DIGEST

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Perry

SB No. 119

<u>Present law</u> provides that in order to allow the individual lessee to lease lands from the state in preference to syndicated landholders or corporations, no lease will cover a larger area than 640 acres of public land, which area must be contiguous. Further provides that no lessee may own more than one such lease at one time.

<u>Proposed law</u> provides that provisions of <u>present law</u> will not apply to leases of land under the White Lake program.

<u>Present law</u> provides relative to leases of public lands generally, including term, payment of consideration, construction of improvements, and requirements and time periods for extension of leases. Excludes port authorities of the state, and has special provisions relating to lease of sixteenth section school lands for agricultural purposes, and access to public waterways.

<u>Proposed law</u> retains <u>present law</u>, and adds that leases or extensions of leases on the White Lake property shall require that the rental payments be for fair market value.

<u>Present law</u> provides if the commissioner or secretary determines there exists a public need to maintain the current lessee, the commissioner or secretary may offer the current lessee, if he made a bid, the option to match the highest bid in order to lease the state lands. Also provides that this shall not apply to oyster leases, alligator leases, or oil and gas leases entered into by the Department of Wildlife and Fisheries, or to any lease entered into by the State Mineral and Energy Board. <u>Proposed law</u> retains <u>present law</u> and adds that this offer shall apply to lessees who held a lease on the White Lake property.

Effective June 23, 2011.

(Amends R.S. 41:1217.1(B) and R.S. 56:30.3(B); adds R.S. 56:799.7)

Summary of Amendments Adopted by Senate

<u>Committee Amendments Proposed by Senate Committee on Natural Resources to</u> <u>the original bill.</u>

- 1. Added that leases or extensions of leases on DWF lands shall require that rental payments be adjusted annually by an amount not less than the CPI.
- 2. Added that present law procedure for offer to current lessee shall apply to lessees who held a lease with another party, which lease was subsequently transferred to the state.

Senate Floor Amendments to engrossed bill.

1. Make technical changes.

Summary of Amendments Adopted by House

- Committee Amendments Proposed by <u>House Committee on Natural Resources and</u> <u>Environment</u> to the <u>reengrossed</u> bill.
- 1. Make the provisions of the bill applicable only to those leases on the White Lake property.
- 2. Requires that leases issued or renewed shall be for fair market value.

3. Provide that current law applicable to state leases such as lease extensions authorized after improvements of a certain level are made to the property and authorizing the most recent lessee of record, if that person bid on the lease, to match the highest bid on property that person had been leasing are applicable to leases on the White Lake property.