

By: Representative Moak

To: Gaming; Sel Cmte on
Hurricane Recovery

HOUSE BILL NO. 44

1 AN ACT TO AMEND SECTION 29-1-107, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT ANY LEASES OF TIDELANDS TO PERSONS POSSESSING A
3 GAMING LICENSE UNDER THE MISSISSIPPI GAMING CONTROL ACT SHALL BE
4 FOR A PERIOD NOT LESS THAN 30 YEARS FOR RENTAL PAYABLE TO THE
5 STATE ANNUALLY, AND ANY SUCH LEASES IN EFFECT ON THE EFFECTIVE
6 DATE OF THIS ACT SHALL BE CONVERTED TO A THIRTY-YEAR TERM LEASE
7 BEGINNING ON THE DATE THE LEASE WAS ISSUED OR LAST RENEWED; TO
8 PROVIDE THAT LEASES TO PERSONS POSSESSING A GAMING LICENSE UNDER
9 THE MISSISSIPPI GAMING CONTROL ACT SHALL PROVIDE FOR REVIEW AND
10 RENT ADJUSTMENTS ANNUALLY AND BE TIED TO THE ALL URBAN CONSUMER
11 PRICE INDEX-ALL ITEMS (CPI); AND FOR RELATED PURPOSES.

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

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

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

32 (2) The Secretary of State, with the approval of the
33 Governor, may rent or lease surface lands, tidelands or submerged
34 lands owned or controlled by the State of Mississippi lying in or
35 adjacent to the Mississippi Sound or Gulf of Mexico or streams
36 emptying therein, for a period not exceeding forty (40) years for
37 rental payable to the state annually. However, any such leases to
38 persons possessing a gaming license under the Mississippi Gaming
39 Control Act shall be for a period not less than thirty (30) years
40 for rental payable to the state annually, and any such leases in
41 effect on the effective date of this act shall be converted to a
42 thirty-year term lease beginning on the date the lease was issued
43 or last renewed. The lessee under such agreement may construct
44 such necessary items for marking channels, docking, wharfing,
45 mooring or fleeting vessels which shall be in aid of navigation
46 and not obstructions thereto. A lessee of record may be given the
47 option to renew for an additional period not to exceed twenty-five
48 (25) years. The holder of a lease of Public Trust Tidelands, at
49 the expiration thereof, shall have a prior right, exclusive of all
50 other persons, to re-lease as may be agreed upon between the
51 holder of the lease and the Secretary of State. * * * Leases
52 shall provide for review and rent adjustments at each fifth
53 anniversary tied either to the All Urban Consumer Price Index-All
54 Items (CPI) or to an appraisal which deducts the value of any
55 improvements by the lessee which substantially enhance the value
56 of the land, whichever is greater. However, any such leases to
57 persons possessing a gaming license under the Mississippi Gaming
58 Control Act shall provide for review and rent adjustments annually
59 and be tied to the All Urban Consumer Price Index-All Items (CPI).
60 In the case where the initial rental was based on the value set by
61 the ad valorem tax rolls, then the rent review and adjustment
62 clause shall be likewise based on the value set by such tax rolls.
63 In the event that the lessor and lessee cannot agree on a rental
64 amount, the lease may be cancelled at the option of the lessor.

65 The lessee shall, within thirty (30) days after execution of a
66 sublease or assignment, file a copy thereof, including the total
67 consideration therefor, with the Secretary of State.

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

77 **SECTION 2.** This act shall take effect and be in force from
78 and after its passage.