

House Bill 170

By: Representatives Lane of the 167th and Barnard of the 166th

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 12-5-287 of the Official Code of Georgia Annotated, relating to
2 leasing of state owned marshland or water bottoms, so as to change the amount of annual
3 rental fees from fair market value to a fixed rate; to provide for annual fee adjustments; to
4 provide an effective date; to provide for applicability; to repeal conflicting laws; and for
5 other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Code Section 12-5-287 of the Official Code of Georgia Annotated, relating to leasing of state
9 owned marshland or water bottoms, is amended by revising subsection (d) as follows:

10 "(d) Each lease granted under this Code section shall be upon such provisions,
11 requirements, and conditions as the committee shall make and shall, except as provided in
12 subsections (g) and (h) of this Code section, provide for a primary term of not more than
13 ten years. Each lease, except as provided in subsections (g) and (h) of this Code section,
14 shall require the payment of an annual rental fee ~~set by the committee~~ which shall be ~~not~~
15 ~~less than the fair market rental value of the state owned marshland or water bottoms leased~~
16 ~~thereby and \$1,000.00 per acre as of the effective date of this subsection; and the~~
17 committee shall in each calendar year thereafter adjust the amount of the annual rental fee
18 per acre to reflect the effect of annual inflation or deflation for the immediately preceding
19 calendar year in accordance with rules and regulations adopted by the board, which rules
20 and regulations may use for this purpose the Consumer Price Index as reported by the
21 Bureau of Labor Statistics of the United States Department of Labor or any other similar
22 index established by the federal government, if the board determines that such federal
23 index reflects the effect of inflation and deflation on the lessees. Each lease may provide
24 for two renewal terms, each of which shall not be for a term of more than equal duration
25 to the primary term. Rental fees shall be paid in one installment to the department not later
26 than July 15 of each year. A penalty of 10 percent of the annual rental shall be assessed

27 for late payment. Failure to pay rental by August 1 of the year due shall result in the
28 cancellation of the lease."

29 **SECTION 2.**

30 This Act shall become effective upon its approval by the Governor or upon its becoming law
31 without such approval; provided, however, that this Act shall not be applied to impair an
32 obligation of contract entered into prior to such effective date.

33 **SECTION 3.**

34 All laws and parts of laws in conflict with this Act are repealed.