HLS 22RS-586 ORIGINAL

2022 Regular Session

HOUSE BILL NO. 466

1

BY REPRESENTATIVE CREWS

PROCUREMENT: Provides relative to the applicability of certain lease terms to airport facilities operated and managed by the Shreveport Regional Airport

AN ACT

2 To amend and reenact R.S. 2:135.1(B)(2)(c), relative to airport facility leases operated and 3 maintained by the Shreveport Regional Airport; to provide for the removal of lease 4 requirements pertaining to the addition or construction of certain improvements for 5 non-air carrier airports and air carrier airports; and to provide for related matters. 6 Notice of intention to introduce this Act has been published 7 as provided by Article III, Section 13 of the Constitution of 8 Louisiana. 9 Be it enacted by the Legislature of Louisiana: 10 Section 1. R.S. 2:135.1(B)(2)(c) is hereby amended and reenacted to read as follows: 11 §135.1. Authority to equip, improve, establish fees and charges, and lease airport 12 facilities 13 14 B. 15 16 (2) All leases executed under the provisions of this Section shall provide for 17 consideration to be paid annually or monthly as provided for in the lease. All leases 18 shall be for a period not exceeding ten years, except as follows: 19

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

1 (c) The provisions of this Paragraph shall not apply to the Vivian Municipal 2 Airport, or the Shreveport Downtown Airport, or the Shreveport Regional Airport. 3 4 Section 2. The provisions of Section 1 of this Act shall supersede the provisions of Section 1 of Act No. 445 of the 2021 Regular Session of the Legislature that amend and 5 6 reenact R.S. 2:135.1(B)(2)(c). 7 Section 3.(A) Section 1 of this Act shall become effective when Section 1 of Act No. 8 445 of the 2021 Regular Session of the Legislature becomes effective. 9 (B) Section 2 and Section 3 of this Act shall become effective on January 1, 2023 or the date of the adoption of final rules by the Department of Transportation and 10 11 Development, whichever date is sooner.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 466 Original

2022 Regular Session

Crews

Abstract: Removes lease requirements for the Shreveport Regional Airport that authorize the lessor to grant the option to extend the primary airport facility lease term for an additional period of not more than ten years based on the monetary amount of permanent improvements added or contracted to be added.

<u>Present law</u> provides the length of all airport facility leases is for a period not to exceed 10 years. However, authorizes the lessor to 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.

<u>Present law</u> 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 the addition or construction of 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 improvement or addition on or to the land in these amounts.

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

 $\underline{\underline{Proposed\ law}}$ exempts the Shreveport Regional Airport from the requirements of $\underline{\underline{present}}$ $\underline{\underline{law}}$.

 $\underline{\underline{Proposed \ law}}$ supercedes the provisions of $\underline{\underline{present \ law}}$ and will become effective on Jan. 1, 2023.

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