



DELBERT HOSEMANN  
*Secretary of State*

**ECONOMIC IMPACT STATEMENT**

An Economic Impact Statement is required for this proposed rule by Section 25-43-3.105 of the Administrative Procedures Act. An Economic Impact Statement must be attached to this Form and address the factors below. A PDF document containing this executed Form and the Economic Impact Statement must be filed with any proposed rule, if required by the aforementioned statute.

AGENCY NAME Mississippi State Port Authority at Gulfport	CONTACT PERSON Matthew Wypyski	TELEPHONE NUMBER 228-865-4300
ADDRESS P.O. Box 40	CITY Gulfport	STATE MS
EMAIL mwypyski@shipmspa.com	DESCRIPTIVE TITLE OF PROPOSED RULE Part 309 – Section 3 Plan of the Restoration Project of the Mississippi State Port Authority at Gulfport	
Specific Legal Authority Authorizing the promulgation of Rule: Miss. Code Ann. 59-5-1, et seq. and 24 CFR Part 135.	Reference to Rules repealed, amended or suspended by the Proposed Rule: Part 309 – Section 3 Plan of the Restoration Project of the Mississippi State Port Authority at Gulfport	

SIGNATURE 	TITLE Interim Executive Director
DATE April 11, 2013	PROPOSED EFFECTIVE DATE OF RULE June 6, 2013

1. Describe the need for the proposed action: A Section 3 Plan is required pursuant to 24 CFR Part 135.
2. Describe the benefits which will likely accrue as the result of the proposed action: The beneficiaries of this Rule are intended to be low to moderate income persons who are reached by the outreach and hiring opportunities created by the implementation of the MSPA's Section 3 Plan, as required by 24 CFR Part 135 for the utilization of an HUD CDBG grant.
3. Describe the effect the proposed action will have on the public health, safety, and welfare: The Section 3 Plan is required for compliance with the requirements of the CDBG grant provided to the MSPA for port restoration. The purpose of the Section 3 Plan is to assist the MSPA in its goals to provide benefits from the grant to low-to-moderate income individuals.
4. Estimate the cost to the agency and to any other state or local government entities, of implementing and enforcing the proposed action, including the estimated amount of paperwork, and any anticipated effect on state or local revenues: Moderate.
5. Estimate the cost or economic benefit to all persons directly affected by the proposed action: The cost of the Section 3 Plan are minimal on all persons directly affected by the proposed rule whereas the benefit of the Section 3 Plan is substantial to all persons directly affected by the proposed rule.
6. Provide an analysis of the impact of the proposed rule on small business:
  - a. Identify and estimate the number of small businesses subject to the proposed regulation: 70.
  - b. Provide the projected reporting, recordkeeping, and other administrative costs required for compliance with the proposed regulation, including the type of professional skills necessary for preparation of the report or record: Approximately a cost equal to two hours of incurred administrative review of Section 3 Plan and related forms. Small business which are awarded public works contracts under the Port Restoration Program will incur

minor on-going impact effects of approximately 30 minutes per month for administrative requirements related to preparing monthly Section 3 reports and conducting outreach.

- c. **State the probable effect on impacted small businesses:** The probable effect on impacted small businesses will be minimal as it is estimated that compliance with this proposed rule would require a period of two hours for a small business to review the Section 3 Plan forms and business certification requirements.
- d. **Describe any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation including the following regulatory flexibility analysis:** There are no less costly alternative methods of achieving the purpose of the proposed regulation.
  - i. The establishment of less stringent compliance or reporting requirements for small businesses;
  - ii. The establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses;
  - iii. The consolidation or simplification of compliance or reporting requirements for small businesses;
  - iv. The establishment of performance standards for small businesses to replace design or operational standards required in the proposed regulation; and
  - v. The exemption of some or all small businesses from all or any part of the requirements contained in the proposed regulations:
7. **Compare the costs and benefits of the proposed rule to the probable costs and benefits of not adopting the proposed rule or significantly amending an existing rule:** The proposed costs of adopting the rule are substantially less than that compared to not adopting the rule or significantly amending an existing rule. The proposed benefits of adopting the rule are excessively more than that compared to not adopting the rule or significantly amending the existing rule.
8. **Determine whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rule where reasonable alternative methods exist which are not precluded by law:** None.
9. **Describe reasonable alternative methods, where applicable, for achieving the purpose of the proposed action which were considered by the agency:** None.
10. **State reasons for rejecting alternative methods that were described in #9 above:** None.
11. **Provide a detailed statement of the data and methodology used in making estimates required by this subsection:** Without the Section 3 Plan, the MSPA could be found to be out of compliance with the grant requirements and could risk losing the grant. The MSPA has hired a compliance officer and staff for the grant program, therefore, incurring moderate costs. The costs of compliance with Section 3 for the businesses performing work under the grant program is minimal as it is estimated that compliance with this proposed rule would require a period of two hours for a small business to review the Section 3 Plan forms and business certification requirements.