



2015-2016 General Assembly

HOUSE BILL 924: Highway Safety/Other Changes, Secs. 5 and 6: Upset bids on State Land Mineral Leases and Force Account Changes

Committee:
Introduced by:
Analysis of: Secs. 5 and 6 of S.L. 2015-276

Date:
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SUMMARY: *Secs. 5 and 6 of S.L. 2015-276:*

- *Provide for upset bids for leases of mineral deposits on State lands.*
- *Increase the cost limit on work that can be performed by governmental force account labor.*

These sections became effective October 20, 2015.

CURRENT LAW & BILL ANALYSIS:

Section 5 of the act modifies a statute authorizing the Department of Administration to sell, lease, or otherwise dispose of mineral deposits in State lands not under water on such terms as the Department deems proper. Specifically, this section requires that the Department solicit competitive bids for such leases, and implement a process for upset bids that allows those persons who bid within 75% of a high bid to submit increased bids (with opportunities for successive upset bid periods). In addition, this section directs the Department to require that any lessee of mineral deposits in State lands diligently conduct continuous mining operations for minerals subject to the lease throughout the entire term of the lease.

Section 6 of the act increases the cost limit on work that can be performed by force account labor of the State or subdivisions of the State to projects with a total cost of up to \$500,000, or a total cost of labor up to \$200,000.

EFFECTIVE DATE:

These sections became effective October 20, 2015.

Susan Sitze and Jennifer McGinnis, Staff Attorneys in the Research Division, substantially contributed to this summary.

O. Walker Reagan
Director



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