DIGEST

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HB 690 Original

2015 Regular Session

Lorusso

Abstract: Provides relative to the appointment of two landlord commissioners to the housing authority of New Orleans (HANO). Provides for terms and removal of board members. Provides relative to the application of the Code of Governmental Ethics to certain board members. Provides relative to procedures for overpayments owed to the housing authority.

<u>Present law</u> (R.S. 40:531) authorizes the governing body of any municipality or parish to determine by resolution that it is expedient to establish a local housing authority when there exists a shortage of decent, safe, and sanitary dwelling accommodations in such parish or municipality. Provides that when such determination is made, the chief elected official of the municipality or parish, or if no such official exists then the governing body itself shall appoint five persons to constitute the housing authority's governing body. Provides that the members of the governing body are called commissioners.

Proposed law retains present law.

<u>Present law</u> (R.S. 40:531) provides for exceptions relative to the number of commissioners for certain housing authorities. Provides that HANO shall consist of seven commissioners appointed by the mayor. Provides that at least two commissioners are tenants of the housing authority chosen from a list of three names submitted by the Citywide Tenants Council, Inc.

<u>Proposed law</u> provides that HANO consists of nine commissioners. Provides for the appointment of two additional commissioners who are property owners and provide rental housing in the city of New Orleans through the Housing Choice Voucher Program pursuant to a signed contract with the housing authority. Provides that the property owner commissioners are known as landlord commissioners.

<u>Proposed law</u> provides that the two landlord commissioners are appointed by the property owners who provide rental housing in the city of New Orleans though the Housing Choice Voucher Program pursuant to a signed contract with the housing authority. Requires the property owners to meet within 60 days after the effective date of <u>proposed law</u> to appoint, at the same time, both landlord commissioners. Provides that the landlord commissioners will be appointed upon majority vote of property owners present and voting. Requires the property owners to provide notice of the meeting. Provides for notice procedures.

<u>Present law</u> (R.S. 40:531) provides that the housing authority commissioners serve five-year staggered terms. Provides that the commissioners of HANO serve terms concurrent with the mayor.

<u>Proposed law</u> changes the terms of seven commissioners of HANO, not including the landlord commissioners. Provides that such commissioners shall serve five-year staggered terms. Provides that the seven commissioners serving on the effective date of <u>proposed law</u> will continue to serve until the expiration of their terms. Provides that the successors of such commissioners will be appointed as provided in <u>proposed law</u>. Provides that the mayor will fill a vacancy which occurs prior to the expiration of a term of any commissioner serving on the effective date of <u>proposed law</u>. Provides that the two landlord commissioners will be appointed as provided in <u>proposed law</u> and will serve terms concurrent with the mayor.

<u>Present law</u> (R.S. 40:537) provides that a commissioner of a local housing authority may be removed for neglect of duty, misconduct in office, or conviction of any felony by the chief elected official of the municipality or parish appointing the commissioner, or if no chief elected official exists, then by the governing body of such municipality or parish.

<u>Proposed law</u> retains <u>present law</u> but provides that the landlord commissioners appointed pursuant to <u>proposed law</u> may be removed by the appointing authority for neglect of duty or misconduct in office. Provides that any landlord commissioner convicted of a felony while serving as a commissioner must be disqualified and removed from office by the appointing authority.

Present law (R.S. 40:537) requires the chief elected official or the governing body of the municipality or parish, as the case may be, which seeks to remove a commissioner to send notice of removal to such commissioner, which notice must set forth the charges against the commissioner. Grants the commissioner 10 days from the receipt of such notice to file with the clerk or secretary of the municipality's or parish's governing body a request for a hearing. Provides that if the commissioner fails to request the hearing he will be deemed removed from office, but if a request for hearing is so filed, the governing body of the municipality or parish, as the case may be, shall hold a hearing within 10 days. Grants the commissioner the right to appear in person or by council. Requires the governing authority to determine if the removal shall be upheld, but if the removal is not upheld, the commissioner must continue to hold office.

<u>Proposed law</u> retains <u>present law</u> but with respect to the landlord commissioners, requires the appointing authority rather than the parish or municipality to send notice of removal. Requires the appointing authority to follow the same procedures set forth in <u>present law</u>.

<u>Present law</u> (R.S. 40:530) provides that all housing authority officials and employees are subject to the state Code of Governmental Ethics.

<u>Proposed law</u> retains <u>present law</u> except with respect to the landlord commissioners of HANO. Provides that such commissioners, nor former commissioners, are not subject to the state Code of Governmental Ethics with respect to their service on the governing board of the housing authority.

<u>Present law</u> (R.S. 40:453) provides generally for the powers and duties of a housing authority including but not limited to the following:

(1) To borrow money or accept grants and other forms of assistance, financial and otherwise,

from the local, state, or federal government in connection with any activity or program.

- (2) To take all actions necessary to agree to and fully comply with all requirements and conditions of any state or federal program, grant, loan, or program providing services or assistance to the authority, its programs, its properties and housing developments, and the residents of such housing developments.
- (3) To perform all responsibilities and obligations of the authority under any contract or agreement with state or federal authorities and imposed by applicable state or federal law and regulation with respect to such state or federal assistance.
- (4) To take over or lease or manage any development or undertaking constructed or owned by the state, or any public agency thereof, or the federal government.

<u>Proposed law</u> retains <u>present law</u> and additionally provides with respect to powers and duties of HANO. Requires the housing authority to adopt procedures, in accordance with federal law, to provide for the method of reimbursement of funds owed to the housing authority. Requires that the procedures provide for the method of reimbursement for overpayments made by the housing authority to property owners who provide rental housing in the city of New Orleans through the Housing Choice Voucher Program.

<u>Proposed law</u> requires the housing authority to give notice to each property owner, by certified mail, that the property owner has received an overpayment and reimbursement is required. Provides for the content of the notice. Grants the property owner 60 days from the receipt of notice to reimburse the housing authority by certified check. Prohibits the housing authority, during the 60 day period, from suspending subsidy payments owed to the property owner, reducing payments, or deducting overpayment amounts from other contract agreements with the property owner. Provides that the housing authority may seek all remedies to recover overpayments after the lapse of the 60 day period.

(Amends R.S. 40:530, 531(B), 532, and 537(B); Adds R.S. 40:483.1 and 537(A)(6))