

2020 Regular Session

SENATE BILL NO. 416

BY SENATOR CARTER

LOCAL AGENCIES. Provides relative to the New Orleans Public Belt Railroad. (gov sig)

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AN ACT

To amend and reenact R.S. 33:4530(A), (B), and (C), 4531, and 4532, to enact R.S. 33:4530(D), 4534, 4535, 4536, and 4537, and to repeal R.S. 33:4533 and Act 279 of the 2011 Regular Session, relative to the New Orleans public belt railroad; to provide for the creation of the New Orleans Public Belt Railroad Commission; to provide for the composition of the commission membership; to provide for the commission's purpose; to provide for the operation and maintenance of the Huey P. Long Bridge; to authorize the transfer of assets; to provide for employee arrangements; to provide for financial matters; and to provide for related matters.

Notice of intention to introduce this Act has been published.

Be it enacted by the Legislature of Louisiana:

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

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

~~A. Except as hereinafter provided in § 4531, the city of New Orleans shall continue the operation of a public belt railroad by and through a commission to be known as the Public Belt Railroad Commission for the city of New Orleans, to be~~

1 ~~composed of the mayor of said city and sixteen citizen taxpayers who shall now and~~
2 ~~hereafter be chosen in the manner and for the terms provided in Ordinance 2683,~~
3 ~~New Council Series of the city of New Orleans, approved October 8, 1904, except~~
4 ~~that, in case any commercial organization mentioned therein shall cease to exist, and~~
5 ~~there be no other organization performing similar functions, the members thereof~~
6 ~~appointed on recommendation of such organization shall be appointed by the public~~
7 ~~belt railroad commission. The mayor of the city of New Orleans shall be the~~
8 ~~president of said commission and shall have the right to vote at all meetings. The~~
9 ~~president pro tem shall be chosen by the commission from those members appointed~~
10 ~~from the commercial organizations described in said city ordinance. The present~~
11 ~~members of the commission shall continue to serve until the expiration of their~~
12 ~~terms.~~ **(1)The New Orleans Public Belt Railroad Commission for the Port of**
13 **New Orleans is hereby created as a political subdivision of the state pursuant**
14 **to Article VI, Section 19 and Article VI, Section 43 of the Louisiana Constitution**
15 **of 1974, hereinafter referred to in this Part as the "railroad commission". The**
16 **railroad commission is hereby granted all of the rights, powers, privileges, and**
17 **immunities accorded by law and the Constitution of Louisiana to political**
18 **subdivisions of the state, subject to the limitations provided in this Part. The**
19 **railroad commission shall exercise in conjunction with the Board of**
20 **Commissioners of the Port of New Orleans the powers and functions hereinafter**
21 **set forth in this Part or otherwise provided by law. The railroad commission**
22 **and all properties at any time owned by it and the income therefrom shall be**
23 **exempt from any form of taxation in the state of Louisiana.**

24 **(2)(a) Except as provided in Subparagraph (b) of this Paragraph, the**
25 **board of the railroad commission shall be composed of the members of the**
26 **Board of Commissioners of the Port of New Orleans. If any person ceases to**
27 **serve as a member of the Board of Commissioners of the Port of New Orleans**
28 **for any reason, that person shall at the same time simultaneously cease to be a**
29 **member of the board of the railroad commission. A person's successor in office**

1 as a member of the Board of Commissioners of the Port of New Orleans shall
2 take office automatically, and without necessity of further action by anyone,
3 become a member of the board of the railroad commission, if that successor
4 meets the qualifications for members set forth in Subparagraph (b) of this
5 Paragraph. A member of the Board of Commissioners of the Port of New
6 Orleans whose term in office has expired but who retains the qualifications
7 required by law shall continue to serve as a member of the railroad commission
8 until such person's successor has been appointed and taken office with the
9 board of the port. Each member holds the office as a member of the railroad
10 commission by virtue of the office to which he is appointed as a member of the
11 Board of Commissioners of the Port of New Orleans. This combination of offices
12 is in the public interest and no other law pertaining to dual office holding shall
13 be construed or applied to prohibit the combination of these offices.

14 (b) No director, attorney, officer, or employee of any other rail carrier
15 shall be a member of the board of the railroad commission. For purposes of this
16 Subparagraph, the prohibition regarding an attorney refers only to an
17 individual attorney who represents a rail carrier, and there shall be no imputed
18 disqualification to an attorney based on representations of rail carriers by other
19 lawyers associated in that attorney's firm. For purposes of this Subparagraph,
20 "rail carrier" has the meaning provided in 49 U.S.C. 10102(5) or any successor
21 statutory provision, and also includes an entity which directly or indirectly
22 controls or is controlled by such a rail carrier. Furthermore, Subparagraph (a)
23 of this Paragraph shall not be construed or applied to a permit a person to serve
24 on the board of the railroad commission if prohibited by the Code of
25 Governmental Ethics. A vacancy on the railroad commission caused by
26 disqualification under this Subparagraph shall not be filed.

27 (3) The chairman, the vice chairman, and the secretary-treasurer of the
28 board of the railroad commission, whose duties shall be those usual to those
29 officers, shall be the same as the corresponding board officers of the Board of

1 Commissioners of the Port of New Orleans, unless the port board officer lacks
2 the qualification under Subparagraph (2)(b) of this Subsection, in which case
3 the board of the railroad commission shall elect a substitute from its
4 membership. The board of the railroad commission shall meet once a month in
5 regular session. It shall meet in special sessions as often as the chairman of the
6 board convenes it, or on written request of four members. Four members of the
7 railroad commission shall constitute a quorum for the transaction of business.
8 The railroad commission shall prescribe rules to govern its meetings, and shall
9 keep suitable offices convenient to the business center of the city of New
10 Orleans.

11 (4) The mayor of the city of New Orleans shall be the president of the
12 railroad commission and shall have the right to vote at all meetings. The
13 members of the railroad commission shall select from among themselves a
14 president pro tempore and such other officers as they deem appropriate. The
15 chief executive officer of the Board of Commissioners of the Port of New
16 Orleans shall serve as chief executive officer of the railroad commission. He
17 shall appoint as an employee of the railroad commission the general manager
18 for railroad operations of the railroad commission who shall report to the chief
19 executive officer. The chief executive officer of the railroad commission shall
20 hold office by virtue of his appointment and employment as chief executive
21 officer of the Board of Commissioners of the Port of New Orleans. Such
22 employment is in the public interest, and no other law shall be construed or
23 applied to prohibit this combination of offices and employment. The railroad
24 commission and the Board of Commissioners of the Port of New Orleans may
25 determine that each political subdivision shall pay a portion of the total
26 compensation of the chief executive officer and other port senior executive
27 employees in the unclassified service who provide services to the railroad
28 commission pursuant to R.S. 33:4535.

29 * * *

1 Section 2.. R.S. 33:4530(B) and (C) are hereby amended and reenacted and R.S.
2 33:4530(D) is hereby enacted to read as follows:

3 §4530. New Orleans public belt railroad; operation by city of New Orleans through
4 public belt railroad commission

5 * * *

6 B. ~~The city of New Orleans by and through the said commission~~ The
7 railroad commission shall have the power to make contracts, acquire lands, leases
8 and other forms of property necessary for the operation of a railroad system and port
9 railroad terminals, either by purchase, expropriation, or otherwise, and shall have
10 the right to operation within or without the parish of Orleans. The railroad
11 commission shall have the same right to lease or sublease any property, whether
12 movable or immovable, that is owned or leased by it, that is provided to the
13 Board of Commissioners of the Port of New Orleans under R.S. 9:1102.2(A)(2).

14 C. The control, operation, management and development of the public belt
15 railroad system upon its acquisition as provided in R.S. 33:4535 shall be
16 exclusively vested in said the railroad commission, subject to the provisions of
17 this Part with respect to the related powers and functions of the Board of
18 Commissioners of the Port of New Orleans, provided, however, that said public
19 belt railroad commission shall have the power and authority ~~subject to compliance~~
20 ~~with any applicable provisions of the charter of the city of New Orleans~~ to contract
21 with other firms or corporations, either public or private, or local governmental
22 subdivisions or political subdivisions, or state agencies, for the operation,
23 management and development of the entire public belt railroad system, provided that
24 the ~~council of the city~~ Board of Commissioners of the Port of New Orleans shall
25 determine that the interests of the city of New Orleans, ~~and~~ the port of New Orleans,
26 and the public belt railroad system would best be served thereby and shall approve
27 the terms and conditions of any such contract; provided that any such contract shall
28 recognize and maintain the rights of the employees of the public belt railroad system
29 under existing labor contracts and applicable law; however, this requirement shall

1 not be interpreted to prohibit future changes as may be permitted by law,
2 contract, or negotiated agreement with employees.

3 D. The primary and specific purpose of the railroad commission is to
4 promote economic growth and development in trade and commerce through
5 operation of a neutral switching and terminal carrier for the New Orleans
6 gateway. The provision of freight handling and transportation within the port
7 of New Orleans, whether by roadway, rail, or other means, shall be within the
8 powers and functions of the Board of Commissioners of the Port of New
9 Orleans, subject to this Part assigning all rail freight common carrier
10 obligations to the railroad commission.

11 Section 3. R.S. 33:4531 and 4532 are hereby amended and reenacted to read as
12 follows:

13 §4531. Authority to transfer the public belt railroad system

14 Upon the recommendation of the ~~public belt railroad commission~~ **railroad**
15 **commission** and the determination by the ~~council of the city~~ **Board of**
16 **Commissioners of the Port** of New Orleans ~~and the public belt railroad system~~
17 that the interests of the state of Louisiana, the city of New Orleans, ~~and the port of~~
18 New Orleans, **and the public belt railroad system** would best be served if the
19 public belt railroad system were owned and/or operated by another firm or
20 corporation, public or private, or another political subdivision or state agency, the
21 ~~council of the city~~ **Board of Commissioners of the Port** of New Orleans shall have,
22 ~~subject to compliance with any applicable provisions of the charter of the city of~~
23 ~~New Orleans,~~ the right and authority **to direct the railroad commission** to assign,
24 transfer and deliver to such firm or corporation, political subdivision or state agency
25 all of its rights of way, rails, tracks, locomotives, switch yards and such other assets
26 of the public belt railroad system as are needed or useful in connection with the
27 operation of a terminal railroad, upon such terms and conditions as the ~~council of the~~
28 ~~city~~ **Board of Commissioners of the Port** of New Orleans ~~and the railroad~~
29 **commission each** shall approve by ~~ordinance~~ **resolution** duly adopted at a regular

1 or special meeting of the ~~council~~ **respective boards**. Any such transfer shall require
 2 that such firm, corporation, political subdivision or state agency agree (i) to continue
 3 to operate, maintain and develop the public belt railroad system to serve the port of
 4 New Orleans and the industries located on said system; (ii) to ~~assume and~~ make
 5 proper and legal provision **for the pledge of railroad net revenues toward** for the
 6 payment of ~~the outstanding New Orleans Public Belt Railroad Bonds and the City~~
 7 **Port of New Orleans Public Belt Railroad Port Facility Revenue Bonds and other**
 8 **indebtedness outstanding at such time** and the ~~City of New Orleans Public Belt~~
 9 ~~Notes~~; and (iii) to recognize and maintain the rights of the employees of the public
 10 belt railroad system under existing labor contracts and applicable law; **however, this**
 11 **requirement shall not be interpreted to prohibit future changes that may be**
 12 **permitted by law or contract or negotiated agreement with employees**. With the
 13 exception of any agreement with the board of commissioners of the port of New
 14 Orleans, any such agreement with any state agency which directly or indirectly
 15 affects an expenditure of state funds shall require the approval of the legislature.
 16 §4532. The Huey P. Long Bridge; operation, maintenance, etc.

17 A.(1) ~~The city of New Orleans, by and through the Public Belt Railroad~~
 18 ~~Commission, **railroad commission** shall continue to own, maintain, and operate the~~
 19 Huey P. Long Bridge, its approaches and appurtenances, across the Mississippi River
 20 at or near Mile Point J-3.7 in Jefferson Parish, Louisiana, which bridge and the
 21 property heretofore acquired by the Public Belt Railroad in connection with its
 22 construction shall be under the exclusive control and management of the ~~Public Belt~~
 23 ~~Railroad Commission~~ **railroad commission**.

24 (2) ~~The city of New Orleans, acting through the Public Belt Railroad~~
 25 ~~Commission, **railroad commission** shall have the exclusive right to transport or~~
 26 convey for any railroad its trains over such bridge and over the lines of the Public
 27 Belt Railroad system. However, ~~the city of New Orleans, acting through the Public~~
 28 ~~Belt Railroad Commission, **railroad commission** shall have the authority to contract~~
 29 upon such terms and conditions, and for such duration, as may be approved by a vote

1 of two-thirds of the members of said **railroad** commission, with any railroad
 2 company for the use of the bridge by such railroad company, its approaches and
 3 appurtenances, and for the use of any tracks owned by the ~~Public Belt Railroad~~
 4 ~~Commission~~ **railroad commission** for the purpose of transporting and conveying its
 5 locomotives, cars, and trains and other equipment under its own power or power
 6 provided by the Public Belt Railroad.

7 B. Said Huey P. Long Bridge, its approaches and appurtenances and the lands
 8 and other things acquired in connection with the construction, operation and
 9 maintenance thereof, shall be exempt from any form of taxation, and shall not be
 10 hypothecated, leased or alienated by the ~~city of New Orleans~~ **railroad commission**,
 11 except that:

12 (1) Lands acquired which, by a two-thirds vote of all members of said
 13 ~~Commission~~ **railroad commission**, are declared not necessary for the construction
 14 of said bridge and appurtenances, or for use in the operation thereof, may be leased
 15 or sold. The proceeds of any such lease or sale may be used by the ~~public belt~~
 16 railroad commission for general railroad purposes. **Such lands also may be**
 17 **exchanged with or transferred to the Board of Commissioners of the Port of**
 18 **New Orleans for compensation and value as may be mutually agreed by the**
 19 **political subdivisions.**

20 (2) The ~~public belt~~ railroad commission may contract for the operation and
 21 management of the bridge as a part of the public belt railroad system under the
 22 circumstances and subject to the conditions ~~set forth in §4530 of this Title~~ **provided**
 23 **in R.S. 33:4530; and.**

24 (3) The ~~city of New Orleans~~ **railroad commission** may transfer, assign and
 25 deliver the bridge, its approaches and appurtenances, as a part of the public belt
 26 railroad to another political subdivision or agency of the state, if such political
 27 subdivision or agency acquires the assets of the public belt railroad system pursuant
 28 to the authority granted in ~~§4531 above~~ **R.S. 33:4531**. Any such transfer shall require
 29 that such political subdivision undertake and agree: ~~(f)~~ **(i)** to continue to operate and

1 maintain the Huey P. Long Bridge as a part of the public belt railroad system; (ii) to
 2 assume and comply with all obligations of the city of New Orleans and the public
 3 belt railroad commission under all contracts, including by way of illustration but not
 4 limitation, all the contracts between the city of New Orleans, acting by and through
 5 the public belt railroad commission and the railroad companies using the Huey P.
 6 Long Bridge and the tracks of the public belt railroad system, and the rights of the
 7 Louisiana Department of Highways, in and to the perpetual use of the highway
 8 portions of said bridge; and (iii) to recognize and maintain the rights of the
 9 employees of the Public Belt Railroad System under existing labor contracts and
 10 applicable law; **however, this requirement shall not be interpreted to prohibit**
 11 **future changes that may be permitted by law or contract or negotiated**
 12 **agreement with employees.**

13 Section 4. R.S. 33:4534 is hereby enacted to read as follows:

14 **§4534. Transfer of assets by the city of New Orleans**

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

26 Section 5. R.S. 33:4535, 4536, and 4537 are hereby enacted to read as follows:

27 **§4535. Railroad commission acquisition of assets; cooperation with the port of**
 28 **New Orleans**

29 **A.(1) All rights and properties of every kind, movable and immovable,**

1 corporeal and incorporeal, including but not limited to lands, servitudes, leases,
2 rails, tracks, locomotives, equipment, motor vehicles, switch yards, books,
3 records, accounts receivable, monies, intellectual property, contracts, actions,
4 and the Huey P. Long Bridge, its approaches and appurtenances and the lands
5 and other things in connection therewith, and all other properties and assets
6 owned, possessed, or used by the New Orleans Public Belt Railroad Corporation
7 on the effective date of this Section are hereby transferred to the railroad
8 commission. No instruments of transfer need be executed or recorded and no
9 notice of assignment need be given to third persons, and the transfer of
10 ownership as to all property shall be effective against third persons upon the
11 effective date of this Section, provided that the railroad commission and the
12 New Orleans Public Belt Railroad Corporation are authorized to register a
13 notice of the transfer in the conveyance records of applicable parishes making
14 reference to this Section.

15 (2) Upon the effective date of this Section, any pending or unfinished
16 business of the New Orleans Public Belt Railroad Corporation shall be taken
17 over and be completed by the railroad commission.

18 (3) After the effective date of this Section, whenever the Public Belt
19 Railroad Commission for the city of New Orleans, or the New Orleans Public
20 Belt Railroad Corporation, is a party to or is referred to or designated in any
21 contract, the railroad commission shall be deemed to be a successor party to
22 that contract and any such reference or designation shall be deemed to apply to
23 the railroad commission. A provision in a contract that prohibits, restricts, or
24 requires consent for this substitution and assignment or provides that it gives
25 rise to a default, claim, defense, right of termination, or other remedy is
26 ineffective.

27 B.(1) The railroad commission shall be the successor in every way to the
28 New Orleans Public Belt Railroad Corporation. All of the obligations and debts
29 of that corporation are hereby assumed by the railroad commission, including

1 but not limited to the obligations and debts of the Public Belt Railroad
2 Commission for the city of New Orleans expressly assumed in writing by that
3 corporation pursuant to the Cooperative Endeavor Agreement effective
4 February 1, 2018, among the city of New Orleans, the Public Belt Railroad
5 Commission for the city of New Orleans, the Board of Commissioners of the
6 Port of New Orleans, and that corporation.

7 (2) For purposes of this Subsection, legal proceeding includes but is not
8 limited to any suit, action, incidental demand or action, claim, or any other
9 matter filed or pending before any court, administrative agency, or other
10 judicial or quasi-judicial body.

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

16 (4) Any legal proceeding to which the New Orleans Public Belt Railroad
17 Corporation is a party and which is pending upon the effective date of this
18 Section, and all pleadings involved in the legal proceeding, shall retain their
19 effectiveness and shall be continued in the name of the railroad commission.
20 This provision shall not interrupt or suspend the running of any prescription
21 or peremption or revive or renew any matter or action. All further legal
22 proceedings and pleadings in the continuation, disposition, and enforcement of
23 the legal proceeding shall be in the name of the railroad commission, and the
24 railroad commission shall be substituted for the original party, whether the
25 original party is the Public Belt Railroad Commission for the city of New
26 Orleans or the New Orleans Public Belt Railroad Corporation, without
27 necessity for formal amendment of any pleading.

28 C. The powers and functions of the Board of Commissioners of the Port
29 of New Orleans include the formation and ownership of the New Orleans Public

1 Belt Railroad Corporation. The corporation and all properties at any time
2 owned by it and the income therefrom shall be exempt from any form of
3 taxation in the state of Louisiana. The property and assets of the New Orleans
4 Public Belt Railroad Corporation, transferred to the railroad commission by
5 this Section, were acquired by the corporation in direct exchange for properties
6 transferred by the Board of Commissioners of the Port of New Orleans to the
7 city of New Orleans.

8 D. The railroad commission shall exercise and perform its powers and
9 functions in cooperation with the Board of Commissioners of the Port of New
10 Orleans. The railroad commission is a rail common carrier, and the railroad
11 commission shall possess and retain all rail common carrier status and
12 obligations under federal laws with respect to the public belt railroad system.
13 Nothing in this Part is intended or shall be construed to create or impose any
14 rail common carrier status or obligation on the Board of Commissioners of the
15 Port of New Orleans. When appropriate, the respective officers and employees
16 of the Board of Commissioners of the Port of New Orleans and the railroad
17 commission are authorized to render support and services to the other political
18 subdivision within their respective functions. In order to achieve economy,
19 effectiveness, or coordination of planning, marketing, or operation, subject to
20 the separation required by this Subsection, the Board of Commissioners of the
21 Port of New Orleans and the railroad commission may contract with each other
22 by cooperative endeavor agreement or otherwise coordinate or combine the use
23 of administrative, legal, executive, financial, marketing, community outreach,
24 and other personnel upon such basis of compensation and value therefor as may
25 be mutually agreed by the political subdivisions, provided such arrangement
26 shall in no event include employees performing rail carrier operations.
27 Pursuant to a written agreement, either political subdivision is authorized to
28 donate the use of public equipment and personnel of the political subdivision
29 upon request to the other political subdivision for an activity or function the

1 requesting political subdivision is authorized to exercise.

2 E. The railroad commission pursuant to Article VI, Section 20 of the
3 Louisiana Constitution of 1974, may exercise and perform any authorized
4 power and function, including financing, jointly or in cooperation with the
5 Board of Commissioners of the Port of New Orleans. Pursuant to Article VI,
6 Sections 19 and 21 of the Louisiana Constitution of 1974, the railroad
7 commission shall be granted all of the rights, powers, privileges, and immunities
8 granted to political subdivisions for economic development purposes for the
9 object and purpose of promoting and expanding the transportation of goods in
10 domestic or international commerce through or related to and for the benefit
11 of the port of New Orleans and the public belt railroad system.

12 F. The railroad commission and the Board of Commissioners of the Port
13 of New Orleans are authorized to exchange properties of any kind, immovable
14 or movable, corporeal or incorporeal, when mutually agreed to be in the best
15 interests of the port of New Orleans.

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

24 H. Upon the determination by the board of the railroad commission that
25 the interests of the railroad commission would best be served, the railroad
26 commission may incorporate a nonprofit corporation to be solely owned and
27 controlled by it for the purpose of exercising or supporting a part of the
28 railroad commission's functions.

29 §4536. Employees of the railroad commission

1 A. The railroad commission is authorized to pledge the income, revenues,
2 and receipts derived or to be derived from the properties and facilities owned,
3 leased, maintained, or operated by the railroad commission or received by the
4 railroad commission from these properties and facilities, or from contracts or
5 agreements relating to these properties and facilities, to the payment of the
6 revenue bonds and indebtedness issued by the Board of Commissioners of the
7 Port of New Orleans from time to time. Any such pledge of and grant of security
8 interest in income, revenues, monies or receipts made by the railroad
9 commission in connection with the issuance of securities by the Board of
10 Commissioners of the Port of New Orleans shall be valid, binding, and perfected
11 and have priority from the time when the pledge is made in the same manner
12 as if such pledge and grant of security interest were made by the railroad
13 commission in connection with the issuance of securities directly by the railroad
14 commission.

15 B. Members of the board of the railroad commission and officials,
16 officers, and employees holding office or employment with the railroad
17 commission, while acting within the scope of their duties or employment, shall
18 have the indemnification rights and shall be deemed covered individuals, as
19 provided in R.S. 13:5108.1, with respect to such actions.

20 C. The chief executive officer of the railroad commission shall have
21 power to organize or reorganize the legal, executive, and other departments and
22 forces of the railroad commission, and to fix the duties, powers, and
23 compensation of all officer, agents, and employees in such departments and
24 forces, subject to modification of any determination by the board of the railroad
25 commission.

26 §4537. Financial matters and cooperation by the railroad commission

27 A. The railroad commission is authorized to pledge the income, revenue,
28 and receipts derived or to be derived from the properties and facilities owned,
29 leased, maintained, or operated by the railroad commission or received by the

1 railroad commission from these properties and facilities, or from contacts or
2 agreements relating to these properties and facilities, to the payment of the
3 revenue bonds and indebtedness issued by the Board of Commissioners of the
4 Port of New Orleans from time to time. Any such pledge of and grant of security
5 interest in income, revenues, monies, or receipts made by the railroad
6 commission in connection with the issuance of securities by the Board of
7 Commissioners of the Port of New Orleans shall be valid, binding, and perfected
8 and have priority from the time when the pledge is made in the same manner
9 as if such pledge and grant of security interest were made by the railroad
10 commission in connection with the issuance of securities directly by the railroad
11 commission.

12 B. The Board of Commissioners of the Port of New Orleans is authorized
13 pursuant to Article VI, Section 20 of the Louisiana Constitution of 1974, to issue
14 revenue bonds or other indebtedness of the port board jointly or in cooperation
15 with the railroad commission, which bonds or indebtedness may be the
16 obligation of the port board or the joint obligation, several obligations, or joint
17 and several obligations of the political subdivisions, as determined by the Board
18 of Commissioners of the Port of New Orleans. Nothing contained in this Section
19 shall be construed as a restriction or a limitation upon any powers which the
20 Board of Commissioners of the Port of New Orleans might otherwise have
21 under the laws of this state. This Section shall be regarded as supplemental and
22 additional to powers conferred by other laws.

23 C. Upon the determination by the Board of Commissioners of the Port
24 of New Orleans that the interests of the port of New Orleans and the railroad
25 commission would best be served if the financial statements of both political
26 subdivisions are prepared and issued on a consolidated basis, with each political
27 subdivision also reported separately within the report as required by law, the
28 port board shall be authorized to undertake and prepare the joint consolidated
29 financial statements and the railroad commission shall cooperate in the

1 preparation thereof. The annual audit report and annual financing statements
2 of both political subdivisions shall be distributed to the legislative auditor and
3 to the other persons provided by law within six months of the close of their
4 common fiscal years.

5 D. Upon the determination by the Board of Commissioners of the Port
6 of New Orleans that the interest of the port of New Orleans and the railroad
7 commission would best be served, the port board and the railroad commission
8 may provide for the joint use of revenue bond proceeds, other indebtedness,
9 other funds, facilities, or properties or any combination thereof, upon such basis
10 of compensation and value therefor as may be mutually agreed by the political
11 subdivisions to best serve the commerce and industry of the port of New
12 Orleans or as may be required by indentures or other agreements governing
13 indebtedness of any of such political subdivisions.

14 Section 6. R.S. 33:4533 is hereby repealed.

15 Section 7. Act 279 of the 2011 Regular Session is hereby repealed.

16 Section 8. A. The provisions of Section 1 of this Act shall take effect and become
17 operative on the first day of January following an election at which a majority of the voters
18 of the city of New Orleans who vote on the proposition approve an amendment of Article
19 V, Chapter 2, Section 5-201 of the home rule charter of the city to change the composition
20 of the Public Belt Railroad Commission for the city of New Orleans to provide the identical
21 composition of the board as contained in this Act.

22 B. The terms of the members of the Public Belt Railroad Commission for the city of
23 New Orleans in office on the effective date of Section 1 of this Act shall terminate on the
24 effective date of Section 1 of this Act. The members of the Public Belt Railroad Commission
25 for the city of New Orleans shall be appointed and shall take office as provided in Section
26 1 of this Act and shall serve initial terms as provided in Section 1 of this Act. This Section
27 shall not be construed to prevent the reappointment to the commission of a member in office
28 on the effective date of Section 1 of this Act.

29 Section 9. The provisions of this Section and Sections 2, 4, 7, 8, and 10 of this Act

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

6 Section 10. The provisions of Sections 3, 5, and 6 of this Act shall take effect and
 7 become operative on the first day of the month that commences no less than fifteen days
 8 following the effectiveness of the federal Surface Transportation Board authority or
 9 exemption for the transfer of the public belt railroad system to the New Orleans Public Belt
 10 Rail Commission.

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

DIGEST

SB 416 Original

2020 Regular Session

Carter

Present law provides for the public belt railroad in the city of New Orleans operated by the city through the public belt railroad commission. Provides for commission membership and officers, duties, and responsibilities, and authority to transact business.

Proposed law generally provides for the Port of New Orleans, through a public nonprofit entity formed and owned by the port, to assume control of the assets and liabilities and to take over the duties and responsibilities of the railroad commission.

Proposed law ratifies the 2018 assignment, transfer, and delivery by the city of New Orleans through the railroad commission of certain rights of way, tracks, locomotives, and other assets and liabilities to a nonprofit corporation formed and owned by the board of commissioners of the port of New Orleans.

Provisions ratifying the 2018 agreement are effective upon signature of the governor or lapse of time for gubernatorial action.

Other provisions become operative upon the lapse of certain time delays following the effectiveness of the federal Surface Transportation Board authority or exemption for the transfer of the public belt railroad system to the New Orleans Public Belt Rail Commission.

(Amends R.S. 33:4530(A), (B), and (C), 4531, and 4532; adds R.S. 33:4530(D), 4534, 4535, 4536, and 4537; repeals R.S. 33:4533 and Act 297 of the 2011 Regular Session)