

GREEN SHEET REDIGEST

HB 776

2026 Regular Session

Bourriaque

PORTS/HARBORS/TERMINALS: Modifies the Port Construction and Development Priority Program.

DIGEST

Present law (R.S. 34:3451) provides for definitions.

Proposed law adds the following definitions:

- (1) "Benefit cost ratio" means the total benefits divided by the total cost of a project with the total cost being equal to the total investment, required to implement the total project and derive the benefits and with total benefits being equal to the revenues and expenses, number of jobs, payroll benefits, spin-off benefits of payroll, shipping costs, or any other benefits that are determinable.
- (2) "Large project" means a project that meets project cost, benefit cost ratio, return on state investment, and investment requirements established by the office of multimodal commerce by rule promulgated in accordance with the Administrative Procedure Act.
- (3) "Standard project" means a project, other than a large project, that meets benefit cost ratio and return on state investment requirements established by the office of multimodal commerce by rule promulgated in accordance with the Administrative Procedure Act.

Present law (R.S. 34:3452(A)) provides that applications for funding of any port construction or development project may be submitted by any port authority on a quarterly basis, except as provided in present law. Further requires applications to be submitted to the Dept. of Transportation and Development (DOTD) no later than the first of March, June, Sept., and Dec. of each calendar year for consideration of funding or funding obligation authority in the following fiscal years. Additionally requires that applications submitted be governed by present law. Further requires information to be provided in the application pertaining to certain requirements.

Present law (R.S. 34:3452(D)) authorizes the DOTD to contract with the La. State University Ports and Waterways Institute for any duties associated with the development of the port priority programs, including but not limited to the development, review, and evaluation of plans and specifications, and the development of the prior priority program list. Further requires that the final determination of the port priority list remain with the DOTD and the joint transportation committees.

Proposed law modifies present law to change from the La. State University Ports and Waterways Institute as the only available contracting entity to any state college or university.

Present law (R.S. 34:3453)) provides for the DOTD's required procedure for public hearings regarding port priority projects and the determination for the final program decision. Further requires that prior to the public hearings, the DOTD must publish the appropriate official notice of the hearing in the necessary journals.

Proposed law retains present law but changes the publication of the official notice from the necessary journals to the Official Journal of the State, beginning on July 1, 2027.

Present law (R.S. 34:3457(A)) requires the Transportation Trust Fund be the source of state funds for any port project on the priority list approved in present law. Further requires that prior to the commencement of any work, the presiding officer of each port authority involved in a project execute an agreement and statement of sponsorship to provide a 10% local match for the cost of construction of the project.

Proposed law removes the 10% local match requirement and replacing the requirement with project categories, based on the difference percentage local matches.

Proposed law (R.S. 34:3457(C)) creates categories for projects that require a local match, with different percentages for each category as follows:

- (1) A standard project requires a 10% local match.
- (2) A large project requires a 20% local match, subject to the legislature allocating additional Transportation Trust Fund dollars to the Port Construction and Development Priority Program.

Present law (R.S. 34:3473) provides for the DOTD's required procedure for public hearings regarding dredging and deepening project evaluations and the determination for the final program decision. Further requires that prior to the public hearings, the DOTD must publish the appropriate official notice of the hearing on the dept.'s website.

Proposed law modifies present law by changing the publication of the official notice from the dept.'s website to the Official Journal of the State, beginning on July 1, 2027.

Directs the La. State Law Institute to alphabetize and renumber definitions contained in proposed law.

(Amends R.S. 34:3452(A)(1)(intro. para.) and (D), 3453, 3457(A)(intro. para.) and 3473; Adds R.S. 34:3451(6)-(8) and 3457(C))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Transportation, Highways and Public Works to the original bill:

1. Make technical changes.
2. Add the definition of "benefit cost ratio" as the total benefits divided by the total cost of a project with the total cost being equal to the total investment, both public and private, required to implement the total project and derive the benefits and with total benefits being equal to the revenues and expenses, number of jobs, payroll benefits, spin-off benefits of payroll, shipping costs, or any other benefits that are determinable.
3. Add the definition of "large project" as a project with a total project cost between forty million dollars and eighty million dollars with a benefit cost ratio greater than or equal to five, a return on the state's investment greater than or equal to three and one half, and a private investment of between twenty-five and fifty percent of the total project cost.
4. Add the definition of "standard project" as a project with a benefit cost ratio greater than or equal to one and a return on the state's investment greater than or equal to two and three hundred seventy-five thousandths.
5. Add a requirement that the maximum amount for participation in standard projects be twenty-one million dollars, with a maximum allotment of seven million dollars per year per port and the maximum amount for participation in large projects be thirty-three million dollars, with a maximum allotment of eleven million dollars per year per port.
6. Add a start date of July 1, 2027 for the Department of Transportation and Development to publish the official notices in the Official Journal of the State, instead of necessary journals.
7. Remove that the categorized projects in proposed law not be funded by state funds.

8. Add the requirement that large projects requiring a 20% local match is subject to the legislature allocating additional Transportation Trust Fund dollars to the Port Construction and Development Priority Program.
9. Delete "a very large project" from the categories requiring local matches.
10. Directs the La. State Law Institute to alphabetize and renumber definitions contained in proposed law.

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Transportation, Highways, and Public Works to the engrossed bill

1. Changes the definition of "large project" and "small project".
2. Changes "private investment" to "investment".
3. Provides for the office of multimodal commerce to promulgate administrative rules.