

RÉSUMÉ DIGEST

ACT 938 (HB 1243)

2026 Regular Session

Hilferty

Existing law provides that the public water system, the public sewerage system, and the public drainage system of the city of New Orleans is constructed, controlled, maintained, and operated by a sewerage and water board. Prior law provided that the board was 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.

Prior law provided that the members appointed pursuant to (3) and (4) above included one citizen from each of the five councilmanic districts within the city of New Orleans. Additionally provided that two of the appointments were required to be consumer advocates with community advocacy or consumer protection experience or experience in a related field. Provided that members appointed pursuant to (3) and (4) above served four-year staggered terms.

Prior law required that each citizen member be a registered voter in Orleans Parish and a domiciliary of Orleans Parish for two years prior to his appointment. Provided that if any appointed person was elected to any office or removed his domicile from Orleans Parish, his membership was vacated, and his successor would be immediately appointed. Provided that no person who was a stockholder or bondholder in any sewerage or waterworks company or who held public office yielding emoluments to the holder other than those specified in existing law was eligible for appointment to the board.

New law removes prior 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. Authorizes the city council, by ordinance in accordance with applicable state law, to prescribe rules and regulations governing the appointment, terms, and service of board members.

Existing law requires that a quorum of the board adopt rules and regulations fixing its own meetings and procedures. New law provides that the adoption of such rules and regulations by a quorum of the board is subject to limitations provided by existing law and new law.

Prior law provided that six members constituted a quorum. New law removes prior law.

Prior law provided 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.

Prior law required 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. Provided for the contents of the notice.

Prior law required any interested person who met the qualifications to submit an application to the board confirming their eligibility, professional qualifications, and experience. Required the board to transmit all applications received to the selection committee within seven days after the deadline for submission of applications. Required 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. Authorized selection committee members to submit names of persons who also met the qualification requirements.

Prior law required the selection committee to verify that each nominee met the qualification requirements. Required the selection committee, by majority vote, to submit to the mayor three names for each vacancy on the sewerage and water board. Required 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.

Prior law required 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. Provided that the city council had 30 days from receipt of submission of the nomination by the mayor to disapprove the nominee. Provided that if the city council did not disapprove the nominee within such time, it was deemed that the city council consented to the appointment. Additionally provided that if the city council disapproved the nominee from the mayor, the selection committee was required to convene in no less than 30 days and no more than 60 days after disapproval to resubmit three nominees to the mayor.

Prior law provided that if for any reason the mayor failed 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 was required to submit such list of nominees directly to the city council for selection and approval.

New law removes prior law.

Prior law provided that if the mayor was unable to attend a meeting of the sewerage and water board, the mayor could be represented at the board meeting by a person designated by the mayor who was required to be an unclassified member of the mayor's administration. Provided that the person had all rights and powers granted to the mayor with regard to any such board meeting including the right to vote and was counted for purposes of a quorum.

New law removes prior law.

Existing 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 Dept. of Public Works, the Saint Bernard Parish Dept. of Public Works, and the Plaquemines Parish Engineering & Public Works Dept. are required to meet with the executive director of the Sewerage and Water Board to develop a coordinated southeast La. urban flood prevention plan.

Prior law also required the specified entities to meet with the *team* of the executive director of the sewerage and water board.

New law removes prior law and additionally requires that the specified entities meet with the director of public works for the city of New Orleans or his designee.

Prior law provided that the Sewerage and Water Board of New Orleans was responsible for all drainage operations in the city of New Orleans. Required the city of New Orleans to transfer all employees and equipment used for drainage maintenance to the board.

New 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.

Prior law required the city of New Orleans to allocate on an annual basis to the sewerage and water board the same level of funding that the New Orleans Dept. of Public Works utilized in Fiscal Year 2023 for drainage operations.

New 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 existing law (R.S. 39:1421(2)).

Prior law provided that the mayor was ex officio president of the board. New law instead requires the board to elect a president from its membership.

Existing law provides that all meetings of the board shall be held in accordance with rules adopted by the board.

Prior law provided that all meetings were open and public.

New law removes prior law and additionally provides that all meetings of the board shall also be held as provided by ordinance adopted pursuant to existing law (R.S. 33:4159.2). Requires that all meetings be held in accordance with existing law (Open Meetings Law).

Existing law authorizes the board to may make reasonable rules and regulations necessary for the proper administration of the sewerage system.

New law provides that such rules and regulations shall be subject to limitations provided in existing law and new law.

Prior law authorized the city council to establish, by ordinance, procedures regarding the billing policies of the board. Required the city council to establish a billing ordinance working group to review and opine on ordinances before any such ordinance could be considered by the Public Works, Sanitation, and Environmental Committee of the city council, including evaluating the necessity of such an ordinance. Provided that the working group was 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.

New law removes prior 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.

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

Existing 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.

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

Prior law authorized the city council to request the attendance of a representative of the board at any meeting of the Public Works, Sanitation, and Environment Committee of the city council.

New 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.

Effective August 1, 2026.

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