

**ACT No. 332**

2020 Regular Session

HOUSE BILL NO. 845

BY REPRESENTATIVES DWIGHT, BOURRIAQUE, CARRIER, WILFORD CARTER,  
FARNUM, ROMERO, AND TARVER AND SENATORS ABRAHAM,  
HENSGENS, JOHNS, AND REESE

1 AN ACT

2 To enact Part II-A of Chapter 1 of Title 34 of the Louisiana Revised Statutes of 1950, to be  
3 comprised of R.S. 34:221 through 224, relative to the Calcasieu Ship Channel; to  
4 provide for the Calcasieu Ship Channel Public-Private Partnership; to establish a  
5 management board and advisory committee; to establish the membership and powers  
6 of the board and committee; to provide relative to monies contributed to the  
7 Calcasieu River Fund; to provide for definitions; to provide an effective date; and to  
8 provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. Part II-A of Chapter 1 of Title 34 of the Louisiana Revised Statutes of  
11 1950, to be comprised of R.S. 34:221 through 224, is hereby enacted to read as follows:

12 PART II-A. CALCASIEU SHIP CHANNEL PUBLIC-PRIVATE PARTNERSHIP

13 §221. Definitions

14 As used in this Part, the following terms shall have the meaning ascribed to  
15 them, unless the context clearly indicates otherwise:

16 (1) "Board" means the Calcasieu Ship Channel Funding Management Board.

17 (2) "Corps" means the U.S. Army Corps of Engineers.

18 (3) "DMMP" means the Dredged Material Management Plan dated  
19 November 22, 2010, as adopted by the U.S. Army Corps of Engineers.

20 (4) "Fund" means the Calcasieu River Fund which is a separate and distinct  
21 fund kept and maintained by the Port of Lake Charles.

1                   (5) "Industry" means a fixed facility located on the Calcasieu Ship Channel  
2                   with a terminal having at least one vessel call utilizing a state-commissioned pilot.

3                   (6) "Non-federal sponsor" means the Lake Charles Harbor and Terminal  
4                   District acting on behalf of the state of Louisiana, as authorized by R.S. 34:218.

5                   (7) "Port" means the Lake Charles Harbor and Terminal District.

6                   (8) "PPA" means the project partnership agreement between the non-federal  
7                   sponsor and the U.S. Army Corps of Engineers dated April 20, 2015, which  
8                   implemented the Dredged Material Management Plan.

9                   (9) "Ship Channel" means the Calcasieu Ship Channel, which may also be  
10                  referred to as the Calcasieu River and Pass Project.

11                  (10) "Vessel" means any watercraft utilizing a state-commissioned pilot to  
12                  navigate the Calcasieu Ship Channel, whether foreign or domestic.

13                  §222. Calcasieu Ship Channel Funding Management Board

14                  A. The legislature hereby creates the Calcasieu Ship Channel Funding  
15                  Management Board which shall be domiciled at the Lake Charles Harbor and  
16                  Terminal District. The board shall be composed of the following three members:

17                  (1) The executive director of the Lake Charles Harbor and Terminal District  
18                  or his designee.

19                  (2) The governor of the state of Louisiana or his designee.

20                  (3) A representative from an entity with a facility located on the Ship  
21                  Channel that contributes to the fund and appointed by the Louisiana Mid-Continent  
22                  Oil and Gas Association.

23                  B. The board shall elect from its members a chairman who shall call the  
24                  meetings as necessary and set the agenda for each meeting. The chairman shall serve  
25                  a term of one year and may serve consecutive terms.

26                  C. The powers of the board shall be limited to determining how money from  
27                  the fund is used to pay the non-federal sponsor's cost share of the DMMP or other  
28                  non-federal sponsor's costs under the PPA or as required by federal law or regulation,  
29                  including but not limited to projects presented to the board for construction and any  
30                  real estate acquisitions necessary to implement the objectives of the DMMP.

1                   D. The board members shall serve without compensation.

2                   §223. Funding

3                   A. For the 2020-2021 Fiscal Year, any entity that operates a facility on the  
4                   Calcasieu Ship Channel and receives vessels pursuant to this Part, except those  
5                   entities leasing from the Port of Lake Charles' City Docks Facility, Bulk Terminal  
6                   1, or Bulk Terminal 4, shall contribute to the Calcasieu River Fund. The amount  
7                   contributed by each entity shall be calculated based on an estimation of the number  
8                   of ships expected at the entity's facility for the year 2020 at a flat rate of one  
9                   thousand five hundred dollars per vessel plus eighty-four dollars and fifty cents per  
10                  mile for each mile the facility is located from mile marker zero, as shown on sheet  
11                  twenty-seven of the Corps' hydrologic maps of the ship channel. The total amount  
12                  of private investments provided pursuant to this Subsection shall not exceed three  
13                  million dollars.

14                  B. For the 2020-2021 Fiscal Year, The Lake Charles Harbor and Terminal  
15                  District shall contribute three million dollars to the fund.

16                  C. For the 2020-2021 Fiscal Year, the legislature may appropriate and may  
17                  contribute three million dollars to the fund.

18                  D.(1) Funding for each subsequent year shall be provided as follows:

19                  (a) Industry shall contribute two million five hundred thousand dollars as  
20                  provided in the cooperative endeavor agreement. Industry shall determine the  
21                  number of working vessels anticipated to arrive at its facility for the following year  
22                  and submit that number to the Port of Lake Charles by November first of each year.  
23                  Within forty-five days, the Port of Lake Charles shall invoice each entity for their  
24                  individual contribution considering the following:

25                  (i) A minimum per vessel transit charge of one thousand five hundred  
26                  dollars.

27                  (ii) A variable mileage charge based on distance from the facility to mile  
28                  marker zero as approved by the board.

1                    (iii) An adjustment using a true-up mechanism by the board using an actual  
2                    vessel transit count compared to the anticipated vessel transit count from the  
3                    previous year.

4                    (b) If the variable mileage charge per vessel transit has been adjusted to zero  
5                    and the per vessel transit charge of one thousand five hundred dollars would exceed  
6                    two million five hundred thousand dollars, the per vessel transit charge shall be  
7                    lowered to an amount that equates to two million five hundred thousand dollars.

8                    (2) The port shall contribute two million five hundred thousand dollars to the  
9                    fund.

10                   (3) The legislature may appropriate and may contribute five million dollars  
11                   as provided in the cooperative endeavor agreement entered into between the port, the  
12                   state of the Louisiana, and the entities operating on the ship channel as represented  
13                   by Louisiana Mid-Continent Oil and Gas Association.

14                   E. In any month in which the net of committed expenditures in the fund  
15                   exceeds twenty million dollars, the board shall adopt a resolution to suspend all  
16                   payments to the fund from the contributing entities. Reinstatement of all payments  
17                   shall occur by resolution at such time as the balance in the fund falls below twenty  
18                   million dollars.

19                   F. The board shall promulgate rules and regulations as are necessary to  
20                   implement the provisions of this Subsection.

21                   §224. The Calcasieu Ship Channel Advisory Committee

22                   A. The advisory committee shall consist of a group of stakeholders that will  
23                   offer advice and counsel, and meet with the Calcasieu Ship Channel Funding  
24                   Management Board quarterly to review funding plans and activities. The members  
25                   of the advisory committee shall not have decisionmaking authority.

26                   B. The members shall serve concurrently with the governor and without  
27                   compensation.

28                   C. The advisory committee shall be composed of seven members as follows:

29                   (1) One member shall be a representative of the Corps.

1                   (2) One member shall be the port director of the Cameron Parish Port,  
2                   Harbor and Terminal District or his designee.

3                   (3) One member shall be the executive director of the Lake Charles Harbor  
4                   and Terminal District or his designee.

5                   (4) One member shall be a state-commissioned river port pilot appointed by  
6                   the Associated Branch Pilots for the Port of Lake Charles.

7                   (5) Three members shall be appointed by the governor and shall represent  
8                   separate facilities that utilize the Calcasieu Ship Channel for commerce involving  
9                   deep draft seagoing vessels. One member shall represent a facility on the Ship  
10                  Channel in Cameron Parish and two members shall represent a facility on the Ship  
11                  Channel in Calcasieu Parish. The appointments by the governor shall be subject to  
12                  Senate confirmation.

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

\_\_\_\_\_  
SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
PRESIDENT OF THE SENATE

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_