

Regular Session, 2014

SENATE BILL NO. 570

BY SENATOR LONG

MINERALS. Provides relative to the prescription of nonuse for properties transferred in connection to an economic development project. (8/1/14)

1 AN ACT

2 To enact R. S. 31:149(I), relative to the prescription of nonuse; provides that the prescription
3 of nonuse for mineral rights does not run against land that was transferred in
4 connection with an economic development project; to provide for a notice of
5 reinscription and its contents; to provide terms, conditions, and requirements; and to
6 provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 31:149(I) is hereby enacted to read as follows:

9 §149. Mineral rights reserved from acquisitions of land by governments or agencies
10 thereof imprescriptible

11 * * *

12 **(I)(1) When land is acquired from any person by an acquiring authority**
13 **or other person, through act of sale, exchange, donation, or other contract, as**
14 **part of an economic development project pursuant to a cooperative endeavor**
15 **agreement between the acquiring authority and the state through the**
16 **Department of Economic Development, as evidenced in a certification by the**
17 **secretary of the Department of Economic Development attached to the**

1 instrument by which the land is acquired, and a mineral right subject to the
 2 prescription of nonuse is reserved in the instrument by which the land is
 3 acquired, the prescription of nonuse shall thereafter not run against the right
 4 whether the title to the land remains in the acquiring authority or is
 5 subsequently transferred to a third person, public or private.

6 (2) The prescription of nonuse shall commence to run ten years after the
 7 date of execution of the instrument by which the land was acquired and the
 8 mineral rights subject to the prescription of nonuse is reserved, unless a notice
 9 of reinscription is recorded before the prescription of nonuse commences to run.

10 A timely recorded notice of reinscription shall continue to interrupt the running
 11 of the prescription of nonuse for a period of ten years from the date the notice
 12 of reinscription is recorded, and subsequent notices of reinscription recorded
 13 prior to the prescription of nonuse commencing to run shall each continue to
 14 interrupt the running of the prescription of nonuse for a period of ten years
 15 from the date the notice of reinscription is recorded. Each notice of
 16 reinscription shall be signed by a current owner of the reserved mineral right
 17 and shall contain all of the following:

18 (a) The name of the original property owner transferring the land for the
 19 economic development project.

20 (b) The name of the acquiring authority or person who acquired the
 21 property.

22 (c) The date of execution of the original transfer instrument.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by McHenry Lee.

DIGEST

Long (SB 570)

Present law provides that mineral rights are subject to a prescription of nonuse for 10 years.

Proposed law provides when land is acquired from any person by an acquiring authority through an act of sale, exchange, donation, or other contact as part of an economic development project pursuant to a certain cooperative endeavor agreement, as evidenced in a certification by the secretary of DED and a mineral right otherwise subject to the prescription of nonuse is reserved, the prescription of nonuse will not run against the right,

whether the title to the land remains in the acquiring authority or is subsequently transferred to a third person, public or private.

Proposed law provides that the prescription of nonuse will commence to run 10 years after the date of execution of the instrument by which the land was acquired, unless a notice of reinscription is recorded before the prescription of nonuse commences to run.

Proposed law provides that a timely recorded notice of reinscription will continue to interrupt the running of the prescription of nonuse for a period of 10 years from the date the notice of reinscription is recorded, and subsequent notices of reinscription recorded prior to the prescription of nonuse commencing to run shall each continue to interrupt the running of the prescription of nonuse for a period of 10 years from the date the notice of reinscription is recorded.

Proposed law requires that each notice of reinscription will include certain information.

Proposed law requires the notice of reinscription to be signed by a current owner of the reserved mineral right.

Effective August 1, 2014.

(Adds R.S. 31:149(I))