

2020 Regular Session

SENATE BILL NO. 416

BY SENATOR CARTER

LOCAL AGENCIES. Provides relative to the New Orleans Public Belt Railroad. (See Act)

1 AN ACT

2 To amend and reenact R.S. 33:4530(A), (B), and (C), 4531, and 4532, to enact R.S.  
3 33:4530(D), 4534, 4535, 4536, and 4537, and to repeal R.S. 33:4533 and Act 279 of  
4 the 2011 Regular Session, relative to the New Orleans public belt railroad; to provide  
5 for the creation of the New Orleans Public Belt Railroad Commission; to provide for  
6 the composition of the commission membership; to provide for the commission's  
7 purpose; to provide for the operation and maintenance of the Huey P. Long Bridge;  
8 to authorize the transfer of assets; to provide for employee arrangements; to provide  
9 for financial matters; and to provide for related 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(A) 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

15 A. ~~Except as hereinafter provided in § 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 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**  
21           **hereinafter set forth in this Part or otherwise provided by law. The railroad**  
22           **commission and all properties at any time owned by it and the income**  
23           **therefrom shall be 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 that person's successor has been appointed and taken office with the board  
9 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 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 filled.

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 chief executive officer of the Board of Commissioners of the Port  
 12 of New Orleans shall serve as chief executive officer of the railroad commission.  
 13 He shall appoint as an employee of the railroad commission the general  
 14 manager for railroad operations of the railroad commission who shall report  
 15 to the chief executive officer. The chief executive officer of the railroad  
 16 commission shall hold office by virtue of his appointment and employment as  
 17 chief executive officer of the Board of Commissioners of the Port of New  
 18 Orleans. Such employment is in the public interest, and no other law shall be  
 19 construed or applied to prohibit this combination of offices and employment.  
 20 The railroad commission and the Board of Commissioners of the Port of New  
 21 Orleans may determine that each political subdivision shall pay a portion of the  
 22 total compensation of the chief executive officer and other port senior executive  
 23 employees in the unclassified service who provide services to the railroad  
 24 commission pursuant to R.S. 33:4535.

25 \* \* \*

26 Section 2. R.S. 33:4530(B) and (C) are hereby amended and reenacted and R.S.  
 27 33:4530(D) is hereby enacted to read as follows:

28 §4530. New Orleans public belt railroad; operation by ~~city of New Orleans through~~  
 29 ~~public belt~~ railroad commission

\* \* \*

1  
2           B. ~~The city of New Orleans by and through the said commission~~ The  
3 railroad commission shall have the power to make contracts; **and to** acquire lands,  
4 leases, and other forms of property necessary for the operation of a railroad system  
5 **and port railroad terminals**, either by purchase, expropriation, or otherwise, and  
6 shall have the right to operation within or without the parish of Orleans. The  
7 railroad commission shall have the same right to lease or sublease any property,  
8 whether movable or immovable, that is owned or leased by it, that is provided  
9 to the Board of Commissioners of the Port of New Orleans under R.S.  
10 9:1102.2(A)(2).

11           C. The control, operation, management, and development of the public belt  
12 railroad system upon its acquisition as provided in R.S. 33:4535 shall be  
13 exclusively vested in said the railroad commission, subject to the provisions of  
14 this Part with respect to the related powers and functions of the Board of  
15 Commissioners of the Port of New Orleans, provided, however, that said the  
16 ~~public belt~~ railroad commission shall have the power and authority ~~subject to~~  
17 ~~compliance with any applicable provisions of the charter of the city of New Orleans~~  
18 to contract with other firms or corporations, either public or private, or local  
19 governmental subdivisions or political subdivisions, or state agencies, for the  
20 operation, management, and development of the entire public belt railroad system,  
21 provided that the ~~council of the city~~ Board of Commissioners of the Port of New  
22 Orleans shall determine that the interests of the city of New Orleans, ~~and~~ the port of  
23 New Orleans, **and the public belt railroad system** would best be served thereby and  
24 shall approve the terms and conditions of any such contract; provided that any such  
25 contract shall recognize and maintain the rights of the employees of the public belt  
26 railroad system under existing labor contracts and applicable law; **however, this**  
27 **requirement shall not be interpreted to prohibit future changes as may be**  
28 **permitted by law, contract, or negotiated agreement with employees.**

29           D. The primary and specific purpose of the railroad commission is to

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

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

10 §4531. Authority to transfer the public belt railroad system

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

1 Orleans and the industries located on ~~said the~~ system; (ii) to ~~assume and~~ make proper  
 2 and legal provision for the pledge of railroad net revenues toward for the payment  
 3 of ~~the~~ outstanding New Orleans Public Belt Railroad Bonds and the City Port of  
 4 New Orleans Public Belt Railroad Port Facility Revenue Bonds and other  
 5 indebtedness outstanding at such time and the City of New Orleans Public Belt  
 6 Notes; and (iii) to recognize and maintain the rights of the employees of the public  
 7 belt railroad system under existing labor contracts and applicable law; however, this  
 8 requirement shall not be interpreted to prohibit future changes that may be  
 9 permitted by law or contract or negotiated agreement with employees. With the  
 10 exception of any agreement with the ~~board of commissioners of the port~~ Board of  
 11 Commissioners of the Port of New Orleans, any such agreement with any state  
 12 agency which directly or indirectly affects an expenditure of state funds shall require  
 13 the approval of the legislature.

14 §4532. The Huey P. Long Bridge; operation, maintenance, etc.

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

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

1 appurtenances, and for the use of any tracks owned by the ~~Public Belt Railroad~~  
2 ~~Commission~~ **railroad commission** for the purpose of transporting and conveying its  
3 locomotives, cars, and trains and other equipment under its own power or power  
4 provided by the Public Belt Railroad.

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

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

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

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



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

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

12 **§4534. Transfer of assets by the city of New Orleans**

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

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

25 **§4535. Railroad commission acquisition of assets; cooperation with the port of**  
 26 **New Orleans**

27 **A.(1) All rights and properties of every kind, movable and immovable,**  
 28 **corporeal and incorporeal, including but not limited to lands, servitudes, leases,**  
 29 **rails, tracks, locomotives, equipment, motor vehicles, switch yards, books,**

1 records, accounts receivable, monies, intellectual property, contracts, actions,  
2 and the Huey P. Long Bridge, its approaches and appurtenances and the lands  
3 and other things in connection therewith, and all other properties and assets  
4 owned, possessed, or used by the New Orleans Public Belt Railroad Corporation  
5 on the effective date of this Section are hereby transferred to the railroad  
6 commission. No instruments of transfer need be executed or recorded and no  
7 notice of assignment need be given to third persons, and the transfer of  
8 ownership as to all property shall be effective against third persons upon the  
9 effective date of this Section, provided that the railroad commission and the  
10 New Orleans Public Belt Railroad Corporation are authorized to register a  
11 notice of the transfer in the conveyance records of applicable parishes making  
12 reference to this Section.

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

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

25 B.(1) The railroad commission shall be the successor in every way to the  
26 New Orleans Public Belt Railroad Corporation. All of the obligations and debts  
27 of that corporation are hereby assumed by the railroad commission, including  
28 but not limited to the obligations and debts of the Public Belt Railroad  
29 Commission for the city of New Orleans expressly assumed in writing by that

1 corporation pursuant to the Cooperative Endeavor Agreement effective  
2 February 1, 2018, among the city of New Orleans, the Public Belt Railroad  
3 Commission for the city of New Orleans, the Board of Commissioners of the  
4 Port of New Orleans, and that corporation.

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

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

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

26 C. The powers and functions of the Board of Commissioners of the Port  
27 of New Orleans include the formation and ownership of the New Orleans Public  
28 Belt Railroad Corporation. The corporation and all properties at any time  
29 owned by it and the income therefrom shall be exempt from any form of

1 taxation in the state of Louisiana. The property and assets of the New Orleans  
2 Public Belt Railroad Corporation, transferred to the railroad commission by  
3 this Section, were acquired by the corporation in direct exchange for properties  
4 transferred by the Board of Commissioners of the Port of New Orleans to the  
5 city of New Orleans.

6 D. The railroad commission, and any of its successors and assigns that  
7 operate, manage, and develop the public belt railroad system, shall be subject  
8 to the provisions of all federal railroad laws to the extent applicable by their  
9 terms to the public belt railroad system, including the Railway Labor Act, the  
10 Federal Employers Liability Act, the Railroad Retirement Act, the Railroad  
11 Retirement Tax Act, the Railroad Unemployment Insurance Act, the Federal  
12 Railroad Safety Act, and the Interstate Commerce Act. The railroad  
13 commission shall exercise and perform its powers and functions in cooperation  
14 with the Board of Commissioners of the Port of New Orleans. The railroad  
15 commission is a rail common carrier, and the railroad commission shall possess  
16 and retain all rail common carrier status and obligations under federal laws  
17 with respect to the public belt railroad system. Nothing in this Part is intended  
18 or shall be construed to create or impose any rail common carrier status or  
19 obligation on the Board of Commissioners of the Port of New Orleans. When  
20 appropriate, the respective officers and employees of the Board of  
21 Commissioners of the Port of New Orleans and the railroad commission are  
22 authorized to render support and services to the other political subdivision  
23 within their respective functions. In order to achieve economy, effectiveness, or  
24 coordination of planning, marketing, or operation, subject to the separation  
25 required by this Subsection, the Board of Commissioners of the Port of New  
26 Orleans and the railroad commission may contract with each other by  
27 cooperative endeavor agreement or otherwise coordinate or combine the use of  
28 administrative, legal, executive, financial, marketing, community outreach, and  
29 other personnel upon such basis of compensation and value therefor as may be

1 mutually agreed upon by the political subdivisions, provided such arrangement  
2 shall in no event include employees performing rail carrier operations.  
3 Pursuant to a written agreement, either political subdivision is authorized to  
4 donate the use of public equipment and personnel of the political subdivision  
5 upon request to the other political subdivision for an activity or function the  
6 requesting political subdivision is authorized to exercise.

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

17 F. The railroad commission and the Board of Commissioners of the Port  
18 of New Orleans may make agreements between themselves to engage jointly in  
19 the construction, finance, acquisition, or improvement of any public port or rail  
20 project or improvement, the promotion and maintenance of any undertaking,  
21 or the exercise of any power, provided that at least one of those political  
22 subdivisions is authorized under a provision of general or special law to  
23 perform such activity to exercise such power as may be necessary for  
24 completion of the undertaking. Such arrangements may provide for the joint  
25 use of funds, facilities, or property or any combination thereof necessary to  
26 accomplish the purposes of the agreement, and such agreements may include  
27 but are not limited to activities concerning the construction, finance, acquisition  
28 or improvement, or repair and maintenance, of public port or rail projects or  
29 improvements.

1           **G. The railroad commission and the Board of Commissioners of the Port**  
2           **of New Orleans are authorized to exchange properties of any kind, immovable**  
3           **or movable, corporeal or incorporeal, when mutually agreed to be in the best**  
4           **interests of the Port of New Orleans.**

5           **H. It is intended that the railroad commission and the Board of**  
6           **Commissioners of the Port of New Orleans will engage in cooperative endeavors**  
7           **with each other to implement the purposes identified in this Part and other**  
8           **public purposes. Cooperative endeavor agreements between these political**  
9           **subdivisions that are consistent with the provisions of this Part shall be**  
10           **presumed to be for a public purpose for both political subdivisions and**  
11           **presumed not to be in contravention of Article VII, Section 14(A) of the**  
12           **Louisiana Constitution of 1974.**

13           **I. Upon the determination by the board of the railroad commission that**  
14           **the interests of the railroad commission would best be served, the railroad**  
15           **commission may incorporate a nonprofit corporation to be solely owned and**  
16           **controlled by it for the purpose of exercising or supporting a part of the**  
17           **railroad commission's functions.**

18           **§4536. Employees of the railroad commission**

19           **A. The employees of the public belt railroad system, which were**  
20           **transferred from the Public Belt Railroad Commission of the city of New**  
21           **Orleans to the New Orleans Public Belt Railroad Corporation and pursuant to**  
22           **this Part are further transferred to the railroad commission, may continue with**  
23           **the railroad commission their existing employment arrangements upon such**  
24           **transfer, including but not limited to existing labor contracts. These employees**  
25           **are to be included in the unclassified service of state civil service pursuant to**  
26           **Article X, Section 2 of the Louisiana Constitution of 1974. The railroad**  
27           **commission shall recognize and maintain the rights of these employees under**  
28           **existing labor contracts and applicable law. This Subsection shall not be**  
29           **interpreted to prohibit future changes as may be permitted by law, contract, or**

1 negotiated agreement with employees.

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

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

13 §4537. Financial matters and cooperation by the railroad commission

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

28 B. The Board of Commissioners of the Port of New Orleans is authorized  
29 pursuant to Article VI, Section 20 of the Louisiana Constitution of 1974, to issue

1 revenue bonds or other indebtedness of the port board jointly or in cooperation  
2 with the railroad commission, which bonds or indebtedness may be the  
3 obligation of the port board or the joint obligation, several obligations, or joint  
4 and several obligations of the political subdivisions, as determined by the Board  
5 of Commissioners of the Port of New Orleans. Nothing contained in this Section  
6 shall be construed as a restriction or a limitation upon any powers which the  
7 Board of Commissioners of the Port of New Orleans might otherwise have  
8 under the laws of this state. This Section shall be regarded as supplemental and  
9 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 commission 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 also reported separately within the report as required by law, the  
15 port board shall be authorized to undertake and prepare the joint consolidated  
16 financial statements and the railroad commission shall cooperate in the  
17 preparation thereof. The annual audit report and annual financing statements  
18 of both political subdivisions shall be distributed to the legislative auditor and  
19 to the other persons provided by law within six months of the close of their  
20 common 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 commission would best be served, the port board and the railroad commission  
24 may provide for the joint use of revenue bond proceeds, other indebtedness,  
25 other funds, facilities, or properties or any combination thereof, upon such basis  
26 of compensation and value therefor as may be mutually agreed by the political  
27 subdivisions to best serve the commerce and industry of the Port of New  
28 Orleans or as may be required by indentures or other agreements governing  
29 indebtedness of any of such political subdivisions.



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

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

3 Section 8. The provisions of this Section and Sections 1, 2, and 4 of this Act shall  
4 become effective upon signature by the governor or, if not signed by the governor, upon  
5 expiration of the time for bills to become law without signature by the governor, as provided  
6 by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and  
7 subsequently approved by the legislature, this Act shall become effective on the day  
8 following such approval.

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

14 Section 10. Notwithstanding any provisions of this Act to the contrary, the provisions  
15 of this Act shall not supersede the obligations set forth in the cooperative endeavor  
16 agreement between the city of New Orleans, the Public Belt Railroad Commission of the city  
17 of New Orleans, the Board of Commissioners of the Port of New Orleans, and New Orleans  
18 Public Belt Railroad Corporation, dated February 1, 2018, including but not limited to  
19 post-closing transfers.

---

The original instrument was prepared by James Benton. The following digest, which does not constitute a part of the legislative instrument, was prepared by Cathy R. Wells.

---

	DIGEST	
SB 416 Reengrossed	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 provides that the railroad commission, and any of its successors and assigns that operate, manage and develop the public belt railroad system, will be subject to the provisions of all federal railroad laws to the extent applicable by their terms to the public belt railroad system, including the Railway Labor Act, the Federal Employers Liability Act,

the Railroad Retirement Act, the Railroad Retirement Tax Act, the Railroad Unemployment Insurance Act, the Federal Railroad Safety Act, and the Interstate Commerce Act.

Proposed law provides that the railroad commission and the Board of Commissioners of the Port of New Orleans may make agreements between themselves to engage jointly in the construction, finance, acquisition or improvement of any public port or rail project or improvement, the promotion and maintenance of any undertaking, or the exercise of any power, provided that at least one of those political subdivisions is authorized under a provision of general or special law to perform such activity to exercise such power as may be necessary for completion of the undertaking. Such arrangements may provide for the joint use of funds, facilities, or property or any combination thereof necessary to accomplish the purposes of the agreement, and such agreements may include but are not limited to activities concerning the construction, finance, acquisition or improvement, or repair and maintenance, of public port or rail projects or improvements.

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.

Proposed law provides that the employees of the public belt railroad system, which were transferred from the Public Belt Railroad Commission of the city of New Orleans to the New Orleans Public Belt Railroad Corporation and pursuant to proposed law are further transferred to the railroad commission, may continue with the railroad commission, their existing employment arrangements upon such transfer, including but not limited to existing labor contracts. These employees are to be included in the unclassified service of state civil service pursuant to present law. The railroad commission will recognize and maintain the rights of these employees under existing labor contracts and applicable law. Proposed law will not be interpreted to prohibit future changes as may be permitted by law, contract, or negotiated agreement with employees.

Provisions ratifying the 2018 agreement are effective upon signature of the governor or lapse of time for gubernatorial action. Provisions of this Act do not supersede the obligations set forth in the Cooperative Endeavor Agreement between the City of New Orleans, The Public Belt Railroad Commission for the City of New Orleans, the Board of Commissioners of the Port of New Orleans, and New Orleans Public Belt Railroad Corporation, dated February 1, 2018 including but not limited to Post-Closing Transfers

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 279 of the 2011 Regular Session)

#### Summary of Amendments Adopted by Senate

##### Committee Amendments Proposed by Senate Committee on Local and Municipal Affairs to the original bill

1. Provides that the railroad commission, and any of its successors and assigns that operate, manage and develop the public belt railroad system, will be subject to the provisions of all federal railroad laws.
2. Provides that the railroad commission and the Board of Commissioners of the Port of New Orleans may make agreements between themselves to engage jointly in the construction, finance, acquisition, or improvement of

any public port or rail project or improvement, the promotion and maintenance of any undertaking, or the exercise of any power.

3. Provides that the employees of the public belt railroad system may continue their existing employment arrangements.
4. Makes technical changes.

Senate Floor Amendments to engrossed bill

1. Clarifies that provisions of Act do not supersede certain obligations set forth in a CEA dated Feb. 1, 2018.