

2018 Regular Session

SENATE BILL NO. 408

BY SENATOR APPEL

SPECIAL DISTRICTS. Provides for authority of the Public Belt Railroad Commission.  
(gov sig)

1 AN ACT

2 To amend and reenact R.S. 33:4530, 4531, and 4532, and to enact R.S. 33:4534, 4535, 4536  
3 and 4537, and to repeal R.S. 33:4533, relative to the New Orleans public belt  
4 railroad; to provide for the creation of the New Orleans Port Gateway Railroad  
5 Board; to provide for the composition of the board membership; to provide for the  
6 board's purpose; to provide for the operation and maintenance of the Huey P. Long  
7 Bridge; to authorize the transfer of assets by the city of New Orleans; to provide for  
8 employee arrangements; to provide for financial matters; and to provide for related  
9 matters.

10 Notice of intention to introduce this Act has been published.

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. R.S. 33:4530 is hereby amended and reenacted to read as follows:

13 §4530. New Orleans public belt railroad; operation by ~~city of New Orleans through~~  
14 ~~public belt railroad commission~~ **railroad board**

15 A.(1) ~~Except as provided in R.S. 33:4531, the city of New Orleans shall~~  
16 ~~continue the operation of a public belt railroad by and through a commission to be~~  
17 ~~known as the Public Belt Railroad Commission for the city of New Orleans, to be~~

1 composed of the mayor of the city of New Orleans and nine citizens from within the  
2 New Orleans-Metairie-Kenner Metropolitan Statistical Area who shall be appointed  
3 as provided in Paragraph (2) of this Subsection. The New Orleans Port Gateway  
4 Railroad Board is hereby created as a political subdivision of the state pursuant  
5 to Article VI, Section 19 and Article VI, Section 43 of the Louisiana Constitution  
6 of 1974, hereinafter referred to in this Part as the "railroad board". The  
7 railroad board is hereby granted all of the rights, powers, privileges, and  
8 immunities accorded by law and the Constitution of Louisiana to political  
9 subdivisions of the state, subject to the limitations provided in this Part. The  
10 railroad board shall exercise, in conjunction with the Board of Commissioners  
11 of the Port of New Orleans, the powers and functions hereinafter set forth in  
12 this Part or otherwise provided by law. The railroad board and all properties  
13 at any time owned by it, and the income therefrom, shall be exempted from all  
14 taxation in the state of Louisiana.

15 (2)(a) ~~Nine citizens shall be appointed by the mayor of the city of New~~  
16 ~~Orleans, six of whom shall be appointed from a list of nominations submitted to the~~  
17 ~~mayor from a group of nominating persons or entities as determined by ordinance~~  
18 ~~of the governing authority of the city of New Orleans. All appointments shall be~~  
19 ~~confirmed by the governing authority of the city of New Orleans. Except as~~  
20 provided in Subparagraph (b) of this Paragraph, the railroad board shall be  
21 composed of the members of the board of commissioners of the Port of New  
22 Orleans. If any person ceases to serve as a member of the Board of  
23 Commissioners of the Port of New Orleans for any reason, that person shall at  
24 the same time simultaneously cease to be a member of the board of the railroad  
25 board; A person's successor in office as a member of the Board of  
26 Commissioners of the Port of New Orleans shall on taking office automatically,  
27 and without necessity of further action by anyone, become a member of the  
28 board of the railroad board, if that successor meets the qualifications for  
29 members set forth in Subparagraph (b) of this Paragraph. A member of the

1 Board of Commissioners of the Port of New Orleans whose term in office has  
2 expired but who retains the qualifications required by law shall continue to  
3 serve as a member of the railroad board until such person's successor has been  
4 appointed and taken office with the board of the port. Each member holds the  
5 office as a member of the railroad board by virtue of the office to which he is  
6 appointed as a member of the Board of Commissioners of the Port of New  
7 Orleans. This combination of offices is in the public interest and no other law  
8 shall be construed or applied to prohibit the combinations of these offices.

9 (b) ~~All appointed members shall serve four-year staggered terms after serving~~  
10 ~~initial terms as follows: three members shall serve an initial term of one year; two~~  
11 ~~shall serve two years; two shall serve three years; and two shall serve four years, as~~  
12 ~~determined by lot at the first meeting of the commission after the effective date of~~  
13 ~~this Subparagraph. No director, attorney, officer, or employee of any other rail~~  
14 ~~carrier shall be a member of the board of the railroad board. For purposes of~~  
15 ~~this Subparagraph, the prohibition regarding an attorney refers only to an~~  
16 ~~individual attorney who represents a rail carrier and there shall be no imputed~~  
17 ~~disqualification to an attorney based on representations of rail carriers by other~~  
18 ~~lawyers associated in that attorney's firm. For purpose of this Subparagraph,~~  
19 ~~"rail carrier" has the meaning provided in 49 U.S.C. 10102(5) or any successor~~  
20 ~~statutory provision, and also includes an entity which directly or indirectly~~  
21 ~~controls or is controlled by such a rail carrier. A vacancy on the railroad board~~  
22 ~~caused by disqualification under this Subparagraph shall not be filled.~~

23 (c) ~~The mayor shall serve during his term of office.~~

24 (3)(a) ~~Vacancies resulting from the expiration of a term or any other reason~~  
25 ~~shall be filled for the remainder of the unexpired term in the manner of the original~~  
26 ~~appointment. Members shall be eligible for reappointment. The chairman, the vice~~  
27 ~~chairman, and the secretary-treasurer of the board of the railroad board, whose~~  
28 ~~duties shall be those usual to those officers, shall be the same officers as the~~  
29 ~~corresponding board officers of the Board of Commissioners of the Port of New~~

1       Orleans, unless the port board officer lacks the qualification under  
2       Subparagraph (2)(b) of this Subsection, in which case the board of the railroad  
3       board shall elect a substitute from its membership.

4               (b) The railroad board shall meet once a month in regular session. They  
5       shall meet in special sessions as often as the chairman of the railroad board  
6       convenes them, or on written request of four members.

7               (c) Four members of the railroad board shall constitute a quorum for the  
8       transaction of business.

9               (d) The railroad board shall prescribe rules to govern its meetings, and  
10       shall keep suitable offices convenient to the business center of the city of New  
11       Orleans.

12               ~~(4) The mayor of the city of New Orleans shall be the president of the~~  
13       ~~commission and shall have the right to vote at all meetings. The members of the~~  
14       ~~commission shall select from among themselves a president pro tempore and such~~  
15       ~~other officers as they deem appropriate. The chief executive officer of the Board~~  
16       ~~of Commissioners of the Port of New Orleans shall serve as chief executive~~  
17       ~~officer of the railroad board. He shall appoint, as an employee of the railroad~~  
18       ~~board, the general manager for railroad operations of the railroad board who~~  
19       ~~shall report to the chief executive officer. The chief executive officer of the~~  
20       ~~railroad board shall hold such office by virtue of his appointment and~~  
21       ~~employment as chief executive officer of the Board of Commissioners of the Port~~  
22       ~~of New Orleans. Such employment is in the public interest and no other law~~  
23       ~~shall be construed or applied to prohibit this combination of offices and~~  
24       ~~employment.~~

25               B. ~~The city of New Orleans by and through the said commission~~ railroad  
26       board shall have the power to make contracts, acquire lands, leases and other forms  
27       of property necessary for the operation of a railroad system, either by purchase,  
28       expropriation, or otherwise, and shall have the right to operation within or without  
29       the parish of Orleans.

1 C.~~(1)~~ The control, operation, management and development of the public belt  
2 railroad system upon its acquisition as provided in R.S. 33:4535 shall be  
3 exclusively vested in ~~said commission~~, provided, however, that said public belt  
4 ~~railroad commission~~ the railroad board, subject to the provisions of this Part  
5 with respect to the related powers and functions of the Board of Commissioners  
6 of the Port of New Orleans; however, the railroad board shall have the power and  
7 authority ~~subject to compliance with any applicable provisions of the charter of the~~  
8 ~~city of New Orleans~~ to contract with other firms or corporations, either public or  
9 private, or local governmental subdivisions or political subdivisions, or state  
10 agencies, for the operation, management, and development of the entire public belt  
11 railroad system, provided that the ~~council of the city~~ Board of Commissioners of  
12 the Port of New Orleans ~~shall determine~~ determines that the interests of the city of  
13 New Orleans, and the port Port of New Orleans, and the public belt railroad  
14 system would best be served thereby and ~~shall approve~~ approves the terms and  
15 conditions of any such contract; ~~provided that any such~~.

16 (2) Any contract shall recognize and maintain the rights of the employees of  
17 the public belt railroad system under existing labor contracts and applicable law.  
18 This requirement shall not be interpreted to prohibit changes thereafter as  
19 permitted by law, contract, or negotiated agreement with employees.

20 D. The primary and specific purpose of the railroad board is to promote  
21 economic growth and development in trade and commerce within the areas  
22 served by the Port of New Orleans through operation of a neutral switching and  
23 terminal railroad. The provisions of freight handling and transportation within  
24 the Port of New Orleans, whether by roadway, rail, or other means, shall be  
25 within the powers and functions of the Board of Commissioners of the Port of  
26 New Orleans subject to this Part assigning all rail freight common carrier  
27 obligations to the railroad board. The railroad board shall serve as a neutral  
28 carrier for the New Orleans area rail gateway.

29 Section 2. R.S. 33:4531 and 4532 are hereby amended and reenacted to read as

1 follows:

2 §4531. Authority to transfer the public belt railroad system

3 A. Upon the recommendation of the ~~public belt railroad commission~~ **railroad**  
4 **board** and the determination by the ~~council of the city~~ **Board of Commissioners of**  
5 **the Port** of New Orleans that the interests of the state of Louisiana, the city of New  
6 Orleans, ~~and the port~~ **Port** of New Orleans, **and the public belt railroad system**  
7 would best be served if the public belt railroad system were owned and/or operated  
8 by another firm or corporation, public or private, or another political subdivision or  
9 state agency, the ~~council of the city~~ **Board of Commissioners of the Port** of New  
10 Orleans shall have, ~~subject to compliance with any applicable provisions of the~~  
11 ~~charter of the city of New Orleans,~~ the right and authority **to direct the railroad**  
12 **board** to assign, transfer and deliver to such firm or corporation, political  
13 subdivision or state agency all of its rights of way, rails, tracks, locomotives, switch  
14 yards and such other assets of the public belt railroad system as are needed or useful  
15 in connection with the operation of a terminal railroad, upon such terms and  
16 conditions as the ~~council of the city~~ **Board of Commissioners of the Port** of New  
17 Orleans **and the railroad board each** shall approve by ~~ordinance~~ **resolution** duly  
18 adopted at a regular or special meeting of ~~the council~~ **the board**.

19 B. Any ~~such~~ transfer shall require that ~~such~~ **the** firm, corporation, political  
20 subdivision, ~~or state agency agree;~~

21 ~~(i)(1) to~~ **To** continue to operate, maintain, and develop the public belt railroad  
22 system to serve the ~~port~~ **Port** of New Orleans and the industries located on ~~said~~ **the**  
23 system;

24 ~~(ii)(2) to assume and~~ **To** make proper and legal provision for **the pledge of**  
25 **railroad net revenues towards** the payment of ~~the outstanding New Orleans Public~~  
26 ~~Belt Railroad Bonds and the City~~ **Port** of New Orleans ~~Public Belt Railroad~~ **Port**  
27 **Facility Revenue** Bonds and **other outstanding secured indebtedness at such time**  
28 ~~the City of New Orleans Public Belt Notes; and.~~

29 ~~(iii)(3) to~~ **To** recognize and maintain the rights of the employees of the public

1 belt railroad system under existing labor contracts and applicable law; however, this  
2 requirement shall not be interpreted to prohibit changes thereafter as may be  
3 permitted by law, contract, or negotiated agreement with employees.

4 C. With the exception of any agreement with the ~~board~~ **Board** of  
5 ~~commissioners~~ **Commissioners** of the ~~port~~ **Port** of New Orleans, any such  
6 agreement with any state agency which directly or indirectly affects an expenditure  
7 of state funds shall require the approval of the legislature.

8 §4532. The Huey P. Long Bridge; operation, maintenance, **transfer**, etc.

9 A.(1) ~~The city of New Orleans, by and through the Public Belt Railroad~~  
10 ~~Commission,~~ **railroad board** shall ~~continue to~~ own, maintain, and operate the Huey  
11 P. Long Bridge, its approaches and appurtenances, across the Mississippi River at  
12 or near Mile Point J-3.7 in Jefferson Parish, Louisiana, which bridge and the property  
13 heretofore acquired by the Public Belt Railroad in connection with its construction  
14 shall be under the exclusive control and management of the ~~Public Belt Railroad~~  
15 ~~Commission~~ **railroad board**.

16 (2) ~~The city of New Orleans, acting through the Public Belt Railroad~~  
17 ~~Commission,~~ **railroad board** shall have the exclusive right to transport or convey  
18 for any railroad its trains over such bridge and over the lines of the Public Belt  
19 Railroad system. However, ~~the city of New Orleans, acting through the Public Belt~~  
20 ~~Railroad Commission,~~ **the railroad board** shall have the authority to contract upon  
21 such terms and conditions, and for such duration, as may be approved by a vote of  
22 two-thirds of the members of ~~said commission~~ **the railroad board**, with any railroad  
23 company for the use of the bridge by such railroad company, its approaches and  
24 appurtenances, and for the use of any tracks owned by the ~~Public Belt Railroad~~  
25 ~~Commission~~ **railroad board** for the purpose of transporting and conveying its  
26 locomotives, cars, and trains and other equipment under its own power or power  
27 provided by the Public Belt Railroad.

28 B. ~~Said~~ **The** Huey P. Long Bridge, its approaches and appurtenances and the  
29 lands and other things acquired in connection with the construction, operation, and

1 maintenance thereof, shall be exempt from any form of taxation, and shall not be  
2 hypothecated, leased, or alienated by the ~~city of New Orleans~~ **railroad board**,  
3 except that:

4 (1) Lands acquired which, by a two-thirds vote of all members of ~~said~~  
5 ~~Commission~~ **the railroad board**, are declared not necessary for the construction of  
6 ~~said~~ **the** bridge and appurtenances, or for use in the operation thereof, may be leased  
7 or sold. The proceeds of any such lease or sale may be used by the ~~public belt~~  
8 ~~railroad commission~~ **railroad board** for general railroad purposes. **Such lands also**  
9 **may be exchanged with or transferred to the Board of Commissioners of the**  
10 **Port of New Orleans for compensation as may be mutually agreed to by the**  
11 **political subdivisions.**

12 (2) The ~~public belt railroad commission~~ **railroad board** may contract for the  
13 operation and management of the bridge as a part of the public belt railroad system  
14 under the circumstances and subject to the conditions set forth in §4530 of this Title;  
15 and.

16 (3) The ~~city of New Orleans~~ **railroad board** may transfer, assign, and deliver  
17 the bridge, its approaches, and appurtenances, as a part of the public belt railroad to  
18 another political subdivision or agency of the state, if such political subdivision or  
19 agency acquires the assets of the public belt railroad system pursuant to the authority  
20 granted in ~~§4531 above~~ **R.S. 33:4531**. Any ~~such~~ transfer shall require that ~~such~~ **the**  
21 political subdivision **or agency** undertake and agree:

22 (i) ~~to~~ **(a) To** continue to operate and maintain the Huey P. Long Bridge as a  
23 part of the public belt railroad system;

24 (ii) ~~to~~ **(b) To** assume and comply with all obligations of the ~~city of New~~  
25 ~~Orleans and the public belt railroad commission~~ **railroad board** under all contracts,  
26 including ~~by way of illustration~~ but not limitation, all the contracts between the ~~city~~  
27 ~~of New Orleans, acting by and through the public belt railroad commission~~ **railroad**  
28 **board** and the railroad companies using the Huey P. Long Bridge and the tracks of  
29 the public belt railroad system, and the rights of the Louisiana Department of



1        ~~Highways~~ **Transportation and Development**, in and to the perpetual use of the  
2        highway portions of ~~said the~~ bridge; ~~and,~~

3                (iii) ~~to~~ **(c) To** recognize and maintain the rights of the employees of the  
4        Public Belt Railroad System under existing labor contracts and applicable law;  
5        **however, this requirement shall not be interpreted to prohibit changes**  
6        **thereafter as may be permitted by law, contract, or negotiated agreement with**  
7        **employees.**

8        Section 3. R.S. 33:4534 is hereby enacted to read as follows:

9        **§4534. Transfer of assets by the city of New Orleans**

10               **The assignment, transfer, and delivery by the city of New Orleans by and**  
11               **through the public belt railroad commission, with the concurrence of the**  
12               **council of the city of New Orleans, of all of the rights-of-way, rails, tracks,**  
13               **locomotives, switch yards, and the Huey P. Long Bridge, its approaches and**  
14               **appurtenances and the lands and other things in connection therewith, and all**  
15               **other lands, equipment, books, records, accounts receivable, monies, intellectual**  
16               **property, contracts, properties, and assets of the public belt railroad system**  
17               **and/or the Public Belt Railroad Commission effective February 1, 2018, to the**  
18               **New Orleans Public Belt Railroad Corporation, a public nonprofit corporation**  
19               **formed and owned by the Board of Commissioners of the Port of New Orleans,**  
20               **is approved, ratified and confirmed.**

21        Section 4. R.S. 33:4535, 4536, and 4537 are hereby enacted to read as follows:

22        **§4535. Railroad board acquisition of assets; cooperation with the Port of New**  
23               **Orleans**

24               **A.(1) All rights and properties of every kind, movable and immovable,**  
25               **corporeal and incorporeal, including but not limited to lands, servitudes, leases,**  
26               **rails, tracks, locomotives, equipment, motor vehicles, switch yards, books,**  
27               **records, accounts receivable, monies, intellectual property, contracts, actions,**  
28               **and the Huey P. Long Bridge, its approaches and appurtenances and the lands**  
29               **and other things in connection therewith, and all other properties and assets**

1 owned, possessed or used by the New Orleans Public Belt Railroad Corporation  
2 on the effective date of this Section are hereby transferred to the railroad board.  
3 No instruments of transfer need be executed or recorded and no notice of  
4 assignment need be given to third persons, and the transfer of ownership as to  
5 all property shall be effective against third persons upon the effective date of  
6 this Section, provided that the railroad board and the New Orleans Public Belt  
7 Railroad Corporation register a notice of the transfer in the conveyance records  
8 of applicable parishes making reference to this Section.

9 (2) Upon the effective date of this Section, any pending or unfinished  
10 business of the New Orleans Public Belt Railroad Corporation shall be taken  
11 over and be completed by the railroad board.

12 (3) Whenever the Public Belt Railroad Commission for the city of New  
13 Orleans, or the New Orleans Public Belt Railroad Corporation, is a party to or  
14 is referred to or designated in any contract, after the effective date of this  
15 Section, the railroad board shall be deemed to be a successor party to that  
16 contract and any such reference or designation shall be deemed to apply to the  
17 railroad board.

18 B.(1) The railroad board shall be the successor in every way to the New  
19 Orleans Public Belt Railroad Corporation. All of the obligations and debts of  
20 that corporation are hereby assumed by the railroad board, including but not  
21 limited to the obligations and debts of the Public Belt Railroad Commission for  
22 the city of New Orleans expressly assumed in writing by that corporation  
23 pursuant to the Cooperative Endeavor Agreement effective February 1, 2018,  
24 among the city of New Orleans, the Public Belt Railroad Commission for the  
25 city of New Orleans, the Board of Commissioners of the Port of New Orleans,  
26 and the corporation.

27 (2) For purposes of this Subsection, "legal proceeding" includes but is  
28 not limited to any suit, action, incidental demand or action, claim, or any other  
29 matter filed or pending before any court, administrative agency, or other

1        judicial or quasi judicial body.

2                (3) For purposes of this Subsection, "pleading" includes but is not  
3        limited to any petition, application, exception, motion, rule, answer, incidental  
4        demand, citation, notice, return, affidavit, certificate, oath, bond or other  
5        security, summons, subpoena, writ, interrogatory, deposition, court record, and  
6        any other pleading or instrument permitted or required in any legal proceeding.

7                (4) Any legal proceeding to which the New Orleans Public Belt Railroad  
8        Corporation is a party and which is pending upon the effective date of this  
9        Section, and all pleadings involved in the legal proceeding, shall retain their  
10       effectiveness and shall be continued in the name of the railroad board. This  
11       provision shall not interrupt or suspend the running of any prescription or  
12       peremption or revive or renew any matter or action. All further legal  
13       proceedings and pleadings in the continuation, disposition, and enforcement of  
14       the legal proceeding shall be in the name of the railroad board, and the railroad  
15       board shall be substituted for the original party, whether the original party is  
16       the Public Belt Railroad Commission for the city of New Orleans or the New  
17       Orleans Public Belt Railroad Corporation, without necessity for formal  
18       amendment of any pleading.

19               C. The property and assets of the New Orleans Public Belt Railroad  
20       Corporation, which was formed and owned by the Board of Commissioners of  
21       the Port of New Orleans, transferred to the railroad board by this Section were  
22       acquired by the corporation in direct exchange for properties transferred by the  
23       Board of Commissioners of the Port of New Orleans to the city of New Orleans.  
24       The railroad board shall exercise and perform its powers and functions at all  
25       times in cooperation with the Board of Commissioners of the Port of New  
26       Orleans.

27               D. The railroad board is a rail common carrier, and the railroad board  
28       shall possess and retain all rail common carrier status and obligations under  
29       federal laws with respect to the public belt railroad system. Nothing in this Part

1 is intended or shall be construed to create or impose any rail common carrier  
2 status or obligation on the Board of Commissioners of the Port of New Orleans.  
3 When appropriate, the respective officers and employees of the Board of  
4 Commissioners of the Port of New Orleans and the railroad board are  
5 authorized to render support and services to the other political subdivision  
6 within their respective functions. In order to achieve economy, effectiveness or  
7 coordination of planning, marketing or operation, subject to the separation  
8 required by this Subsection, the Board of Commissioners of the Port of New  
9 Orleans and the railroad board may contract with each other by cooperative  
10 endeavor agreements or otherwise coordinate or combine the use of  
11 administrative, legal, executive, financial, marketing, community outreach, and  
12 other personnel upon such basis of compensation therefor as may be mutually  
13 agreed to by the political subdivisions, provided such arrangement shall in no  
14 event include employees performing rail carrier operations.

15 E. The railroad board pursuant to Article VI, Section 20 of the  
16 Louisiana Constitution of 1974, may exercise and perform any authorized  
17 power and function, including financing, jointly or in cooperation with the  
18 Board of Commissioners of the Port of New Orleans. Pursuant to Article VI,  
19 Sections 19 and 21 of the Louisiana Constitution of 1974, the railroad board  
20 shall be granted all of the rights, powers, privileges, and immunities granted to  
21 political subdivisions for economic development purposes for the object and  
22 purpose of promoting and expanding the transportation of goods in domestic  
23 or international commerce through or related to and for the benefit of the Port  
24 of New Orleans and the public belt railroad system.

25 F. The railroad board and the Board of Commissioners of the Port of  
26 New Orleans may make agreements between themselves to engage jointly in the  
27 construction, finance, acquisition, or improvement of any public port or rail  
28 project or improvement, the promotion, and maintenance of any undertaking,  
29 or the exercise of any power, provided that at least one of those political

1 subdivisions is authorized under a provision of general or special law to  
2 perform such activity or exercise such power as may be necessary for  
3 completion of the undertaking. Such arrangements may provide for the joint  
4 use of funds, facilities, or property or any combination thereof necessary to  
5 accomplish the purposes of the agreement, and such agreements may include  
6 but are not limited to activities concerning the construction, finance, acquisition  
7 or improvement, or repair and maintenance, of public port or rail projects or  
8 improvements.

9 G. The railroad board and the Board of Commissioners of the Port of  
10 New Orleans are authorized to exchange properties of any kind, immovable or  
11 movable, corporeal or incorporeal, when mutually agreed to be in the best  
12 interests of the Port of New Orleans.

13 H. It is intended that the railroad board and the Board of  
14 Commissioners of the Port of New Orleans will engage in cooperative endeavors  
15 with each other to implement the purposes identified in this Part and other  
16 public purposes. Cooperative endeavor agreements between these political  
17 subdivisions that are consistent with the provisions of this Part shall be  
18 presumed to be for a public purpose for both political subdivisions and  
19 presumed not to be in contravention of Article VII, Section 14(A) of the  
20 Louisiana Constitution of 1974.

21 §4536. Employees of the railroad board

22 A. The employees of the public belt railroad system, which were  
23 transferred from the Public Belt Railroad Commission of the city of New  
24 Orleans to the New Orleans Public Belt Railroad Corporation and pursuant to  
25 this Part are further transferred to the railroad board, may continue with the  
26 railroad board their existing employment arrangements upon such transfer,  
27 including but not limited to existing labor contracts. The employees are to be  
28 included in the unclassified service of state civil service pursuant to Article X,  
29 Section 2 of the Louisiana Constitution of 1974. The railroad board shall

1 recognize and maintain the rights of these employees under existing labor  
2 contracts and applicable law. This Subsection shall not be interpreted to  
3 prohibit future changes as may be permitted by law, contract, or negotiated  
4 agreement with employees.

5 B. Members of the board of the railroad board and officials, officers,  
6 and employees holding office or employment with the railroad board, while  
7 acting within the scope of their duties or employment, shall have the  
8 indemnification rights and shall be deemed covered individuals, as provided in  
9 R.S. 13:5108.1, with respect to such actions.

10 C. The chief executive officer of the railroad board shall have the power  
11 to organize or reorganize the legal, executive, and other departments and forces  
12 of the railroad board, and to fix the duties, powers, and compensation of all  
13 officers, agents, and employees in such departments and forces, subject to  
14 modification of any determination by the board of the railroad board.

15 §4537. Financial matters and cooperation by the railroad board

16 A. The railroad board is authorized to pledge the income, revenues, and  
17 receipts derived or to be derived from the properties and facilities owned,  
18 leased, maintained, or operated by the railroad board or received by the  
19 railroad board from these properties and facilities, or from contracts or  
20 agreements relating to these properties and facilities, to the payment of the  
21 revenue bonds and indebtedness issued by the Board of Commissioners of the  
22 Port of New Orleans from time to time. Any such pledge of and grant of  
23 security interest in income, revenues, monies, or receipts made by the railroad  
24 board in connection with the issuance of securities by the Board of  
25 Commissioners of the Port of New Orleans shall be valid, binding, and perfected  
26 from the time when the pledge is made in the same manner as if such pledge and  
27 grant of security interest were made by the railroad board in connection with  
28 the issuance of securities directly by the railroad board.

29 B. The Board of Commissioners of the Port of New Orleans shall be

1 authorized pursuant to Article VI, Section 20 of the Louisiana Constitution of  
2 1974, to issue revenue bonds of the board jointly or in cooperation with the  
3 railroad board, which bonds may be the joint obligation, several obligations, or  
4 joint and several obligations of the political subdivisions, as determined by the  
5 Board of Commissioners of the Port of New Orleans. Nothing contained in this  
6 Section shall be construed as a restriction or a limitation upon any powers  
7 which the Board of Commissioners of the Port of New Orleans might otherwise  
8 have under the laws of this state. This Section shall be regarded as supplemental  
9 and additional to powers conferred by other laws.

10 C. Upon the determination by the Board of Commissioners of the Port  
11 of New Orleans that the interests of the Port of New Orleans and the railroad  
12 board would best be served if the financial statements of both political  
13 subdivisions are prepared and issued on a consolidated basis, with each political  
14 subdivision reported separately within the report as required by law, the port  
15 board shall be authorized to undertake and prepare such joint consolidated  
16 financial statements and the railroad board shall cooperate in the preparation  
17 thereof. The annual audit report and annual financing statements of both  
18 political subdivisions shall be distributed to the legislative auditor and to the  
19 other persons provided by law within six months of the close of their common  
20 fiscal years.

21 D. Upon the determination by the Board of Commissioners of the Port  
22 of New Orleans that the interests of the Port of New Orleans and the railroad  
23 board would be best served, the board and the railroad board may provide for  
24 the joint use of revenue bond proceeds, other funds, facilities, or properties or  
25 any combination thereof, upon such basis of compensation therefor as may be  
26 mutually agreed to by the political subdivisions to best serve the commerce and  
27 industry of the Port of New Orleans or as may be required by indentures or  
28 other agreements governing indebtedness of any of such political subdivisions.

29 Section 5. R.S. 33:4533 is hereby repealed.

1           Section 6.(A) The provisions of this Section and Sections 1 and 3 of this Act shall  
2 become effective upon signature by the governor or, if not signed by the governor, upon  
3 expiration of the time for bills to become law without signature by the governor, as provided  
4 in Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and  
5 subsequently approved by the legislature, this Act shall become effective on the day  
6 following such approval.

7           (B) The provisions of Sections 2, 4, and 5 of this Act shall take effect and become  
8 operative on the first day of the month that commences no less than fifteen days following  
9 the effectiveness of the federal Surface Transportation Board authority or exemption for the  
10 transfer of the public belt railroad system to the New Orleans Port Gateway Railroad Board.

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The original instrument and the following digest, which constitutes no part  
of the legislative instrument, were prepared by Michael Bell.

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#### DIGEST

SB 408 Reengrossed

2018 Regular Session

Appel

Present law provides for the city of New Orleans to continue the operation of a public belt railroad by and through a commission known as the Public Belt Railroad Commission for the city of New Orleans.

Present law provides for nine members to serve on the commission who are appointed by the mayor of the city of New Orleans, and all shall be confirmed by the governing authority of the city of New Orleans.

Present law authorizes the commission to contract with other firms or corporations either public or private, or local governmental subdivisions or political subdivisions, or state agencies, for the operation, management and development of the public belt railroad system if in the best interest of the city of New Orleans and the Port of New Orleans.

Present law authorizes the transfer of the public belt railroad system upon the recommendation of the commission and the determination by the council of the city of New Orleans that the interests of the state of Louisiana, the city of New Orleans and the Port of New Orleans would best be served if owned and/or operated by another firm or corporation.

Present law provides for the city of New Orleans, by and through the Public Belt Railroad Commission to continue to own, maintain, and operate the Huey P. Long Bridge in Jefferson Parish, Louisiana.

Present law authorizes the city of New Orleans to issue, upon recommendation of the public belt railroad commission, bonds known as New Orleans Public Belt Railroad Bonds, in a sum not to exceed \$5,000,000.00 to be used for the development, extensions, additions, betterments, and construction of the public belt railroad system.

Proposed law creates the New Orleans Port Gateway Railroad Board (railroad board).

Proposed law provides for the railroad board to be composed of a Board of Commissioners who shall be the individuals comprising the Board of Commissioners of the Port of New



Orleans. Proposed law further prohibits a director, attorney, officer, or employee of any other rail carrier to ever be a member of the board of the railroad board.

Proposed law provides that the primary and specific purpose of the railroad board is to promote economic growth and development in trade and commerce within the areas served by the Port of New Orleans through operation of a neutral switching and terminal railroad.

Proposed law authorizes the transfer of assets by the city of New Orleans through the Public Belt Railroad Commission, with the approval of the council of the city of New Orleans, which includes the Huey P. Long Bridge in Jefferson Parish, Louisiana.

Proposed law provides for the railroad board to be the successor in every way to the New Orleans Public Belt Railroad Corporation.

Proposed law repeals the provisions in present law which authorizes the city of New Orleans to issue, upon recommendation of the Public Belt Railroad Commission, bonds known as New Orleans Public Belt Railroad Bonds, in a sum not to exceed \$5,000,000.00 to be used for the development, extensions, additions, betterments, and construction of the public belt railroad system.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 33:4530 - 4532; adds R.S. 33:4534 - 4537; repeals R.S. 33:4533)