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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by J. W. Wiley.

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DIGEST

SB 179 Original

2019 Regular Session

Allain

Present law provides that royalties paid to the lessor on production are rent.

Proposed law provides that royalties paid to the lessor on production and the state's in-kind royalty portion or monetary equivalent are not rent.

Present law provides the lessor of a mineral lease has, for the payment of his rent and other obligations of the lease, a right of pledge on all equipment, machinery, and other property of the lessee on or attached to the property leased.

Proposed law retains present law and includes royalties as an obligation of the lease.

Proposed law authorizes the state to have a lien or privilege on all oil and gas produced on any lands belonging to the state which have been leased by the State Mineral and Energy Board in order to secure payment of royalties and other obligations of the lease.

Effective August 1, 2019.

(Amends R.S. 31:123 and 146; adds R.S. 31:146.1)