
DIGEST

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HB 941 Original

2024 Regular Session

Knox

Abstract: Creates a panel to assume the powers and duties of the New Orleans sewerage and water board for one year.

Present law provides that the public water, sewerage, and drainage systems of the city of New Orleans shall be constructed, controlled, maintained, and operated by the sewerage and water board of New Orleans. Provides for the composition of the board and its powers and duties.

Proposed law creates a panel that will assume all of the responsibilities of the sewerage and water board for two years, from Jan. 1, 2025, until Jan. 1, 2026. Provides that for such period the public water system, the public sewerage system, and the public drainage system of the city of New Orleans shall be constructed, controlled, maintained, and operated by the panel. Provides that the current board shall serve in an advisory capacity to the panel.

Proposed law provides that the panel is composed of 11 members appointed as follows, each to serve at the pleasure of the respective appointing authority:

- (1) The mayor of New Orleans shall appoint a consumer advocate who is registered to vote in New Orleans.
- (2) The district attorney shall appoint a mediator.
- (3) The New Orleans City Council shall appoint a civil engineer.
- (4) The speaker of the La. House of Representatives shall appoint a member of the New Orleans delegation of the La. House of Representatives.
- (5) The president of the La. Senate shall appoint a member of the New Orleans delegation of the La. Senate.
- (6) The Public Service Commission shall appoint a La. citizen with expertise in utility regulation.
- (7) The chairman of the La. Legislative Audit Advisory Council shall appoint a La. citizen with expertise in public accounting.
- (8) The secretary of the Dept. of Transportation and Development shall appoint a civil engineer

from the public works and water resources division of the department.

- (9) The Bd. of Liquidation, City Debt shall appoint a member with expertise in public finance.
- (10) The governor shall appoint a heavy civil contractor.
- (11) The governing authority of Greater New Orleans, Inc. shall appoint one member.

Proposed law requires the panel to develop and implement reforms of the board's policies, procedures, and operations to address the following concerns:

- (1) Transparency and accountability.
- (2) The accuracy of drainage, pump, and power systems and other causes of flooding.
- (3) The accuracy of water testing and the potability of water.
- (4) Financial and risk management issues.
- (5) Possibilities for strengthening human resource management.
- (6) The availability of new funding mechanisms, including the potential to assess an additional dedicated stormwater fee.
- (7) The adequacy of liability insurance or a self-insurance fund.
- (8) Other areas including risk management, insurance, and any other issues or concerns.
- (9) Setting priorities for upgrades to century-old infrastructure.

Proposed law further requires the panel to publish a comprehensive report that includes at a minimum the following:

- (1) A list of all reforms enacted by the panel.
- (2) A list of recommended additional reforms.
- (3) A list of other concerns and recommended reforms therefor.
- (4) A plan for coordination and consolidation of the authority of various entities over the city's drainage system.
- (5) Recommendations and plans for reforms to governance.
- (6) Recommendations and plans for reducing the environmental degradation and improving the

sustainability of practices and installations.

- (7) Recommendations regarding funding.

Present law authorizes the New Orleans City Council to compile financial statements and to examine, audit, or review the books and accounts of the sewerage and water board or to accept an audit or review report prepared by a licensed certified public accountant.

Proposed law provides that any such audit or review shall include at a minimum the following:

- (1) A list of all assets and liabilities of the board.
- (2) Whether the board's most recent full fiscal year ended in a budget surplus or deficit and the amount of such surplus or deficit.
- (3) A comprehensive list of judgments, consent judgments, settlement agreements, and compromise agreements and whether any of those arise from actual or threatened litigation, and a list of arbitration judgments pursuant to which the board is liable for any monetary sum.

Proposed law requires public release of the audit or report and submission of a copy to the Joint Legislative Committee on the Budget and the panel established by proposed law. Requires the board to comply with audits or reviews. Further provides that for any fiscal year in which the city council does not commission an audit or report prepared by a licensed certified public accountant, the legislative auditor shall conduct such an audit.

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

(Amends R.S. 33:4159.1; Adds R.S. 33:4071.1)