Regular Session, 2011

HOUSE BILL NO. 557

BY REPRESENTATIVE HUVAL AND SENATOR MILLS

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

PROPERTY/PUBLIC: Provides relative to leases transferred to the state from another party

AN ACT

To amend and reenact R.S. 56:30.3(B) and to enact R.S. 41:1217.2, relative to lease of state lands; to provide relative to terms of a lease transferred to the state from another party; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 41:1217.2 is hereby enacted to read as follows:

§1217.2. Leases transferred from another party

The provisions of this Chapter shall apply to any lease on property which was donated to the state through the Department of Wildlife and Fisheries prior to June 1, 2011, with the condition that leases in existence at the time of the donation would be transferred to the state. In addition, prior to the renewal of any such lease, the rental payment for said lease shall be increased by an amount equal to the Consumer Price Index increase for the ten-year period from 2001 to 2010.

Section 2. R.S. 56:30.3(B) is hereby amended and reenacted to read as follows:

§30.3. Lease of state lands; access to public waterways

* * *

B. Notwithstanding any provision of law to the contrary, if the secretary determines there exists a public need to maintain the current lessee, the secretary may offer the current lessee, if he made a bid, the option to match the highest bid in order to continue to lease the state lands. The provisions of this Subsection shall

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apply to lessees who held a lease with another party, which lease was subsequently transferred to the state. The provisions of this Subsection shall not apply to oyster leases, oil and gas leases, or alligator leases entered into by the department, or to any lease entered into by the State Mineral and Energy Board. The department shall promulgate rules and regulations providing for uniform criteria to assess the management of leased property.

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)]

Huval HB No. 557

Abstract: Provides relative to terms of leases that are transferred to the state from other parties.

Proposed law provides that present law, relative to leases on public lands, shall apply to any lease on property that was donated to the state, through the DWF, prior to June 1, 2011. Provides that the leases in existence at the time of the donation shall be transferred to the state. Further provides that prior to renewal, the rental payments on the leases shall be increased by an amount equal to the CPI increase for the 10-year period from 2001 to 2010.

Present law authorizes the commissioner or secretary who is the lessor of state land to make the determination that it is beneficial to the state to continue to lease to a current lessee and provide that lessee, if he made a bid on the lease, the opportunity to match the high bid on a new lease at the end of a lease term. Proposed law applies present law to leases transferred to the state from another party.

(Amends R.S. 56:30.3(B); Adds R.S. 41:1217.2)

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Natural Resources and Environment to the original bill.

1. Required the rental payments for renewals of transferred leases to be increased by an amount equal to the Consumer Price Index increase for the 10-year period from 2001 to 2010.

House Floor Amendments to the engrossed bill.

1. Removed all provisions of proposed law that subjects leases transferred to the state from another party to present law.

2. Only subjected leases on property donated to the state, through DWF, prior to June 1, 2011, to present law.

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