

Regular Session, 2013

SENATE BILL NO. 223

BY SENATOR MILLS

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

PORTS/HARBORS/TERMINALS. Creates the Coastal Port Advisory Authority. (8/1/13)

1 AN ACT

2 To enact Chapter 51 of Title 34 of the Louisiana Revised Statutes of 1950, comprised of
3 R.S. 34:3551 through 3552, and R.S. 36:509(U), relative to ports; to create the
4 Coastal Port Advisory Authority; to provide for the authority's membership and its
5 officers; to provide for the duties and functions of the authority; and to provide for
6 related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. Chapter 51 of Title 34 of the Louisiana Revised Statutes of 1950,
9 comprised of R.S. 34:3551 through 3552, is hereby enacted to read as follows:

10 **CHAPTER 51. COASTAL PORT ADVISORY AUTHORITY**

11 **§3551. Coastal Port Advisory Authority; purpose; legislative findings**

12 **The legislature hereby finds and declares that the development of oil and**
13 **gas resources is essential to promote Louisiana's economic growth and the**
14 **ability of the maritime, oil and gas industries to compete in regional, national,**
15 **and global markets and to provide a high quality of life for the people of this**
16 **state. The legislature declares and finds the following:**

17 **(1) The Gulf of Mexico has substantial oil and gas resources.**

1 **(2) Many of these resources are considered in the deep waters of the Gulf**
2 **of Mexico.**

3 **(3) Major energy companies are expressing renewed interest in the**
4 **deepwater oil and gas resources of the Gulf of Mexico as expressed in recent**
5 **federal oil and gas lease sales and in budgeted capital expenditures.**

6 **(4) The state of Louisiana was once best suited to serve as the host state**
7 **for the fabrication of the infrastructure needed to develop the shale and some**
8 **deepwater Gulf of Mexico oil and gas resources because of its competitive**
9 **advantage of world class coastal ports.**

10 **(5) Due to the need for larger and heavier infrastructures to serve the**
11 **continued quest for deeper water resources combined with the current**
12 **limitations of Louisiana's coastal ports, the state of Louisiana, and the United**
13 **States of America, are losing market shares, for the fabrication of deep water**
14 **infrastructure projects.**

15 **(6) Economic opportunities and job creation resulting from improved coastal**
16 **port infrastructures could create a renaissance of manufacturing resulting from the**
17 **proposed private investment of major energy companies in the deepwater resources of**
18 **the Gulf of Mexico.**

19 **(7) The state of Louisiana has a great opportunity to fund the greatest**
20 **environmental project of our generation, the restoration of coastal Louisiana, from the**
21 **proceeds of deepwater oil and gas resources as a result of previously adopted federal**
22 **law and certain Louisiana constitutional amendments.**

23 **(8) The state of Louisiana should move aggressively to determine how it**
24 **can best fund improvements to its coastal ports in order to take advantage of**
25 **the pending private sector investments in the deepwater resources of the Gulf**
26 **of Mexico, and, thereby secure itself as the premiere province to host such**
27 **activities, and further secure jobs for its citizens and improvements to the**
28 **quality of life.**

29 **§3552. Coastal Port Advisory Authority; creation; membership; duties and**
30 **functions**

1 A. The Coastal Port Advisory Authority is hereby created in the office
2 of multimodal planning within the Department of Transportation and
3 Development.

4 B. The authority shall perform its duties and functions through a board
5 composed of the following members:

6 (1) One member appointed at large by the governor who shall serve as
7 chairman of the authority and have knowledge of the deepwater Gulf of Mexico.

8 (2) The governor's executive assistant for coastal activities or his
9 designee.

10 (3) The secretary of the Department of Transportation and Development
11 or his designee.

12 (4) The secretary of the Department of Economic Development or his
13 designee.

14 (5) The secretary of the Department of Natural Resources or his
15 designee.

16 (6) A representative of the Louisiana Mid-Continent Oil and Gas
17 Association selected by its president.

18 (7) A representative of the Ports Association of Louisiana selected by its
19 chairman of the board of directors.

20 (8) One member each appointed by the executive director of each of
21 Louisiana's coastal ports.

22 (9) One member each appointed by the executive director of each of
23 Louisiana's deep draft ports.

24 C. The members shall select a vice chairman to serve in the absence of
25 the chairman. The marine and rail transportation administrator within the
26 office of multimodal planning, Department of Transportation and Development,
27 shall serve as secretary of the authority and shall not vote.

28 D. (1) The authority shall be advisory in nature.

29 (2) The authority shall research and study economic development

1 opportunities available to the state's maritime industries and the needs of the
2 oil and gas industry relative to coastal and deep draft ports. The authority shall
3 inventory and evaluate the resources and infrastructure of coastal and deep
4 draft ports, including existing and future resource and infrastructure needs in
5 order to attract business and increase future market shares, identify technical
6 research and previously developed information on markets available to coastal
7 and deep draft ports, study coastal and deep draft port capacities and
8 utilization, identify potential future deficit areas, and investigate incentives for
9 coastal and deep draft port development.

10 (3) The authority shall periodically report the progress of its activities
11 to the house and senate committees on transportation, highways, and public
12 works.

13 E. (1) A majority of the members shall constitute a quorum. A quorum
14 being present, the favorable vote of at least a simple majority of the total
15 membership present shall be required for the authority to take action on any
16 matter.

17 (2) The board shall meet at least once per year, or more frequently as
18 necessary, upon call of the chairman.

19 (3) Members of the authority shall not receive a salary or reimbursement
20 for mileage or expenses incurred for attendance at authority meetings from the
21 authority.

22 Section 2. R.S. 36:509(U) is hereby enacted to read as follows:

23 §509. Transfer of agencies to Department of Transportation and Development

24 * * *

25 U. The Coastal Port Advisory Authority (R.S. 34:3551 et seq.) shall be
26 placed within the office of multimodal planning, Department of Transportation
27 and Development, and shall perform its duties, functions, and responsibilities
28 in the manner provided by law.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Sharon F. Lyles.

DIGEST

Proposed law creates the Coastal Port Advisory Authority in the office of multimodal planning, Department of Transportation and Development (DOTD), to perform its duties, functions, and responsibilities in an advisory capacity in order for the state to determine how it may best position itself to take advantage of pending private sector investments in deepwater oil and gas resources in the Gulf of Mexico.

Proposed law provides for membership as follows:

- (1) One member appointed at large by the governor who shall serve as chairman and have knowledge of the deepwater Gulf of Mexico.
- (2) The governor's executive assistant for coastal activities or his designee.
- (3) The secretary of the Department of Transportation and Development or his designee.
- (4) The secretary of the Department of Economic Development or his designee.
- (5) The secretary of the Department of Natural Resources or his designee.
- (6) A representative of the Louisiana Mid-Continent Oil and Gas Association selected by its president.
- (7) A representative of the Ports Association of Louisiana selected by its chairman of the board of directors.
- (8) One member each appointed by the executive director of each of the state coastal ports.
- (9) One member each appointed by the executive director of each of the state's deep draft ports.

Proposed law requires the members to select a vice chairman to serve in the absence of the chairman, and for the marine and rail transportation administrator within the office of multimodal planning DOTD to serve as secretary of the authority who shall not vote.

Proposed law provides that the authority be advisory in nature; requires the authority, relative to the state's coastal and deep draft ports, to research and study economic development opportunities available to the state's maritime industries and the needs of the oil and gas industry, to inventory and evaluate port resources and infrastructure, including existing and future resource and infrastructure needs in order to attract business and increase future market shares, to identify technical research and previously developed information on available markets, to study port capacities and utilization, to identify potential future deficit areas, and to investigate incentives for port development.

Proposed law requires the authority to periodically report the progress of its activities to the house and senate committees on transportation, highways, and public works.

Proposed law provides a majority of the members constitute a quorum and requires a favorable vote of at least a simple majority of the total membership present to take action on any matter; requires the board to meet at least annually and authorizes more frequent meetings upon the call of the chairman; provides that the members serve without salary or mileage or expense reimbursement from the authority.

Effective August 1, 2013.

(Adds R.S. 34:3551 and 3552 and R.S. 36:509(U))