

2022 Regular Session

HOUSE BILL NO. 652

BY REPRESENTATIVE HILFERTY

SEWERAGE/N O WATER BD: Provides relative to the Sewerage and Water Board of New Orleans

1 AN ACT

2 To enact R.S. 33:4160, relative to the Sewerage and Water Board of New Orleans; to  
3 provide that the board is recognized as a public utility; to provide relative to the  
4 powers and duties granted to the New Orleans City Council with respect to the  
5 board; and to provide for related matters.

6 Notice of intention to introduce this Act has been published  
7 as provided by Article III, Section 13 of the Constitution of  
8 Louisiana.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 33:4160 is hereby enacted to read as follows:

11 §4160. Public utility; regulation; city council

12 A. Notwithstanding any other provision of law to the contrary, the Sewerage  
13 and Water Board of New Orleans, referred to in this Section as the "board", is  
14 recognized as a public utility. The board is subject to regulation as a public utility  
15 by the New Orleans City Council, referred to in this Section as the "city council".  
16 The city council shall have the power to compile financial statements and to  
17 examine, audit, or review the books and accounts of the board. The scope of the  
18 examinations may include financial accountability, legal compliance, and  
19 evaluations of the economy, efficiency, and effectiveness of the board's programs or  
20 any combination thereof. In addition, the city council shall have access to and be

1 permitted to examine all papers, books, accounts, records, files, instruments,  
2 documents, films, tapes, and any other forms of recordation, including but not  
3 limited to computers and recording devices, and all software and hardware which  
4 hold data, is part of the technical processes leading up to the retention of data, or is  
5 part of the security system.

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

21 C. The city council may prescribe the terms and conditions of any such audit  
22 or review conducted by a licensed certified public accountant and may approve the  
23 terms and conditions prior to its commencement and require the board to present the  
24 terms and conditions to the city council for approval. The city council shall also  
25 have access to the working papers of the accountant during the examination and  
26 subsequent to its termination.

27 D.(1) The city council may issue subpoenas to the board to compel the  
28 production of public and private books, documents, records, papers, films, tapes, and

1 electronic data processing media. A subpoena shall be served by registered or  
2 certified mail, return receipt requested, to the board's business address.

3 (2) If the board refuses to obey a subpoena issued pursuant to this  
4 Subsection, a judicial district court, upon application by the city council, may issue  
5 an order requiring a board representative to appear before the court to show cause  
6 why the board should not be held in contempt for refusal to obey the subpoena.  
7 Failure to obey a subpoena may be punished as a contempt of court.

8 D. The city council may adopt any rules and regulations it deems necessary  
9 to implement the provisions of this Section.

---

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, 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)]

---

HB 652 Original

2022 Regular Session

Hilferty

**Abstract:** Provides that the Sewerage and Water Board is recognized as a public utility subject to regulation by the New Orleans City Council.

Present law (R.S. 33:4071) provides that the public water, sewerage, and drainage systems of the city of New Orleans shall be constructed, controlled, maintained, and operated by a sewerage and water board.

Proposed law retains present law and additionally provides that the board is recognized as a public utility. Provides that the board is subject to regulation as a public utility by the New Orleans City Council (city council).

Proposed law grants the city council the power to compile financial statements and to examine, audit, or review the books and accounts of the board. Authorizes the city council to examine all papers, books, accounts, records, files, instruments, documents, films, tapes, and any other forms of recordation, including but not limited to computers and recording devices.

Proposed law further authorizes the city council, in lieu of examinations of the records and accounts of the board, to accept an audit or review report prepared by a licensed certified public accountant. Requires that the audit or review be performed in accordance with generally accepted governmental auditing standards and the La. Governmental Audit Guide. Further requires that audits be completed within six months of the close of the board's fiscal year.

Proposed law authorizes the city council to issue subpoenas to the board to compel the production of public and private books, documents, records, papers, films, tapes, and electronic data processing media. Provides that if the board refuses to obey a subpoena, a judicial district court, may issue an order requiring a board representative to appear before the court. Further provides that failure to obey a subpoena may be punished as a contempt of court.

(Adds R.S. 33:4061)