

## RÉSUMÉ DIGEST

ACT 446 (HB 338)

2021 Regular Session

McCormick

Existing law provides the length of all airport facility leases is for a period not to exceed 10 years; however, the lessor may grant the option to extend the lease term for an additional 10 years to any lessee who:

- (1) Leases land or holds a 10-year lease in effect on or after Aug. 15, 1999, and, within the 10-year lease term, adds or contracts to add permanent improvements to or on the land in the amount not less than \$20,000.
- (2) Has provided written notice to the lessor of the desire to extend the primary lease.
- (3) Has provided proof that the improvements have been made or contracted for.

Existing law provides the option for the lessor to extend the lease term by an additional 10 years under the following conditions:

- (1) When the lease provides that the improvements will become the property of the lessor at no additional cost to the lessor.
- (2) When such improvements are in excess of \$60,000 for non-air carrier airports or \$100,000 for air carrier airports and the lease provides for the addition or construction on or to the land in these amounts.

Existing law prohibits the extended lease term from exceeding a maximum term of 100 years.

New law exempts the Vivian Municipal Airport from the requirements of present law.

Effective August 1, 2021.

(Adds R.S. 2:135.1(B)(2)(c))