June 2020 PAL Legislative Report

PAL Legislative Affairs Chairman Matt Gresham, Port NOLA

During these uneasy times, the Louisiana Legislature delayed passing its funding bills during the shortened 2020 Regular Session and instead will pick up where they left off during the current 2nd extraordinary session of 2020, which must end by June 30.

At 6 p.m. Monday, the Legislature gaveled out of the Regular Session and at 6:01 p.m., the special session began. As of early June 3, there have been 28 bills filed, (8 Senate and 20 House) including the state budget and capital outlay bill (the state construction bill). Much of the debate centered on how to use federal CARES Act funds to avoid steep cuts to State services and agencies. The House approved a \$30 billion-plus spending plan for next year that uses federal coronavirus aid to keep programs and services on an even keel despite the pandemic. The House shelved the budget before it went to the Senate and will be more fully debated in the special session, as will HB 2.

House Appropriations will begin to hear public testimony today (June 4) on the budget. Testimony was largely absent during the regular session due to the stay-at-home order. The Capital Outlay bill could be heard today on the House floor (skipping the traditional House Appropriations hearing).

Funding for Ports

While not ultimately passed, HB2 continues to have \$39.4 million for the Port Priority Program and State surplus spending contains \$15 million to match the Corps to move the Lower Mississippi River Deepening Project forward.

2020 Regular Session Recap

What a difference a few months make...In January and February debate centered on how to spend State surplus dollars. Goals were set to give teachers a pay raise, fund early childhood education and increase funding for universities and technical colleges. Priorities included transportation infrastructure funding and fixing our deteriorating roads and bridges. Policy priorities by the Republican-led legislature included reducing the cost of insurance through tort reform.

Due to COVID 19 and the oil industry crash, Louisiana is now facing a \$1 billion budget hole.

During the shortened session, lawmakers did agree to expand Louisiana's medical marijuana program to cover any condition doctors want to treat and allow parishes to approve sports betting at the ballot box in November and shielded businesses from liability from COVID 19 exposure.

In the waning Regular session, the House passed a plan to carve out \$300 million of CARES Act funding for small businesses that Governor Edwards planned to use in assisting local government

agencies for pandemic expenses. Republicans were able to tackle a piece of their tort reform package, passing a bill to limit damage claims against insurance companies and businesses.

Ports also managed to accomplish a few items during the session. Below are port-sponsored bills and their outcomes:

- The Port of New Orleans passed <u>SB 416</u> by Sen. Troy Carter, which establishes a new parallel political subdivision, the New Orleans Public Belt Railroad Commission for the Port of New Orleans, to operate the railroad as a separate legal entity, in cooperation and conjunction with the Port.
- The Port of Caddo-Bossier passed <u>SB 421</u> by Sen. Barrow Peacock, which provides for additional rights and powers of certain port commissions regarding economic and industrial growth.
- The Port of Lake Charles passed <u>SB 441</u> by Sen. Mark Abraham, which provides for meetings of the Calcasieu-Cameron Navigation District Board of Commissioners.
- The Port of Lake Charles passed <u>HB 854</u> by Rep. Stephen Dwight, which provides relative to the Calcasieu Ship Channel public-private partnership.

Other port bills did not get moving in the shortened session. Those include:

- SB 239 by Sen. Sharon Hewitt, which provided for the issuance of bonds by the Louisiana International Gulf Transfer Terminal Authority.
- SB 154 by Sen. Sharon Hewitt, which authorized Plaquemines Port, Harbor and Terminal District to apply for designation as a foreign trade zone.
- SB 321 by Sen. Sharon Hewitt, which provided relative to the Louisiana International Deep Water Gulf Transfer Terminal makeup of the Board.

Other bills of note for the transportation sector include:

- <u>SB 406</u> by Sen. Beth Mizell, which deals with rights of ways, while providing rural areas access to broadband high-speed internet service, passed and is awaiting the Governor's signature. The bill was ammended on the House floor to protect the property rights of the rail industry.
- <u>HCR 77</u> by Speaker Shexnayder requests a study to identify the public and private barriers that exist to limit the expansion of rural broadband and wireless transmission services.

Stay tuned for other developments in Baton Rouge...

On the Hill...

While there has been no language as of yet in any COVID 19 relief packages for ports, the issue took center stage Friday (May 29), when American Association of Port Authorities President the CEO Chris Connor testified at the House Maritime Transportation Subcommittee. Connor testified that cargo was down 18 percent in March and down an estimated 20-25 percent in April

and May, due to global demand and shuttering of factories overseas. US. Ports that handle automobiles were hit hard with volumes down as much as 90 percent; and, of course, cruise ports are fell to zero. Lauren Brand, which many of you know from her time at MARAD, testified on behalf of her new employer – National Association of Waterfront Employers – in regards to overcoming blank sailings, canceled vessels and abandoned cargo. AAPA has pushed on all fronts inclusion of relief for ports nationwide in the next COVID 19 package.

Covid-19 Emergency Legislation

AAPA is advocating in the next COVID relief package for \$1.5 billion for port relief and recovery, \$1 billion for the Port Infrastructure Development Grant Program and \$4.5 billion for Army Corps projects. The end of June is likely when they want to pass another bill.

Transportation Reauthorization

If a standalone measure cannot be a reality for ports, AAPA is also seeking funds within the 5-year surface transportation reauthorization bill, which will be marked up in the next few weeks by the House Transportation Committee. Majority Leader Steny Hoyer has stated they hope to include an infrastructure package in the Highway bill and plan to roll out a \$494 billion package.

However, the House package priorities may not align with freight interests. According to Politico, the package would focus on climate mitigation and maintain the transportation status quo and simply double funds for highways, but also fund clean transit systems by providing money to pay for electric busses, electric vehicle charging infrastructure and establish new performance measures for greenhouse gas emissions through a carbon reduction program. However, due to no real path to pay for these programs and it being an election year, there is a good chance a Continuing Resolution would be in order later this summer and push the package until after the fall elections.

WRDA (America's Water Infrastructure Act of 2020)

The new WRDA or AWIA as the Senate calls it recently passed Senate Environment and Public Works without AAPA's Harbor Maintenance Trust Fund proposal. While it does include increased dedicated spending of the HMT account, AAPA will continue its effort to include its formula language when the full Senate takes up the bill via a potential floor amendment. The bill included the provision to adjust the inland waterways cost-share from 50 percent from Inland Waterways Trust Fund (IWTF)/50 percent General Revenues to 35 percent IWTF/65 percent General Revenues. This is a significant step toward ensuring inland waterways construction and major rehabilitation projects advance more efficiently. This development benefits the Nation by potentially providing \$1 billion in additional construction funds over 10 years. As for passage, the bill could be drawn into a COVID supplemental appropriations bill or taken up independently. Congress has aimed to pass a water infrastructure bill before the August recess.

Potential EDA Funds

There is an opportunity through the Department of Commerce's Economic Development Agency (EDA). The EDA received an infusion of grant money through the Phase 3 COVID bill, and

AAPA has confirmed that ports are eligible for the EDA's grant money. Most importantly, Ports should tie the application to how you support jobs and economic development related to exports and the competitiveness of the U.S. economy abroad. This funding is an important note to come from AAPA because the CARES Act expanded the eligibility for this money, and there is no deadline for applications here. The minimum grant is \$100,000, and the maximum is \$30 million and tourism is eligible, as well.

CBP Shortfalls

Customs and Border Protection has realized a significant drop in user fees due to COVID-19 and the subsequent reductions in passengers and cargo. Major trade associations and AAPA signed on to a letter asking for \$300 million to cover CBP shortfalls so they may maintain service levels.

Corps Leadership Changes

The Corps' Chief of Engineers Lieutenant General Todd Semonite has announced he will retire. Major General Scott Spellmon, Deputy Commanding General for Civil and Emergency Operations, has been nominated as General Semonite's successor as Chief of Engineers.

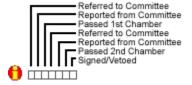
Maj. Gen. Diana M. Holland, Commanding General of the Corps' South Atlantic Division in Atlanta, GA, is slated to become Commanding General of the Mississippi Valley Division in Vicksburg, MS. General Holland's Change of Command ceremony will be June 30. She relieves Maj. Gen. Richard M. Toy, who is headed to South Korea to become Chief of Staff of the United Nations Command.



Bill Status Report

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PAL Legislation



pay for certain Dept. of Transportation and Development expenses.

Position: Neutral

Track Name(s): PAL Legislation (Neutral)

Bill History: 02-20-20 H Referred to House Committee on

House Appropriations

HB 276

Mack, Sherman(R)

Limits monies deposited into the

Transportation Trust Fund from being used to pay for certain Dept. of Transportation and

Development expenses.

Position: Neutral

Track Name(s): PAL Legislation (Neutral)

Bill History: 02-26-20 H Referred to House Committee on

House Appropriations

HB 302

Stagni, Joe(R) Increases the amount of supplemental pay

for eligible law enforcement and fire

protection officers.

Position: Neutral

Track Name(s): PAL Legislation (Neutral)

Bill History: 02-26-20 H Referred to House Committee on

House Appropriations

HB 314

Schamerhorn, Rodney

(F)(R)

Provides relative to the official journal of parishes, municipalities, school boards, and

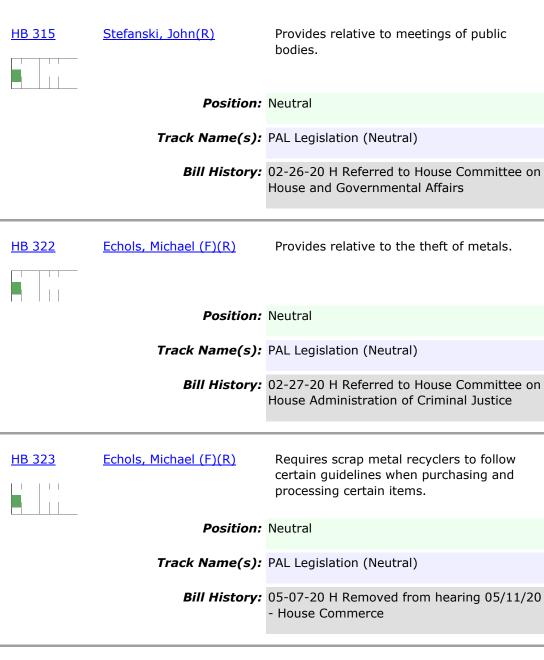
other political subdivisions.

Position: Neutral

Track Name(s): PAL Legislation (Neutral)

Bill History: 05-14-20 H Vote failed in committee - House

Municipal and Parochial Affairs



Larvadain, Ed (F)(D)

Luneau, Jay(D)

HB 390



HB 445

Schexnayder, Clay(R) Henry, Cameron (F)(R)

(Constitutional Amendment) Dedication of unclaimed property funds and creation of Louisiana Unclaimed Property Permanent Trust Fund.

Position: Neutral

Track Name(s): PAL Legislation (Neutral)

Bill History: 06-01-20 S Failed to pass (Vote: Y: 24/N: 14)

DeVillier, Phillip(R)

Requires law enforcement officers have reasonable belief of a weight violation prior to checking the weight of certain vehicles.

Position: Neutral

Track Name(s): PAL Legislation (Neutral)

Bill History: 02-28-20 H Referred to House Committee on

House Transportation

HB 479



<u>Ivey, Barry(R)</u> Establishes the State Budget Authority

Shortfall Trust for exclusive use by agencies who experience budget shortfalls during the

course of the fiscal year.

Position: Neutral

Track Name(s): PAL Legislation (Neutral)

Bill History: 02-28-20 H Referred to House Committee on

House Appropriations

HB 487



Stefanski, John(R)

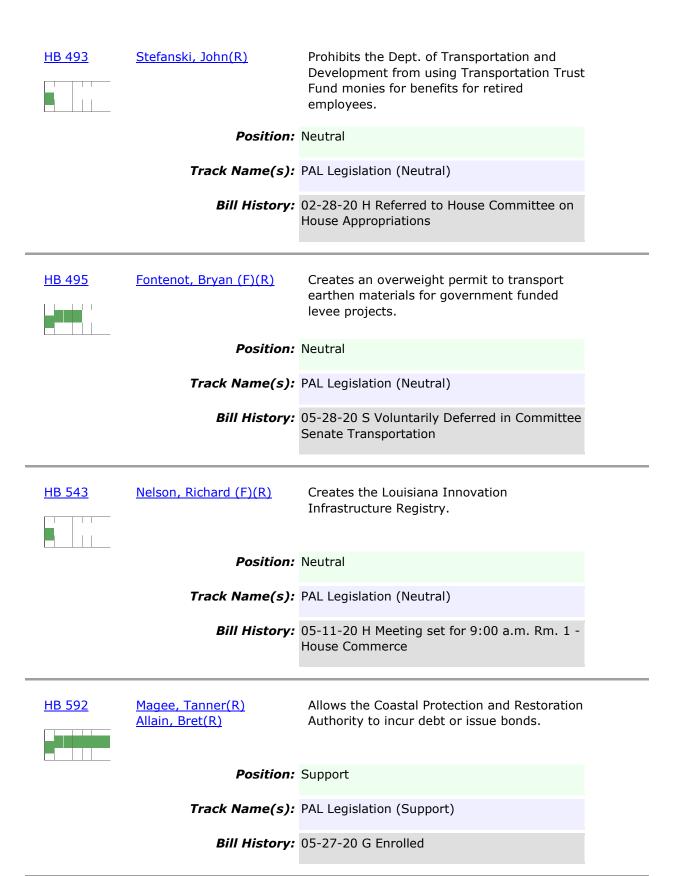
Prohibits the Dept. of Transportation and Development from using Transportation Trust Fund monies for certain expenses.

Position: Neutral

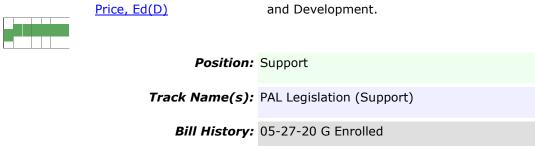
Track Name(s): PAL Legislation (Neutral)

Bill History: 02-28-20 H Referred to House Committee on

House Appropriations



HB 633	Freiberg, Barbara (F)(R) Foil, Franklin (F)(R)	Provides for the mandatory training in cybersecurity awareness for all state and local employees, officials, and contractors.
	Position:	Neutral
	Track Name(s):	PAL Legislation (Neutral)
	Bill History:	05-29-20 G Enrolled
HB 636	Ivey, Barry(R) Ward, Rick(R)	Creates and provides for the Joint Legislative Committee on Technology and Cybersecurity.
	Position:	Neutral
	Track Name(s):	PAL Legislation (Neutral)
	Bill History:	06-01-20 G Enrolled
HB 650	Amedee, Beryl(R)	Provides relative to the regulation of gates across waterways in the coastal areas.
	Position:	Neutral
	Track Name(s):	PAL Legislation (Neutral)
	Bill History:	02-28-20 H Referred to House Committee on House Natural Resources and Environment
HB 669	Pierre, Vincent(D) Price, Ed(D)	Re-creates the Department of Transportation and Development.



HB 694 Glover, Cedric(D) Provides relative to funding for a Jimmie Davis Bridge (LA511) construction project.



Position: Opposed

Track Name(s): PAL Legislation (Oppose)

Bill History: 02-28-20 H Referred to House Committee on

House Appropriations

HB 776

LaCombe, Jeremy (F)(D)

Requires a two person crew on trains

transporting freight.

Position: Opposed

Track Name(s): PAL Legislation (Oppose)

Bill History: 05-11-20 H Meeting set for 1:00 P.M. - House

Transportation

HB 834

Deshotel, Daryl (F)(R)

Changes the composition of the Avoyelles

Parish Port Commission.

Track Name(s): PAL Legislation

Bill History: 05-04-20 H Referred to House Committee on

House Transportation

HB 845



Dwight, Stephen(R) Johns, Ronnie(R)

Provides relative to the Calcasieu Ship Channel public-private partnership.

Position: Support

Track Name(s): PAL Legislation (Support)

Bill History: 06-01-20 G Enrolled

HCR 69



Wright, Mark(R)

McMath, Patrick (F)(R)

Creates a task force to study how to best capitalize on Louisiana's international trade

potential.

Position: Support

Track Name(s): PAL Legislation (Support)

Bill History: 06-02-20 G Enrolled

SB 41

Hensgens, Bob (F)(R)

Exempts certain activities performed by a levee district, a levee and drainage district, or a drainage district from the requirements for a coastal use permit.

Position: Support

Track Name(s): PAL Legislation (Support)

Bill History: 03-16-20 S Withdrawn

SB 89



Peacock, Barrow(R)

Phases in the dedication of the temporary state sales tax levy to the Transportation Trust Fund.

Companions:

Peacock, Barrow

(Refiled from 45R Session)

Position: Neutral

Track Name(s): PAL Legislation (Neutral)

SB 21

Bill History: 02-24-20 S Referred to Senate Committee on

Senate Finance

SB 132



Henry, Cameron (F)(R) Edmonds, Rick(R)

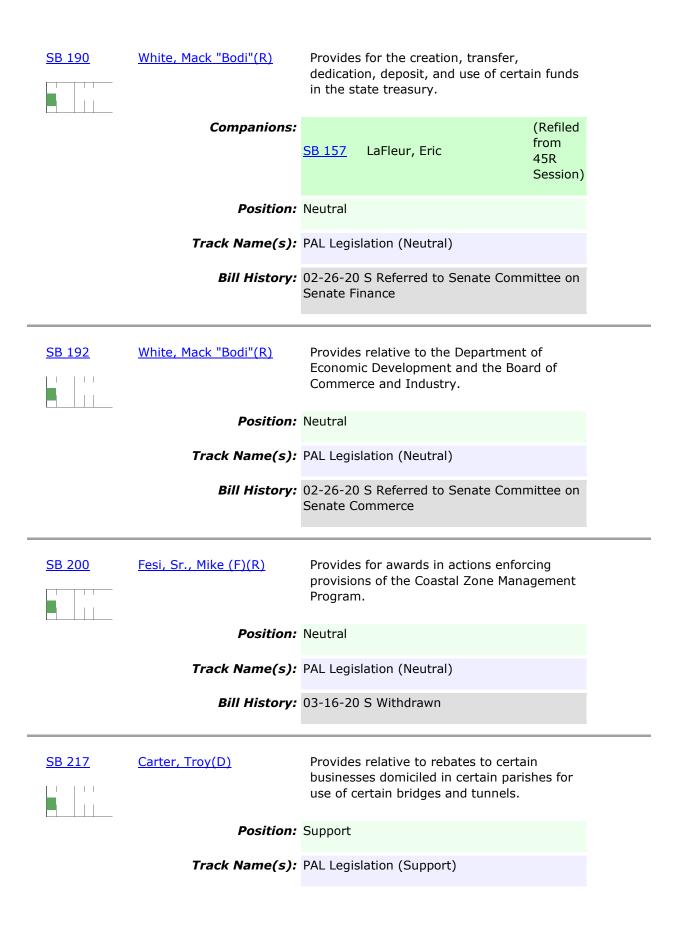
Provides for reporting to and approval of all state contracts valued at twenty-five million dollars or more annually by the Joint Legislative Committee on the Budget.

Position: Neutral

Track Name(s): PAL Legislation (Neutral)

Bill History: 05-29-20 G Enrolled





Bill History: 02-27-20 S Referred to Senate Committee on

Senate Transportation

SB 232



Hensgens, Bob (F)(R) Beaullieu, Beau (F)(R) Provides for the enforcement of coastal use permits.

Companions: SB 359 Hensgens, Bob (F)

(Identical)

5-20-20 S Returned to the calendar -

subject to call

Position: Support

Track Name(s): PAL Legislation (Support)

Bill History: 03-09-20 S Withdrawn

SB 234



Hewitt, Sharon(R)

Provides for the issuance of bonds by the

Louisiana International Gulf Transfer

Terminal Authority.

Position: Support

Track Name(s): PAL Legislation (Support)

Bill History: 02-27-20 S Referred to Senate Committee on

Senate Transportation

SB 285



McMath, Patrick (F)(R)

Provides relative to the dedication and use of certain monies to be deposited into the

Transportation Trust Fund.

Position: Neutral

Track Name(s): PAL Legislation (Neutral)

Bill History: 02-27-20 S Referred to Senate Committee on

Senate Finance

SB 321



Hewitt, Sharon(R)

Provides relative to the Louisiana International Deep Water Gulf Transfer

Terminal.

Position: Support

Track Name(s): PAL Legislation (Support)

Bill History: 02-27-20 S Referred to Senate Committee on

Senate Transportation

SB 323

Dedicates monies in the Deepwater Horizon Morris, Jay (F)(R)

Economic Damages Collection Fund for

certain infrastructure projects.

Position: Opposed

Track Name(s): PAL Legislation (Oppose)

Bill History: 05-18-20 S Voluntarily Deferred in Committee

Senate Finance

SB 359



Hensgens, Bob (F)(R) Beaullieu, Beau (F)(R) Provides for the enforcement of coastal use

permits.

Companions: SB 232 Hensgens, Bob (F)

(Identical)

3- 9-20 S Withdrawn

Position: Neutral

Track Name(s): PAL Legislation (Neutral)

Bill History: 05-20-20 S Returned to the calendar - subject

to call

SB 413

Price, Ed(D)

Provides for transfer of stationary weight

enforcement to DOTD.



Position: Neutral

Track Name(s): PAL Legislation (Neutral)

Bill History: 02-28-20 S Referred to Senate Committee on

Senate Transportation

SB 416

SB 421

<u>Carter, Troy(D)</u> <u>Newell, Candace (F)(D)</u>

Provides relative to the New Orleans Public Belt Railroad.

Position: Support

Track Name(s): PAL Legislation (Support)

Bill History: 05-29-20 G Enrolled

SB 421 Peacock, Barrow(R)

Pressly, Thomas (F)(R)

Provides for additional rights and powers of certain port commissions regarding economic

and industrial growth.

Position: Support

Track Name(s): PAL Legislation (Support)

Bill History: 05-27-20 G Enrolled

SB 440 Fesi, Sr., Mike (F)(R) Provides for enforcement of the Coastal Zone

Position: Neutral

Track Name(s): PAL Legislation (Neutral)

Bill History: 05-28-20 H Committee Hearing Cancelled

Management Program.

House Appropriations

SB 463 Ward, Rick(R) Provides for the dedication of certain

revenues to transportation.

Position: Neutral

Track Name(s): PAL Legislation (Neutral)

Bill History: 05-15-20 S Voluntarily Deferred in Committee

Senate Finance



Hewitt, Sharon(R) Dwight, Stephen(R) Provides for teleconferencing of public bodies under certain circumstances.

Position: Support

Track Name(s): PAL Legislation (Support)

Bill History: 06-01-20 G Enrolled

SB 475



Womack, Glen (F)(R)

Provides relative to workers' compensation claims filed by essential workers in the

workplace.

Position: Neutral

Track Name(s): PAL Legislation (Neutral)

Bill History: 05-04-20 S Referred to Senate Committee on

Senate Labor and Industrial Relations

SB 487



Allain, Bret(R) Riser, Neil (F)(R) Provides relative to the capital outlay application process.

Position: Neutral



Track Name(s): PAL Legislation (Neutral)

Bill History: 05-28-20 G Enrolled

SB 489



McMath, Patrick (F)(R) Pressly, Thomas (F)(R) Provides relative to limitation of liability of governmental entities which require its employees to work during a declared state of

emergency.

Position: Neutral

Track Name(s): PAL Legislation (Neutral)

Bill History: 06-01-20 H House appointed a conference

committee

Pressly, Gregory Miller, and Wright

Total Bills: 51

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