

ACT No. 858

HOUSE BILL NO. 1410

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1 AN ACT

2 To amend and reenact R.S. 48:394(A)(1) and (C) and to enact R.S. 48:394(D) and Chapter
3 35 of Title 48 of the Louisiana Revised Statutes of 1950, to be comprised of R.S.
4 48:2170 through 2189, relative to the development of transportation infrastructure;
5 to provide relative to the "The Louisiana Intrastate Rail Compact"; to authorize the
6 creation of compacts to develop a system of railways, transitways, and other
7 transportation facilities; to provide for the powers and duties of such compacts; to
8 authorize compacts to issue bonds and raise revenues subject to voter approval; to
9 prohibit the development of transportation infrastructure by prohibiting closure of
10 private railroad crossings; and to provide for related matters.

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. R.S. 48:394(A)(1) and (C) are hereby amended and reenacted and R.S.
13 48:394(D) and Chapter 35 of Title 48 of the Louisiana Revised Statutes of 1950, comprised
14 of R.S. 48:2170 through 2189, are hereby enacted to read as follows:

15 §394. Private crossing elimination

16 A.(1) Any railroad company operating in this state which desires to close or
17 remove a private crossing shall, no less than one hundred eighty days prior to the
18 proposed closing or removal, provide a written request by registered or certified mail
19 to the Louisiana Public Service Commission and to the owner or owners of record
20 of the private crossing traversed by the rail line. The written request shall state ~~the~~

1 ~~reason the railroad company proposes to close such crossing.~~ the manner in which
2 such private railroad crossing unreasonably burdens or substantially interferes with
3 rail transportation.

4 * * *

5 C. If, after such public hearing, the commission determines that ~~closure or~~
6 ~~removal of such private crossing is necessary for safety and in the best interest of the~~
7 ~~public,~~ the private railroad crossing unreasonably burdens or substantially interferes
8 with rail transportation, the commission shall publish in the official journal of the
9 parish where such crossing is located and in the commission's official bulletin a
10 notice stating the manner in which such closure or removal shall be made and the
11 date of such.

12 D. The provisions of this Section shall not apply when a private landowner
13 or landowners and a railroad company enter into a consensual or negotiated written
14 agreement or agreements to close a private railroad crossing.

15 * * *

16 CHAPTER 35. THE LOUISIANA INTRASTATE RAIL COMPACT

17 §2170. Short title

18 This Chapter shall be known and may be referred to as "The Louisiana
19 Intrastate Rail Compact Act".

20 §2171. Purpose; findings; determinations

21 A. The development, improvement, expansion, and maintenance of an
22 efficient, safe, and well-maintained system of railways, transitways, and other
23 transportation facilities that promote mobility are essential to Louisiana's economic
24 health and are intended to act as a system that provides a basis for business and
25 industry to compete cost effectively on a regional, national, and global scale in order
26 to provide a high quality of life for the people of this state.

27 B. The expansion of local and regional transportation facilities is vital to the
28 growth and development of the parishes and the state.

29 C. Public sources of revenues, including federal funding, that provide an
30 efficient transportation system have not kept pace with the state's growing population

1 and transportation needs. Therefore, available alternative sources of revenue
 2 generation should be utilized to supplement currently available public funding in
 3 order to provide these needed transportation facilities.

4 D. Since public funding sources are not providing the state with sufficient
 5 revenues to meet all of its transportation needs, parishes and municipalities are
 6 hereby encouraged to utilize public-private partnerships as an additional means to
 7 assist in financing improvements to the state transportation system, especially the
 8 development of a rail travel choice in Louisiana in order to meet regional and local
 9 transportation needs.

10 E. Nothing in this Chapter shall be construed to usurp the property rights of
 11 privately owned freight railroads or abrogate the rights and responsibilities of
 12 privately owned freight railroads under federal law as carriers of interstate
 13 commerce.

14 §2172. Definitions

15 Unless the text clearly indicates otherwise, the following words or phrases
 16 shall have the following meanings:

17 (1) "Act" means the Louisiana Intrastate Rail Compact Act.

18 (2) "Board" means the board of directors of a compact.

19 (3) "Bonds" means bonds, notes, certificates, obligations, or any other
 20 evidence of indebtedness or evidence of borrowed money issued or entered into by
 21 a compact to finance a project.

22 (4) "Compact" means any quasi-governmental entity compact formed by any
 23 parish or municipality, or two or more parishes or municipalities, or any combination
 24 of parishes and municipalities pursuant to the provisions of this Chapter or any
 25 successor thereto.

26 (5) "Department" means the Department of Transportation and Development
 27 or any successor agency thereto.

28 (6) "Municipal-street system project" means any proposed capital project
 29 involving the acquisition of land for, or the acquisition, construction, reconstruction,

1 improvement, installation, extension, development, or equipping of real property or
2 related facilities as part of the rail service program.

3 (7) "Parish-related project" means any proposed capital project involving the
4 acquisition of land for, or the acquisition, construction, reconstruction, improvement,
5 installation, extension, development, or equipping of real property as part of a parish
6 road railway or other transportation system and related facilities to the railway
7 program.

8 (8) "Project" means any capital project undertaken pursuant to this Chapter
9 involving the acquisition of real property for, or the acquisition, construction,
10 reconstruction, improvement, extension, installation, development, or equipping of
11 a railway, related facilities, or any portion thereof, including a state-designated
12 passenger rail project.

13 (9) "Project costs" means all costs of acquisition and construction; the cost
14 of acquisition of all land, rights-of-way, servitudes, property rights, easements, and
15 interests acquired, or to be acquired, by a compact for such a railway program and
16 related construction; the cost of demolishing or removing any buildings or structures
17 on land so acquired, including the cost of acquiring any lands to which such
18 buildings or structures may be moved; the cost of all machinery and equipment;
19 financing charges, interest charges, interest prior to and during construction; cost of
20 traffic estimates and of engineering and legal expenses; plans, specifications, and
21 surveys; estimates of cost and of revenues; other expenses necessary or incidental
22 to determining the feasibility or practicability of constructing a railway project;
23 administrative expenses and such other expenses as may be necessary or incidental
24 to the construction of a project; the financing of such railway construction and the
25 placing of a rail transport project in operation. Any obligation or expenses hereafter
26 incurred by the department, with the approval of a compact, for traffic surveys,
27 borings, preparation of plans and specifications, and other engineering services in
28 connection with the construction of a project shall be regarded as part of the cost of
29 the project and shall be reimbursed to the department.

1 (10) "Public utility facilities" means tracks, pipes, signals, railroad grade-
2 crossing protection at vehicular crossings, stations, parking facilities mains, conduits,
3 cables, wires, towers, poles, railroads, and other equipment and appliances which are
4 either publicly or privately owned.

5 (11) "Real property" means lands, waters, rights in lands or waters,
6 structures, franchises, and interests in land, including lands under water, riparian
7 rights, property rights in air space or subsurface space, and any and all other things
8 and rights usually included within the said term, including any and all interests in
9 such property less than full title, such as easements and servitudes, rights-of-way,
10 uses, leases, licenses, and all other incorporeal hereditaments and every estate,
11 interest or right, legal or equitable, whether permanent or temporary.

12 (12) "Revenues" means:

13 (a) All income, revenues, and receipts derived or to be derived from a project
14 owned, leased, maintained, operated, or otherwise received by a compact from a
15 project, or from contracts or agreements relating to a project, including but not
16 limited to lease or sublease agreements, sale agreements, security agreements, loan
17 agreements, pledge agreements, or other financing agreements between that compact
18 and any entity, or from any other sources whatsoever.

19 (b) Monies generated by way of contract, pledge, donation, or bequest.

20 (c) Monies generated by taxes of a public entity which are authorized to be
21 assessed and levied by law.

22 (13) "State" means the state of Louisiana.

23 (14) "State-designated project" means any proposed capital project involving
24 the acquisition of land for, or the acquisition, construction, reconstruction,
25 improvement, installation, extension, development, or equipping of real property as
26 part of the state transportation system, including railway projects and related
27 facilities.

28 (15) "State transportation system" means all roadways, highways, bridges,
29 or tunnels which constitute the state rail transportation system.

1 (16) "Transitway" or "railway" means any fixed guide way facility involving
2 the use of rail or dedicated transit lines.

3 §2173. Creation of compacts; jurisdiction

4 Any parish or municipality, or two or more parishes or municipalities, or any
5 combination of parishes and municipalities are hereby authorized to form a quasi-
6 governmental entity compact. Any such compact created pursuant to this Chapter
7 shall be considered and treated as a body politic and corporate established for the
8 public purposes enumerated herein. The boundaries of the compact shall be
9 coextensive with the territorial boundaries of the parish or parishes or municipality
10 or municipalities which establish such compact. The compact shall have the power
11 to adopt bylaws containing such terms and provisions as the directors of the compact
12 shall deem necessary or convenient to further carry out its purposes, provided that
13 nothing therein may contravene any of the provisions of this Chapter.

14 §2174. Liability

15 Neither the state nor any state agency, parish, municipality, district, or any
16 other political subdivision or other public entity shall be subject to any claims,
17 liabilities, costs, expenses, or causes of action for any personal injury or damage to
18 property arising out of the construction, operation, or maintenance of any project, or
19 which may happen to occur on any railway, if such incident giving rise thereto
20 occurs prior to transfer and reversion of ownership of any project from a compact
21 created hereunder to the state or appropriate parish or municipality in accordance
22 with the provisions of this Chapter. Should any suit or other action be filed against
23 a compact created hereunder prior to reversion of a project, such reversion shall be
24 effected as provided in this Chapter, but the compact so joined by such action shall
25 continue in existence as provided in R.S. 48:2189(A). No individual member,
26 officer, director, or employee of a compact shall be liable personally for any such
27 claims, liabilities, costs, expenses, or causes of action in any event.

28 §2175. Directors

29 A. The board of the compact shall consist of such directors as are specified
30 in the compact agreement, provided the board shall consist of at least five directors,

1 including the Louisiana designee to the Southern Rail Corridor to be appointed by
2 the chairman of the Southern Rail Corridor.

3 B. All directors shall be appointed by the parish or municipality forming the
4 compact, if there is only one. If more than one parish, municipality, or any
5 combination of parishes and municipalities is involved in forming a compact, each
6 parish or municipality shall appoint an equal number of directors.

7 C. The compact shall elect from its directors a chairman, a vice chairman,
8 and a secretary-treasurer who shall serve one-year terms. Where more than one
9 parish or municipality is involved in the formation of a compact, the chairmanship
10 for each successive term shall be alternated among the representatives of all
11 participating parishes and municipalities.

12 D. Any vacancy which occurs prior to the expiration of a term for which a
13 member of the board has been appointed shall be filled by appointment in the same
14 manner as the original appointment for the unexpired term as set forth in the articles
15 of incorporation or bylaws of the compact.

16 E. Upon the effective date of an appointment, or as soon as practicable
17 thereafter, each appointed member shall enter upon their duties. A member shall
18 hold office until a successor has been appointed. Any member of the compact is
19 eligible for reappointment.

20 F. All directors shall have equal status, and all directors shall have a vote.

21 G. The presence of a majority of the board shall constitute a quorum. A
22 majority vote of those present and voting shall be necessary for any action taken by
23 the board.

24 H. A vacancy on the board shall not impair the right of a quorum to exercise
25 a right or perform a duty of the board.

26 §2176. Compensation of directors

27 Directors of the board shall not be entitled to any salary for services, but each
28 member shall be reimbursed for actual expenses necessarily incurred in the
29 performance of all duties in connection with the business of a compact in compliance
30 with Policy and Procedure Memorandum 49, as promulgated by the division of

1 administration, as amended and revised and may, if authorized by the board, be
2 entitled to a per diem when conducting official business, not to exceed seventy-five
3 dollars per day.

4 §2177. Conflict of interest; ethics code

5 Any compact created pursuant to this Chapter, and all directors and officers
6 thereof, shall be subject to the Code of Governmental Ethics (R.S. 42:1101 et seq.).

7 §2178. Right of public agencies to material

8 Any compact created pursuant to this Chapter shall be subject to and fully
9 comply with the Public Records Law (R.S. 44:1 et seq.) and the Open Meetings Law
10 (R.S. 42:4.1 et seq.) of the state. The proceedings and documents of a compact shall
11 be public record. All reports, maps, or other technical documents produced in whole
12 or in part by a compact may be utilized by the department of any other public agency
13 in any manner that they deem necessary and advisable in the conduct of their duties.

14 §2179. Establish feasibility; prior written approval

15 A. A compact created and established pursuant to this Chapter may
16 construct and operate transit way facilities along a transit corridor within the state
17 under the terms and conditions set forth in this Chapter, with the prior express
18 written consent of the affected governing bodies within the geographic boundaries
19 of such compact after public hearing. The facilities must be part of the approved
20 transportation plan and program of the department and the local metropolitan
21 planning organization, where applicable.

22 B. Prior to the initiation of environmental impact statements and preliminary
23 engineering, feasibility studies must first be conducted to substantiate project need
24 and justification.

25 §2180. General grant of powers and duties

26 In addition to having all of the powers granted, each compact may exercise
27 all additional powers necessary, appurtenant, convenient, or incidental to the
28 carrying out of its purposes, including but not limited to the following rights and
29 powers:

1 (1) To adopt and amend bylaws, regulations, and procedures for the
2 governance of its affairs and the conduct of its business and to designate an official
3 journal which shall be a newspaper of general circulation within the geographical
4 boundary of the compact.

5 (2) To adopt, use, and alter at will an official seal.

6 (3) To construct, reconstruct, maintain, improve, install, extend, develop,
7 equip, repair, operate, own, and lease projects within the geographic boundaries of
8 the compact in the manner to be determined by the compact, including in segments,
9 phases, or stages, and all rights-of-way and to pay all project costs in connection
10 therewith.

11 (4) To sue and be sued in its own name, plead, and be impleaded; however,
12 any and all actions at law or in equity against the compact shall be brought in the
13 parish where the cause of action arises, and if land is involved, including
14 condemnation proceedings, suit shall be brought in the parish where the land is
15 situated.

16 (5) To fix, revise, and adjust, from time to time, fees, and charges in
17 connection with each project sufficient to pay all or a portion of maintenance,
18 operation, debt service and reserve or replacement costs, and other necessary or usual
19 charges and to regulate speed limits on the railway transportation system.

20 (6) To contract with any person, partnership, association, or corporation
21 desiring the use of any part of a project, including the rights-of-way adjoining the
22 paved portion, for placing thereon telephone, fiber optic, telegraph, electric light, or
23 power lines, gas stations, garages, and restaurants, or for any other purpose, and to
24 fix the terms, conditions, rents, and rates of charges for such use. Any utilities which
25 are placed within the right-of-way shall be loadable by the one-call system, and the
26 utilities shall place locator strips on any buried objects. The contract or lease shall
27 require the removal at the expense of the lessee of any utilities or other obstructions
28 placed within the right-of-way at the request of such private utility owner when
29 expansion of the rail transportation facility requires such removal.

1 (7) To acquire, hold, and dispose of real and personal property in the
2 exercise of its powers and the performance of its duties under this Chapter in
3 accordance with existing state law.

4 (8) To acquire in the name of the compact by purchase, gift, transfer,
5 foreclosure, lease, or otherwise, including rights or easements, or by the exercise of
6 the power of eminent domain in the manner hereinafter provided, such public or
7 private lands, including public parks, playgrounds or reservations, or parts thereof
8 or rights therein, rights-of-way, property rights, easements, and interests, as it may
9 deem necessary for carrying out the provisions of this Chapter. Eminent domain
10 shall be used for the sole purpose of constructing a railway transportation system and
11 for the other public purposes set forth in this Chapter, and not for the exercise of, or
12 accommodation for, private development interests, including but not limited to
13 service stations, food marts, restaurants, truck stops, or other private enterprises.

14 (9) To hold, sell, assign, lease, or otherwise dispose of any real or personal
15 property or any interest therein; to release or relinquish any right, title, claim, lien,
16 interest, easement, or demand however acquired, including any equity or right of
17 redemption in property foreclosed by it; to take assignments of leases and rentals;
18 proceed with foreclosure actions; or take any other actions necessary or incidental
19 to the performance of its corporate purposes.

20 (10) To designate the location, and establish, limit, and control points of
21 ingress and egress for each project as may be necessary or desirable in the judgment
22 of the compact to ensure the proper operation and maintenance of such project, and
23 to prohibit entrance to such project from any point or points not so designated.
24 Creation of new points of ingress and egress or substantial reconstruction or redesign
25 of the same shall be made only after public hearing. Where the state railway
26 transportation system is affected, the concurrence of the department shall be obtained
27 for any such matters set forth in this Paragraph.

28 (11) In all cases where parish, municipal, or other public roads are affected
29 or severed, the compact is hereby empowered and required to move and replace the

1 roads with equal or better facilities, and all expenses and resulting damages, if any,
2 shall be paid by the compact.

3 (12) To enter, or authorize its agents to enter, upon any lands, waters, and
4 premises within the geographic boundaries of the compact for the purpose of making
5 surveys, soundings, drillings, and examinations as it may deem necessary or
6 appropriate for the purposes of this Chapter, and such entry shall not be deemed a
7 trespass or unlawful. The compact shall make reimbursement for any actual
8 damages resulting to such lands, waters, and premises as a result of such activities.

9 (13) To procure liability, casualty, and other insurance in such amount or
10 amounts appropriate to the size of the project, as determined by the board, insuring
11 the compact against all losses, risk, and liability arising out of the construction,
12 operation, maintenance, and ownership of any project.

13 (14) To apply for, receive, and accept subventions, grants, loans, advances,
14 and contributions from any source of money, property, labor, or other things of
15 value, to be held, used, and applied for its corporate purposes.

16 (15) To open accounts at financial institutions as necessary for the conduct
17 of its business and to invest any funds held in reserves or sinking funds, or any funds
18 not required for immediate disbursement in such investments as may be provided in
19 any financing document relating to the use of such funds, or, if not so provided, as
20 the board may determine, subject to compliance with state laws relative to
21 investments by political subdivisions.

22 (16) To borrow money and issue bonds for any corporate purpose, including
23 the development, construction, or financing of any project which the compact is
24 authorized to acquire or construct, including all costs in connection with and
25 incidental to such acquisition or construction and the financing thereof.

26 (17) To enter into contracts and agreements and execute all instruments
27 necessary or convenient thereto for accomplishing the purposes of this Chapter.
28 Such contracts and agreements may include, without limiting the foregoing,
29 construction agreements, purchase or acquisition agreements, loan or lease
30 agreements, partnership agreements, including limited partnership agreements, joint

1 venture, participation agreements, or loan agreements with leasing corporations or
2 other financial institutions or intermediaries.

3 (18) To enter into agreements with a public or private entity, to permit the
4 entity, independently or jointly with the compact, to construct, maintain, repair, or
5 operate projects, and to authorize the investment of public and private money to
6 finance such projects, subject to compliance with state law relative to use of public
7 funds.

8 (19) To employ consultant engineers, attorneys, accountants, construction
9 and financial experts, superintendents, managers, and such other employees and
10 agents as may be necessary for the accomplishment of its corporate purposes, and to
11 fix their compensation.

12 (20) To exercise the power of eminent domain in accordance with general
13 law, or at the option of the compact, Part XII of Chapter 1 of Title 48 of the
14 Louisiana Revised Statutes of 1950, and the provisions relating to acquisition of
15 property prior to judgment found therein, provided that any property so acquired by
16 a compact which is not used for an authorized public purpose of the compact within
17 three years of such acquisition shall be reconveyed by the compact to the prior
18 owners thereof at current market value. Upon refusal or failure to accept
19 reconveyance of such property by the prior owner, the compact may use or dispose
20 of such property as provided for in this Chapter.

21 (21) To do all acts and things necessary or convenient for the powers granted
22 to it by law.

23 (22) No freight railroad system or any of its infrastructure or assets shall be
24 taken or included within the operational activities of any compact unless specifically
25 agreed to by the freight railroad company.

26 §2181. State-designated projects; department approvals

27 A. A compact may, upon obtaining the approval of the Department of
28 Transportation and Development undertake a state-designated project as a project
29 under this Chapter.

1 B. Any portion of a compact project which is proposed to connect with or
 2 otherwise directly affect the operation of any portion of any state highway or any
 3 state-designated project shall be approved by the Department of Transportation and
 4 Development.

5 C. Notwithstanding any other law to the contrary, specifically including but
 6 not limited to the Louisiana Expressway Law (R.S. 48:1251 et seq.), any compact
 7 organized pursuant to the provisions of this Chapter shall have full power to carry
 8 out all of the powers and duties set forth in this Chapter, without the necessity of
 9 obtaining the approval or consent of the state, or any state agency, political
 10 subdivision, district, authority, or other public entity except as expressly provided
 11 for in this Chapter.

12 §2182. Acquisition of lands and property

13 A. For the purposes of this Chapter, a compact may acquire private or public
 14 property and property rights, including rights of access, air, view, and light, by gift,
 15 devise, purchase, or condemnation by eminent domain proceedings, as the compact
 16 may deem necessary for any of the purposes of this Chapter, including but not
 17 limited to any lands reasonably necessary for securing applicable permits, areas
 18 necessary for management of access, borrow pits, drainage ditches, water retention
 19 areas, rest areas, placement access for landowners whose access is impaired due to
 20 the construction of a project, and replacement rights-of-way for relocated rail and
 21 utility facilities for existing, proposed, or anticipated transportation facilities in the
 22 transportation corridor designated by the compact.

23 B. In the acquisition of land and property, a compact may acquire an entire
 24 lot, block, or tract of land, if, by so doing, the acquisition costs to the compact will
 25 be equal to or less than the cost of acquiring only that portion of the property thereof
 26 necessary for the project. This Subsection is a specific recognition that this means
 27 of limiting the rising costs of such property acquisition is a public purpose and that,
 28 without this limitation, the viability of many public projects will be threatened. To
 29 that end, the provisions of R.S. 48:2180(20), regarding reconveyance of such excess

1 portion shall not apply except in the case of the exercise by a compact of its right of
 2 eminent domain.

3 C. A compact may sell, lease, or otherwise dispose of all or any portion of
 4 a project, provided that the sale, lease, or other disposition of a state-designated
 5 project shall require department approval. Notwithstanding any law to the contrary,
 6 any surplus property may be sold in accordance with procedures adopted by the
 7 compact that maximize the price received for such property.

8 D. The right of eminent domain conferred by this Chapter must be exercised
 9 by each compact in the manner provided by state law.

10 E. When a compact acquires property for a project, it is not subject to any
 11 liability imposed by pre-existing conditions. This Subsection does not, however,
 12 affect the rights or liabilities of any past or future owners of the acquired property,
 13 nor does it affect the liability of any governmental entity for the results of its actions
 14 which create or exacerbate a pollution source. The compact and the Louisiana
 15 Department of Environmental Quality may enter into interagency agreements for the
 16 performance, funding, and reimbursement of the investigative and remedial acts
 17 necessary for property acquired by the compact.

18 §2183. Public utilities

19 A. A compact shall have the power to make reasonable regulations for the
 20 installation, construction, maintenance, repair, renewal, relocation, and removal of
 21 any public utility, railroad, vehicular crossings of railroads, pipeline company, or
 22 other entity, in, on, along, over, or under a project. Whenever a compact shall
 23 determine that it is necessary that any public utility facilities which now are, or
 24 hereafter may be, located in, on, along, over, or under a project should be relocated
 25 in such project, or should be removed from such project, or should be carried along
 26 or across the project by grade separation, the owner or operator of such facilities
 27 shall relocate or remove the same in accordance with the order of the compact;
 28 however, the cost and expenses of such relocation or removal or grade separation,
 29 including the cost of installing such facilities in a new location or new locations, and
 30 the cost of any land, or any rights-of-way or interest in lands, and any other rights

1 acquired to accomplish such relocation or removal, and the cost of maintenance of
2 grade separation structures, shall be paid by the compact as a part of the cost of such
3 project. In case of any such relocation or removal of public utility facilities, the
4 owners or operators of the same, their successors or assigns, may use and operate
5 such public utility facilities, with the necessary appurtenances, in the new location
6 or new locations, for as long a period, and upon the same terms and conditions, as
7 they had the right to maintain and operate such public utility facilities in their former
8 location or locations.

9 B. Notwithstanding the provisions of Subsection A of this Section, any
10 utility allowed to exist on a compact's right-of-way at the request of the utility
11 pursuant to R.S. 48:2180(6), shall be responsible for any cost of relocation, removal,
12 or grade separation and all expenses related thereto.

13 §2184. Levy special benefit assessments

14 A. A compact formed under the provisions of this Chapter may levy special
15 benefit assessments for needed public rail transit facilities and services on the
16 property which benefits from those facilities and services.

17 B. The intrastate rail compact transit facilities and services provide special
18 benefits to parcels of land, and improvements thereon, in the vicinity of rail rapid
19 transit stations, and provide general benefits to the community at large. The board
20 of directors of a compact shall be conclusive judge of the proportion of special and
21 general benefits produced by the facilities and of the distribution of the special
22 benefits among parcels of property within the benefit assessment district.

23 C. The compact may exercise the powers granted to an economic
24 development district pursuant to R.S. 33:9038.33 and 33:9038.34 as if the compact
25 is such an economic development district; however, no state tax increments shall be
26 dedicated to pay any revenue bonds of any compact or be otherwise used to obligate
27 the state financially to support a compact or projects of a compact.

1 §2185. Local option

2 The provision of R.S. 48:2184 shall not apply to any municipality or parish
3 unless the qualified electors of the municipality or parish vote in favor of the
4 application of this Chapter to the municipality or parish.

5 §2186. Contracts; construction and law enforcement

6 A. Contracts of a compact for the construction, improvement, repair, or
7 maintenance of any municipal street system project, parish-related project, or project
8 of a compact as defined in R.S. 48:2172(8) shall be made and awarded pursuant to
9 Chapter 10 of Title 38 of the Louisiana Revised Statutes of 1950.

10 B. Exceptions shall be made for publicly funded improvements made to
11 private railway property under contract to the compact for a public benefit, where the
12 labor organizations of the private railway have agreements to carry out work on such
13 property. In this case, the granted public benefit by the private railway company
14 shall be considered an intangible asset owned by the compact.

15 C. Notwithstanding any law to the contrary, a compact may contract with a
16 private entity to provide services for design, cost estimate, feasibility studies,
17 operations, management and construction management services, provided that any
18 contract awarded for such services shall be awarded only after the compact drafts
19 and uses a request for proposal seeking proposals from qualified providers. Notice
20 of such request for proposals shall be published twice, once a week for two weeks,
21 in the official journal of the compact and once in at least one trade journal. Such
22 notice shall give a brief description of the services sought where a complete request
23 for proposal form may be obtained and the deadline for response to the proposal,
24 which shall be no less than thirty days from the last publication in the official
25 journal. Nothing in this Subsection shall be construed to allow contracts for the
26 construction, improvement, repairs, or maintenance of railways to be awarded in any
27 manner other than as set forth in Subsection A of this Section.

28 D. A compact created hereunder shall contract with either the state police,
29 a law enforcement district, or municipal law enforcement agency for law
30 enforcement and patrol functions.

1 §2187. Bonds

2 A. Without reference to any provision of the Constitution of Louisiana and
3 the laws of Louisiana, and as a grant of power in addition to any other general or
4 special law, a compact created pursuant to this Chapter may issue bonds for any
5 corporate purpose and pledge revenues for the payment of the principal and interest
6 of such bonds. A compact is further authorized, in its discretion, to pledge all or any
7 part of any gift, grant, donation, or otherwise any sum of money, aid, or assistance
8 from the United States, the state, or any political subdivision thereof, unless
9 otherwise restricted by the terms thereof, all or any part of the proceeds of bonds,
10 credit agreements, instruments, or any other money of the compact, from whatever
11 source derived, for the further securing of the payment of the principal and interest
12 of the bonds.

13 B. Bonds issued under the provisions of this Chapter shall not be deemed to
14 constitute a pledge of the full faith and credit of the state or of any governmental unit
15 thereof. All such bonds shall contain a statement on their face substantially to the
16 effect that neither the full faith and credit of the state nor the full faith and credit of
17 any public entity of the state are pledged to the payment of the principal of the
18 interest on such bonds. The issuance of bonds under the provisions of this Chapter
19 shall not directly, indirectly, or contingently obligate the state or any governmental
20 unit of the state to levy any taxes whatever therefor or to make any appropriation for
21 their payment, other than obligations to make payments by the state or public entities
22 to the compact arising out of contracts authorized under this Chapter.

23 C. Prior to the issuance of any bonds for a project, a business plan must be
24 prepared detailing the estimated expenditures for and revenues from the operation
25 of all capital improvements and the time schedule for such expenditures and receipts.
26 The compact shall employ a financial advisor, and the plan must be recommended
27 by the compact's financial advisor as fiscally sound and approved by the compact
28 prior to the issuance of any bonds.

29 D. Bonds shall be authorized by a resolution of the board and shall be of
30 such series, bear such date or dates, mature at such time or times, bear interest at

1 such rate or rates, including but not limited to fixed, variable, or zero rates, be
2 payable at such time or times, be in such denominations, be in such form, carry such
3 registration and exchangeability privilege, be payable in such medium of payment
4 and at such place or places, be subject to such terms of redemption prior to maturity
5 at such price or prices as determined by the compact, and be entitled to such priority
6 on the revenues as such resolution or resolutions may provide.

7 E. Bonds shall be sold by the compact at public sale by competitive bid or
8 negotiated private sale and at such price or prices as the compact may determine to
9 be in the best interest of the compact.

10 F. The issuance of bonds shall not be subject to any limitations,
11 requirements, or conditions contained in any other law, and bonds may be issued
12 without obtaining the consent of the state or any political subdivision, or of any
13 agency, commission, or instrumentality thereof, except that the issuance of such
14 bonds shall be subject to the approval of the State Bond Commission. The bonds
15 shall be issued in compliance with the provisions of this Chapter.

16 G. For a period of thirty days after the date of publication of a notice of
17 intent to issue bonds in the official journal of the compact authorizing the issuance
18 of bonds hereunder, any persons in interest shall have the right to contest the legality
19 of the resolution and the legality of the bond issue for any cause, but after that time
20 no one shall have any cause or right of action to contest the legality of the resolution
21 or of the bonds or the security therefor for any cause whatsoever. If no suit, action,
22 or proceeding is begun contesting the validity of the resolution, the bonds or the
23 security therefor within the thirty days herein prescribed, the compact to issue the
24 bonds and to provide for the payment thereof, the legality thereof, and of all of the
25 provisions of the resolution authorizing the issuance of the bonds shall be
26 conclusively presumed to be legal and shall be incontestable. Any notice of intent
27 so published shall set forth in reasonable detail the purpose of the bonds, the security
28 therefor, and the parameters of amount, duration, and interest rates. A compact shall
29 designate any paper of general circulation in its geographical jurisdiction as its
30 official journal. Any suit to determine the validity of bonds issued by the compact

1 shall be brought only in accordance with the provisions of the Bond Validation
2 Procedures Act (R.S. 13:5121 et seq.). In addition, the Bond Validation Procedures
3 Act may also be used to establish the validity of any contract entered into pursuant
4 to R.S. 48:2180(18).

5 H. All bonds issued pursuant to this Chapter shall have all the qualities of
6 negotiable instruments under the commercial laws of the state.

7 I. Any pledge of revenues or other monies made by a compact shall be valid
8 and binding from the time when the pledge is made. The revenues or monies so
9 pledged and thereafter received by the compact shall immediately be subject to the
10 lien of such pledge without any physical delivery thereof or further act, and the lien
11 of any such pledge shall be valid and binding as against all parties having claims of
12 any kind in tort, contract, or otherwise against the compact irrespective of whether
13 such parties have notice thereof.

14 J. Neither the directors of the board nor any person executing the bonds shall
15 be liable personally for the bonds or be subject to any personal liability or
16 accountability by reason of the issuance thereof.

17 K. Bonds of a compact, their transfer, and the income therefrom shall at all
18 times be exempt from all taxation by the state or any political subdivision thereof,
19 and may or may not be exempt for federal income tax purposes. The bonds issued
20 pursuant to this Chapter shall be and are hereby declared to be legal and authorized
21 investments for banks, savings banks, trust companies, building and loan
22 associations, insurance companies, fiduciaries, trustees, and guardians. Such bonds
23 shall be eligible to secure the deposit of any and all public funds of the state and any
24 and all public funds of municipalities, parishes, school districts, or other political
25 corporations or subdivisions of the state. Such bonds shall be lawful and sufficient
26 security for said deposits to the extent of their value.

27 L. A compact organized pursuant to this Chapter is hereby authorized to
28 provide by resolution for the issuance of refunding bonds of the compact for the
29 purpose of refunding any bonds then outstanding and issued by the provisions of this
30 Chapter, whether or not such outstanding bonds have matured or are then subject to

1 redemption. The compact is further authorized to provide by resolution for the
 2 issuance of a single issue of bonds of the compact for the combined purposes of (1)
 3 paying the costs of any project, and (2) refunding bonds of the compact which shall
 4 then be outstanding, whether or not such outstanding bonds have matured or are then
 5 subject to redemption. The issuance of such refunding bonds, the maturities, and the
 6 other details thereof, the rights and remedies of the holders thereof, and the rights,
 7 powers, privileges, duties, and obligations of the compact with respect to the same,
 8 shall be governed by the foregoing provisions of this Chapter insofar as the same
 9 may be applicable.

10 M. A compact created hereunder shall have the authority to employ all
 11 professionals it deems necessary in the issuance of its bonds, including but not
 12 limited to bond counsel, issuer counsel, a financial advisor, and fiduciaries.

13 N. A compact created hereunder shall be deemed to be a public entity for
 14 purposes of Chapters 13, 13-A, 14, 14-A, 14-B, and 15-A of Title 39 of the
 15 Louisiana Revised Statutes of 1950, as amended, which statutes shall apply to bonds
 16 of a compact, provided that in the event of a conflict with the provisions of this
 17 Chapter, the provisions of this Chapter shall control.

18 §2188. Chapter supplemental; liberal construction

19 The powers and rights conferred by this Chapter shall be deemed to provide
 20 an additional and alternative method for the doing of the things authorized thereby,
 21 shall be regarded as supplemental and additional to powers conferred by other
 22 general laws, and shall not be regarded as in derogation of any powers now existing.
 23 This Chapter does and shall be construed to provide a complete and additional
 24 method for the issuance of bonds. No proceeding, hearing, notice, or approval shall
 25 be required for the issuance of any bonds or any instrument as security therefor,
 26 except as provided herein. The provisions of this Chapter shall be liberally construed
 27 for the accomplishment of its purposes.

28 §2189. Cessation of railway; conveyance of project

29 A. When bonds issued for any parish-related project and the interest thereon
 30 have been paid in full, or sufficient funds have been deposited in trust for that

1 purpose, and the parish project is in a condition of maintenance satisfactory to the
2 parish, said project and any property acquired as part of project costs shall be
3 transferred by the compact to and shall thereby be conveyed in full ownership to the
4 respective parish; and the parish shall assume jurisdiction and control of the project,
5 which will then become part of the parish road system and be subject to
6 maintenance, control, and operation of the parish as an integral part of the parish
7 road system, and the parish, in its discretion, may provide that any toll or fee
8 collected may be continued for the purpose of maintenance. Upon the later of
9 payment in full of all bonds and the interest thereon, the deposit of funds in trust for
10 such purpose, or the final resolution of any disputes or litigation pending against a
11 compact on such transfer and conveyance date, the existence of the compact shall
12 terminate. From the date of such transfer and conveyance of the project, the compact
13 shall continue to exist to dispose of any unresolved litigation not related to the day-
14 to-day management of the project. If no such litigation is pending on the date the
15 project transfers and conveys, the compact shall terminate on the transfer and
16 conveyance date.

17 B. When bonds issued for any municipal-designated project and the interest
18 thereon has been paid in full, or sufficient funds have been deposited in trust for that
19 purpose and the municipal project is in a condition of maintenance satisfactory to the
20 municipality, said project and any property acquired as part of the project costs shall
21 be transferred by the compact to and shall thereby be conveyed in full ownership to
22 the respective municipality; and the municipality shall assume jurisdiction and
23 control of the project, which will then become part of the municipal road system and
24 be subject to maintenance, control, and operation of the municipality as an integral
25 part of the municipal road system, and the municipality, in its discretion, may
26 provide that any fee collected may be continued for the purpose of maintenance.
27 Upon the later of payment in full of all bonds and the interest thereon, the deposit of
28 funds in trust for such purpose, of the final resolution of any disputes or litigation
29 pending against a compact on such transfer and conveyance date, the existence of the
30 compact shall terminate. From the date of such transfer and conveyance of the

1 project, the compact shall continue to exist to dispose of any unresolved litigation
 2 not related to the day-to-day management of the project. If no such litigation is
 3 pending on the date the project transfers and conveys, the compact shall terminate
 4 on the transfer and conveyance date.

5 C. A notice of transfer and reversion of ownership of any such project shall
 6 be published twice in the official journal of the state, parish, or municipality, as the
 7 case may be, to receive such ownership conveyance with the first publication to be
 8 made not more than one hundred eighty nor less than one hundred fifty days from
 9 the full bond principal and interest payment or date of deposit in trust therefor and
 10 the second not more than ninety nor less than sixty days therefrom.

11 D. Any parish or municipality may form or join a compact formed under the
 12 provisions of this Chapter by another parish or municipality with the approval of the
 13 governing authority of such parish and parish president, or the governing authority
 14 of the municipality.

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

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____