ACT No. 375

HOUSE BILL NO. 528

BY REPRESENTATIVES BOURRIAQUE AND ROMERO

| 1 | AN ACT |
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| 2 | To amend and reenact R.S. 36:501(C)(1), 502(A) and (B), 505, 508(A) through (D) and (F) |
| 3 | and (G), 508.1, 508.2(A) and (B), and 508.3(A)(2) and (3) and to enact R.S. |
| 4 | 36:4(B)(38), 504(B)(6) and (7), 506(E) through (F), 508(H) and (I), 508.5, and |
| 5 | 508.6, relative to the office of Louisiana Highway Construction under the division |
| 6 | of administration; to add the office of transformation and the office of project |
| 7 | delivery to the composition of the Department of Transportation and Development; |
| 8 | to reconstruct the functions, powers, and duties of officers of the department; to |
| 9 | change the appointing authority of certain officials; to require the office of |
| 10 | transformation to operate under the supervision of the office of project delivery; to |
| 11 | designate certain powers and duties to the assistant secretary for project delivery; to |
| 12 | remove the powers and duties of the office of planning; and to provide for related |
| 13 | matters. |
| 14 | Be it enacted by the Legislature of Louisiana: |
| 15 | Section 1. R.S. 36:501(C)(1), 502(A) and (B), 505, 508(A) through (D) and (F) and |
| 16 | (G), 508.1, 508.2(A) and (B), and 508.3(A)(2) and (3) are hereby amended and reenacted |
| 17 | and R.S. 36:4(B)(38), 504(B)(6) and (7), 506(E) through (F), 508(H) and (I), 508.5, and |
| 18 | 508.6 are hereby enacted to read as follows: |
| 19 | §4. Structure of executive branch of state government |
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| 1 | B. The office of the governor shall be in the executive branch of state |
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| 2 | government. The governor may allocate within his office the powers, duties, funds, |
| 3 | functions, appropriations, responsibilities, and personnel of the agencies within his |
| 4 | office and provide for the administration thereof and for the organization of his |
| 5 | office. The following agencies and their powers, duties, functions, and |
| 6 | responsibilities are hereby transferred to the office of the governor: |
| 7 | * * * |
| 8 | (38) Office of Louisiana Highway Construction under the division of |
| 9 | administration. |
| 10 | * * * |
| 1 | §501. Department of Transportation and Development; creation; domicile; |
| 12 | composition; purposes and functions |
| 13 | * * * |
| 14 | C.(1) The Department of Transportation and Development shall be |
| 15 | composed of the executive office of the secretary, the office of transformation, the |
| 16 | office of management and finance, the office of engineering, the office of planning |
| 17 | project delivery, the office of operations, the office of multimodal commerce, and |
| 18 | such other offices as shall be created by law. |
| 19 | * * * |
| 20 | §502. Officers of the department; compensation for one office only |
| 21 | A.(1) The officers of the department shall be the secretary, undersecretary, |
| 22 | deputy secretary, chief engineer, assistant secretary of planning project delivery, |
| 23 | commissioner of multimodal commerce, and assistant secretary of operations, each |
| 24 | of whom shall be selected and shall perform functions as provided in this Title. |
| 25 | (2) The secretary, undersecretary, deputy secretary, assistant secretary of |
| 26 | planning project delivery, assistant secretary of operations, executive director of the |
| 27 | Offshore Terminal Authority, commissioner of multimodal commerce, and such |
| 28 | other positions which may be authorized by the State Civil Service Commission or |
| 29 | the state constitution shall be the only unclassified positions in the Department of |
| 30 | Transportation and Development All other positions in the department shall may |

be in the classified state service. The secretary shall fill such positions as in his opinion and judgment are necessary to the operation of the department in accordance with applicable rules and regulations of the State Civil Service Commission and applicable law.

B. No person serving as a secretary, undersecretary, deputy secretary, chief engineer, assistant secretary of planning project delivery, assistant secretary of operations, commissioner of multimodal commerce, or in any other office in the department shall receive any additional salary from the state other than that salary which he receives by virtue of serving in any one of such offices. Any statewide elected official appointed to serve as a secretary or deputy secretary shall not receive any additional salary from the state other than that salary which he receives as a statewide elected official.

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§504. Powers and duties of secretary of transportation and development

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B. The secretary shall have authority to:

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- (6) Eliminate positions within the department deemed to be unnecessary in fulfilling the goals of the office of transformation in accordance with civil service rules.
- (7) Enter into agreements with other state agencies for the purpose of developing and implementing programs that ensure adequate, safe, and efficient transportation and public works infrastructure and services throughout the state.
- (8) To utilize any lawful means to monitor, enforce, and collect penalties for violations occurring within state construction zones. The provisions of this Section shall be applicable notwithstanding any provision of law to the contrary.
- §505. Deputy secretary; functions; office of transformation
 - A. There may shall be a deputy secretary of the department, who shall be appointed by the secretary governor and shall serve as the appointing authority for

the office of transformation. He shall serve at the pleasure of the secretary governor at a salary fixed by the governor, which salary shall not exceed the amount approved for such position by the legislature while in session. The duties and functions of the deputy secretary shall be determined to oversee the office of transformation which shall include all duties, responsibilities, and authorities necessary and lawful to optimize the department and those otherwise assigned by the secretary. He shall serve as acting secretary in the absence of the secretary.

B. If the position of deputy secretary is not filled during the absence of the secretary, the secretary may designate either the undersecretary or the chief engineer assistant secretary for project delivery to serve as acting secretary in his absence. The secretary shall notify the governor in writing of his temporary appointment of an acting secretary in his absence. The governor shall have the full authority to revoke the appointment. In no event shall the temporary appointment exceed thirty days in length, except with the specific written approval of the governor. The governor may appoint a temporary secretary to act in the absence or incapacity of the secretary if an acting secretary has not been appointed.

C. The deputy secretary shall assess all of the department's reports and submit one single report to the legislature annually.

§506. Undersecretary; functions; office of management and finance

* * *

E.(1) The undersecretary shall ensure that no direct or indirect costs associated with any full- or part-time employee of the department is funded in the capital budget. The capital budget shall exclusively include costs that are directly associated with construction, such as land acquisition and right-of-way costs, construction engineering, construction and reconstruction, resurfacing, rehabilitation, and restoration, system preservation, and installation or modification of traffic service facilities. The undersecretary shall itemize costs in the capital budget to maximize the legislature's and the public's understanding and awareness of the department's capital budget.

| (2) The operating budget shall clearly and concisely itemize costs associated |
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| with past and present employees of the department. All other costs in the operating |
| budget shall be separated and itemized apart from those associated with past or |
| present employees of the department. |

F. In the event of budgetary layoffs, the undersecretary shall consult with each assistant secretary of the department and, in consultation with the secretary, and the office of transformation, initiate and execute layoffs in a manner that minimizes impacts to services to the public.

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§508. Office of engineering project delivery; functions; chief engineer assistant secretary; powers and duties

A. There is hereby created within the Department of Transportation and Development, the office of engineering project delivery, which shall administer engineering matters related to the state's highway program with respect to project development, planning, design, construction, maintenance, extension, improvement, and regulation of roads, highways, expressways, bridges, and related matters, and any other special highway engineering program as may be directed by the secretary. The office shall also administer the public works functions of the state related to flood and drainage control, reclamation, water resources, soil conservation, mapping, disaster relief, and related matters, the state's participation in the National Flood Insurance Program, 42 U.S.C. 4001 et seq., and other special programs as may be directed by the secretary.

B. The office of engineering project delivery shall be under the immediate supervision of the chief engineer assistant secretary, who shall be appointed by the secretary. The chief engineer assistant secretary shall serve at the pleasure of the secretary in accordance with civil service rules. The chief engineer shall be a competent engineer of recognized ability and standing who is experienced in the engineering duties of the department. He shall may be licensed to practice civil

engineering in Louisiana. The chief engineer assistant secretary shall give his whole time to the duties of his office.

C. The chief engineer assistant secretary shall have authority subject to approval of the secretary and in accordance with applicable rules and regulations of the civil service commission to employ, appoint, transfer, assign, and promote such personnel as is necessary for the efficient administration of the office of engineering project delivery.

D. The chief engineer assistant secretary shall receive an annual salary fixed by the in accordance with civil service rules, governor, payable monthly out of funds which salary shall not exceed the amount approved for such position by the legislature while in session. appropriated therefor and shall be allowed his actual and necessary traveling expenses incurred in the discharge of his official duties.

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F. The chief engineer shall approve all plans, specifications, and estimates for the construction of all facilities and projects for which his office is responsible. He also shall have such other duties as may be assigned to him by the secretary or the assistant secretary, by the provisions of this Chapter, or by the laws of this state. He shall report the proceedings of his office annually to the secretary of the department and at such other times as the secretary may designate, and he shall make any additional reports as are required by the secretary.

G. The secretary or the chief engineer with approval of the secretary may designate a licensed engineer in the office of engineering to perform any duties required of the chief engineer when the chief engineer is absent or incapacitated. The assistant secretary in consultation with the chief engineer and with approval of the secretary may designate a licensed engineer in the office of project delivery to perform any duties required of the chief engineer when the chief engineer is absent.

H. The strategic mission of the assistant secretary shall be to, whenever possible, employ individuals skilled in project delivery and contract management who are not also licensed professional engineers.

I. The assistant secretary and the unclassified direct reports under his direction shall maximize to the fullest extent possible the privatization of services and functions within the office.

§508.1. Office of planning; functions; assistant secretary; powers and duties

A. There is hereby created within the Department of Transportation and Development, the office of planning, which shall administer the planning and programming matters of the department related to strategic and intermodal issues, highways, bridge and pavement management, data collection and analysis, congestion, safety, aviation, public transportation, public mass transit, and railroad and water transportation systems, and related matters, and any other special programs as may be directed by the secretary.

B. The office of planning shall be under the immediate supervision of the assistant secretary, who shall be appointed by the governor and shall serve at the pleasure of the secretary. The assistant secretary shall be a competent engineer or an urban or regional transportation planner of recognized ability and standing who is familiar with the operations of public transportation departments and who, at a minimum, has earned a bachelor's degree. The assistant secretary shall give his whole time to the duties of his office.

C. The assistant secretary shall have authority subject to approval of the secretary and in accordance with applicable rules and regulations of the civil service commission to employ, appoint, transfer, assign, and promote such personnel as is necessary for the efficient administration of the office of planning and programming.

D. The assistant secretary shall receive an annual salary fixed by the governor, which salary shall not exceed the amount approved for such position by the legislature while in session, payable monthly out of funds appropriated therefor and shall be allowed his actual and necessary traveling expenses incurred in the discharge of his official duties.

E. The assistant secretary shall administer all department functions and duties for which the office of planning is responsible. He shall also have such other duties as may be assigned to him by the secretary, by the provisions of this Chapter,

or by the laws of this state. He shall report the proceedings of his office annually to the secretary of the department and at such other times as the secretary may designate, and he shall make any additional reports as are required by the secretary.

F. The secretary is specifically authorized and empowered to perform any of the duties of the assistant secretary when the assistant secretary is absent or incapacitated or when in the opinion of the secretary it would be in the best interest of the department. The assistant secretary with approval of the secretary may designate a member of the senior staff in the office of planning to perform any duties required of the assistant secretary.

§508.2. Office of operations; functions; assistant secretary, powers and duties

A. There is hereby created within the Department of Transportation and Development, the office of operations, which shall administer all matters related to the operations of the department's district offices, the Crescent City Connection Bridge, the Sunshine Bridge, and other matters as may be directed by the secretary.

B. The office of operations shall be under the immediate supervision of the assistant secretary, who shall be appointed by the governor and shall serve at the pleasure of the secretary. The assistant secretary shall be a competent engineer of recognized ability and standing who is experienced in the operations of the department. He shall be licensed to practice engineering in Louisiana. The assistant secretary shall give his whole time to the duties of his office.

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F. The secretary is specifically authorized and empowered to perform any of the duties of the assistant secretary when the assistant secretary is absent or incapacitated or when in the opinion of the secretary it would be in the best interest of the department. The assistant secretary with approval of the secretary may designate a licensed engineer a senior staff member in the office of operations to perform any duties required of the assistant secretary.

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| 1 | §308.3. Office of multimodal commerce, functions, commissioner, deputy |
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| 2 | commissioner; powers and duties |
| 3 | A. |
| 4 | * * * |
| 5 | (2) The office shall advise the office of planning project delivery on |
| 6 | intermodal issues and implement the master plan as it relates to intermodal |
| 7 | transportation. |
| 8 | (3) Notwithstanding Paragraph (1) of this Subsection, any powers, duties, |
| 9 | responsibilities and corresponding department employees, equipment, facilities, and |
| 10 | funding of the Department of Transportation and Development with respect to |
| 11 | federal programs on rail safety and the administration of federal rail safety and |
| 12 | hazard mitigation funds and the like shall remain with the office of engineering |
| 13 | project delivery of the Department of Transportation and Development. |
| 14 | * * * |
| 15 | §508.5. Office of transformation; functions; powers and duties |
| 16 | A. There is hereby created within the Department of Transportation and |
| 17 | Development the office of transformation which shall operate under the direction and |
| 18 | supervision of the deputy secretary. The purpose of this office shall be to implement |
| 19 | strategies and initiatives designed to enhance operational efficiency within the |
| 20 | department. |
| 21 | B. In addition to its other duties, the office of transformation shall implement |
| 22 | the following measures for the purpose of improving efficiency within the |
| 23 | department: |
| 24 | (1) Develop, implement, and evaluate annually Key Performance Indicators |
| 25 | (KPI's). At a minimum, the strategic goals of these KPI's, shall focus on asset |
| 26 | management, workforce efficiency, innovation, safety, and stakeholder customer |
| 27 | services. |
| 28 | (2) Develop and implement a quantitative methodology for the prioritization |
| 29 | of capacity projects. This methodology shall account for the measurable benefits of |
| 30 | each project, including but not limited to anticipated impacts on economic |
| | |

1 development, and shall serve as a basis for the systematic ranking and scheduling of 2 project delivery. 3 (3) Develop standardized project selection templates for use across the 4 department's various programs. The templates shall identify the necessary data elements and evaluation criteria required for the identification, assessment, and 5 6 prioritization of departmental projects in a consistent and objective manner. 7 (4) Identify routine pavement preservation projects that are appropriate for 8 management and execution solely by the department's district personnel. Upon such 9 identification, responsibility for the implementation of said projects shall be 10 transferred to the respective district offices, with the goal of enhancing operational 11 efficiency and localized project delivery. 12 (5) Identify and implement opportunities to outsource routine maintenance 13 activities in order to more effectively provide safety-critical repair and maintenance 14 of the state highway system in a timely manner. 15 §508.6. Departmental reform; directive and authority to restructure and organize 16 A. The Department of Transportation and Development is hereby directed 17 to fully leverage the office of transformation to hold each office of the department 18 accountable to optimize the respective functions under the direction of the deputy 19 secretary.

B.(1) It shall be the charge of the office of transformation to have established and empowered a central Department of Transportation and Development data management role and program, for implementation of a data asset management process, documented and formalized for key products, implemented modern standard data architecture, tools, and practices; for centralized data management and analytics, and enabled collaboration by default.

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(2) Alternatively, the office of transformation shall examine best practices to develop and implement a state-of-the-art internal information system that conveniently and accurately monitors the status of the department's functions statewide.

C. The department shall have enacted comprehensive, department-wide reforms of the access permit process to include the policy, administrative code, engineering directives and standards manual, and online application processes by June 30, 2026.

D. The department shall modernize and reform project development and execution across the entire department to stabilize letting and to remit payments to vendors and contractors on a bi-monthly basis, consistent with the terms of its contracts, no later than June 30, 2026.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

ENROLLED

HB NO. 528

APPROVED: _____

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