HLS 21RS-406 ORIGINAL

2021 Regular Session

HOUSE BILL NO. 59

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BY REPRESENTATIVE LACOMBE

Section 14.

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

DISTRICTS/WATERWORKS: (Constitutional Amendment) Authorizes a political subdivision to waive water charges incurred through damage not caused by the customer

A JOINT RESOLUTION

2	Proposing to amend Article VII, Section 14(B) of the Constitution of Louisiana, relative to
3	public funds; to authorize a political subdivision to waive charges for water under
4	certain circumstances; to provide for submission of the proposed amendment to the
5	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 VII, Section 14(B) of the Constitution of Louisiana, to read as follows:
10	§14. Donation, Loan, or Pledge of Public Credit

(B) Authorized Uses. Nothing in this Section shall prevent (1) the use of public funds for programs of social welfare for the aid and support of the needy; (2) contributions of public funds to pension and insurance programs for the benefit of public employees; (3) the pledge of public funds, credit, property, or things of value for public purposes with respect to the issuance of bonds or other evidences of indebtedness to meet public obligations as provided by law; (4) the return of property, including mineral rights, to a former owner from whom the property had

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

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previously been expropriated, or purchased under threat of expropriation, when the legislature by law declares that the public and necessary purpose which originally supported the expropriation has ceased to exist and orders the return of the property to the former owner under such terms and conditions as specified by the legislature; (5) acquisition of stock by any institution of higher education in exchange for any intellectual property; (6) the donation of abandoned or blighted housing property by the governing authority of a municipality or a parish to a nonprofit organization which is recognized by the Internal Revenue Service as a 501(c)(3) or 501(c)(4) nonprofit organization and which agrees to renovate and maintain such property until conveyance of the property by such organization; (7) the deduction of any tax, interest, penalty, or other charges forming the basis of tax liens on blighted property so that they may be subordinated and waived in favor of any purchaser who is not a member of the immediate family of the blighted property owner or which is not any entity in which the owner has a substantial economic interest, but only in connection with a property renovation plan approved by an administrative hearing officer appointed by the parish or municipal government where the property is located; (8) the deduction of past due taxes, interest, and penalties in favor of an owner of a blighted property, but only when the owner sells the property at less than the appraised value to facilitate the blighted property renovation plan approved by the parish or municipal government and only after the renovation is completed such deduction being canceled, null and void, and to no effect in the event ownership of the property in the future reverts back to the owner or any member of his immediate family; (9) the donation by the state of asphalt which has been removed from state roads and highways to the governing authority of the parish or municipality where the asphalt was removed, or if not needed by such governing authority, then to any other parish or municipal governing authority, but only pursuant to a cooperative endeavor agreement between the state and the governing authority receiving the donated property; (10) the investment in stocks of a portion of the Rockefeller Wildlife Refuge Trust and Protection Fund, created under the provisions of R.S.

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56:797, and the Russell Sage or Marsh Island Refuge Fund, created under the provisions of R.S. 56:798, such portion not to exceed thirty-five percent of each fund; (11) the investment in stocks of a portion of the state-funded permanently endowed funds of a public or private college or university, not to exceed thirty-five percent of the public funds endowed; (12) the investment in equities of a portion of the Medicaid Trust Fund for the Elderly created under the provisions of R.S. 46:2691 et seq., such portion not to exceed thirty-five percent of the fund; (13) the investment of public funds to capitalize a state infrastructure bank and the loan, pledge, or guarantee of public funds by a state infrastructure bank solely for transportation projects; or (14) pursuant to a written agreement, the donation of the use of public equipment and personnel by a political subdivision upon request to another political subdivision for an activity or function the requesting political subdivision is authorized to exercise; or (15) a political subdivision from waiving charges for water if the charges are the result of water lost due to damage to the water delivery infrastructure and that damage is not the result of any act or failure to act by the customer being charged for the water.

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Section 2. Be it further resolved that this proposed amendment shall be submitted to the electors of the state of Louisiana at the statewide election to be held on November 8, 2022.

Section 3. Be it further resolved that on the official ballot to be used at the election, there shall be printed a proposition, upon which the electors of the state shall be permitted to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as follows:

> Do you support an amendment to allow local governments to forgive water charges that were the result of damage to the water system not caused by the customer? (Amends Article VII, Section 14(B))

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 59 Original

2021 Regular Session

LaCombe

Abstract: Authorizes a local government to waive charges for water lost due to damage not caused by the customer.

<u>Present constitution</u> prohibits the state and any political subdivision from loaning, pledging, or donating its funds, credit, property, or things of value. Provides exceptions.

<u>Proposed constitutional amendment</u> provides that <u>present constitution</u> does not prevent a local government from waiving charges for water if the charges are the result of water lost due to damage to the water delivery infrastructure and that damage is not the result of any act or failure to act by the customer.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 8, 2022.

(Amends Const. Art. VII, §14(B))