

Regular Session, 2005

ACT No. 449

HOUSE BILL NO. 683

BY REPRESENTATIVE DOVE

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

1 AN ACT

2 To amend and reenact R.S. 30:125, 127(A)(introductory paragraph), 128(A) and (B),
3 136(A)(1)(b) and (c) and (B)(1) and (2), 158, and 213(A), relative to the
4 management and administration of mineral leasing on public lands; to provide
5 relative to registration of lease bidders and transferees; to provide for information to
6 be reported when payors of state royalty change; to provide relative to incorrect
7 royalty reporting; to provide for the deposit of liquidated damages; to authorize the
8 mineral board to waive penalties; to provide relative to confidentiality regarding
9 geophysical and geological survey data; to provide for registration fees and penalties;
10 and to provide for related matters.

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. R.S. 30:125, 127(A)(introductory paragraph), 128(A) and (B),
13 136(A)(1)(b) and (c) and (B)(1) and (2), 158, and 213(A) are hereby amended and reenacted
14 to read as follows:

15 §125. Application for lease; fee

16 A. All proposals for mineral leases under this Section and R.S. 30:126 shall
17 be submitted to and examined by the assistant secretary of the office of mineral
18 resources who shall transmit them to the board for its action. All proposals shall be
19 submitted by application as provided herein in the form required by the office of
20 mineral resources, giving the description of the land, including a map, and
21 submission of four hundred dollars, payable to the office of mineral resources, to

1 satisfy the cost of processing the application. The fee shall not be returned, even in
 2 the event of a bid.

3 B. All prospective leaseholders of state mineral leases shall register with the
 4 office of mineral resources. Registration shall be in a form and content as prescribed
 5 by the office of mineral resources. At a minimum, the registration shall include the
 6 current physical address, telephone number, email address, and facsimile number of
 7 the prospective leaseholder. In addition, the prospective leaseholder shall submit a
 8 certificate from the secretary of state that the prospective leaseholder is registered
 9 and in good standing with the secretary of state. The registration shall be renewed
 10 by January thirty-first each year by updating all information and providing a renewal
 11 certificate from the secretary of state authorizing the registrant to do business in the
 12 state of Louisiana. If at any time during the period for which a given mineral lease
 13 is in full force and effect, any current record lessee of that lease fails to maintain as
 14 current his authorization to do business in the state of Louisiana as evidenced by a
 15 copy of the renewal certificate being given to the office of mineral resources, the
 16 office of mineral resources may levy liquidated damages against that lessee in the
 17 amount of one hundred dollars per day until the copy of the renewal certificate of
 18 authorization to do business is received in the office of mineral resources. The
 19 penalty, in whole or in part, may be waived by the State Mineral Board.

20 * * *

21 §127. Opening bids; minimum royalties; terms of lease; deposit

22 A. Only those bidders who are registered prospective leaseholders with the
 23 office of mineral resources shall be allowed to bid on tracts for the purpose of
 24 obtaining a mineral lease from the state of Louisiana. Bids may be for the whole or
 25 any particularly described portion of land ~~advertise~~ advertised. At the time and place
 26 mentioned in the advertisement for the consideration of bids, they shall be publicly
 27 opened. Bids received by the mineral board shall be opened at any state-owned
 28 buildings situated in the city in which the capitol is located. The mineral board has
 29 authority to accept the bid most advantageous to the state and may lease upon

1 subdivision thereof to carry out any of its statutory or regulatory duties in a timely
 2 manner, unless corrected in full prior to the payment due date, shall render the
 3 royalty payor subject to a penalty of five percent of the total sum due or paid, not to
 4 exceed five hundred dollars, as liquidated damages. The whole or any part of the
 5 ~~penalty set forth herein~~ damages provided for in this Paragraph may be waived by
 6 ~~the secretary of the Department of Natural Resources~~ State Mineral Board and said
 7 damages shall, as with any and all liquidated damages assessed and collected by the
 8 State Mineral Board in accordance with any statutory or contractual provision, be
 9 deemed self-generated funds to be deposited into the Mineral Resources Operation
 10 Fund.

11 (2) The failure to pay or the underpayment of all sums other than bonuses,
 12 rentals, or shut-in payments, for whatever cause, shall subject the lessee, his
 13 successor, or assigns, to a penalty of ten percent of the total sum due not to exceed
 14 one thousand dollars, which penalty shall be assessed, and owing on the day
 15 following the date payment was due, and shall be deemed liquidated damages. The
 16 whole or any part of the penalty set forth herein may be waived by the ~~secretary of~~
 17 ~~the Department of Natural Resources.~~ State Mineral Board.

18 * * *

19 §158. Approval of lease by board

20 No lease executed under the authority of this Subpart shall be valid unless the
 21 agency obtains its approval by the State Mineral Board. The authority of the State
 22 Mineral Board shall be ministerial with regard to whether or not the agency has
 23 correctly followed the procedural steps in granting the lease in question, and
 24 discretionary with regard to whether or not the terms of the agency lease are in the
 25 best interest of the agency and the public which it serves. A lease made under the
 26 provisions of this Subpart which is not approved by the State Mineral Board and
 27 countersigned by the duly authorized officer of that body is null and void.

28 * * *

29 §213. Furnishing state information obtained under permits

30 A.(1) For any permit issued prior to July 1, 2004, the holder of a permit to

1 Section 2. This Act shall become effective upon signature by the governor or, if not
2 signed by the governor, upon expiration of the time for bills to become law without signature
3 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
4 vetoed by the governor and subsequently approved by the legislature, this Act shall become
5 effective on the day following such approval.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____