DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Chabert SB No. 573

<u>Proposed law</u> requires the transfer to the office of ports and maritime commerce of the Dept. of Economic Development ("DED"), as created and structured in <u>proposed law</u> effective Jan. 1, 2016, of the powers, duties, responsibilities, and corresponding department employees, equipment, facilities, and funding of the Dept. of Transportation and Development ("DOTD") with respect to the function of administering, managing, providing for, planning, and facilitating ports, harbors, and water transportation systems, and related statutory entities made a part of such department (hereafter called "ports and maritime functions").

In order to avoid duplication and extra expense to government, and in order to efficiently use existing expertise, <u>proposed law</u> provides as follows:

- (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 Ports and Maritime 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 ports and maritime 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.

<u>Proposed law</u> requires DED to be restructured and re-created, effective Jan. 1, 2016, and shall be composed of the offices in DED provided for on that date and the office of ports and maritime commerce.

<u>Proposed law</u> provides that the office is under the supervision of a commissioner of ports and maritime commerce and is vested with the ports and maritime functions. Provides that 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 DED. Provides that 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 <u>proposed law</u>. However, provides that the undersecretary of DED shall, under the supervision and control of the secretary, perform and administer those functions of the office that he is required to perform and administer to the extent provided for in <u>present law</u>.

<u>Proposed law</u> requires the ports and maritime 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) Ports and Harbors.
- (2) Maritime Industry and Waterways.

Except for the office of ports and maritime commerce, the remainder of DED is to retain the same organizational structure as DED has prior to Jan. 1, 2016.

<u>Proposed law</u> establishes the Ports and Maritime 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) Two representatives of the Ports Assoc. of La. selected by its board of directors.
- (7) Two representatives of the La. Assoc. of Waterway Operators and Shipyards selected by its board.
- (8) The chairman of the La. Board of International Commerce, or his designee.
- (9) Two representatives of the Offshore Marine Service Assoc. selected by its board of directors.

<u>Proposed law</u> requires the transition commission to meet and develop a transition plan for the 2015 R.S. for the following:

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

<u>Proposed law</u> 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 the respective committee's review, amendment, and approval no later than Feb. 1, 2015.

Effective upon signature of 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 <u>from</u> Department of Economic Development and Multimodal Commerce <u>to</u> 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.

<u>Committee Amendments Proposed by Senate Committee on Finance to the engrossed bill</u>

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

Senate Floor Amendments to reengrossed bill

- 1. Makes technical changes.
- 2. Removes the aviation division from the office of multimodal commerce and all references to aviation.
- 3. Removes the representative of the Louisiana Airport Managers Association as a member of the commission.
- 4. Changes the date required for submission of the commission's transition plan from prior to the 2015 Regular Session to no later than February 1, 2015.

Summary of Amendments Adopted by House

Committee Amendments Proposed by <u>House Committee on House and Governmental</u> <u>Affairs</u> to the <u>re-reengrossed</u> bill.

- 1. Removes provisions of <u>proposed law</u> transferring powers, duties, responsibilities, and corresponding department employees, equipment, facilities, funding, and statutory entities relative to multimodal transportation, railroad, public mass transit, and public transportation, thereby limiting <u>proposed law</u> to ports, harbors, and water transportation systems. Makes corresponding changes to provisions providing for the creation of an office within the Dept. of Economic Development and the creation of a transition commission.
- 2. Removes provisions providing for a division of Offshore Terminal Authority within the office created by <u>proposed law</u> within the Dept. of Economic Development.
- 3. Makes technical changes.