

First Extraordinary Session, 2005

HOUSE BILL NO. 8

BY REPRESENTATIVES ODINET, BEARD, DANIEL, DARTEZ, FRITH, GEYMANN,
ST. GERMAIN, AND WOOTON AND SENATOR N. GAUTREAUX

FISHING/OYSTERS: Provides relative to oyster lease renewals in 2006 (Item #48)

1 AN ACT

2 To provide for an extended period of time for renewal or extension of oyster leases expiring
3 on January 1, 2006; to provide relative to terms of lease renewals or extensions; to
4 provide for the 2006 due date for annual rent for oyster leases; and to provide for the
5 2006 dates for determination and advertisement of defaulted oyster leases; to
6 suspend Section 501(G)(3) of Chapter 5 of Part VII of Title 76 of the Louisiana
7 Administrative Code relative to public auction of leases in default; and to provide
8 for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. Notwithstanding any provisions of R.S. 56:428, 428.1, 428.2, and 428.3
11 to the contrary, for any oyster lease for which the lease term ends January 1, 2006, and
12 which is eligible for renewal or extension, the secretary of the Department of Wildlife and
13 Fisheries has until May 1, 2006, to execute a renewal or extension. Such renewal or
14 extension shall be for a term not to exceed fifteen years, and the term shall be specified in
15 the lease renewal or extension. If a lessee has been notified by the Department of Wildlife
16 and Fisheries that the lease may be renewed or extended but the lease renewal or extension
17 is not executed by the secretary on or before May 1, 2006, the lease shall automatically be
18 renewed or extended for the period of time provided in the renewal or extension. The term
19 of a renewal or extension shall begin on the first day following the expiration date of the
20 prior lease. All other provisions of R.S. 56:428, 428.1, 428.2, and 428.3 shall be applicable

1 and enforceable in the same manner as those provisions have been applicable and
2 enforceable prior to the effective date of this Act.

3 Section 2. Notwithstanding any provision of R.S. 56:429 to the contrary, each oyster
4 lease tenant shall have until March 31, 2006, to pay the required calendar year 2006 annual
5 rental payment to the Department of Wildlife and Fisheries. Failure to pay the 2006 required
6 rent punctually on or before March 31, 2006, ipso facto and without demand or putting in
7 default, terminates and cancels the lease and forfeits to the department all the works,
8 improvements, betterments, and oysters on the leased water bottoms. All other provisions
9 of R.S. 56:429 shall be applicable and enforceable in the same manner as those provisions
10 have been applicable and enforceable prior to the effective date of this Act. In addition, for
11 the year 2006 only, the dates outlined in Section 501(G) of Chapter 5 of Part VII of Title 76
12 of the Louisiana Administrative Code shall be as follows: (G)(1), the list of leases in default
13 shall be compiled no later than April 3, 2006; (G)(2), the advertisement of leases in default
14 shall be submitted no later than April 17, 2006, for publication on the first available date
15 thereafter, and reinstatement payments shall be received no later than July 1, 2006.

16 Section 3. Section 501(G)(3) of Chapter 5 of Part VII of Title 76 of the Louisiana
17 Administrative Code is hereby suspended until December 31, 2006.

18 Section 4. This Act shall become effective upon signature by the governor or, if not
19 signed by the governor, upon expiration of the time for bills to become law without signature
20 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
21 vetoed by the governor and subsequently approved by the legislature, this Act shall become
22 effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument.

Odinet

HB No. 8

Abstract: Extends the deadlines for oyster lease renewals and extensions applicable to leases up for renewal or extension on Jan. 1, 2006, and deadlines for 2006 oyster lease rental payments.

Present law (R.S. 56:428 et seq.), relative to oyster lease extensions and renewals, provides that the secretary of the Dept. of Wildlife and Fisheries has 60 days from the date of expiration of a lease to renew the lease. If the renewal lease is not executed within those 60 days, it is automatically renewed.

Proposed law provides that for leases that terminate Jan. 1, 2006, and which are eligible for renewal or extension, the secretary has until May 1, 2006, to renew or extend the lease. The renewal or extension term shall be specified in the lease but may not exceed 15 years. Provides that if the lessee has been notified that the lease may be renewed or extended and the renewal or extension is not executed by May 1, 2006, the lease is automatically renewed or extended for the period provided in the renewal or extension. Further provides that the renewal or extension begins on the first day following the expiration date of the prior lease.

Present law (R.S. 56:429) requires payment of oyster lease rent on or before each Jan. 1 each year. Provides that failure to pay within 30 days after Jan. 1 puts the lease in default and terminates and cancels the lease. Proposed law requires payment of the 2006 annual lease rent by March 31, 2006.

Present administrative code (§501(G)(1) of Chapter 5 of Part VII of Title 76 of the LAC) provides that a list of leases in default shall be compiled by the first working day of February each year. Proposed law changes that date to April 3 for 2006 only.

Present administrative code (§501(G)(2) of Chapter 5 of Part VII of Title 76 of the LAC) provides that leases in default shall be advertised by the first working day following the last day of February and that up to and including the second Monday in March the leases may be reinstated by payment of the rent plus 10% penalty and any advertising cost. Proposed law changes the dates for submission of advertisement to April 17 and the date for reinstatement to July 1 for 2006 only.

Present administrative code (§501(G)(3) of Chapter 5 of Part VII of Title 76 of the LAC) provides for a public auction of leases in default to be held on the last Tuesday in March. Proposed law suspends these rules until Dec. 31, 2006.

Effective upon signature of governor or lapse of time for gubernatorial action.

Summary of Amendments Adopted by House

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

1. Changes the deadline date for receipt of reinstatement payments from May 1, 2006, to July 1, 2006.