

2026 Regular Session

ACT No. 938

HOUSE BILL NO. 1243 (Substitute for House Bill No. 573 by Representative Hilferty)

BY REPRESENTATIVES HILFERTY, BAYHAM, BOYD, COX, DEVILLIER, DOMANGUE, FISHER, JACKSON, AND TAYLOR

1 AN ACT

2 To amend and reenact R.S. 33:4071, 4072(A) and (B), 4073, 4074, 4123, and 4159.2(A),
3 (B)(1), and (C), relative to the city of New Orleans; to provide relative to the
4 Sewerage and Water Board of New Orleans; to provide relative to the composition
5 of the board; to provide relative to the officers of the board; to provide relative to the
6 powers and duties of the board; to provide relative to the powers and duties of the
7 city council with respect to the board; to provide relative to billing policies of the
8 board; and to provide for related matters.

9 Notice of intention to introduce this Act has been published
10 as provided by Article III, Section 13 of the Constitution of
11 Louisiana.

12 Be it enacted by the Legislature of Louisiana:

13 Section 1. R.S. 33:4071, 4072(A) and (B), 4073, 4074, 4123, and 4159.2(A), (B)(1),
14 and (C) are hereby amended and reenacted to read as follows:

15 §4071. Creation and organization of sewerage and water board

16 A.~~(1)~~ The public water system, the public sewerage system, and the public
17 drainage system of the city of New Orleans shall be constructed, controlled,
18 maintained, and operated by a sewerage and water board. The composition of the
19 board may be as set forth in the New Orleans home rule charter, unless otherwise
20 provided by law. The New Orleans city council may, by ordinance in accordance
21 with applicable state law, prescribe rules and regulations governing the appointment,
22 terms, and service of board members. ~~to be composed as follows:~~

23 ~~(a) The mayor.~~

24 ~~(b) The chair of the Public Works, Sanitation and Environment Committee~~
25 ~~of the New Orleans city council or an appointee selected by the council president~~

1 with a background in engineering, law, or consumer advocacy selected with the
 2 advice and consent of the city council. Any member appointed by the council
 3 president shall serve at the pleasure of the council president.

4 ~~(c) Two syndicate members of the board of liquidation, city debt, to be~~
 5 ~~appointed by the mayor on the recommendation of the board of liquidation, city debt.~~

6 ~~(d) Seven citizens, to be appointed by the mayor, with the advice and consent~~
 7 ~~of the city council from a list of nominees submitted by the Sewerage and Water~~
 8 ~~Board Selection Committee.~~

9 ~~(e) The members appointed pursuant to Subparagraphs (c) and (d) of this~~
 10 ~~Paragraph shall include one citizen from each of the five councilmanic districts~~
 11 ~~within the city of New Orleans. In addition, two of the appointments shall be~~
 12 ~~consumer advocates with community advocacy or consumer protection experience~~
 13 ~~or experience in a related field.~~

14 ~~(2)(a) For purposes of this Section, the Sewerage and Water Board Selection~~
 15 ~~Committee, hereinafter referred to as the "selection committee", is hereby created to~~
 16 ~~be comprised as follows:~~

17 ~~(i) The president of Dillard University or the president's designee.~~

18 ~~(ii) The president of Loyola University or the president's designee.~~

19 ~~(iii) The president of Tulane University or the president's designee.~~

20 ~~(iv) The president of Xavier University or the president's designee.~~

21 ~~(v) The chancellor of Delgado Community College or the chancellor's~~
 22 ~~designee.~~

23 ~~(vi) The chancellor of University of New Orleans or the chancellor's~~
 24 ~~designee.~~

25 ~~(vii) The chancellor of Southern University at New Orleans or the~~
 26 ~~chancellor's designee.~~

27 ~~(viii) The chair of the board of directors of the New Orleans Chamber of~~
 28 ~~Commerce or the chair's designee.~~

29 ~~(ix) The president of the board of directors of the New Orleans Regional~~
 30 ~~Black Chamber of Commerce or the president's designee.~~

1 ~~(x) The chair of the board of directors of the Urban League of Greater New~~
2 ~~Orleans or the chair's designee.~~

3 ~~(b) Notice of a vacancy on the sewerage and water board shall be published~~
4 ~~in the official journal for Orleans Parish by the sewerage and water board and shall~~
5 ~~be communicated through any other publication, website, or electronic medium~~
6 ~~maintained by the New Orleans Sewerage and Water Board or the city of New~~
7 ~~Orleans for the purpose of achieving public awareness of the vacancy. Such notice~~
8 ~~shall advise potential candidates of the residency requirements, professional~~
9 ~~qualifications, and application deadlines. Such notices shall be published no less~~
10 ~~than two times within a thirty day period after a vacancy has been declared by the~~
11 ~~sewerage and water board. Any interested person who meets the qualifications~~
12 ~~provided for in this Section shall submit an application to the sewerage and water~~
13 ~~board confirming their eligibility, professional qualifications, and experience. The~~
14 ~~sewerage and water board shall transmit all applications received to the selection~~
15 ~~committee within seven days after the deadline for submission of applications.~~

16 ~~(c) The selection committee shall meet no less than fifteen days and no more~~
17 ~~than thirty days after close of the application deadline to consider each name~~
18 ~~submitted for nomination. Selection committee members may also submit names of~~
19 ~~persons who also meet the qualification requirements provided in this Section. The~~
20 ~~selection committee shall verify that each nominee meets such qualification~~
21 ~~requirements. After a thorough review of each application, the selection committee~~
22 ~~shall by majority vote submit to the mayor three names for each vacancy on the~~
23 ~~sewerage and water board.~~

24 ~~(d) Within sixty days of receipt of the list of nominees, the mayor shall select~~
25 ~~one of the three nominees for submission to the city council for approval.~~

26 ~~(e) The city council shall have thirty days from receipt of submission of the~~
27 ~~nomination by the mayor to disapprove the nominee. If the city council does not~~
28 ~~disapprove the nominee within such time, it shall be deemed that the city council~~
29 ~~consents to the appointment.~~

1 ~~(f) If the city council disapproves the nominee from the mayor, the selection~~
2 ~~committee shall convene in no less than thirty days and no more than sixty days after~~
3 ~~disapproval to resubmit three nominees to the mayor.~~

4 ~~(g) If for any reason the mayor fails to submit a nomination to the city~~
5 ~~council within sixty days of receipt of the list of nominees by the selection~~
6 ~~committee, the selection committee shall submit such list of nominees directly to the~~
7 ~~city council for selection and approval.~~

8 ~~(3) Each nominee shall have experience in either architecture, environmental~~
9 ~~quality, finance, accounting, business administration, engineering, law, public health,~~
10 ~~urban planning, facilities management, public administration, science, construction,~~
11 ~~business management, community or consumer advocacy, or other pertinent~~
12 ~~disciplines.~~

13 ~~(4)(a) For members appointed pursuant to Subparagraphs (1)(c) and (d) of~~
14 ~~this Subsection, the terms of office shall be four years after initial terms as provided~~
15 ~~in Subparagraph (b) of this Paragraph. A member shall serve no more than two~~
16 ~~consecutive terms of office.~~

17 ~~(b) Three members shall serve an initial term of one year; three members~~
18 ~~shall serve an initial term of two years; three members shall serve an initial term of~~
19 ~~three years; and two members shall serve an initial term of four years, as determined~~
20 ~~by lot at the first meeting of the board.~~

21 ~~(5) If the mayor is unable to attend a meeting of the sewerage and water~~
22 ~~board, the mayor may be represented at the board meeting by a person designated by~~
23 ~~the mayor who shall be an unclassified member of the mayor's administration. The~~
24 ~~person shall have all rights and powers granted to the mayor with regard to any such~~
25 ~~board meeting including the right to vote and shall be counted for purposes of a~~
26 ~~quorum.~~

27 ~~(6) The appointments to the board shall reflect the racial and gender diversity~~
28 ~~of the population of the city of New Orleans to the extent practicable.~~

1 ~~B.(1) Each of the citizen members shall be a registered voter in Orleans~~
 2 ~~Parish and shall have been a domiciliary of Orleans Parish for two years previous to~~
 3 ~~his appointment.~~

4 ~~(2) In the event any appointed member is elected to any office or removes~~
 5 ~~his domicile from Orleans Parish, his membership on the board shall be ipso facto~~
 6 ~~vacated, and his successor shall be immediately appointed.~~

7 ~~C. All vacancies occurring in the membership of the board under~~
 8 ~~appointment by the mayor shall be filled in the manner prescribed by this Section for~~
 9 ~~the original appointment.~~

10 ~~D. No person who is a stockholder or bondholder in any sewerage or~~
 11 ~~waterworks company or who holds any public office yielding emoluments to the~~
 12 ~~holder other than those specified in this Part shall be eligible for appointment to the~~
 13 ~~board.~~

14 ~~E. B. A Subject to limitations provided in this Part, a~~ quorum of the board
 15 shall adopt rules fixing its own meetings and procedures. Any amendments or
 16 changes to such rules shall be adopted only after approved by a quorum of the board.

17 ~~F. C. Notwithstanding any provisions of law to the contrary, the board may~~
 18 adopt rules and procedures authorizing the adjusting, releasing, or extinguishing of
 19 any indebtedness from a customer's sewerage and water bill. The rule shall limit the
 20 board's compromising authority to appropriate instances in which any of the
 21 following occur:

22 (1) Instances of error on the part of the district such as equipment failure or
 23 process failure, including instances in which the board generates inaccurate invoices,
 24 and in such instances, only to the extent that the failure increased the customer's
 25 indebtedness.

26 (2) Instances in which an employee of the board, or a person acting on behalf
 27 of the board, fails to properly read a customer's water meter regardless of whether
 28 the board has submitted an invoice to the customer for an amount owed during any
 29 such period or fails to submit an invoice to the customer for two or more consecutive
 30 months.

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

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

7 §4072. Drainage operations; city of New Orleans

8 A. At the beginning of every quarter, the Coastal Protection Restoration
 9 Authority, the Louisiana Department of Transportation and Development, the
 10 Governor's Office of Homeland Security and Emergency Preparedness, and
 11 representatives from the Jefferson Parish Department of Public Works, the Saint
 12 Bernard Parish Department of Public Works, and the Plaquemines Parish
 13 Engineering & Public Works Department shall meet with the executive director of
 14 the Sewerage and Water Board of New Orleans and ~~his team~~ the director of public
 15 works for the city of New Orleans, or his designee, to develop a coordinated
 16 southeast Louisiana urban flood prevention plan. The purposes of the meetings shall
 17 be to identify areas that need to be addressed in order to allow for proper drainage,
 18 to model and predict storm drainage in the multiparish area, and to anticipate
 19 emergency response priorities. The plan shall be presented to the members of the
 20 New Orleans Delegation and the city council of New Orleans annually on May
 21 fifteenth, beginning May 15, 2025.

22 B.(1) ~~The~~ Unless otherwise provided by the parish governing authority or
 23 other law to the contrary, the Sewerage and Water Board of New Orleans shall be
 24 responsible for all drainage operations in the city of New Orleans. The city of New
 25 Orleans ~~shall~~ may transfer all employees and equipment used for drainage
 26 maintenance to the Sewerage and Water Board of New Orleans.

27 (2) The city of New Orleans shall allocate on an annual basis to the
 28 Sewerage and Water Board of New Orleans the same level of funding that the New
 29 Orleans Department of Public Works utilized in Fiscal Year 2023 for drainage
 30 operations unless such operations are maintained by any other public entity. Any

1 other increases in funding by the city of New Orleans to the Sewerage and Water
 2 Board of New Orleans shall be subject to New Orleans City Council approval.
 3 "Public entity" for purposes of this Part shall have the same meaning as provided in
 4 R.S. 39:1421(2).

* * *

§4073. Officers of sewerage and water board; compensation of members

7 The ~~mayor shall be ex officio president of the board~~ shall elect from its
 8 membership a president and a president pro tempore. The board shall also elect an
 9 executive director, whose salary and bond shall be fixed by the board. The executive
 10 director shall hold office at the pleasure of the board. The election or removal of the
 11 executive director, the amount of his salary, and the acceptance of his bond shall be
 12 determined by a majority vote of the entire board at one of its regular monthly
 13 meetings. The duties of the executive director shall be fixed by the board. No
 14 member of the board shall receive any salary or compensation for his services,
 15 except actual expenses incurred in ~~travelling~~ traveling by authority of, or for the
 16 benefit of the board. ~~The board shall have power to elect one of its members~~
 17 ~~president pro tempore who~~ shall act in the absence or disability of the president.

§4074. Meetings of the board

19 All meetings of the board shall be held in accordance with rules adopted by
 20 the board and ~~shall be open and public~~ as provided by ordinance adopted pursuant
 21 to R.S. 33:4159.2. All board meetings shall be conducted in accordance with the
 22 Open Meetings Law. All its transactions shall be recorded in the minutes to be kept
 23 in writing by the executive director, and its records shall be public. ~~Six members~~
 24 ~~thereof shall constitute a quorum.~~

* * *

§4123. New Orleans; rules and regulations; provisions self-operative; board continued; repeal; severability

28 A. The Subject to limitations provided in this Part, the board may make
 29 reasonable rules and regulations necessary for the proper administration of the
 30 sewerage system.

1 (a) ~~The chairman of the New Orleans City Council Budget, Audit, and Board~~
 2 ~~of Review Committee, or his designee.~~

3 (b) ~~The chairman of the New Orleans City Council Public Works, Sanitation,~~
 4 ~~and Environment Committee, or his designee.~~

5 (c) ~~The chairman of the New Orleans City Council Governmental Affairs~~
 6 ~~Committee, or his designee.~~

7 (d) ~~A member of the House of Representatives residing in Orleans Parish,~~
 8 ~~or his designee, appointed by the New Orleans City Council president.~~

9 (e) ~~A member of the Senate residing in Orleans Parish, or his designee,~~
 10 ~~appointed by the New Orleans City Council president.~~

11 (f) ~~The executive director of the Sewerage and Water Board of New Orleans,~~
 12 ~~or his designee.~~

13 (g) ~~The president of the Sewerage and Water Board of New Orleans, or his~~
 14 ~~designee.~~

15 (4) ~~The procedures established by the city council shall be uniformly~~
 16 ~~implemented so as to prevent special treatment as it relates to any bill modification~~
 17 ~~or amnesty. exercise regulatory authority and oversight over the board absent any~~
 18 ~~law to the contrary. This authority shall include but is not limited to the ability to~~
 19 ~~regulate and to require city council approval of the following:~~

20 (a) Rates, fees, and charges imposed by the board.

21 (b) The board's annual operating budgets.

22 (c) Creation, adoption, and implementation of capital budgets and capital
 23 improvement plans.

24 (d) Board policies relating to billing, finance, operations, and governance,
 25 including policies related to reducing or modifying a bill received by a customer, or
 26 waiving late charges or accrued interest.

27 (e) Contracts entered into by the board.

28 (f) The election of the executive director and the hiring of board employees.

29 (2) Nothing in this Subsection shall be deemed to delegate powers held
 30 exclusively by the legislature or to authorize the city council to enact any ordinance

1 inconsistent with this Part or other applicable state law. In exercising its authority
2 under this Subsection, the city council shall not impair existing obligations of the
3 board.

4 B.(1) The city council may open an investigation of the board regarding any
5 matter within the scope of its regulatory authority, including after the occurrence of
6 any catastrophic failure of the city's sewerage and drainage infrastructure. Any
7 information regarding ~~such a failure~~ an investigation requested in writing from the
8 board by the city council shall be submitted to the council not later than thirty days
9 after receipt of the written request.

10 * * *

11 C. The city council may request the attendance of a representative of the
12 board at any meeting of the ~~Public Works, Sanitation, and Environment Committee~~
13 ~~of the city council~~ or a council committee.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____