

2024 Regular Session

SENATE BILL NO. 64

BY SENATOR REESE

FUNDS/FUNDING. Provides for changes to the Water Sector Program. (gov sig)

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AN ACT

To amend and reenact R.S. 39:100.52(A) and 100.56(D)(1) and (G) and to enact R.S. 39:100.56(K)(2)(c), relative to the Water Sector Program; to provide relative to the Water Sector Fund; to remove an outdated reference to a previous transfer of funds; to provide relative to Water Sector Program guidance requirements; to require rate studies for grant recipients; to provide relative to adjustments of grant awards; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 39:100.52(A) and 100.56(D)(1) and (G) are hereby amended and reenacted and R.S. 39:100.56(K)(2)(c) is hereby enacted to read as follows:

§100.52. Water Sector Fund

A. There is hereby created in the state treasury, as a special fund, the Water Sector Fund, hereinafter referred to in this Section as the "fund". ~~The treasurer is hereby authorized and directed to transfer three hundred million dollars from the Louisiana Rescue Plan Fund into the Water Sector Fund.~~

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§100.56. Water Sector Program

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D.(1) The division shall promulgate guidance for the administration of the program. The guidance shall include application requirements, application period dates and deadlines for submissions and approval, criteria for ratings, **grant requirements, procedures for the consideration of extension requests, and adjustments to grant awards**, and a process for ensuring funding for small water and sewer systems and prioritizing critical infrastructure needs. The Administrative Procedure Act, R.S. 49:950 et seq., shall not apply to guidance promulgated pursuant to this Section. The division shall submit the proposed guidance to the commission for review and approval. Any changes to the guidance shall require approval by the commission.

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G. **(1)** Each grant recipient shall be required to provide matching funds, **as provided for in the guidance**, unless the commission recommends waiving the match requirement.

(2) A rate study shall be completed on each grant recipient as provided **for in the guidance.**

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K.(1) * * *

(2)(a) * * *

(c) The commission shall not consider a request to adjust a grant award **due to an increase in project costs until the grantee has submitted a value engineering review of the project to the division.**

* * *

Section 2. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become 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 Curry Lann.

DIGEST

SB 64 Original 2024 Regular Session Reese

Present law (R.S. 39:100.52) creates the Water Sector Fund within the state treasury and authorizes the treasurer to transfer \$300,000,000 from the Louisiana Rescue Plan Fund into the Water Sector Fund.

Proposed law removes the outdated reference to a previous transfer of funds and otherwise retains present law.

Present law (R.S. 39:100.56) creates the Water Sector Program to provide grant funding for repairs, improvements, and consolidation of community water and sewer systems.

Proposed law retains present law.

Present law requires the division of administration to promulgate guidance for the administration of the program that includes application requirements, application period dates and deadlines for submissions and approval, criteria for ratings, and a process for ensuring funding for small water and sewer systems and prioritizing critical infrastructure needs.

Proposed law further requires the inclusion of grant requirements and procedures for the consideration of extension requests and adjustments to grant awards in the guidance and otherwise retains present law.

Proposed law requires that a rate study be completed on each grant recipient as provided for in the guidance.

Proposed law prohibits the Water Sector Commission from considering a request to adjust a grant award due to an increase in project costs until the grantee has submitted a value engineering review of the project to the division.

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

(Amends R.S. 39:100.52(A) and 100.56(D)(1) and (G); adds R.S. 39:100.56(K)(2)(c))