

NOTICE OF PROPOSED RULE ADOPTION

**STATE OF MISSISSIPPI
DEPARTMENT OF AGRICULTURE AND COMMERCE**

**P.O. Box 1609
Jackson, MS 39215-1609
(601)359-1100
Contact Person: Jim Lipe
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Specific Legal Authority authorizing the promulgation of Rule:

Miss. Code Ann. Sections 69-51-1 et seq.

Reference to Rules repealed, amended or suspended by the Proposed Rule:

Ethanol & Bio-Diesel Producer Payment Rules & Criteria

Explanation of the Purpose of the Proposed Rule and the reason(s) for proposing the rule:

Repayment Program administered by MDAC to provide incentive for ethanol and/or bio-diesel producers to utilize farm products grown in Mississippi, including derivatives and byproducts, biomass, or other farm resource commodities.

This rule is proposed as a Final Rule, and/or a Temporary Rule (Check one or both boxers as applicable.)

Persons may present their views on the proposed rule by addressing written comments to the agency at the above address. Persons making comments should include their name and address, as well as other contact information, and if you are an agent or attorney, the name, address and telephone number of the party or parties you represent.

Oral Proceeding: *(Check one box below)*

An oral proceeding is scheduled on this rule on Date: _____ Time: _____
Place: _____

If you wish to be heard and present evidence at the oral proceeding you must make a written request to the agency at the above address at least _____ days prior to the proceeding to be placed on the agenda. The request should include your name, address, telephone number as well as other contact information; and if you are an agent or attorney, the name, address and telephone number of the party or parties you represent.

An oral proceeding is not scheduled on this rule. Where an oral proceeding is not scheduled, an oral proceeding will be held if a written request for an oral proceeding is submitted by a political subdivision, an agency or ten (10) persons. The written request should be submitted to the agency contact person at the above address within twenty (20) days after the filing of this notice of proposed rule adoption and should include the name, address and telephone number of the person(s) making the request; and if you are an agent or attorney, the name, address and telephone number of the party or parties you represent.

Economic Impact Statement: *(Check one box below)*

The agency has determined that an economic impact statement is not required for this rule, or

The concise summary of the economic impact statement required is attached.

The entire text of the Proposed Rule including the text of any rule being amended or changed is attached.

Date Rule Proposed: 1/19/06

Proposed Effective Date of Rule: 3/15/06

Signature and Title of Person Submitting Rule for Filing

Economic Impact Statement for Rules Governing
Miss. Code Ann. §§69-51-1 et seq.

Rules governing *Miss. Code Ann. §§ 69-51-1 et seq.* provide economic benefit to Mississippi's agriculture sector by encouraging in all economically feasible situations the production of ethanol and/or bio-diesel from Mississippi produced feedstock. The majority of the feedstock is speculated to be farm products grown in Mississippi, therefore producers within a reasonable radius of a facility erected in the State will benefit by realizing an increase in demand and price for their product. The role of the office of Commissioner of Agriculture and the Mississippi Department of Agriculture and Commerce is to permit such facilities to participate in the program authorized in *Miss. Code Ann. §§ 69-51-1 et seq.* and to ensure within the rules and regulations that farm products grown in Mississippi including derivatives and byproducts, biomass, or other farm resource commodities are the primary beneficiary. As stated in the law, the maximum cost to the State of Mississippi is \$37 million annually. This number is dependent upon funds appropriated by the Mississippi Legislature. Appropriations towards this program will be a direct investment in the agricultural economy of Mississippi. Time is the only resource required to carry out this function. Estimated time invested by MDAC in this area is 200 hours annually.

Rules governing this law are necessary to assist in more effectively carrying out the intent of *Miss. Code Ann. §§ 69-51-1 et seq.*