all cutting and harvesting of timber or other forest products when such timber stands or other forest products are determined by the State Forestry Commission to be economically ready for cutting and harvesting.
- (c) Should a school board disagree with the Forestry

  Commission concerning the time of cutting and harvesting, the

  board may make an appeal to the Forestry Commission at a regular

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46 monthly scheduled meeting of the commission. If the school board 47 is not satisfied after the appeal to the commission, the board may then appeal to the Secretary of State who will make the final 48 decision as to the time for cutting and harvesting. In the event 49 that the local school board is divested of its management 50 51 authority under subsection (3) hereof, the Secretary of State 52 after due consultation with the Forestry Commission shall retain 53 the right to make final decisions concerning the management and

sale of timber and other forest products.

55 (d) It is hereby made the duty of the State Forestry 56 Commission, from time to time, to mark timber which should be cut 57 from the lands, to determine what planting, deadening or other forestry improvements should be made, giving due consideration to 58 59 food and habitat for wildlife, and to report to the appropriate 60 board of education. The State Forestry Commission and the board 61 of education shall supervise the cutting of any timber or 62 harvesting of other forest products sold from the lands herein designated and shall have authority to require any timber-cutting 63 64 operations on the lands to cease until proper adjustment is made, 65 whenever it shall appear that timber is being cut in violation of 66 the terms of the sale. In the event that it is desired to lease 67 any of such lands or standing timber for turpentine purposes, such lease shall only cover such trees as the State Forestry Commission 68 69 shall designate, and the commission through its employees shall approve the number of faces, method of chipping and boxing of such 70

- 71 timber, and shall fix a minimum total cash price or minimum price
  72 per unit.
- 73 No sale of any timber, turpentine or other forest products lease shall be made until notice of same shall have been 74 75 published once a week for three (3) consecutive weeks in at least 76 one (1) newspaper published in such county. The first publication 77 of such notice shall be made not less than twenty-one (21) days 78 prior to the date fixed for the sale, and the last publication 79 shall be made not more than seven (7) days prior to such date. 80 no newspaper is published in such county, then such notice shall 81 be given by publishing the same for the required time in some 82 newspaper having a general circulation in such county and, in 83 addition thereto, by posting a copy of such notice for at least twenty-one (21) days next preceding such sale at three (3) public 84 places in such county. The local board of education also may 85 86 publish additional notice of the sale at school offices or any 87 other location, in trade publications and other media, and by any other means that the board determines is likely to result in 88 89 competitive bids. The board shall specify in the notice the means 90 by which bids may be submitted, which may include submission by 91 electronic means.
  - (f) Notwithstanding the above provision pertaining to the sale of any timber, turpentine or other forest products, in the event that timber must be cleared from an existing road or existing utility right-of-way, the public notice requirement may

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96 be waived. Prior to waiver of the public notice requirement, the

97 State Forestry Commission must make a finding that, due to the

98 small area of timber to be cleared, a public notice sale would not

99 be in the best interest of the local board of education. If the

100 State Forestry Commission makes such a finding, then it shall set

101 the value of the timber to be paid to the local board of education

102 by the party requesting the timber be removed.

103 (g) Provided, however, in the case of damage by fire,

104 windstorm or other natural causes which would require immediate

105 sale of the timber, because the time involved for advertisement as

106 prescribed herein would allow decay, rot or destruction

107 substantially decreasing the purchase price to be received had not

such delay occurred, the advertisement provisions of this section

109 shall not apply. The local board of education, with a written

recommendation from a designated employee of the State Forestry

111 Commission filed in the minutes of the local board of education,

112 shall determine when immediate sale of the timber is required.

113 When the board of education shall find an immediate sale necessary

for the causes stated herein, it shall, in its discretion, set the

time for receipt of bids on the purchase of the timber, but shall

116 show due diligence in notifying competitive bidders so that a true

117 competitive bid shall be received.

118 (2) (a) A local board of education having control of the

119 sixteenth section lands in the Hurricane Katrina Disaster of 2005

120 shall be granted emergency powers to take any and all actions of a

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121	reasonably prudent trustee acting under emergency conditions to
122	recover damaged timber, prevent further loss or damage to timber,
123	and to minimize economic loss. All such actions shall be taken in
124	consultation with and shall be subject to the prior approval from
125	the Secretary of State and the State Forestry Commission. The

126 emergency powers shall be as follows:

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- (i) Contract with any individual or entity for management advice, sale of timber, clearing of damage to timber producing lands, transporting of timber, repairing access roads to timber lands, conducting aerial spraying, or taking any other type of action to prevent further loss of timber or diminution in value of existing timber as the result of the incident which necessitated the declaration of a natural disaster. In contracting with any individual or entity, the local board of education shall use its best efforts to ensure that all costs incurred are reasonable and that a fair price is received for all sales.
- (ii) Enter into agreements with any individual,
  private company, or other governmental entities for the pooling of
  resources, or the sharing of costs so as to maximize the
  mitigation of loss and minimize the expense of mitigating the loss
  of timber.
- 143 (iii) Apply for any state, federal, or private

  144 party grant or nonrepayable funds to cover costs associated with

  145 emergency management contracts, sale timber, including loss for

146 dir	ninution (	of	value,	transporting	of	timber,	replanting	of	timber,
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- 147 repairing access roads to timber, conducting aerial spraying, or
- 148 reimbursement for any other action taken to prevent further timber
- 149 damage, as well as mitigating the loss of funds due to damage.
- 150 (b) The emergency powers granted herein shall be for a
- 151 period of one (1) year from the date of designation as a disaster
- 152 area due to Hurricane Katrina. The emergency powers may be
- 153 extended for one (1) additional one-year period upon prior written
- 154 approval from the Secretary of State.
- 155 (c) The emergency powers shall also apply to the
- 156 management of timber by the Secretary of State pursuant to
- 157 subsection (3) of this section.
- 158 (d) In the event a local board of education is unable
- 159 to acquire the services of the State Forestry Commission or the
- 160 Secretary of State to meet an immediate need to salvage, remove or
- 161 take other appropriate action on damaged timber, the local board
- 162 of education shall unilaterally be granted the authority to take
- 163 such actions as necessary regarding the management or sale of
- 164 timber or other forest products.
- 165 (e) In exercising emergency powers, a local board of
- 166 education or the Secretary of State shall exercise the general
- 167 powers of a trustee with the same general restrictions and general
- 168 liabilities of a trustee and shall exercise the care and skill of
- 169 an ordinary prudent person to protect the beneficiaries of the
- 170 trust under such emergency circumstances.

171	(f) Any contractor with a local board of education or
172	the Secretary of State shall be entitled to rely on
173	representations by such board of education or the Secretary of
174	State as to who has authority to enter contracts for the
175	management or sale of timber or other forest products, and
176	reliance on such representations shall not be grounds for voiding
177	any contract.

- (3) (a) In the event that any member of a local board of education may have a personal interest, either direct or indirect, in the decisions regarding the management or sale of timber or other forest products or in a contract for the sale of timber or other forest products from sixteenth section school lands under the jurisdiction and control of the board, then the board of education shall automatically be divested of all authority and power to manage and sell timber or other forest products on sixteenth section lands under its control and jurisdiction. The divestiture shall extend for the period of service, and for one (1) year thereafter, of the board member having a direct or indirect personal interest in the sale or decision to sell timber or other forest products.
- 191 (b) During the time in which any local board of
  192 education may be divested of authority and power to manage and
  193 sell timber and other forest products, such authority and power
  194 shall be vested in the Secretary of State, as supervisory trustee
  195 of sixteenth section lands. Upon the appointment or election of a

196	member of a local board of education who may have such an
197	appointment or election of a member of a local board of education
198	who may have such an interest in decisions and contracts regarding
199	the management and sale of timber or other forest products, the
200	board of education shall immediately notify the Secretary of State
201	in writing. Likewise, the board shall give written notification
202	to the Secretary of State within thirty (30) days prior to the
203	expiration of any such divestiture period. Any contractor with a
204	local board of education or the Secretary of State shall be
205	entitled to rely on representations by such board or the Secretary
206	of State as to who has authority to enter contracts for the
207	management or sale of timber or other forest products, and
208	reliance on such representations shall not be grounds for voiding
209	any contract.

- 210 (c) The laws providing for the management and sale of
  211 timber and other forest products by local boards of education
  212 shall apply to the management and sale of timber and other forest
  213 products by the Secretary of State. The Mississippi Forestry
  214 Commission shall provide the Secretary of State with advice and
  215 services in the same manner as provided to local boards of
  216 education.
- 217 (d) The Secretary of State shall be paid all monies 218 derived from the sale of timber or other forest products and shall 219 promptly forward the same to the superintendent of education for 220 such school district with instructions for the proper settlement,

221	deposit and investment of the monies. Such local school board
222	shall reimburse the Secretary of State for all direct costs
223	relating to the management and sale of timber or other forest
224	products, and in the case of a sale of timber or other forest
225	products, the Secretary of State may deduct such direct cost from
226	the proceeds of sale. The Secretary of State shall furnish an
227	itemized listing of all direct cost charged to the local school
228	district.

229 **SECTION 2.** This act shall take effect and be in force from 230 and after July 1, 2024.