

SENATE BILL NO. 223

BY SENATORS MILLS AND JOHNS

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

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AN ACT

To enact Chapter 51 of Title 34 of the Louisiana Revised Statutes of 1950, comprised of R.S. 34:3551 through 3552, and R.S. 36:509(U), relative to ports; to create the Coastal Port Advisory Authority; to provide for the authority's membership and its officers; to provide for the duties and functions of the authority; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. Chapter 51 of Title 34 of the Louisiana Revised Statutes of 1950, comprised of R.S. 34:3551 through 3552, is hereby enacted to read as follows:

CHAPTER 51. COASTAL PORT ADVISORY AUTHORITY

§3551. Coastal Port Advisory Authority; purpose; legislative findings

The legislature hereby finds and declares that the development of oil and gas resources is essential to promote Louisiana's economic growth and the ability of the maritime, oil and gas industries to compete in regional, national, and global markets and to provide a high quality of life for the people of this state. The legislature declares and finds the following:

(1) The Gulf of Mexico has substantial oil and gas resources.

(2) Many of these resources are considered to be in the deep waters of the Gulf of Mexico.

(3) Major energy companies are expressing renewed interest in the deepwater oil and gas resources of the Gulf of Mexico as expressed in recent federal oil and gas lease sales and in budgeted capital expenditures.

(4) The state of Louisiana was once best suited to serve as the host state

1 for the fabrication of the infrastructure needed to develop shallow and some
2 deepwater Gulf of Mexico oil and gas resources because of its competitive
3 advantage of world class coastal ports.

4 (5) Due to the need for larger and heavier infrastructures to serve the
5 continued quest for deep water resources combined with the current limitations
6 of Louisiana's coastal ports, the state of Louisiana, and the United States of
7 America, are losing market shares, for the fabrication of deep water
8 infrastructure projects.

9 (6) Economic opportunities and job creation resulting from improved
10 coastal port infrastructures could create a renaissance of fabrication resulting
11 from the proposed private investment of major energy companies in the
12 deepwater resources of the Gulf of Mexico.

13 (7) The state of Louisiana has a great opportunity to fund the greatest
14 environmental project of our generation, the restoration of coastal Louisiana,
15 from the proceeds of deepwater oil and gas resources as a result of previously
16 adopted federal law and certain Louisiana constitutional amendments.

17 (8) The state of Louisiana should move aggressively to determine how
18 it can best fund improvements to its coastal ports in order to take advantage of
19 the pending private sector investments in the deepwater resources of the Gulf
20 of Mexico, and, thereby secure itself as the premiere province to host such
21 activities, and further secure jobs for its citizens and improvements to the
22 quality of life.

23 §3552. Coastal Port Advisory Authority; creation; membership; duties and
24 functions

25 A. The Coastal Port Advisory Authority is hereby created in the office
26 of multimodal planning within the Department of Transportation and
27 Development.

28 B. The authority shall perform its duties and functions through a board
29 composed of the following members:

30 (1) One member appointed at large by the governor who shall serve as

1 chairman of the authority and have knowledge of the deepwater Gulf of Mexico.

2 (2) The governor's executive assistant for coastal activities or his
3 designee.

4 (3) The secretary of the Department of Transportation and Development
5 or his designee.

6 (4) The secretary of the Department of Economic Development or his
7 designee.

8 (5) The secretary of the Department of Natural Resources or his
9 designee.

10 (6) A representative of the Ports Association of Louisiana selected by its
11 chairman of the board of directors.

12 (7) One member from each of Louisiana's coastal ports appointed by
13 each port's executive director.

14 (8) One member from each of Louisiana's deep draft ports appointed by
15 each port's executive director.

16 C. The members shall select a vice chairman to serve in the absence of
17 the chairman. The marine and rail transportation administrator within the
18 office of multimodal planning, Department of Transportation and Development,
19 shall serve as secretary of the authority and shall not vote.

20 D. (1) The authority shall be advisory in nature.

21 (2)(a) The authority shall research and study economic development
22 opportunities available to the state's maritime industries and the needs of the
23 oil and gas industry relative to coastal and deep draft ports. The authority shall
24 inventory and evaluate the resources and infrastructure of coastal and deep
25 draft ports, including existing and future resource and infrastructure needs in
26 order to attract business and increase future market shares, identify technical
27 research and previously developed information on markets available to coastal
28 and deep draft ports, study coastal and deep draft port capacities and
29 utilization, identify potential future deficit areas, and investigate incentives for
30 coastal and deep draft port development.

1 **(b) The authority shall not be eligible to apply for or receive funding**
2 **from the Port Construction and Development Priority Program as provided in**
3 **R.S. 34:3451 et seq.**

4 **(c) The authority shall be prohibited from advising on any matter**
5 **related to the Port Construction and Development Priority Program.**

6 **(3) Not later than May 1, 2015, and not later than May first annually**
7 **thereafter, the authority shall report the progress of its activities to the House**
8 **and Senate Committees on Transportation, Highways, and Public Works.**

9 **(4) The authority may call upon the expertise of others with knowledge**
10 **of Gulf of Mexico deep water exploration and production, including but not**
11 **limited to the Louisiana Mid-Continent Oil and Gas Association, the Louisiana**
12 **Oil and Gas Association, the American Petroleum Institute, the National Ocean**
13 **Industries Association, the Gulf Economic Survival Team, chambers of**
14 **commerce, Louisiana universities, fabrication companies, the Louisiana**
15 **Association of Waterway Operators and Shipyards, the Louisiana River Pilots'**
16 **Association, and port organizations.**

17 **(5) Executive agencies and departments of the state represented on the**
18 **authority may enter into interagency agreements to share costs necessary to**
19 **perform authority duties, functions, and responsibilities.**

20 **E. (1) A majority of the members shall constitute a quorum. A quorum**
21 **being present, the favorable vote of at least a simple majority of the total**
22 **membership present shall be required for the authority to take action on any**
23 **matter.**

24 **(2) The board shall meet at least once per year, or more frequently as**
25 **necessary, upon call of the chairman.**

26 **(3) Members of the authority shall not receive a salary or**
27 **reimbursement for mileage or expenses incurred for attendance at authority**
28 **meetings from the authority.**

29 **F. The provisions of this Chapter shall terminate on June 30, 2018.**

30 Section 2. R.S. 36:509(U) is hereby enacted to read as follows:

1 §509. Transfer of agencies to Department of Transportation and Development

2 * * *

3 **U. The Coastal Port Advisory Authority (R.S. 34:3551 et seq.) shall be**
4 **placed within the office of multimodal planning, Department of Transportation**
5 **and Development, and shall perform its duties, functions, and responsibilities**
6 **in the manner provided by law.**

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____