

SENATE BILL NO. 723

BY SENATORS APPEL, ALARIO, ALLAIN, BROOME, CHABERT, CORTEZ, CROWE, DONAHUE, DORSEY-COLOMB, ERDEY, GALLOT, JOHNS, KOSTELKA, LAFLEUR, MARTINY, MILLS, MORRELL, MORRISH, MURRAY, RISER, GARY SMITH, THOMPSON, WALSWORTH, WARD AND WHITE AND REPRESENTATIVES BROSSETT, LEGER, ARNOLD, BADON, WESLEY BISHOP, BROADWATER, TIM BURNS, CARMODY, CONNICK, DIXON, HARRIS, HAZEL, HOFFMANN, HOWARD, HUNTER, GIROD JACKSON, LIGI, LOPINTO, LORUSSO, MILLER, MORENO, ORTEGO, PONTI, POPE, REYNOLDS, SIMON AND THIBAUT

1 AN ACT

2 To enact R.S. 36:109(V) and Chapter 54 of Title 51 of the Louisiana Revised Statutes of
3 1950, to be comprised of R.S. 51:3111 through 3118, relative to the Louisiana
4 International Commerce Initiative; to create the office of international commerce
5 within the Department of Economic Development; to create the Louisiana Board of
6 International Commerce; to provide for membership of the board; to provide for
7 powers and duties of the board; to provide for definitions, terms, procedures, and
8 conditions; to provide for development of the Master Plan of International
9 Commerce and an annual report; to provide for legislative oversight; and to provide
10 for related matters.

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. R.S. 36:109(V) is hereby enacted to read as follows:

13 §109. Transfer of boards, commissions, departments, and agencies to Department
14 of Economic Development

15 * * *

16 **V. The office of international commerce (R.S. 51:3111) is placed within**
17 **the Department of Economic Development and shall exercise and perform its**
18 **functions, duties, and responsibilities as provided by law.**

* * *

Section 2. Chapter 54 of Title 51 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 51:3111 through 3118 are hereby enacted to read as follows:

CHAPTER 54. LOUISIANA INTERNATIONAL COMMERCE INITIATIVE

§3111. Purpose

The provisions of this Chapter establish the office of international commerce within the Department of Economic Development to serve as the authority on behalf of the state to advance the state's international commerce economic sector. The office of international commerce shall achieve this objective by utilizing the state's public and private resources to strategically develop and enhance Louisiana's participation and competitiveness in international commerce, by attracting foreign and domestic investment and trade related corporate business into the state, and by developing manufacturing, corporate, and service business activity based upon Louisiana's trade economy.

§3112. Definitions

As used in this Chapter, the following terms shall have the meanings ascribed to them below:

(1) "Board" means the Louisiana Board of International Commerce.

(2) "Department" means the Department of Economic Development.

(3) "Initiative" means the Louisiana International Commerce Initiative.

(4) "International ports" means those ports, commonly known as deep draft ports, whose main function is waterborne commerce, both import and export, directly linked to world commerce. These ports include, but are not limited to, the following:

(a) Port of Greater Baton Rouge.

(b) Lake Charles Harbor and Terminal District, Port of Lake Charles.

(c) Port of New Orleans.

(d) Plaquemines Port, Harbor and Terminal District.

(e) St. Bernard Port, Harbor and Terminal District.

1 **(f) Port of South Louisiana.**

2 **(5) "Inland ports" means those ports, commonly known as shallow draft**
3 **ports, engaged in waterborne commerce whose cargoes depend upon import or**
4 **export through international ports for connection to world markets.**

5 **(6) "International commerce" means a two-tiered, integrated economic**
6 **sector concentrating upon the state's unique position in world commerce. "Tier**
7 **one" shall be defined as business activity in the areas of waterborne or airborne**
8 **commerce, manufacturing related to imported and exported products and**
9 **services, other international activities, and corporate business activity resulting**
10 **from the state's engagement in international commerce. "Tier two" shall be**
11 **defined as inland transportation connectors, including water, highway, and rail,**
12 **air transportation, airborne passenger travel, assembly and distribution, free**
13 **trade zones, and other support business activities including but not limited to**
14 **finance, insurance, suppliers of materials, legal, brokerage, freight forwarding,**
15 **and other such services.**

16 **(7) "Master plan" means the Master Plan of International Commerce.**

17 **(8) "Office" means the office of international commerce within the**
18 **Department of Economic Development.**

19 **(9) "Project" means but is not limited to the construction of a physical**
20 **asset and associated infrastructure to be used in the course of the business of**
21 **international commerce, a business activity such as a marketing effort or the**
22 **development of a business relationship, or an executable strategy such as joint**
23 **ventures between governmental and nongovernmental organizations or**
24 **businesses. Projects may be undertaken by the office, another agency, or other**
25 **entities as described in this Chapter. For the purposes of this Chapter,**
26 **"project" shall not be construed to include any of the following:**

27 **(a) A project not consisting of the construction of a physical asset,**
28 **including infrastructure, with a projected final cost of less than one million**
29 **dollars.**

30 **(b) A project consisting of construction of a physical asset, including**

1 infrastructure, with a projected final cost of less than five million dollars.

2 (c) As it relates to ports, a project of any inland port or a project from
3 any port or harbor district other than an international port.

4 (10) "Secretary" means the secretary of the Department of Economic
5 Development.

6 §3113. Office of international commerce

7 A. The office of international commerce is hereby created as an office
8 within the Department of Economic Development.

9 B. The office shall include the secretary, the executive director of
10 international commerce, staff of the department assigned to the office, the
11 board, any advisory subcommittee appointed by the chairman of the board, and
12 staff of the board and any advisory subcommittee.

13 §3114. Powers and duties of the secretary and executive director

14 A. The secretary shall administer and enforce the provisions of this
15 Chapter relating to duties and activities of the office, the board, and advisory
16 subcommittees of the board.

17 B. The secretary may execute partnerships, joint ventures, memoranda
18 of understanding, cooperative endeavors, or other similar relationships with
19 local, state, or federal public entities, foreign governments, nongovernmental
20 organizations, or private entities and business interests to implement the master
21 plan. Such state public entities shall include but are not limited to the
22 following: the Department of Transportation and Development, the
23 Department of Agriculture and Forestry, and the Department of Culture,
24 Recreation and Tourism.

25 C. The executive director of the office of international commerce shall
26 report directly to the secretary.

27 D. The secretary and the executive director shall represent the board in
28 all matters.

29 E. The secretary and the executive director shall represent the policy
30 and viewpoints of the office at foreign, state, regional, and local levels.

1 **§3115. Louisiana Board of International Commerce**

2 **A. The Louisiana Board of International Commerce is hereby created**
3 **within the office of international commerce of the Department of Economic**
4 **Development. The board shall be domiciled in East Baton Rouge Parish.**

5 **B. The board shall exercise, subject to the provisions of this Chapter, the**
6 **following duties:**

7 **(1) Develop, coordinate, implement, make reports on, manage, and**
8 **provide oversight of the Master Plan of International Commerce and prepare**
9 **annual reports to the legislature. The master plan shall position Louisiana as**
10 **a leader in international commerce and trade and shall include a comprehensive**
11 **strategy addressing all matters of international commerce and trade for the**
12 **state of Louisiana. An annual report shall monitor the progress of the**
13 **implementation of the master plan and shall be submitted to the legislature for**
14 **approval as set forth in R.S. 51:3117.**

15 **(2) Develop and execute a strategy to coordinate planning, marketing,**
16 **and resources between all private or nongovernmental organizations, private**
17 **business interests, international ports, the department, other departments of**
18 **state government, including the Department of Transportation and**
19 **Development, the Department of Agriculture and Forestry, the Department of**
20 **Culture, Recreation and Tourism, and any other federal or state governmental**
21 **agency involved in international commerce.**

22 **(3) Establish criteria for projects to be included in the master plan and**
23 **use these criteria to evaluate and approve projects for inclusion in the master**
24 **plan that are submitted by the organizations, entities, or persons provided in**
25 **Paragraph (2) of this Subsection.**

26 **(4) Include in the master plan projects approved by the board.**

27 **(5) Include in the annual report a detailed description of each project**
28 **included in the master plan, and the current status of approved projects.**

29 **(6) Create a mechanism to establish priorities of the approved projects**
30 **and establish a procedure for the use of the priority system to control the order**

1 in which projects included in the master plan are executed.

2 (7) Coordinate and assist the organizations, entities, or persons
3 described in Paragraph (2) of this Subsection in its development and execution
4 of projects that are approved by the board as being consistent with the
5 comprehensive strategy of the master plan and in the priority order established
6 by the board. Such assistance by the board shall include but not be limited to
7 coordination between governmental and nongovernmental organizations as well
8 as assistance with the identification of capital resources for the use of
9 organizations that develop projects.

10 (8) Monitor implementation of a state strategy to attract foreign direct
11 investment and to attract international corporate business to Louisiana.

12 (9) Identify, solicit, and recommend to the secretary, partnerships, joint
13 ventures, memoranda of understanding, cooperative endeavors, or other similar
14 relationships with local, state, or federal public entities, foreign governments,
15 nongovernmental organizations, or private entities and business interests to
16 implement the master plan. Such public entities shall include but are not
17 limited to the following: the Department of Transportation and Development,
18 the Department of Agriculture and Forestry, and the Department of Culture,
19 Recreation and Tourism.

20 (10) Identify, accept, obtain or assist in obtaining, foreign, federal, state,
21 and private funds consistent with the provisions of this Chapter. Such funds
22 shall include funds from matching sources, gifts, grants, and donations.

23 (11) Develop and implement methods to self-generate funds. Such
24 funds obtained consistent with the provisions of this Chapter shall be used solely
25 for the operations of the office and execution of projects included in the master
26 plan.

27 (12) Identify funding sources for infrastructure that is required to
28 support projects or existing facilities and assist organizations, entities, or
29 persons provided in Paragraph (2) of this Subsection to enter into business
30 relationships, such as public-private partnerships, to secure funding for such

1 infrastructure.

2 (13) Conduct meetings and hold hearings.

3 (14) Adopt rules in accordance with the Administrative Procedure Act
4 consistent with the provisions of this Chapter.

5 (15) As determined by the board, the chairman shall appoint advisory
6 subcommittees to review, evaluate, and report to the board on projects
7 proposed for inclusion in the master plan or for other purposes as approved by
8 the board. In accordance with the scope of the subcommittee's work, the
9 subcommittee may include non-board personnel. Such personnel shall not be
10 compensated by the board. The board may request the secretary to engage
11 experts to assist the board in performing its functions and duties. Every effort
12 shall be made to utilize the staff of the office, department, international ports,
13 nongovernmental organizations, or state universities prior to the engagement
14 of outside experts.

15 (16) Establish a recommended annual budget for the operation of the
16 office and submit such recommended budget to the secretary for inclusion in the
17 department's annual budget. Funding of the office for the first year of
18 operation shall be derived from existing department resources and funds.
19 Details of the office's revenues and expenses, including its recommended annual
20 budget, shall be included in the annual report.

21 (17) Expend funds consistent with the provisions of this Chapter.

22 (18) Recommend that the secretary enter into agreements, memoranda
23 of understanding, and cooperative endeavors with foreign governments, private
24 entities, nongovernmental organizations, and local, state, and federal public
25 entities that are consistent with the provisions of this Chapter.

26 (19) Provide recommendations to the legislature with respect to the
27 implementation, management, and funding of the office.

28 (20) Present recommendations to the House Committee on Commerce
29 and the Senate Committee on Commerce, Consumer Protection, and
30 International Affairs by February first of each year for proposed legislation

1 consistent with the comprehensive strategy of the master plan and the
2 provisions of this Chapter.

3 (21) Advise the secretary on any matter regarding the office.

4 §3116. Membership of board

5 A. The board shall consist of the following members:

6 (1) The secretary of the department or his designee.

7 (2) The secretary of the Department of Transportation and Development
8 or his designee.

9 (3) The commissioner of the Department of Agriculture and Forestry or
10 his designee.

11 (4) The secretary of the Department of Culture, Recreation and Tourism
12 or his designee, with consideration given to the appointment of the executive
13 director of the Council on the Development of French in Louisiana as his
14 designee.

15 (5)(a) Eight members appointed by the governor who represent regional
16 economic development organizations in the state. Such members shall, to the
17 greatest extent possible, be engaged in international commerce or trade. The
18 governor shall make the appointment from a list of names submitted by the
19 following organizations:

20 (i) Greater New Orleans, Inc.

21 (ii) Baton Rouge Area Chamber.

22 (iii) Central Louisiana Economic Development Alliance.

23 (iv) Southwest Louisiana Partnership for Economic Development.

24 (v) North Louisiana Economic Partnership.

25 (vi) Acadiana Economic Development Council, Inc.

26 (vii) Northeast Louisiana Economic Alliance.

27 (viii) Jefferson Parish Economic Development Commission.

28 (ix) South Louisiana Economic Council.

29 (x) Ascension Chamber of Commerce.

30 (xi) River Region Chamber of Commerce.

1 **(b) Each organization shall submit two names to the governor.**

2 **(6)(a) Four members appointed by the governor, of which two members**
3 **shall represent international business, and two members shall represent**
4 **manufacturing business relating to international commerce. The governor shall**
5 **make the appointments from a list of names submitted by the following**
6 **organizations:**

7 **(i) Louisiana Association of Business and Industry.**

8 **(ii) The National Federation of Independent Business.**

9 **(iii) The World Trade Center New Orleans.**

10 **(iv) The Louisiana Chemical Association.**

11 **(v) New Orleans Board of Trade.**

12 **(vi) Le Centre International De Lafayette.**

13 **(b) Each organization shall submit two names to the governor.**

14 **(7)(a) Six members appointed by the governor who represent**
15 **international ports. The governor shall make the appointments from a list of**
16 **names submitted by the following:**

17 **(i) Port of Greater Baton Rouge.**

18 **(ii) Lake Charles Harbor and Terminal District, Port of Lake Charles.**

19 **(iii) Port of New Orleans.**

20 **(iv) Plaquemines Port, Harbor and Terminal District.**

21 **(v) St. Bernard Port, Harbor and Terminal District.**

22 **(vi) Port of South Louisiana.**

23 **(b) Each port shall submit two names to the governor. The governor**
24 **shall select at least one representative from each of the ports submitting**
25 **nominations.**

26 **(8)(a) One member appointed by the governor to represent the state's**
27 **airports. The governor shall make the appointments from a list of names**
28 **submitted by the following:**

29 **(i) Baton Rouge Metropolitan Airport.**

30 **(ii) The Chennault International Airport Authority.**

1 (iii) Louis Armstrong New Orleans International Airport.

2 (iv) Shreveport Regional Airport.

3 (v) England Airpark.

4 (vi) Lafayette Regional Airport.

5 (vii) Monroe Regional Airport.

6 (b) Each airport shall submit two names to the governor. The governor
7 shall select one representative from the airports submitting nominations.

8 B. The initial appointed members of the board shall be appointed no
9 later than October 1, 2012.

10 C. Initial appointments to the board shall be for terms as follows:

11 (1) Four members representing regional economic development
12 organizations in Louisiana, one member representing international business,
13 one member representing manufacturing business relating to international
14 commerce, two members representing international ports, and one member
15 representing the state's airports shall be appointed for two years.

16 (2) Four members representing regional economic development
17 organizations in Louisiana, one member representing international business,
18 one member representing manufacturing business relating to international
19 commerce, and three members representing international ports shall be
20 appointed for one year.

21 (3) After the initial appointment provided for in Paragraphs (1) and (2)
22 of this Subsection, all members shall serve for a five-year term. Each member
23 shall serve until a successor is appointed.

24 D. Vacancies shall be filled in the same manner as the original
25 appointments for the unexpired portion of the term.

26 E. A majority of the members of the board shall constitute a quorum for
27 the transaction of business. The vote of a majority of the members of the board
28 present and voting, a quorum being present, shall be required for any official
29 action of the board.

30 F. The board shall hold its first meeting at its domicile no later than

1 December 1, 2012, and shall meet quarterly thereafter, on a date and at a time
2 and place as the board may designate. The board may meet at such other times
3 as deemed necessary by the chairman or by the majority of its members.

4 G. At the initial meeting of the board, the board shall elect from its
5 membership a chairman and such other officers as it deems necessary to carry
6 out the duties and functions of the board. All officers shall be members of the
7 board. Such officers shall constitute an executive committee, which shall
8 conduct certain business activities as authorized by the board during such times
9 as the board is not in session.

10 H. Board members shall not receive any salary for their duties as
11 members. The members may receive a mileage allowance for traveling to and
12 from meetings and for other travel authorized by the board at a rate not to
13 exceed the mileage rate for state employees.

14 §3117. Master Plan of International Commerce and annual report

15 A.(1)(a) The board shall, in accordance with the procedures set forth in
16 this Chapter, develop a Master Plan of International Commerce to position
17 Louisiana as a leader in international commerce. Such master plan shall
18 include projects that are consistent with objectives of this Chapter. Such
19 master plan shall not include any toll road projects located in the parishes of
20 East Baton Rouge or Livingston.

21 (b) The board, in accordance with the procedures set forth in this
22 Chapter, including legislative approval, shall review, revise, and amend the
23 master plan when necessary or, at a minimum, every year.

24 (2) The annual report, at a minimum, shall include the following
25 information:

26 (a) Status of the office.

27 (b) All projects approved by the board, including the priority and status
28 of each project.

29 (c) Project proposals submitted to the board for inclusion in the master
30 plan and the timeline for such proposals.

1 (d) Benchmarks to be used as measurement of the progress of the office.

2 (e) Details as to the status of benchmarks defined in earlier reports,
3 future planning efforts, and the status of other major elements detailed in the
4 master plan.

5 (f) A list of office staff and each person's responsibilities and a financial
6 report of the recommended budget, provided in R.S. 51:3115(B)(16).

7 B.(1)(a) Except as specified in Paragraph (4) of this Subsection, only
8 projects included in the master plan shall be eligible for assistance, financial,
9 technical, or otherwise, from the office or department. However, nothing in this
10 Subparagraph shall prohibit any party from receiving funding for projects
11 directly through the legislative process set forth in this Subsection, provided
12 such project proposal was first submitted to the board for evaluation and
13 inclusion in the master plan.

14 (b) Any person or entity may submit a project proposal to the board for
15 consideration to be included in the master plan. The board shall promptly
16 consider the project and shall approve such projects for inclusion in the master
17 plan only if they are consistent with the comprehensive strategy of the master
18 plan. Every project submitted to the board shall include a return on investment
19 analysis in a form acceptable to the department. The board shall place
20 emphasis on the results of the return on investment analysis when determining
21 whether to approve the project.

22 (c) If, after consideration, the board approves the project, the board
23 shall notify the person or entity of such approval and shall assist such person or
24 entity as provided by this Chapter.

25 (d) If, after consideration, the project is not approved by the board, the
26 board shall notify the person or entity in writing of its decision. In addition, the
27 board shall submit a written evaluation, including the return on investment
28 analysis, of such project to the secretary of the Department of Transportation
29 and Development, the House Committee on Appropriations, the Senate
30 Committee on Finance, and the division of administration. Nothing in this

1 Subparagraph shall be construed to prohibit any person or entity from
2 resubmitting a project proposal for consideration by the board.

3 (2) Nothing in this Chapter shall preclude or restrict any of the
4 organizations, entities, or persons provided in R.S. 51:3115(B)(2) or any private
5 or nongovernmental party from independently developing and executing
6 projects that are not approved by the board. Such projects shall comply with
7 all applicable laws, rules, and regulations but shall not be eligible to receive the
8 assistance of the office or the department, except as provided in Paragraph (3)
9 of this Subsection.

10 (3) Any of the organizations, entities, or persons provided in R.S.
11 51:3115(B)(2) or any private or nongovernmental party may apply for funding
12 for nonapproved projects in accordance with all applicable laws and
13 procedures. The legislature shall be provided the evaluation submitted by the
14 board in accordance with Subparagraph (1)(d) of this Subsection when
15 determining whether to fund such project or provide legislative incentives of
16 any kind for the project or to the organization, entity, or person proposing such
17 project.

18 (4) The department may identify, plan, and develop projects including
19 those relating to international commerce without submitting them to the board
20 for approval as being consistent with the master plan. Such projects may be
21 developed by the department independent of the board.

22 C.(1)(a) The master plan shall be submitted to the House Committee on
23 Commerce and the Senate Committee on Commerce, Consumer Protection and
24 International Affairs, meeting jointly, and the House Committee on
25 Transportation, Highways, and Public Works and the Senate Committee on
26 Transportation, Highways, and Public Works, meeting jointly, for approval on
27 or before March first of each calendar year.

28 (b) If either joint committee disapproves the master plan, it shall send
29 the master plan back to the board together with a brief summary of the reasons
30 for disapproval and may make recommendations concerning changes it deems

1 necessary or appropriate to remedy any deficiencies in the plan.

2 (c) After approval of the committees, the legislature may approve or
 3 disapprove the master plan by resolution adopted by a majority vote of the
 4 members of each house of the legislature. If the legislature disapproves the
 5 master plan, it shall include in the resolution a brief summary of the reasons for
 6 disapproval and may make recommendations concerning any changes it deems
 7 necessary or appropriate to remedy any deficiencies in the master plan.

8 (d) If the legislature approves the master plan, or if the legislature fails
 9 to take action on the master plan during the regular legislative session, the
 10 board shall implement the plan as submitted.

11 (e) At any time subsequent to the adoption or implementation of the
 12 master plan in accordance with the procedure set forth in this Chapter, the
 13 board may amend or supplement the plan or add or delete projects. No project
 14 shall be added or deleted unless and until the amendment to the master plan is
 15 approved as provided by this Subsection. However, if such project is added or
 16 deleted while the legislature is not in session, the board shall submit the addition
 17 or deletion to the master plan to the Joint Legislative Committee on the Budget
 18 for approval.

19 (2) Annual reports shall be submitted to the House Committee on
 20 Commerce, the Senate Committee on Commerce, Consumer Protection and
 21 International Affairs, the House Committee on Transportation, Highways, and
 22 Public Works and the Senate Committee on Transportation, Highways, and
 23 Public Works on or before March first of each calendar year.

24 §3118. Exceptions

25 A. Notwithstanding any provision of law to the contrary, nothing in this
 26 Chapter shall be construed to affect the Port Construction and Development
 27 Priority Program, R.S. 34:3451 et seq.

28 B. Notwithstanding any provision of law to the contrary, nothing in this
 29 Chapter shall be construed to affect the Airport Construction and Development
 30 Priority Program, R.S. 2:801 et seq.

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

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____