Mississippi Secretary of State
700 North Street P. O. Box 136, Jackson, MS 39205-0136

ADMINISTRATIVE PROCEDURES NOTICE FILING

AGENCY NAME	CONTACT PERSON	TELEPHONE NUMBER	
Mississippi Development Authority	Royce M. Cole	601-359-3095	
ADDRESS	CITY	STATE	ZIP
Post Office Box 849	Jackson,	MS	39205

EMAIL	SUBMIT DATE	Name or number of rule(s):
Rcole@mississippi.org	12/19/11	Title 6 Economic Development : Part VI Seismic Exploration on State-Owned Marine Waters, Chapters 1-12; Part VII Rules and Regulations Governing Leasing For Production or Extraction of Oil, Gas and Other Minerals from State-Owned Marine Waters – Chapters 1-7

Short explanation of rule/amendment/repeal and reason(s) for proposing rule/amendment/repeal: These rules govern the mineral leasing program, which was moved from the Department of Environmental Quality to the Mississippi Development Authority by the Mississippi Legislature. Presently, an oral proceeding is not scheduled for this rule; however, one will be scheduled in the near future and will be noticed in the MS Admin. Bulletin.

Specific legal authority authorizing the promulgation of rule: Miss. Code Ann. 29-7-1 (Rev. 2010), et. seq.; Miss. Code Ann. 57-1-1 (Rev. 2008), et. seq.; Miss. Code. Ann. 57-75-1 (Rev. 2008), et. seq.; Miss. Code Ann. 53-5-1 (Rev. 2003), et. seq.

List all rules repealed, amended, or suspended by the proposed rule: There are none.

ORAL PROCEEDING:

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

☒ Presently, an oral proceeding is not scheduled on this rule.

If an oral proceeding is not scheduled, an oral proceeding must be held if a written request for an oral proceeding is submitted by a political subdivision, an agency or ten (10) or more 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, email address, and telephone number of the person(s) making the request; and, if you are an agent or attorney, the name, address, email address, and telephone number of the party or parties you represent. At any time within the twenty-five (25) day public comment period, written submissions including arguments, data, and views on the proposed rule/amendment/repeal may be submitted to the filing agency.

ECONOMIC IMPACT STATEMENT:

☐ Economic impact statement not required for this rule. ☒ Concise summary of economic impact statement attached.

TEMPORARY RULES	PROPOSED ACTION ON RULES	FINAL ACTION ON RULES
_____ Original filing	**Action proposed:**	**Date Proposed Rule Filed:** _____
_____ Renewal of effectiveness	X New rule(s)	**Action taken:**
To be in effect in _____ days	_____ Amendment to existing rule(s)	_____ Adopted with no changes in text
Effective date:	_____ Repeal of existing rule(s)	_____ Adopted with changes
_____ Immediately upon filing	_____ Adoption by reference	_____ Adopted by reference
_____ Other (specify): _____	**Proposed final effective date:**	_____ Withdrawn
	X 30 days after filing	_____ Repeal adopted as proposed
	_____ Other (specify): _____	**Effective date:**
		_____ 30 days after filing
		_____ Other (specify): _____

Printed name and Title of person authorized to file rules: Royce M. Cole, Special Assistant Attorney General
Signature of person authorized to file rules: Royce M. Cole

DO NOT WRITE BELOW THIS LINE

OFFICIAL FILING STAMP	OFFICIAL FILING STAMP	OFFICIAL FILING STAMP
Accepted for filing by	**Accepted for filing by**	**Accepted for filing by**

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

SOS APA Form 002

DELBERT HOSEMANN
Secretary of State

CONCISE SUMMARY OF ECONOMIC IMPACT STATEMENT

An Economic Impact Statement is required for this proposed rule by Section 25-43-3.105 of the Administrative Procedures Act. This is a Concise Summary of the Economic Impact Statement which must be filed with the Secretary of State's Office.

AGENCY NAME	CONTACT PERSON		TELEPHONE NUMBER
Mississippi Development Authority	Royce M. Cole		601-359-3095
ADDRESS	CITY	STATE	ZIP
Post Office Box 849	Jackson	MS	39205
EMAIL	DESCRIPTIVE TITLE OF PROPOSED RULE		
Rcole@mississippi.org	Title 6 Economic Development : Part VI Seismic Exploration on State-Owned Marine Waters, Chapters 1-12; Part VII Rules and Regulations Governing Leasing For Production or Extraction of Oil, Gas and Other Minerals from State-Owned Marine Waters – Chapters 1-7		

Specific Legal Authority Authorizing the promulgation of Rule:	Reference to Rules repealed, amended or suspended by the Proposed Rule:
Miss. Code Ann. 29-7-1 (Rev. 2010), et. seq.; Miss. Code Ann. 57-1-1 (Rev. 2008), et. seq.; Miss. Code. Ann. 57-75-1 (Rev. 2008), et. seq.; Miss. Code Ann. 53-5-1 (Rev. 2003), et. seq.	There are none.

A. Estimated Costs and Benefits

1. Briefly summarize the benefits that may result from this regulation and who will benefit: Leasing of mineral rights in offshore areas of state owned waters in the Gulf of Mexico will generate and estimated $3.7 million in lease bonuses to the State of Mississippi if only 10 percent of the available 185,000 acres are leased. Interest in oil and natural gas in the Gulf of Mexico is robust and there is a high probability that more than 10 percent will be leased increasing the benefits to the state substantially.

2. Briefly describe the need for the proposed rule: The legislature moved the mineral leasing program from the Department of Environmental Quality to the Mississippi Development Authority (MDA). The Administrative Procedures Act requires MDA to establish its own rules and regulations for administering the program.

3. Estimated Cost of implementing proposed action:
   a. To the agency
      ☐ Nothing X Minimal ☐ Moderate ☐ Substantial ☐ Excessive
   b. To other state or local government entities
      ☐ Nothing X Minimal ☐ Moderate ☐ Substantial ☐ Excessive

4. Estimated Cost and/or economic benefit to all persons directly affected by the proposed rule:
   c. Cost:
      ☐ Nothing X Minimal ☐ Moderate ☐ Substantial ☐ Excessive
   d. Economic Benefit:

☐ Nothing ☐ Minimal ☐ Moderate X Substantial ☐ Excessive

5. Estimated impact on small businesses:
☐ Nothing X Minimal ☐ Moderate Substantial ☐ Excessive

6. The cost of adopting the rule compared to not adopting the rule or significantly amending the existing rule (check option):
☐ substantially less than ☐ moderately less than X minimally less than
☐ the same as ☐ minimally more than ☐ moderately more than
☐ substantially more than ☐ excessively more than

7. The benefit of adopting the rule compared to not adopting the rule or significantly amending the existing rule (check option):
☐ substantially less than ☐ moderately less than ☐ minimally less than
☐ the same as ☐ minimally more than ☐ moderately more than
☐ substantially more than X excessively more than

B. Reasonable Alternative Methods

1. Other than adopting this rule, are there less costly or less intrusive methods for achieving the purpose of the proposed rule?
☐ yes X no

2. If yes, please briefly describe available, reasonable alternative(s) and the reasons for rejecting those alternatives in favor of the proposed rule.

C. Data and Methodology

1. Please briefly describe the data and methodology you used in making the estimates required by this form. The benefit/cost analysis of leasing of mineral rights in the Mississippi Sound was conducted using standard economic theory and data provided by MDA, MESC, BEA and various private sector sources.

D. Public Notice

1. Where may someone obtain copies of the full text of the economic impact statement? Full copies of the economic impact statement may be found at the following address: minerallease@mississippi.org.

2. Where, when, and how may someone present their views on the proposed rule and demand an oral proceeding on the proposed rule if one is not already provided? An oral proceeding will be noticed at a later date with the Secretary of State in its administrative bulletin.

SIGNATURE	TITLE Chief Financial Officer
DATE 12/19/2011	PROPOSED EFFECTIVE DATE OF RULE 30 days from filing