

Regular Session, 2013

HOUSE BILL NO. 427

BY REPRESENTATIVES FANNIN AND MONTOUCET

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

UTILITIES: (Constitutional Amendment) Limits power of the PSC to regulate nonprofit water utility cooperatives wholly owned by water users

1   A JOINT RESOLUTION

2   Proposing to amend Article IV, Section 21(C) of the Constitution of Louisiana, to limit the

3           power of the Public Service Commission to regulate nonprofit water utility

4           cooperatives or corporations wholly owned by water users; to provide for submission

5           of the proposed amendment to the electors; and to provide for related matters.

6           Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members

7   elected to each house concurring, that there shall be submitted to the electors of the state of

8   Louisiana, for their approval or rejection in the manner provided by law, a proposal to

9   amend Article IV, Section 21 of the Constitution of Louisiana, to read as follows:

10       §21. Public Service Commission

11               Section 21.

12   \*       \*       \*

13               (C) Limitation.

14               (1) The commission shall have no power to regulate any common carrier or

15   public utility owned, operated, or regulated on the effective date of this constitution

16   by the governing authority of one or more political subdivisions, except by the

17   approval of a majority of the electors voting in an election held for that purpose;

18   however, a political subdivision may reinvest itself with such regulatory power in the

19   manner in which it was surrendered. This Paragraph shall not apply to safety

20   regulations pertaining to the operation of such utilities.

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1           (2) The commission shall have no power to regulate any nonprofit water  
 2           utility cooperative or corporation wholly owned by water users where each user has  
 3           the voting right to elect the directors of the cooperative or corporation, except by the  
 4           approval of a majority of the owners voting in an election held for that purpose.

5   \*       \*       \*

6           Section 2. Be it further resolved that the provisions of the amendment contained in  
 7 this Joint Resolution shall become effective on January 1, 2015.

8           Section 3. Be it further resolved that this proposed amendment shall be submitted  
 9 to the electors of the state of Louisiana at the statewide election to be held on November 4,  
 10 2014.

11           Section 4. Be it further resolved that on the official ballot to be used at the election,  
 12 there shall be printed a proposition, upon which the electors of the state shall be permitted  
 13 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as  
 14 follows:

15   Do you support an amendment to limit the power of the Public Service  
 16   Commission to regulate nonprofit water utility cooperatives wholly owned  
 17   by water users? (Effective January 1, 2015) (Amends Article IV, Section  
 18   21(C))

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)]

Fannin HB No. 427

**Abstract:** Limits the power of the PSC to regulate nonprofit water utility cooperatives wholly owned by water users.

Present constitution provides for the regulation of public utilities by the Public Service Commission.

Proposed constitutional amendment prohibits the PSC from regulating any nonprofit water utility cooperative or corporation wholly owned by water users where each user has the right to vote for the directors of the cooperative.

Provides for an effective date of January 1, 2015.

Provides for submission of the proposed amendment to the voters at the statewide election to be held November 4, 2014.

(Amends Const. Art. IV, §21(C))