2024 Regular Session

HOUSE BILL NO. 281

## BY REPRESENTATIVE CREWS

## AIRCRAFT/AIRPORTS: Removes the ten year lease provision and the associated exceptions for airport facilities

1	AN ACT
2	To amend and reenact R.S. 2:135.1(B), relative to airport facility leases; to repeal provisions
3	for consideration to be paid monthly or annually; to repeal the provision for leases
4	not to exceed ten years along with the associated exceptions; and to provide for
5	related matters.
6	Be it enacted by the Legislature of Louisiana:
7	Section 1. R.S. 2:135.1(B) is hereby amended and reenacted to read as follows:
8	§135.1. Authority to equip, improve, establish fees and charges, and lease airport
9	facilities
10	* * *
11	B.(1)(a) The public bid requirement provided for by in Paragraph (A)(3) of
12	this Section shall be at the option of the sponsor when such sponsor is leasing
13	operations space of less than two hundred fifty square feet.
14	(b) (2) The advertisements shall set forth a description of the property to be
15	leased, the time when bids therefor will be received, and a short summary of the
16	terms, conditions, and purposes of the lease to be executed. The public bids
17	provided for in this Part shall be secret, sealed bids and shall be mailed or delivered
18	to the lessor at its domicile address. The advertisements provided for in this Section
19	shall constitute judicial advertisements and legal notices as required in accordance
20	with the provisions of Chapter 5 of Title 43 of the Louisiana Revised Statutes of

## Page 1 of 3

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

1	1950. At the date and hour mentioned in the advertisement for consideration of bids,
2	the bids shall be publicly opened by the lessor at its office.
3	(c) (3) The lessor shall accept only the highest bid submitted which yields
4	the greatest benefits to the public in services and financial return to it by a person or
5	persons who meet all of the conditions of this Part. The lessor shall have the right
6	to reject all bids.
7	(d) $(d)$ The lessor may execute any lease granted under such terms and
8	conditions that it deems proper or as otherwise provided in this Part.
9	(e) (5) All leases signed by the lessor shall be executed in sufficient
10	counterparts to be disposed of as follows: one copy shall be furnished to the lessee;
11	one copy shall be recorded in the conveyance records of each parish in which the
12	land lies; one copy shall be furnished to the secretary of the Louisiana Department
13	of Transportation and Development; and one copy shall be retained in the records of
14	the lessor.
15	(2) All leases executed under the provisions of this Section shall provide for
16	consideration to be paid annually or monthly as provided for in the lease. All leases
17	shall be for a period not exceeding ten years, except as follows:
18	(a) A lessor may grant an option to extend the primary lease for an
19	additional period of not more than ten years to any lessee who leases such land or
20	holds a ten-year lease in full force on or after August 15, 1999, when such lessee has,
21	within the ten-year term of the lease, added or contracted for permanent
22	improvements to be constructed or placed on or made to the land in the amount of
23	not less than twenty thousand dollars, has provided written notification to the lessor
24	of his desire to extend the primary lease, and has provided a proper showing that
25	such improvements have in fact been made or contracted for.
26	(b) When a lease provides for the addition or construction of improvements
27	on or to the land to a value in excess of sixty thousand dollars for non-air carrier
28	airports or one hundred thousand dollars for air carrier airports, and further provides
29	that such improvements will become the property of the lessor without any cost to

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

1	the lessor, the lessor may grant an option to the lessee to extend the primary term of
2	the lease for an additional ten-year period, or part thereof, for each sixty thousand
3	dollars of improvements or additions for non-air carrier airports or one hundred
4	thousand dollars worth of improvements or additions for air carrier airports made on
5	or to the land, not to exceed a maximum term of one hundred years.
6	(c) The provisions of this Paragraph shall not apply to the Vivian Municipal
7	Airport or the Shreveport Downtown Airport.
8	* * *

## DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 281 Original 2024 Regular Session

Crews

**Abstract:** Repeals provisions for consideration to be paid monthly or annually and provision for leases not to exceed ten years along with the associated exceptions.

<u>Present law</u> provides for consideration to be paid annually or monthly according to the terms of the lease and for the period of the lease to not exceed 10 years.

Proposed law repeals present law.

<u>Present law</u> provides an exception for leases to exceed 10 years by 10 additional years for at least \$20,000 worth of improvements made when the lessor is notified of the desire to extend the lease.

Proposed law repeals present law.

<u>Present law</u> provides exceptions for extending a lease by ten years per \$60,000 or \$100,000 spent for construction or improvements that exceed \$60,000 for non-air carrier airports or \$100,000 for air carrier airports, respectively.

Proposed law repeals present law.

<u>Present law</u> provides an exception to <u>present law</u> applicable to the Vivian Municipal Airport or the Shreveport Downtown Airport.

Proposed law repeals present law.

(Amends R.S. 2:135.1(B))