

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 amend and reenact R.S. 33:4090(A) and to enact R.S. 33:4159.1 and 4159.2, relative to
3 the Sewerage and Water Board of New Orleans; to provide that the board is
4 recognized as a public utility; to provide relative to the powers and duties granted to
5 the New Orleans City Council with respect to the board; to provide relative to costs
6 associated with sewer and water connections; and to provide for related matters.

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

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 33:4090(A) is hereby amended and reenacted and R.S. 33:4159.1 and
12 4159.2 are hereby enacted to read as follows:

13 §4090. Apportionment of cost of connections with mains; making connections
14 ~~A. For any individual lot of record, the property owner shall bear all costs,~~
15 ~~inclusive of meter boxes, for initial connections extended from the sewer and water~~
16 ~~main to the property line. Any additional costs from the property line to on-site~~
17 ~~facilities including but not limited to expanded connections or new or additional~~
18 ~~meter boxes, shall be installed and maintained at the cost of the property owner.~~

19 A.(1) For a lot of record which existed prior to 1954, one sewer connection
20 and one water connection extending from the respective main to the property line

1 shall be installed by and at the expense of the board, and from that point on, each
2 shall be made at the cost and expense of the owner of the property.

3 (2) For all lots created after 1954, the property owner shall bear all costs,
4 inclusive of meter boxes, for connections extended from the sewer and water main
5 to the property line. Any additional costs from the property line to onsite facilities
6 shall be installed and maintained at the cost of the property owner.

7 * * *

8 §4159.1. Public utility; regulation; city council

9 A. Notwithstanding any other provision of law to the contrary, the Sewerage
10 and Water Board of New Orleans, referred to in this Section as the "board", is
11 recognized as a public utility. The board is subject to regulation as a public utility
12 by the New Orleans City Council, referred to in this Section as the "city council".
13 The city council shall have the power to compile financial statements and to
14 examine, audit, or review the books and accounts of the board. The scope of the
15 examinations may include financial accountability, legal compliance, and
16 evaluations of the economy, efficiency, and effectiveness of the board's programs or
17 any combination thereof. In addition, the city council shall have access to and be
18 permitted to examine all papers, books, accounts, records, files, instruments,
19 documents, films, tapes, and any other forms of recordation, including but not
20 limited to computers and recording devices, and all software and hardware which
21 hold data, is part of the technical processes leading up to the retention of data, or is
22 part of the security system.

23 B. In lieu of examinations of the records and accounts of the board, the city
24 council may, at its discretion, accept an audit or review report prepared by a licensed
25 certified public accountant, provided that such audit or review is performed in
26 accordance with generally accepted governmental auditing standards and the
27 Louisiana Governmental Audit Guide. Such audits shall be completed within six
28 months of the close of the board's fiscal year. Reviews shall be conducted in
29 accordance with the authoritative pronouncements issued by the American Institute

1 of Certified Public Accountants and guidance provided in the Louisiana
2 Governmental Audit Guide. For the limited purpose of providing the audits and
3 reviews as provided in this Subsection, the certified public accountant shall have the
4 access and assistance privileges afforded the legislative auditor in R.S. 24:513(E)
5 and (I). However, the certified public accountant shall comply with any and all
6 restrictions imposed by law on documents, data, or information deemed confidential
7 by law and furnished to the certified public accountant during the course of the audit
8 or review.

9 C. The city council may prescribe the terms and conditions of any such audit
10 or review conducted by a licensed certified public accountant and may approve the
11 terms and conditions prior to its commencement and require the board to present the
12 terms and conditions to the city council for approval. The city council shall also
13 have access to the working papers of the accountant during the examination and
14 subsequent to its termination.

15 D.(1) The city council may issue subpoenas to the board to compel the
16 production of public and private books, documents, records, papers, films, tapes, and
17 electronic data processing media. A subpoena shall be served by registered or
18 certified mail, return receipt requested, to the board's business address.

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

24 E. The city council may adopt any rules and regulations it deems necessary
25 to implement the provisions of this Section.

26 F. Nothing in this Section shall be construed to limit the powers of the
27 legislative auditor.

1 §4159.2. Powers of the city council

2 A.(1) The city council shall establish, by ordinance, procedures regarding the
3 billing policies of the board. Any such procedures may authorize the city council to
4 review, modify, and prohibit the billing policies of the board. The procedures may
5 also authorize the city council to review bills received by customers for services
6 provided by the board. The city council may reduce or modify any bill received by
7 a customer and may establish an appeals process on behalf of any such customer.
8 The city council may also waive late charges and interest accrued.

9 (2) The procedures established by the city council shall be uniformly
10 implemented so as to prevent special treatment as it relates to any bill modification
11 or amnesty.

12 B. The city council may open an investigation of the board after the
13 occurrence of any catastrophic failure of the city's sewerage and drainage
14 infrastructure. Any information regarding such a failure requested in writing from
15 the board by the city council shall be submitted to the council not later than thirty
16 days after receipt of the written request.

17 C. Except as otherwise provided by law, the city council may require the
18 board to submit to the council reports regarding any matter involving the board or
19 its operations. Any such report shall be submitted not later than thirty days after
20 receipt of the written request.

21 D. The city council may request the attendance of a representative of the
22 board at any meeting of the Public Works, Sanitation and Environment Committee
23 of the city council.

24 Section 2. The city council of New Orleans shall implement R.S. 33:4159.2(A) as
25 enacted by this Act within ninety days of the effective date of this Act.

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 Engrossed

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. 33:4090(A)) requires the owner of any lot of record to bear all costs for initial connections extended from a property line and for additional costs from the property line to an onsite facility.

Proposed law retains present law in part but creates an exception to present law which requires the Sewerage and Water Board (board) to bear the costs of one sewer connection and one water connection extending from the respective main to the property line for a lot of record which existed prior to 1954.

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 shall not be construed to limit the power of the legislative auditor.

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.

Proposed law requires the council to establish procedures regarding the billing policies of the board and allows the board, through the established procedures, to review, modify, and prohibit the billing policies of the board. Proposed law also authorizes the council to review bills received by customers for services provided by the board and to reduce or modify the bill.

Proposed law allows the council to establish an appeals process on behalf of a consumer for a bill issued by the board.

Proposed law allows the council to waive late charges and interest accrued.

All procedures established by the board pursuant to proposed law shall be uniformly implemented.

Proposed law allows the council to open an investigation of the board after a catastrophic failure of the city's sewerage and drainage infrastructure.

Proposed law allows the council to require the board to submit reports regarding matters involving the board or its operations.

Proposed law allows the council to request the attendance of a board representative at certain council meetings.

Proposed law requires the board to implement provisions of proposed law within 90 days of the enactment of proposed law.

(Amends R.S. 33:4090(A); Adds R.S. 33:4159.1 and 4159.2)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Commerce to the original bill:

1. Require the board to bear costs associated with water and sewage connections on a lot of record which existed prior to 1954.
2. Provide that proposed law does not limit the powers of the legislative auditor.
3. Provide for the powers of the city council.
4. Require the board to implement certain provisions of proposed law within 90 days of enactment of proposed law.
5. Make technical changes.