

Regular Session, 2014

SENATE BILL NO. 573

BY SENATOR CHABERT

PUBLIC TRANSPORTATION. Creates the office of multimodal commerce in the Department of Economic Development and Multimodal Commerce created from a restructured Department of Economic Development, and transfers powers, duties, and responsibilities with respect to multimodal commerce and corresponding department employees, equipment, facilities, funding, and statutory entities from the Department of Transportation and Development to such office and department. (gov sig)

AN ACT

To amend and reenact R.S. 36:4(2), 101(A), (B), and (C)(1), the introductory paragraph of 104(B)(1)(a), 107(A), and 108(A) and to enact R.S. 36:110, relative to the creation of an office of multimodal commerce in the Department of Economic Development and Multimodal Commerce; to provide for a transfer of certain powers, duties, responsibilities, and corresponding department employees, equipment, facilities, funding, and statutory entities from the Department of Transportation and Development to such office and department; to restructure the Department of Economic Development into the Department of Economic Development and Multimodal Commerce; to create the Multimodal Commerce Transition Commission and provide for the creation of a transition plan by such commission; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 36:4(2), 101(A), (B), and (C)(1), the introductory paragraph of 104(B)(1)(a), 107(A), and 108(A) are hereby amended and reenacted and R.S. 36:110 is hereby enacted to read as follows:

CHAPTER 3. DEPARTMENT OF ECONOMIC DEVELOPMENT

AND MULTIMODAL COMMERCE

§4. Structure of executive branch of state government

A. In accordance with the provisions of Article IV, Section 1 and Article XIV, Section 6 of the Constitution of Louisiana, all offices, boards, commissions, agencies, and instrumentalities of the executive branch of state government, whether constitutional or statutory, and/or their functions, powers, duties, and responsibilities shall be allocated, either in the Act by which this Title was created or by legislation enacted subsequent thereto, within the departments listed in this Section, except as provided in Subsections B and C of this Section, and in order to comply with this constitutional mandate, the agencies of the executive branch of state government hereinafter enumerated, whether heretofore created by the constitution or by statute, and/or their functions, powers, duties, and responsibilities are allocated, in the manner hereinafter set forth in this Title, within the following designated departments:

* * *

(2) Department of Economic Development **and Multimodal Commerce**.

* * *

§101. Department of Economic Development **and Multimodal Commerce**;

creation; domicile; composition; purposes and functions

A.**(1)** The Department of Economic Development is created **and, beginning January 1, 2016, shall be renamed the Department of Economic Development and Multimodal Commerce and shall be restructured as provided for in R.S. 36:110.** ~~and The department~~ shall be a body corporate with the power to sue and be sued. The domicile of the department shall be in Baton Rouge.

(2) Beginning January 1, 2016, any reference in this Chapter, this Title, or any other Title of the Louisiana Revised Statutes of 1950 to the "Department of Economic Development" shall mean the "Department of Economic Development and Multimodal Commerce".

1 B. The Department of Economic Development **and Multimodal Commerce**,
2 through its offices and officers, shall be responsible for fostering the growth of
3 industry and other commercial enterprises in Louisiana **and multimodal commerce**
4 that will contribute to the overall improvement of the economy of the state. The
5 department shall promote the advantages of Louisiana to out-of-state business and
6 industry, facilitate the expansion of existing enterprises, **administer, provide for,**
7 **plan, and facilitate multimodal transportation, aviation, railroad, public mass**
8 **transit, public transportation, and water transportation systems**, and coordinate
9 with other state agencies and units of local government plans and programs aimed
10 at developing optimum conditions for new and expanding industrial and commercial
11 enterprises in Louisiana, **including effective and efficient multimodal**
12 **transportation systems for such enterprises.**

13 C.(1) The Department of Economic Development **and Multimodal**
14 **Commerce** shall be composed of the executive office of the secretary, the office of
15 management and finance, **the office of multimodal commerce**, the office of
16 business development, and such other offices as shall be created by law.

17 * * *

18 §104. Powers and duties of the secretary of economic development **and**
19 **multimodal commerce**

20 * * *

21 B. The secretary shall have the authority to:

22 (1)(a) Except as otherwise specifically provided in R.S. 36:~~110~~, 801, and ~~R.S.~~
23 ~~36:803~~:

24 * * *

25 §107. Assistant secretaries

26 A. Each office within the Department of Economic Development, except the
27 office of management and finance, and the office of entertainment industry
28 development, **and the office of multimodal commerce**, shall be under the
29 immediate supervision and direction of an assistant secretary. **The office of**

1 multimodal commerce shall be under the immediate supervision and direction
2 of a Commissioner of Multimodal Commerce. The assistant secretary and such
3 commissioner of each such office shall be appointed by the governor with the
4 consent of the Senate. Each shall serve at the pleasure of the governor and shall be
5 paid a salary which shall be fixed by the governor, which salary shall not exceed the
6 amount approved for such position by the legislature while in session.

7 * * *

8 §108. Offices; purposes and functions

9 A. The purposes for which the offices of the Department of Economic
10 Development are created shall be as set forth in this Section and R.S. 36:110.

11 * * *

12 §110. The Department of Economic Development and Multimodal Commerce;
13 creation; restructuring; transition

14 A. The Legislature finds that intrastate transportation is a crucial factor
15 in developing the economy of Louisiana, but under the current structure of state
16 government is not given the attention it deserves. Under present law, the
17 important responsibility of providing, planning, and facilitating multimodal
18 transportation, aviation, railroads, public mass transit, public transportation,
19 and water transportation systems is buried in the structure of the Department
20 of Transportation and Development. That large department is tasked with
21 many different responsibilities and duties which make it difficult for it to
22 administratively focus on all of them and at the same time accomplish its
23 important function of providing efficient and cost-effective construction and
24 maintenance of roads, highways, expressways, bridges, drainage, and flood
25 control systems. Therefore, in order to give higher visibility and action to and
26 allow greater concentration on the equally important responsibilities of
27 administering, providing for, planning, and facilitating multimodal
28 transportation, aviation, railroad, public mass transit, public transportation,
29 and water transportation systems, the legislature hereby expresses its intention

1 to transfer those administrative responsibilities to an office of multimodal
2 commerce within the "Department of Economic Development and Multimodal
3 Commerce", restructured as provided for in this Section, capable of giving them
4 the close focus they deserve.

5 B. Notwithstanding any other provision of law to the contrary, in order
6 to implement the intention of the Legislature as expressed in Subsection A of
7 this Section, the provisions of this Section shall supercede any contrary or
8 contradictory provisions of Chapter 11 of this Title or any other law.

9 C. All statutory authority for the existence of the Department of
10 Economic Development as structured on the initial effective date of this Section
11 shall cease as of January 1, 2016.

12 D.(1) Except as provided in Paragraph (2) of this Subsection, the powers,
13 duties, responsibilities and corresponding department employees, equipment,
14 facilities, and funding of the Department of Transportation and Development
15 with respect to the function of administering, managing, providing for,
16 planning, and facilitating multimodal transportation, aviation, railroads, public
17 mass transit, public transportation, and water transportation systems, and
18 related statutory entities made a part of such department, shall be transferred
19 to the office of multimodal commerce of the Department of Economic
20 Development and Multimodal Commerce, as created and structured in
21 Subsection E of this Section, effective January 1, 2016.

22 (2)(a) In order to avoid duplication and extra expense to government,
23 and in order to efficiently use existing expertise:

24 (i) The transfer of function provided for in Paragraph (1) of this
25 Subsection shall not include those employees, equipment, and facilities of the
26 Department of Transportation and Development which are concerned with
27 engineering and construction of projects, permitting, or the funding necessary
28 for costs related to such employees, equipment, and facilities, as determined by
29 the Multimodal Commerce Transition Commission and its approved plan

1 provided for in Subsection F of this Section. However, the commission's
2 approved transition plan shall require the Department of Transportation and
3 Development to provide the services and expertise of such employees,
4 equipment, and facilities upon the request of the office of multimodal commerce
5 of the Department of Economic Development and Multimodal Commerce.

6 (ii) The initial level of funding for the employees, equipment, facilities,
7 and funding transferred pursuant to this Subsection shall not exceed an amount
8 equal to the percentage that such funding bears to the total funding of the
9 Department of Transportation and Development in the fiscal year prior to the
10 transfer.

11 (b) Any powers, duties, responsibilities and corresponding department
12 employees, equipment, facilities, and funding of the Department of
13 Transportation and Development with respect to federal programs on rail
14 safety and the administration of federal rail safety and hazard mitigation funds
15 and the like shall remain with the Department of Transportation and
16 Development.

17 E.(1) The Department of Economic Development shall be restructured
18 and re-created, effective January 1, 2016, as the Department of Economic
19 Development and Multimodal Commerce which shall be composed of the offices
20 provided for on that date and the office of multimodal commerce.

21 (2)(a) The office of multimodal commerce shall be under the supervision
22 of a Commissioner of Multimodal Commerce, and shall be vested with the
23 powers, duties, responsibilities, budgetary authority, employees, equipment,
24 facilities, and funding provided for in Subsection D of this Section. The
25 commissioner shall be authorized to employ, appoint, remove, assign, and
26 promote such personnel as is necessary for the efficient administration required
27 in performing these responsibilities, in accordance with applicable civil service
28 laws, rules, and regulations, and with policies and rules, subject to budgetary
29 control of the Department of Economic Development and Multimodal

1 Commerce, and applicable laws. The secretary, deputy secretary, and
2 undersecretary of the department shall have no authority to exercise, review,
3 administer, or implement the powers, duties, functions, and responsibilities
4 provided or authorized for the office pursuant to this Section. However, the
5 undersecretary of the department shall, under the supervision and control of
6 the secretary, perform and administer those functions of the office which he is
7 required to perform and administer to the extent provided for in this Chapter.

8 (b) Such powers, duties, responsibilities, budgetary authority, employees,
9 equipment, facilities, and funding of the office of multimodal commerce shall
10 be allocated among the following divisions which shall be provided for by law
11 in such office:

12 (i) Commercial Road Transportation.

13 (ii) Public Transit.

14 (iii) Ports and Harbors.

15 (iv) Aviation.

16 (v) Rail.

17 (vi) Maritime Industry and Waterways.

18 (vii) Offshore Terminal Authority.

19 (3) Except for the office of multimodal commerce, the remainder of the
20 Department of Economic Development and Multimodal Commerce shall retain
21 the same organizational structure as the Department of Economic Development
22 has prior to January 1, 2016.

23 F.(1) The Multimodal Commerce Transition Commission is hereby
24 established within the office of the governor. It shall be composed of the
25 following:

26 (a) The Commissioner of Administration, or his designee, who shall be
27 chair of the commission.

28 (b) The Secretary of the Department of Economic Development, or his
29 designee.

1 (c) The Secretary of the Department of Transportation and
2 Development, or his designee.

3 (d) The Chairs of the Senate and House committees on Transportation,
4 Highways, and Public Works, or their designees.

5 (e) The Chairs of the Senate Committee on Commerce, Consumer
6 Protection, and International Affairs and the House Committee on Commerce,
7 or their designees.

8 (f) A representative selected by the Ports Association of Louisiana
9 selected by its board of directors.

10 (g) A representative selected by the Louisiana Association of Waterway
11 Operators and Shipyards, or his designee.

12 (h) A representative selected by the Louisiana Airport Managers
13 Association, or his designee.

14 (i) A representative selected by the Louisiana Motor Transport
15 Association, or his designee.

16 (j) A representative selected by the Louisiana Railroad Association, or
17 his designee.

18 (k) The chairman of the Louisiana Board of International Commerce, or
19 his designee.

20 (2) The Multimodal Commerce Transition Commission shall meet and
21 develop a transition plan for the 2015 Regular Session of the Legislature for the
22 following:

23 (a) The orderly and efficient transfer from the Department of
24 Transportation and Development to the office of multimodal commerce of the
25 Department of Economic Development and Multimodal Commerce of the
26 powers, duties, responsibilities and corresponding department employees,
27 equipment, facilities, and funding with respect to the function of administering,
28 managing, providing for, planning, and facilitating multimodal transportation,
29 aviation, railroads, public mass transit, public transportation, and water

1 transportation systems, and related statutory entities made a part of the
2 Department of Transportation and Development as provided for in Subsection
3 D of this Section, to become effective on January 1, 2016.

4 (b) The organizational structure of the office of multimodal commerce,
5 with an allocation of the powers, duties, responsibilities, officers, equipment,
6 and employees among the specific divisions provided for in Subparagraph (2)(b)
7 of Subsection E of this Section, to become effective on January 1, 2016.

8 (c) Proposed legislation for the 2015 Regular Session of the Legislature
9 necessary to implement the transition plan on January 1, 2016.

10 (3) A majority of the members of the commission shall constitute a
11 quorum for the purpose of taking any action, and actions of the commission
12 may be taken by an affirmative vote of the members of the commission present.

13 (4) The transition plan of the Multimodal Commerce Transition
14 Commission shall be presented to the Senate Committee on Commerce,
15 Consumer Protection, and International Affairs and the House Committee on
16 Commerce for their review, amendment, and approval prior to the 2015
17 Regular Session of the Legislature.

18 Section 2. This Act shall become effective upon signature by the governor or, if not
19 signed by the governor, upon expiration of the time for bills to become law without signature
20 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
21 vetoed by the governor and subsequently approved by the legislature, this Act shall become
22 effective on the day following such approval.

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

DIGEST

Chabert (SB 573)

Proposed law terminates all statutory authority for the existence of the Department of Economic Development [DED] on January 1, 2016.

Proposed law requires the transfer to the office of multimodal commerce of the Department of Economic Development and Multimodal Commerce, as created and structured in the proposed law effective January 1, 2016, of the powers, duties, responsibilities and corresponding department employees, equipment, facilities, and funding of the Department

of Transportation and Development [DOTD] with respect to the function of administering, managing, providing for, planning, and facilitating multimodal transportation, aviation, railroads, public mass transit, public transportation, and water transportation systems, and related statutory entities made a part of such department [hereafter called "multimodal functions"].

However, in order to avoid duplication and extra expense to government, and in order to efficiently use existing expertise:

- (1) Employees, equipment, and facilities of DOTD which are concerned with engineering and construction of projects, permitting, or the funding necessary for costs related to such employees, equipment, and facilities, as determined by the Multimodal Commerce Transition Commission and its approved plan (see below) are not transferred, but the commission's approved transition plan must require DOTD to provide the services and expertise of such employees, equipment, and facilities upon the request of the office of multimodal commerce.
- (2) The initial level of funding for the employees, equipment, facilities, and funding transferred must not exceed an amount equal to the percentage that such funding bears to the total funding of DOTD in the fiscal year prior to the transfer.
- (3) Any powers, duties, responsibilities and corresponding department employees, equipment, facilities, and funding of DOTD with respect to federal programs on rail safety and the administration of federal rail safety and hazard mitigation funds and the like must remain with DOTD.

Proposed law requires DED to be restructured and re-created, effective January 1, 2016, as the "Department of Economic Development and Multimodal Commerce" which is to be composed of the offices in DED provided for on that date and the office of multimodal commerce.

The office is under the supervision of a Commissioner of Multimodal Commerce, and is vested with the multimodal functions. The commissioner is authorized to employ, appoint, remove, assign, and promote such personnel as is necessary for the efficient administration required in performing those responsibilities, subject to budgetary control of the Department of Economic Development and Multimodal Commerce. The secretary, deputy secretary, and undersecretary of the department have no authority to exercise, review, administer, or implement the powers, duties, functions, and responsibilities provided or authorized for the office pursuant to the proposed law. However, the undersecretary of DED shall, under the supervision and control of the secretary, perform and administer those functions of the office which he is required to perform and administer to the extent provided for in present law.

Proposed law requires the "multimodal functions" and employees, equipment, facilities, and funding to be allocated among the following divisions that must be provided for by law in the office:

- (1) Commercial Road Transportation.
- (2) Public Transit.
- (3) Ports and Harbors.
- (4) Aviation.
- (5) Rail.
- (6) Maritime Industry and Waterways.

(7) Offshore Terminal Authority.

Except for the office of Multimodal Commerce, the remainder of the Department of Economic Development and Multimodal Commerce is to retain the same organizational structure as DED has prior to January 1, 2016.

Proposed law establishes The Multimodal Commerce Transition Commission within the office of the governor composed of the following:

- (1) The Commissioner of Administration, or his designee, who is the chair of the commission.
- (2) The Secretary of DED, or his designee.
- (3) The Secretary of DOTD, or his designee.
- (4) The chairs of the Senate and House committees on Transportation, Highways, and Public Works, or their designees.
- (5) The chairs of the Senate Committee on Commerce, Consumer Protection, and International Affairs and the House Committee on Commerce, or their designees.
- (6) A representative selected by the Ports Association of Louisiana selected by its board of directors.
- (7) A representative selected by the Louisiana Association of Waterway Operators and Shipyards, or his designee.
- (8) A representative selected by the Louisiana Airport Managers Association, or his designee.
- (9) A representative selected by the Louisiana Motor Transport Association, or his designee.
- (10) A representative selected by the Louisiana Railroad Association, or his designee.
- (11) The chairman of the La. Board of International Commerce, or his designee.

The transition commission must meet and develop a transition plan for the 2015 Regular Session for the following:

- (1) The orderly and efficient transfer from DOTD to the office of multimodal commerce of the "multimodal functions" powers, duties, responsibilities and corresponding department employees, equipment, facilities, and funding with respect to the multimodal functions of DOTD, to become effective on January 1, 2016.
- (2) The organizational structure of the office of multimodal commerce, with an allocation of the powers, duties, responsibilities, officers, equipment, and employees among the specific divisions provided for in the proposed law (see above) to become effective on January 1, 2016.
- (3) Proposed legislation for the 2015 Regular Session necessary to implement the transition plan on January 1, 2016.

Proposed law requires the transition plan to be presented to the Senate Committee on Commerce, Consumer Protection, and International Affairs and the House Committee on Commerce for their review, amendment, and approval prior to the 2015 Regular Session.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 36:4(2), 101(A), (B), and (C)(1), 104(B)(1)(a) (intro para), 107(A), and 108(A); adds R.S. 36:110)