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The original instrument was prepared by Riley Boudreaux. The following digest, which does not constitute a part of the legislative instrument, was prepared by Kari B. Couvillon.

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## 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, 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, at no cost to such office.
- (2) The initial level of funding for the employees, equipment, facilities, and funding transferred, and administration thereof, 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, and shall be composed of the offices in DED provided for on that date and the office of multimodal commerce.

Proposed law provides that 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. The secretary and deputy secretary 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 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, or his designee.
- (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.
- (12) The chairman of the board of the Offshore Marine Service Association, 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. 36:101(B), and (C)(1), 104(B)(1)(a) (intro para), 107(A), and 108(A); adds R.S. 36:110)

## Summary of Amendments Adopted by Senate

### Committee Amendments Proposed by Senate Committee on Commerce, Consumer Protection, and International Affairs to the original bill

1. Revises name of department from Department of Economic Development and Multimodal Commerce to Department of Economic Development
2. Provides that Dept. of Transportation and Development shall provide services and expertise in the transfer of the office of multimodal commerce at no cost to the office.
3. Authorizes funding for administrative costs.
4. Adds a member to the Multimodal Commerce Transition Commission.

### Committee Amendments Proposed by Senate Committee on Finance to the engrossed bill

1. Technical amendments.
2. Provides for Ports Association of Louisiana designee.