
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 257 Engrossed

2025 Regular Session

St. Blanc

Abstract: Provides relative to the receivership of water or wastewater companies.

Proposed law defines "wastewater company" and "water company".

Proposed law provides for when a court may appoint a receiver for a water company or wastewater company to collect the assets and carry on the business of the water company or wastewater company.

Proposed law provides that the court may place the water company or wastewater company in receivership upon finding any of the following:

- (1) The water company or wastewater company has been abandoned by the operator, or service to its customers has ceased, and no provisions have been made for the continued operation by a qualified operator, or for providing customers with services required to serve the users of the systems.
- (2) The water company or wastewater company has failed or refused to comply with enforceable orders, judgements, or actions issued by the La. Dept. of Health or the La. Dept. of Environmental Quality.
- (3) After an audit by the commission, the commission determines the water company or wastewater company is in financial distress.
- (4) Other circumstances as may be identified by rules adopted by the commission pursuant to the commission's Rules of Practice and Procedure under which a receivership may be needed.

Proposed law provides for when a receiver shall execute a bond.

Proposed law provides that the receiver shall carry out the orders specified and directed by the court until discharged.

Proposed law provides for when the court may dissolve the receivership.

Proposed law provides that nothing in proposed law shall prohibit a receiver from purchasing the company put in receivership.

Proposed law provides that within 90 days of appointment, the receiver shall submit to the commission and publish in a manner accessible to affected customers a transition and operational plan.

(Adds R.S. 45:1206)

Summary of Amendments Adopted by House

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

1. Make technical changes.
2. Change administrative orders to enforceable orders, judgments, or actions.
3. Amend the requirements for a bond by a receiver.
4. Amend the requirement to dissolve the receivership.
5. Add that nothing in proposed law shall prohibit a receiver from purchasing the company put in receivership.
6. Add that within 90 days of appointment, the receiver shall submit to the commission and publish in a manner accessible to the affected customers a transition and operational plan.