SLS 25RS-416

ORIGINAL

2025 Regular Session

SENATE BILL NO. 242

BY SENATOR OWEN

PUBLIC SERVICE COMN. Provides for the authority of the Public Service Commission. (gov sig)

| 1 | AN ACT |
|----|--|
| 2 | To amend and reenact R.S. 33:4096(A)(2), 4121(A)(2), 4123, 4159.1(A) through (E), and |
| 3 | 4159.3(B)(6) and to repeal R.S. 33:4159.2, relative to the Public Service |
| 4 | Commission; to provide relative to regulations, powers, duties, and authority of the |
| 5 | Public Service Commission; to provide relative to Sewerage and Water Board of |
| 6 | New Orleans; to provide for water and sewerage rates in the city of New Orleans; to |
| 7 | provide relative to audits, examinations, and reviews of books and accounts of the |
| 8 | Sewerage and Water Board of New Orleans; to provide relative to arbitration and |
| 9 | appeals; to provide for terms, conditions, and procedures; to provide for an effective |
| 10 | date; and to provide for related matters. |
| 11 | Notice of intention to introduce this Act has been published. |
| 12 | Be it enacted by the Legislature of Louisiana: |
| 13 | Section 1. R.S. 33:4096(A)(2), 4121(A)(2), 4123, 4159.1(A) through (E), and |
| 14 | 4159.3(B)(6) are hereby amended and reenacted to read as follows: |
| 15 | §4096. New Orleans sewerage and water board; water rates; water revenue bonds |
| 16 | A.(1) * * * * |
| 17 | (2) The rates to be charged the consumers of water shall not become effective |

Page 1 of 7 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

ORIGINAL SB NO. 242

| 1 | unless and until approved by the Board of Liquidation, City Debt, and by a majority |
|----|--|
| 2 | vote of the council of the city of New Orleans Public Service Commission. Prior |
| 3 | to taking any decisive action in connection with rates and at least thirty days before |
| 4 | setting a rate, the Sewerage and Water Board of New Orleans shall notify the Board |
| 5 | of Liquidation, City Debt, and the council of the city of New Orleans Public Service |
| 6 | <u>Commission</u> of its intention, and the Sewerage and Water Board of New Orleans |
| 7 | shall hold at least three public meetings to discuss the new rates. The public shall be |
| 8 | notified of the hearings in the official journal of the city of New Orleans no less |
| 9 | than three times within the week prior to each such meeting. Each member of the |
| 10 | Board of Liquidation, City Debt, and the council of the city of New Orleans Public |
| 11 | Service Commission shall be furnished a copy of the transcript of each hearing at |
| 12 | least twenty days prior to any action being taken by any of said the three public |
| 13 | agencies. |
| 14 | * * * |
| 15 | §4121. New Orleans; rate; fixing; private users of sewerage system; revenue bonds |
| 16 | A.(1) * * * * |
| 17 | (2) The rates to be charged the users of the sewerage system shall not become |
| 18 | effective unless and until approved by the Board of Liquidation, City Debt, and by |
| 19 | the council of the city of New Orleans Public Service Commission. Prior to taking |
| 20 | any decisive action in connection with the rates and at least thirty days before setting |
| 21 | rates, the Sewerage and Water Board of New Orleans shall notify the Board of |
| 22 | Liquidation, City Debt, and the council of the city of New Orleans Public Service |
| 23 | Commission of its intention, and the Sewerage and Water Board of New Orleans |
| 24 | shall hold at least three public meetings to discuss the rates. The public shall be |
| 25 | notified of the hearings in the official journal of the city of New Orleans no less |
| 26 | than three times within the week prior to each such meeting. Each member of the |
| 27 | Board of Liquidation, City Debt, and the council of the city of New Orleans Public |
| 28 | Service Commission shall be furnished a copy of the transcript of each hearing at |
| 29 | least twenty days prior to any action being taken by any of said three public agencies. |

Page 2 of 7 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

| 1 | * * * |
|----|--|
| 2 | §4123. New Orleans; rules and regulations; provisions self-operative; board |
| 3 | continued; repeal; severability |
| 4 | $\underline{\mathbf{A}}$. The board may make reasonable rules and regulations necessary for the |
| 5 | proper administration of the sewerage system. |
| 6 | <u>B.</u> The provisions hereof are self-operative, and the sewerage and water |
| 7 | board of New Orleans, the Board of Liquidation, City Debt, and the council of the |
| 8 | city of New Orleans, or its successor as the governing body of said city of New |
| 9 | Orleans Public Service Commission shall have full power to carry them into effect. |
| 10 | C. The Board of Liquidation, City Debt, as now organized and created, and |
| 11 | with the powers, duties and functions prescribed by existing laws and by the |
| 12 | constitution, shall be continued while any bonds authorized by R.S. 33:4121 are |
| 13 | outstanding and unpaid. |
| 14 | <u>D</u> . No proceedings or approvals, not required by the provisions of this |
| 15 | Section, shall be necessary to the validity of such bonds. |
| 16 | $\underline{\mathbf{E}}$. Any provision of the constitution or any law in conflict herewith is hereby |
| 17 | repealed. Should any provision hereof be declared null and void, such declaration |
| 18 | shall not affect the balance of this amendment. |
| 19 | * * * |
| 20 | §4159.1. Regulation; city council Public Service Commission |
| 21 | A. The New Orleans City Council Public Service Commission shall have |
| 22 | the power to compile financial statements and to examine, audit, or review the books |
| 23 | and accounts of the Sewerage and Water Board of New Orleans, referred to in this |
| 24 | Section as the "board". The scope of the examinations may include financial |
| 25 | accountability, legal compliance, and evaluations of the economy, efficiency, and |
| 26 | effectiveness of the board's programs or any combination thereof. In addition, the |
| 27 | city council Public Service Commission shall have access to and be permitted to |
| 28 | examine all papers, books, accounts, records, files, instruments, documents, films, |
| 29 | tapes, and any other forms of recordation, including but not limited to computers and |

Page 3 of 7 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

system.

1

2

3

recording devices, and all software and hardware which hold data, is part of the technical processes leading up to the retention of data, or is part of the security

B. In lieu of examinations of the records and accounts of the board, the city 4 5 council <u>Public Service Commission</u> may, at its discretion, accept an audit or review report prepared by a licensed certified public accountant, provided that such audit or 6 7 review is performed in accordance with generally accepted governmental auditing 8 standards and the Louisiana Governmental Audit Guide. Such audits shall be 9 completed within six months of the close of the board's fiscal year. Reviews shall be 10 conducted in accordance with the authoritative pronouncements issued by the 11 American Institute of Certified Public Accountants and guidance provided in the 12 Louisiana Governmental Audit Guide. For the limited purpose of providing the 13 audits and reviews as provided in this Subsection, the certified public accountant shall have the access and assistance privileges afforded the legislative auditor in R.S. 14 24:513(E) and (I). However, the certified public accountant shall comply with any 15 16 and all restrictions imposed by law on documents, data, or information deemed confidential by law and furnished to the certified public accountant during the course 17 of the audit or review. 18

19C. The city council Public Service Commission may prescribe the terms and20conditions of any such audit or review conducted by a licensed certified public21accountant and may approve the terms and conditions prior to its commencement and22require the board to present the terms and conditions to the city council Public23Service Commission for approval. The city council Public Service Commission24shall also have access to the working papers of the accountant during the25examination and subsequent to its termination.

26 D.(1) The city council <u>Public Service Commission</u> may issue subpoenas to 27 the board to compel the production of public and private books, documents, records, 28 papers, films, tapes, and electronic data processing media. A subpoena shall be 29 served by registered or certified mail, return receipt requested, to the board's business

> Page 4 of 7 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

| 1 | address. |
|----|---|
| 2 | (2) If the board refuses to obey a subpoena issued pursuant to this Subsection, |
| 3 | a judicial district court, upon application by the city council Public Service |
| 4 | Commission, may issue an order requiring a board representative to appear before |
| 5 | the court to show cause why the board should not be held in contempt for refusal to |
| 6 | obey the subpoena. Failure to obey a subpoena may be punished as a contempt of |
| 7 | court. |
| 8 | E. The city council Public Service Commission may adopt any rules and |
| 9 | regulations it deems necessary to implement the provisions of this Section. |
| 10 | * * * |
| 11 | §4159.3. Customer billing; fixed rate; arbitration |
| 12 | * * * |
| 13 | B. There is hereby established an arbitration program applicable to customers |
| 14 | who dispute their bills from the board. The program shall function in accordance |
| 15 | with the following requirements: |
| 16 | * * * |
| 17 | (6) If the customer is dissatisfied with the determination of the arbiter, the |
| 18 | customer may appeal to the city council <u>Public Service Commission</u> as otherwise |
| 19 | provided by law. |
| 20 | * * * |
| 21 | Section 2. R.S. 33:4159.2 is hereby repealed. |
| 22 | Section 3. This Act shall become effective upon signature by the governor or, if not |
| 23 | signed by the governor, upon expiration of the time for bills to become law without signature |
| 24 | by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If |
| 25 | vetoed by the governor and subsequently approved by the legislature, this Act shall become |
| 26 | effective on the day following such approval. |

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Senate Legislative Services. The keyword, summary, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

SB 242 Original

DIGEST 2025 Regular Session

Owen

<u>Present law</u> provides that the rates to be charged to consumers of water and users of the sewerage system shall not become effective unless and until approval by the Board of Liquidation, City Debt, and by a majority vote of the council of the city of New Orleans. Provides that prior to taking actions of a rate and 30 days before setting a water or sewerage rate the Sewerage and Water Board of New Orleans shall notify the Board of Liquidation, City Debt, and the council of the city of New Orleans of its intentions and shall hold at least three public meetings to discus new rates.

<u>Proposed law</u> retains <u>present law</u> except replaces the authority of the council of the city of New Orleans (city council) with the Public Service Commission (commission).

<u>Present law</u> provides that the Sewerage and Water Board of New Orleans (board), the Board of Liquidation, City Debt, and the council are the governing body of the city of New Orleans and shall have full power to carry out any provisions related to the proper administration of the sewerage and water system.

<u>Proposed law</u> retains <u>present law</u> except replaces the authority of the city council with the commission.

<u>Present law</u> allows the city council to examine, audit, or review the books and accounts of the board. Further allows the city council to have access to and be permitted to examine all papers, books, accounts, records, files, instruments, documents, and other form of recordations of the board.

<u>Present law</u> allows the city council to accept an audit or review report prepared by a licensed certified public accountant, if the audit is completed in six months of the close of the board's fiscal year.

<u>Present law</u> allows the city council to prescribe the terms and conditions of any such audit or review conducted by a licensed certified public accountant. Allows the city council to have access to the working papers of the accountant during the examination and subsequent to its termination.

<u>Present law</u> allows the city council to issue subpoenas to the board to compel the production of books, documents, records, papers, films, tapes, and data processing media. Provides that subpoenas can be serviced by registered or certified mail, return receipt requested, to the board's business address.

<u>Present law</u> allows the city council to adopt any rules and regulations it deems necessary to implement the provisions of <u>present law</u>.

<u>Proposed law</u> retains <u>present law</u> except replaces the authority of the city council with the commission.

<u>Present law</u> provides for an arbitration program for customers to dispute their water and sewerage bills to the board and allows the customer to appeal to the city council if the customer is dissatisfied with the outcome of the arbiter.

Proposed law retains present law except allows the customer to appeal to the commission.

Page 6 of 7 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

SLS 25RS-416

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

(Amends R.S. 33:4096(A)(2), 4121(A)(2), 4123, 4159.1(A)-(E), and 4159.3(B)(6); repeals R.S. 33:4159.2)