

The Senate State Institutions and Property Committee offered the following substitute to HB 170:

A BILL TO BE ENTITLED
AN ACT

1 To amend Part 4 of Article 4 of Chapter 5 of Title 12 of the Official Code of Georgia
2 Annotated, relating to coastal marshlands, so as to change certain provisions relating to
3 leasing of state owned marshland or water bottoms; to change certain provisions relating to
4 activities to which said part is not applicable; to provide an effective date; to provide for
5 applicability; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

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8 Part 4 of Article 4 of Chapter 5 of Title 12 of the Official Code of Georgia Annotated,
9 relating to coastal marshlands, is amended by revising subsection (d) of Code Section
10 12-5-287, relating to leasing of state owned marshland or water bottoms, as follows:

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

27 lease shall be for the annual fee in effect and established by the committee at the time such
28 lease is entered into. Such lease shall be adjusted annually thereafter as provided in this
29 subsection. Each lease may provide for two renewal terms, each of which shall not be for
30 a term of more than equal duration to the primary term. Rental fees shall be paid in one
31 installment to the department not later than July 15 of each year. A penalty of 10 percent
32 of the annual rental shall be assessed for late payment. Failure to pay rental by August 1
33 of the year due shall result in the cancellation of the lease."

34 **SECTION 2.**

35 Said part is further amended by revising paragraph (4) of Code Section 12-5-295, relating
36 to activities to which said part is not applicable, as follows:

37 "(4) Activities of public utility companies regulated by the Public Service Commission,
38 electric membership corporations, public authorities operating electric systems, or
39 municipal electric systems incident to constructing, erecting, repairing, and maintaining
40 utility lines for the transmission of gas, electricity, or telephone messages;"

41 **SECTION 3.**

42 This Act shall become effective upon its approval by the Governor or upon its becoming law
43 without such approval; provided, however, that Section 1 of this Act shall not be applied to
44 impair an obligation of contract entered into prior to such effective date.

45 **SECTION 4.**

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