

HOUSE SUMMARY OF SENATE AMENDMENTS**HB 1243****2026 Regular Session****Hilferty**

SEWERAGE/NO WATER BD: Provides relative to the Sewerage and Water Board of New Orleans

Synopsis of Senate Amendments

1. Removes provisions that provide that the public water system, the public sewerage system, and the public drainage system of the city of New Orleans is a state entity separate and apart from the city of New Orleans.
2. Provides that the composition of the sewerage and water board may be as set forth in the city's home rule charter, unless otherwise provided by law.
3. Provides that the city council may, by ordinance in accordance with applicable state law, prescribe rules and regulations governing the appointment, terms, and service of board members.

Digest of Bill as Finally Passed by Senate

Present law provides that the public water system, the public sewerage system, and the public drainage system of the city of New Orleans shall be constructed, controlled, maintained, and operated by a sewerage and water board to be composed as follows:

- (1) The mayor.
- (2) The chair of the Public Works, Sanitation and Environment Committee of the New Orleans city council or an appointee selected by the council president with a background in engineering, law, or consumer advocacy selected with the advice and consent of the city council.
- (3) Two syndicate members of the board of liquidation, city debt, to be appointed by the mayor on the recommendation of the board of liquidation, city debt.
- (4) Seven citizens, to be appointed by the mayor, with the advice and consent of the city council from a list of nominees submitted by the Sewerage and Water Board Selection Committee.

Present law provides that the members appointed pursuant to (3) and (4) above shall include one citizen from each of the five councilmanic districts within the city of New Orleans. Additionally provides that two of the appointments shall be consumer advocates with community advocacy or consumer protection experience or experience in a related field. Provides that members appointed pursuant to (3) and (4) above shall serve four-year staggered terms.

Present law provides that each citizen member shall be a registered voter in Orleans Parish and shall have been a domiciliary of Orleans Parish for two years prior to his appointment. Provides that if any appointed person is elected to any office or removes his domicile from Orleans Parish, his membership shall be vacated, and his successor shall be immediately appointed. Provides that no person who is a stockholder or bondholder in any sewerage or waterworks company or who holds public office yielding emoluments to the holder other than those specified in present law shall be eligible for appointment to the board.

Proposed law removes present law and provides that the composition of the board may be as set forth in the home rule charter for the city of New Orleans, unless otherwise provided

by law. Provides that the city council may, by ordinance in accordance with applicable state law, prescribe rules and regulations governing the appointment, terms, and service of board members.

Present law requires that a quorum of the board adopt rules and regulations fixing its own meetings and procedures. Provides that six members shall constitute a quorum.

Proposed law provides the adoption of such rules and regulations by a quorum of the board is subject to limitations provided by proposed law. Removes provision regarding the number of members that constitute a quorum.

Present law provides for the creation of the Sewerage and Water Board Selection Committee comprised as follows:

- (1) The president of Dillard University or his designee.
- (2) The president of Loyola University or his designee.
- (3) The president of Tulane University or his designee.
- (4) The president of Xavier University or his designee.
- (5) The chancellor of Delgado Community College or his designee.
- (6) The chancellor of University of New Orleans or his designee.
- (7) The chancellor of Southern University at New Orleans or his designee.
- (8) The chair of the board of directors of the New Orleans Chamber of Commerce or his designee.
- (9) The president of the board of directors of the New Orleans Regional Black Chamber of Commerce or his designee.
- (10) The chair of the board of directors of the Urban League of Greater New Orleans or his designee.

Present law requires that a notice of a vacancy on the sewerage and water board be published in the official journal for Orleans Parish by the sewerage and water board and be communicated through any other publication, website, or electronic medium maintained by the board or the city of New Orleans for the purpose of achieving public awareness of the vacancy. Provides for the contents of the notice.

Present law requires that any interested person who meets the qualifications submit an application to the board confirming their eligibility, professional qualifications, and experience. Requires the board to transmit all applications received to the selection committee within seven days after the deadline for submission of applications. Requires the selection committee to meet no less than 15 days and no more than 30 days after close of the application deadline to consider each name submitted for nomination. Authorizes selection committee members to submit names of persons who also meet the qualification requirements.

Present law requires the selection committee to verify that each nominee meets the qualification requirements. Provides that the selection committee shall by majority vote submit to the mayor three names for each vacancy on the sewerage and water board. Requires that each nominee have experience in either architecture, environmental quality, finance, accounting, business administration, engineering, law, public health, urban planning, facilities management, public administration, science, construction, business management, community or consumer advocacy, or other pertinent disciplines.

Present law requires the mayor, within 60 days of receipt of the list of nominees, to select one of the three nominees for submission to the city council for approval. Provides that the city council shall have 30 days from receipt of submission of the nomination by the mayor to disapprove the nominee. Provides that if the city council does not disapprove the nominee within such time, it shall be deemed that the city council consents to the appointment. Additionally provides that if the city council disapproves the nominee from the mayor, the selection committee shall convene in no less than 30 days and no more than 60 days after disapproval to resubmit three nominees to the mayor.

Present law provides that if for any reason the mayor fails to submit a nomination to the city council within 60 days of receipt of the list of nominees by the selection committee, the selection committee shall submit such list of nominees directly to the city council for selection and approval.

Proposed law removes present law.

Present law provides that if the mayor is unable to attend a meeting of the sewerage and water board, the mayor may be represented at the board meeting by a person designated by the mayor who shall be an unclassified member of the mayor's administration. Provides that the person shall have all rights and powers granted to the mayor with regard to any such board meeting including the right to vote and shall be counted for purposes of a quorum.

Proposed law removes present law.

Present law provides that at the beginning of every quarter, the Coastal Protection Restoration Authority, the La. Dept. of Transp. and Dev., the Gov.'s Office of Homeland Security and Emergency Preparedness, and representatives from the Jefferson Parish Department of Public Works, the Saint Bernard Parish Department of Public Works, and the Plaquemines Parish Engineering & Public Works Department shall meet with the executive director of the Sewerage and Water Board and his team to develop a coordinated southeast La. urban flood prevention plan. Present law requires that the plan be presented to the members of the New Orleans Delegation and the city council annually on May 15th, beginning May 15th, 2025.

Proposed law removes requirement that the specified entities meet with the *team* of the executive director of the sewerage and water board and additionally requires that the specified entities meet with the director of public works for the city of New Orleans or his designee. Proposed law otherwise retains present law.

Present law provides that the Sewerage and Water Board of New Orleans shall be responsible for all drainage operations in the city of New Orleans. Requires the city of New Orleans to transfer all employees and equipment used for drainage maintenance to the board.

Proposed law provides that the board shall be responsible for such drainage operations unless otherwise provided by the parish governing authority or other law to the contrary. Authorizes, rather than requires, the city of New Orleans to transfer all employees and equipment used for drainage maintenance to the board.

Present law requires the city of New Orleans to allocate on an annual basis to the Sewerage and Water Board of New Orleans the same level of funding that the New Orleans Department of Public Works utilized in Fiscal Year 2023 for drainage operations.

Proposed law provides that such funding shall be required unless such operations are maintained by any other public entity. Provides the term "public entity" has the same meaning as provided in present law (R.S. 39:1421(2)).

Present law provides that the mayor shall be ex officio president of the board.

Proposed law instead authorizes the board to elect a president from its membership.

Present law authorizes the board to elect one of its members president pro tempore who shall act in the absence or disability of the president. Proposed law retains present law.

Present law provides that all meetings of the board shall be held in accordance with rules adopted by the board and shall be open and public.

Proposed law provides that all meetings of the board shall be held in accordance with rules adopted by the board and as provided by ordinance of the city council. Requires that all meetings be held in accordance with present law (Open Meetings Law).

Present law provides that the board may make reasonable rules and regulations necessary for the proper administration of the sewerage system.

Proposed law provides that such rules and regulations shall be subject to limitations provided in proposed law.

Present law authorizes the city council to establish, by ordinance, procedures regarding the billing policies of the board. Requires the city council to establish a billing ordinance working group to review and opine on ordinances before any such ordinance may be considered by the Public Works, Sanitation, and Environmental Committee of the city council, including evaluating the necessity of such an ordinance. Provides that the working group shall be composed as follows:

- (1) The chairman of the New Orleans City Council Budget, Audit, and Board of Review Committee, or his designee.
- (2) The chairman of the New Orleans City Council Public Works, Sanitation, and Environment Committee, or his designee.
- (3) The chairman of the New Orleans City Council Governmental Affairs Committee, or his designee.
- (4) A member of the House of Representatives residing in Orleans Parish, or his designee, appointed by the New Orleans City Council president.
- (5) A member of the Senate residing in Orleans Parish, or his designee, appointed by the New Orleans City Council president.
- (6) The executive director of the Sewerage and Water Board of New Orleans, or his designee.
- (7) The president of the Sewerage and Water Board of New Orleans, or his designee.

Proposed law removes present law and authorizes the city council to exercise regulatory authority and oversight over the board absent any law to the contrary. Provides that the authority shall include, but is not limited to, the ability to regulate and to require city council approval of the following:

- (1) Rates, fees, and charges imposed by the board.
- (2) The board's annual operating budgets.
- (3) Creation, adoption, and implementation of capital budgets and capital improvement plans.
- (4) Board policies relating to billing, finance, operations, and governance, including policies related to reducing or modifying a bill received by a customer, or waiving late charges or accrued interest.

- (5) Contracts entered into by the board.
- (6) The election of the executive director and the hiring of board employees.

Proposed law provides that nothing in proposed law shall be deemed to delegate powers held exclusively by the legislature or to authorize the city council to enact any ordinance inconsistent with proposed law or other applicable state law. Prohibits the city council from impairing existing obligations of the board.

Present law authorizes the city council to open an investigation of the board after the occurrence of any catastrophic failure of the city's sewerage and drainage infrastructure.

Proposed law additionally authorizes the city council to open an investigation of the board regarding any matter within the scope of its regulatory authority.

Present law provides that the city council may request the attendance of a representative of the board at any meeting of the Public Works, Sanitation, and Environment Committee of the city council.

Proposed law instead authorizes the city council to request the attendance of a representative of the board at any meeting of the city council or a council committee.

(Amends R.S. 33:4071, 4072(A) and (B), 4073, 4074, 4123, and 4159.2(A), (B)(1), and (C))