HOUSE BILL NO. 693

AN ACT TO AMEND SECTION 29-1-107, MISSISSIPPI CODE OF 1972, TO REQUIRE THE SECRETARY OF STATE TO LEASE TIDELANDS TO LICENSED GAMING ESTABLISHMENTS; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. Section 29-1-107, Mississippi Code of 1972, is amended as follows:

29-1-107. (1) The Secretary of State with the approval of the Governor shall, as far as practicable, rent or lease all lands belonging to the state, except as otherwise provided by law, for a period of not exceeding one (1) year, and account for the rents therefrom in the same manner as money received from the sale of state lands, provided that no state land shall be rented or leased to individuals, corporations, partnerships, or association of persons for hunting or fishing purposes. Property belonging to the state in municipalities, even though it may have been subdivided into lots, blocks, divisions, or otherwise escheated or was sold to the state by such description, may likewise be leased or rented by the Secretary of State under the terms provided above for other state lands, and the rents accounted for in the same manner. The state shall have all the liens, rights and remedies accorded to landlords in Sections 89-7-1 through 89-7-125; said leases and rental contracts shall automatically terminate on the date provided in said leases or contracts.

(2) The Secretary of State, with the approval of the Governor, may rent or lease surface lands, tidelands or submerged lands owned or controlled by the State of Mississippi lying in or adjacent to the Mississippi Sound or Gulf of Mexico or streams.
emptying therein, for a period not exceeding forty (40) years for rental payable to the state annually. The lessee under such agreement may construct such necessary items for marking channels, docking, wharfing, mooring or fleeting vessels which shall be in aid of navigation and not obstructions thereto. A lessee of record may be given the option to renew for an additional period not to exceed twenty-five (25) years. The holder of a lease of Public Trust Tidelands, at the expiration thereof, shall have a prior right, exclusive of all other persons, to re-lease as may be agreed upon between the holder of the lease and the Secretary of State. All such leases shall provide for review and rent adjustments at each fifth anniversary tied either to the All Urban Consumer Price Index-All Items (CPI) or to an appraisal which deducts the value of any improvements by the lessee which substantially enhance the value of the land, whichever is greater. In the case where the initial rental was based on the value set by the ad valorem tax rolls, then the rent review and adjustment clause shall be likewise based on the value set by such tax rolls. In the event that the lessor and lessee cannot agree on a rental amount, the lease may be cancelled at the option of the lessor. The lessee shall, within thirty (30) days after execution of a sublease or assignment, file a copy thereof, including the total consideration therefor, with the Secretary of State.

(3) Provided, however, the current occupants of public trust tidelands that were developed after the determinable mean high water line nearest the effective date of the Coastal Wetlands Protection Law shall pay an annual rental based on the fair market value as determined by the assessed valuation of the property. The holder of a lease of Public Trust Tidelands, at the expiration thereof, shall have a prior right, exclusive of all other persons, to re-lease as may be agreed upon between the holder of the lease and the Secretary of State.
(4) The Secretary of State shall lease public trust tidelands to licensed gaming establishments if the project proposed by the establishment has been approved by the Department of Marine Resources, the United States Army Corps of Engineers and the Mississippi Gaming Commission. If the project is approved but the lease is denied, the Secretary of State shall be liable for twice the costs incurred by the casino developers until notice of the denial is given.

SECTION 2. This act shall take effect and be in force from and after July 1, 2001.