



LEGISLATIVE FISCAL OFFICE  
Fiscal Note

Fiscal Note On: **HB 257** HLS 25RS 841

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> May 13, 2025	6:33 PM	<b>Author:</b> ST. BLANC
<b>Dept./Agy.:</b> Public Service Commission (PSC)		
<b>Subject:</b> Receivership of water or wastewater companies		<b>Analyst:</b> Richie Anderson

WATER/SEWER OPERATORS

EG NO IMPACT See Note

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Provides relative to receivership of water or wastewater companies

Proposed law establishes conditions under which a court may appoint a receiver for a water company or wastewater private company to continue operations. Proposed law provides that a receiver may be appointed if the company has been abandoned, fails or refuses to comply with enforceable orders issued by the Louisiana Department of Health or the Department of Environmental Quality, is in financial distress after a Public Service Commission (PSC) audit, or under other circumstances PSC may identify when a receivership is needed. Proposed law provides when a receiver must execute a bond, outlines the receiver’s duty to follow court orders until discharged, and defines the conditions under which the court may dissolve the receivership. Proposed law outlines that a receiver shall submit to PSC a transition and operational plan within 90 days, and PSC shall publish the plan. Proposed law provides this plan must include measures to restore service, financial assessments customer service provisions, and a timeline for return to control to the original operator.

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Annual Total	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Annual Total	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. Proposed law establishes conditions under which a court may appoint a receiver for a water company or wastewater private company to continue operations. Proposed law requires PSC to publish the transitional and operational plan from the receiver. PSC indicates that any workload increase associated with the proposed law can be absorbed using existing staff.

*Note: PSC regulates approximately 25 water systems and 35 wastewater systems. Public water systems are subject to similar receivership conditions under RS 30:2075.*

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

House

- ☐ 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
- ☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

- ☐ 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
- ☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Patrice Thomas  
Deputy Fiscal Officer