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HOUSE FLOOR AMENDMENTS

2024 Regular Session

Amendments proposed by Representative Gadberry to Reengrossed Senate Bill No. 73 by Senator Womack

1 AMENDMENT NO. 1

2 On page 1, delete line 2 in its entirety and insert in lieu thereof "To amend and reenact R.S.
3 40:5.9(C)(1) and (2) and R.S. 40:5.9.1(F) and to enact R.S. 30:2075.4, R.S.
4 39:1351(B)(1)(c), and R.S. 40:5.9.1(E)(1)(d) and (3), relative to community sewerage and
5 water systems; to create and provide for"

6 AMENDMENT NO. 2

7 On page 1, line 7, after "Health," and before "and" insert "the state health officer,"

8 AMENDMENT NO. 3

9 On page 1, at the end of line 8, add "civil actions; to provide for"

10 AMENDMENT NO. 4

11 On page 7, between lines 12 and 13, insert the following:

12 **"(3) If the condition or operations of any community sewerage system**
13 **that is not in compliance with the Department of Environmental Quality or the**
14 **Louisiana Department of Health, is not financially sustainable based on the**
15 **standards of the legislative auditor, or is in violation of the expenditure**
16 **prohibitions of Subsection G of this Section, necessitates the expenditure of state**
17 **funds to address or mitigate an emergency related to that community sewerage**
18 **system, the circumstances shall be grounds for a civil action for court appointed**
19 **receivership in accordance with R.S. 30:2075.3 or R.S. 33:42, or to the**
20 **appointment of a fiscal administrator in accordance with R.S. 39:1351 et seq.**

21 Section 2. R.S. 39:1351(B)(1)(c) is hereby enacted to read as follows:

22
23 §1351. Appointment of a fiscal administrator

* * *

24
25 B.(1) The trial court, in the absence of a joint motion and consent judgment,
26 shall appoint a fiscal administrator in the following instances:

* * *

27
28 **(c) If the condition or operations of any community water system or**
29 **community sewerage system necessitates the expenditure of state funds to**
30 **address or mitigate an emergency related to that community system as provided**
31 **for in R.S. 30:2075.4 or R.S. 40:5.9.1.**

* * *

32
33 Section 3. R.S. 40:5.9(C)(1) and (2) and 5.9.1(F) are hereby amended and reenacted
34 and R.S. 40:5.9.1(E)(1)(d) and (3) are hereby enacted to read as follows:

35 §5.9. Enforcement of drinking water regulations; administrative compliance orders;
36 civil actions; receiverships

* * *

37

C.(1) ~~In any civil action brought under this Chapter relative to public water systems, the court may, on its own motion or upon application of the~~ The state health officer, ~~appoint~~ may apply to a court of competent jurisdiction for the appointment of a receiver of a public water system to collect the system's assets and carry on the system's business ~~of the defendant public water system and to otherwise assist the court in adjudicating the issues in the case before the court.~~ Application by the state health officer shall not be subject to any bond requirement.

(2) ~~The~~ In addition to any other criteria for receivership set forth in this Part, the court may place the public water system in receivership upon finding one of the following:

(a) The system has been abandoned by the operator, or service to the system's customers has ceased, and no provisions have been made for the continued operation of the system by a qualified operator, or for providing the water system's users with potable water in sufficient quantities to serve the users of the systems.

(b) The operator of the system has failed or refused to comply with administrative orders issued pursuant to Subsection A of this Section.

(c) Such other circumstances indicating that receivership is necessary to ensure uninterrupted safe water service to, or the protection of the health of, the system's users.

~~(d)~~ (d) Such circumstances as may be identified in rules promulgated by the state health officer acting through the Louisiana Department of Health, office of public health, under which a receivership may be needed.

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§5.9.1. Community water system accountability process; creation of letter grade schedule; penalties for failing systems

* * *

E.(1) Any community water system that receives a letter grade of "D" or "F" shall be considered operationally unacceptable and may be subject to the following:

* * *

(d) If the condition or operations of any community water system that receives a letter grade of "D" or "F" necessitates the expenditure of state funds to address or mitigate an emergency related to that community water system, such circumstances shall be grounds for a civil action for court appointed receivership in accordance with R.S. 40:5.9 or to the appointment of a fiscal administrator in accordance with R.S. 39:1351 et seq.

* * *

(3) A community water system that receives a letter grade of "D" or "F" shall constitute prima facie evidence that a community water system is financially at risk and not able to maintain financial stability, and shall serve as grounds for the Fiscal Review Committee to determine that a political subdivision is reasonably certain to not maintain financial stability.

F. Notwithstanding any provision of law to the contrary, no local governing authority that operates a community water system that receives a grade of "D" or "F" shall expend any money raised through payments made by customers for access to water or from any other water system revenue for any item, debt payment, or public purpose other than the improvement and sustainability of the community water system. A violation of this Subsection shall be grounds for ~~a court to appoint a receiver or fiscal administrator~~ a civil action for court appointed receivership in accordance with R.S. 40:5.9, the appointment of a fiscal administrator in accordance with R.S. 39:1351 et seq, or for a court to order the mandatory safe water purchase from another system determined to be available by the department. The provisions of this Subsection shall not be construed to prohibit the payment of bonded indebtedness secured by the water system's revenue prior to August 1, 2021.

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AMENDMENT NO. 5

On page 7, line 13, change "Section 2." to "Section 4."

1 AMENDMENT NO. 6

2 On page 7, delete line 16 and insert in lieu thereof the following:

3 "Section 5. This Act shall become effective upon signature by the governor or, if not
4 signed by the governor, upon expiration of the time for bills to become law without signature
5 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
6 vetoed by the governor and subsequently approved by the legislature, this Act shall become
7 effective on the day following such approval."