
DIGEST

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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.