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DIGEST

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SB 242 Engrossed

2019 Regular Session

Allain

Proposed law authorizes the State Mineral and Energy Board to include in any lease entered into by the state, any state agency, or any political subdivision after July 31, 2019, a clause which grants a continuing security interest in and to all as-extracted collateral attributable to, produced, or to be produced, from the leased premises or from lands pooled or unitized therewith, as security for the prompt and complete payment and performance of the lessee's obligation to pay royalties or other sums of money that may become due under the lease, as contemplated by the Uniform Commercial Code.

Effective Aug. 1, 2019.

(Adds R.S. 30:127(H))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Natural Resources and Environment to the engrossed bill:

1. Remove the provision that made the bill applicable to leases that are subsequently assigned, amended, or modified by agreement of the parties after July 31, 2019.