

2015 Regular Session

SENATE BILL NO. 50

BY SENATOR MURRAY

LOCAL AGENCIES. Provides relative to release of obligations of indebtedness by the Sewerage and Water Board of New Orleans. (gov sig)

1 AN ACT

2 To enact R.S. 33:4071(F), relative to the Sewerage and Water Board of New Orleans; to  
3 provide relative to the governing authority of the Sewerage and Water Board; to  
4 provide for release of obligations of indebtedness; to provide for an effective date;  
5 and to provide for related matters.

6 Notice of intention to introduce this Act has been published.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 33:4071(F) is hereby enacted to read as follows:

9 PART III. CITY OF NEW ORLEANS

10 §4071. Creation and organization of sewerage and water board

11 \* \* \*

12 **F. Notwithstanding any provisions of law to the contrary, the board may**  
13 **adopt rules and procedures authorizing the adjusting, releasing, or**  
14 **extinguishing of any indebtedness from a customer's sewerage and water bill.**  
15 **The rule shall limit the board's compromising authority to appropriate**  
16 **instances in which any of the following occur:**

17 **(1) Instances of error on the part of the district such as equipment failure**

1 or process failure, and in such instances, only to the extent the failure increased  
 2 the customer's indebtedness.

3 (2) Instances of error not on the part of the customer due to unforeseen  
 4 damage or an extreme weather-related event or mandatory evacuation, and in  
 5 such instances, only to the extent the situation increased the customer's  
 6 indebtedness.

7 (3) Instances where the customer is disproportionately impoverished or  
 8 needy and qualifies for an adjustment, release, or extinguishment pursuant to  
 9 an established social welfare program of the district.

10 Section 2. This Act shall become effective upon signature by the governor or, if not  
 11 signed by the governor, upon expiration of the time for bills to become law without signature  
 12 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
 13 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
 14 effective on the day following such approval.

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The original instrument and the following digest, which constitutes no part  
 of the legislative instrument, were prepared by Michael Bell.

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## DIGEST

SB 50 Engrossed

2015 Regular Session

Murray

Present constitution prohibits the funds, credit, property, or things of value of the state or of any political subdivision from being loaned, pledged, or donated to or for any person, association, or corporation, public or private. Provides that the donation, loan, or pledge of public credit is subject to Art. VII, §14 of the 1921 Constitution made statutory by the 1974 Constitution.

Proposed law authorizes the Sewerage and Water Board of New Orleans to adopt rules and procedures to adjust, release, or extinguish any indebtedness of an individual's sewerage and water bill.

Proposed law requires that the rule limit the board's compromising authority to instances where either the district is at fault or the customer is not at fault or the customer is qualified under an established program.

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

(Adds R.S. 33:4071(F))