

2024 Regular Session

HOUSE BILL NO. 965 (Substitute for House Bill No. 574 by Representative Hilferty)

BY REPRESENTATIVES HILFERTY, ADAMS, BAYHAM, BILLINGS, BOYD, BRAUD, ROBBY CARTER, CARVER, COX, DOMANGUE, FISHER, FREEMAN, FREIBERG, GADBERRY, GREEN, HUGHES, JACKSON, KNOX, LAFLEUR, MANDIE LANDRY, LYONS, MARCELLE, MENA, MOORE, NEWELL, OWEN, STAGNI, TAYLOR, WALTERS, AND WILLARD

SEWERAGE/NO WATER BD: Provides relative to billing for services provided by the sewerage and water board of New Orleans

1 AN ACT

2 To enact R.S. 33:4159.3, relative to the city of New Orleans; to provide relative to the  
3 sewerage and water board of New Orleans; to provide relative to bills for services  
4 provided by the board; to provide for fixed billing and dispute arbitration; and to  
5 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. 33:4159.3 is hereby enacted to read as follows:

11 §4159.3. Customer billing; fixed rate; arbitration

12 A. The board shall present every residential customer with the option of  
13 paying a fixed monthly rate for services. The fixed rate available to a customer shall  
14 be determined by calculating the average monthly cost of the customer's service  
15 based on his recent water meter readings, and the board shall notify each residential  
16 customer of the option for fixed rate billing and the amount he would pay each  
17 month. A customer who selects the fixed rate option shall be billed the specified  
18 monthly amount until an automated meter is installed and operable at his residence.

1           B. There is hereby established an arbitration program applicable to  
2           customers who dispute their bills from the board. The program shall function in  
3           accordance with the following requirements:

4           (1) The legislative auditor and the New Orleans inspector general shall,  
5           acting together, appoint two arbiters for each councilmanic district in New Orleans,  
6           subject to confirmation by the city council. One arbiter from each district shall be  
7           appointed to serve on the residential arbitration team, and one arbiter from each  
8           district shall be appointed to serve on the commercial arbitration team.

9           (2) If a customer disputes a monthly bill or the fixed monthly rate offered  
10          pursuant to Subsection A of this Section, his case shall be referred to the appropriate  
11          arbitration team.

12          (3) Each arbitration team shall hold regularly scheduled appointment days  
13          at a public facility in each of the councilmanic districts to discuss cases with  
14          particular customers. Each team shall hold at least two appointment days per month  
15          in each councilmanic district. At least one member of the team shall meet with each  
16          customer in a private location at the public facility and shall review the evidence  
17          pertaining to the customer's dispute.

18          (4) Based on his review and consultation with the other arbiters of his team,  
19          an arbiter shall determine whether the bill amount or the proposed fixed rate amount  
20          is appropriate and if not, what the appropriate amount or rate is.

21          (5) If the arbiter determines that the appropriate bill or rate amount is lower  
22          than what has been submitted to the customer, he shall notify the board, and the  
23          board shall lower the amount or rate to that which the arbiter has determined is  
24          appropriate.

25          (6) If the customer is dissatisfied with the determination of the arbiter, the  
26          customer may appeal to the city council as otherwise provided by law.

27          C. For purposes of this Section, "residential customer" refers to a customer  
28          who resides in a single family residence or multifamily residence with four or fewer

1        units. "Commercial customer" refers to any customer that is not a residential  
 2        customer.

3        Section 2. Each residential customer of services of the sewerage and water board  
 4 shall be presented with the amount of his fixed rate bill pursuant to R.S. 33:4159.3(A) as  
 5 enacted by this Act within one hundred twenty days of the effective date of this Act.

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

#### 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 965 Reengrossed

2024 Regular Session

Hilferty

**Abstract:** Provides relative to billing for services provided by the sewerage and water board of New Orleans.

Proposed law requires the sewerage and water board of New Orleans (the board) to present every residential customer with the option of paying a fixed monthly rate for services. Requires the board to notify each customer, within 120 days of the effectiveness of proposed law, of the option for fixed rate billing and the amount he would pay each month. Provides that the fixed rate applies until an automated meter is installed and operable at his residence.

Proposed law provides for an arbitration program applicable to customers who dispute their bills. Requires the following with respect to the program:

- (1) The legislative auditor and the New Orleans inspector general shall appoint two arbiters for each councilmanic district in New Orleans, subject to confirmation by the city council. One arbiter from each district shall be appointed to serve on the residential arbitration team, and one arbiter from each district shall be appointed to serve on the commercial arbitration team.
- (2) If a customer disputes a monthly bill or the fixed monthly rate offered pursuant to proposed law, his case shall be referred to the appropriate arbitration team.
- (3) Requires each arbitration team to hold regularly scheduled appointment days at a public facility in each of the councilmanic districts to discuss cases with particular customers. Requires that at least one member of the team meet with each customer in a private location at the public facility and review the evidence pertaining to the customer's dispute.
- (4) Based on the review, the arbiter shall determine whether the bill or fixed rate amount is appropriate and, if not, what the appropriate amount or rate is.

- (5) If the arbiter determines that the appropriate bill or rate amount is lower than what has been submitted to the customer, he shall notify the board, and the board shall lower the amount or rate to that which the arbiter has determined is appropriate.
- (6) Provides that the customer may appeal the arbiter's determination to the city council as otherwise provided by present law.

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

(Adds R.S. 33:4159.3)

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Make arbitration provisions applicable to commercial customers and provide for residential and commercial arbitration teams.
2. Require that the teams hold regularly scheduled appointment days.
3. Change the basis of the fixed rate offered to residential customers from recent bill amounts to water usage as indicated by recent meter readings.
4. Require fixed rates to be offered within 120 days of effectiveness of proposed law.
5. Add special effective date.