

By: Senator(s) Robertson

To: Ports and Marine Resources

COMMITTEE SUBSTITUTE  
FOR  
SENATE BILL NO. 2958

1 AN ACT TO AMEND SECTION 29-1-107, MISSISSIPPI CODE OF 1972,  
2 TO REQUIRE THE SECRETARY OF STATE TO ISSUE A LEASE FOR A  
3 COMMERCIAL PUBLIC PURPOSE FOR WHICH TIDELANDS MAY BE USED IF ALL  
4 AGENCIES WITH ENVIRONMENTAL OR REGULATORY OVERSIGHT APPROVE THE  
5 LEASE AND PROPOSED ACTIVITY; AND FOR RELATED PURPOSES.

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

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

9 29-1-107. (1) The Secretary of State, with the approval of  
10 the Governor, shall, as far as practicable, rent or lease all  
11 lands belonging to the state, except as otherwise provided by law  
12 for a period of not exceeding one (1) year, and account for the  
13 rents therefrom in the same manner as money received from the sale  
14 of state lands, provided that no state land shall be rented or  
15 leased to individuals, corporations, partnerships, or association  
16 of persons for hunting or fishing purposes. Property belonging to  
17 the state in municipalities, even though it may have been  
18 subdivided into lots, blocks, divisions, or otherwise escheated or  
19 was sold to the state by such description, may likewise be leased  
20 or rented by the Secretary of State under the terms provided above  
21 for other state lands, and the rents accounted for in the same  
22 manner. The state shall have all the liens, rights and remedies  
23 accorded to landlords in Sections 89-7-1 through 89-7-125; said  
24 leases and rental contracts shall automatically terminate on the  
25 date provided in said leases or contracts.

26 (2) (a) The Secretary of State, with the approval of the  
27 Governor, may rent or lease surface lands, tidelands or submerged  
28 lands owned or controlled by the State of Mississippi lying in or

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

53 (b) If the lease is for a commercial or industrial  
54 public purpose for which the tidelands may be used, the Secretary  
55 of State shall seek recommendations from the state agencies,  
56 especially those with environmental oversight duties, that must  
57 review the application for the regulated activity or grant permits  
58 for such activity. If the agencies approve the application or  
59 grant permits for the commercial or industrial activity, then the  
60 Secretary of State shall issue a lease for such purpose. In  
61 addition to these requirements, if the commercial purpose of the

62 lease is for a gaming activity, the Mississippi Gaming Commission  
63 must approve the proposed lease area as a gaming site before the  
64 Secretary of State shall issue a lease.

65 (3) Provided, however, the current occupants of public trust  
66 tidelands that were developed after the determinable mean high  
67 water line nearest the effective date of the Coastal Wetlands  
68 Protection Law shall pay an annual rental based on the fair market  
69 value as determined by the assessed valuation of the property. The  
70 holder of a lease of Public Trust Tidelands, at the expiration  
71 thereof, shall have a prior right, exclusive of all other persons,  
72 to re-lease as may be agreed upon between the holder of the lease  
73 and the Secretary of State.

74 **SECTION 2.** This act shall take effect and be in force from  
75 and after July 1, 2004.