CONFERENCE COMMITTEE REPORT Senate Bill No. 425 By Senator Cortez

June 2, 2014

To the Honorable President and Members of the Senate and to the Honorable Speaker and Members of the House of Representatives.

Ladies and Gentlemen:

We, the conferees appointed to confer over the disagreement between the two houses concerning Senate Bill No. 425 by Senator Cortez, recommend the following concerning the Reengrossed bill:

- 1. That House Committee Amendments Nos. 1, 2, and 3 proposed by the House Committee on Municipal, Parochial and Cultural Affairs and adopted by the House of Representatives on May 12, 2014, be rejected.
- 2. That Legislative Bureau Amendments Nos. 1, 2 and 3 proposed by the Legislative Bureau and adopted by the House of Representatives on May 12, 2014, be rejected.
- 3. That House Floor Amendments Nos. 1, 2, 3, 5, and 8 proposed by Representative Stuart Bishop and adopted by the House of Representatives on May 27, 2014, be rejected.
- 4. That House Floor Amendments Nos. 4, 6, and 7 proposed by Representative Stuart Bishop and adopted by the House of Representatives on May 27, 2014, be adopted.
- 5. That the following amendments to the bill be adopted:

AMENDMENT NO. 1

On page 1, line 2, after "R.S. 33:42" insert "and R.S. 40:4.15"

AMENDMENT NO. 2

On page 1, line 10, delete "Private" and insert "Privately owned public"

AMENDMENT NO. 3

On page 1, line 15, delete "private" and insert "privately owned public"

AMENDMENT NO. 4

On page 2, delete lines 1 through 22 and insert:

"relative to chlorination and iron and manganese control of drinking water and disinfection of waste water discharged in compliance with such sewer system provider's permit, rules, regulations, and laws governing the operation of such sewer system provider.

C.(1) In addition to any other penalty or liability authorized by law that may be imposed upon a privately owned public water supply or sewer system provider that fails to meet applicable standards, a political subdivision may by ordinance adopt a remediation charge to be imposed upon such a system operating therein in accordance with

such conditions and in such an amount as the political subdivision determines in order to implement the provisions of this Section.

- (2) A privately owned public water supply or sewer system provider that is penalized by the state or political subdivision within which it operates at least two separate times within a consecutive twelve-month period due to failure to comply with applicable laws and regulations relative to water supply or wastewater treatment and discharge shall, upon the request of the governing authority of the political subdivision, transfer such system to the political subdivision for just compensation or be subject to receivership pursuant to R.S. 30:2075.3 or R.S. 40:5.9. Such a transfer shall be subject to applicable rules, regulations, and laws governing the transfer of a permit, license, or certificate for a privately owned public water supply or sewer system provider and shall be subject to approval by the Public Service Commission.
- D. The Department of Health and Hospitals shall provide technical assistance concerning iron and manganese issues to privately owned public water supply providers to pursue possible solutions such as installing new wells with greater depths and to assist impacted populations to resolve their drinking water issues.
- E. Privately owned public water supply providers that have on-site water filtration systems shall be required to maintain and utilize such systems. Any privately owned public water supply provider that fails to maintain and utilize any such system shall be subject to a fine by the Department of Health and Hospitals of one thousand dollars per day until the system is maintained and utilized.
- F. The provisions of this Section shall not apply to any privately owned public water supplier or sewer system provider who, on January 1, 2014, conducted operations in three or fewer parishes. This Section shall apply to any privately owned public water supplier or sewer system provider who, on January 1, 2014, conducted operations in more than three parishes.

Section 2. R.S. 40:4.15 is hereby enacted to read as follows:

§4.15. Water systems; iron and manganese control

Respectfully submitted,

The office of public health of the Department of Health and Hospitals shall promulgate and adopt rules in accordance with the Administrative Procedure Act to implement iron and manganese control requirements for water systems."

Senators:	Representatives:
Senator Patrick Page Cortez	Representative Stuart Bishop
Senator Yvonne Dorsey-Colomb	Representative Austin Badon
Senator Dan Claitor	Representative John "Johnny" Berthelot

The legislative instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Jerry Jones.

CONFERENCE COMMITTEE REPORT DIGEST

Senate Bill No. 425 by Senator Cortez

Keyword and summary of the bill as proposed by the Conference Committee

WATER/SEWER OPERATORS. Provides relative to certain water supply and sewer systems providers. (8/1/14)

Report adopts House amendments to:

1. Amend title and provide relative to compliance with applicable standards.

Report rejects House amendments which would have:

1. Added provisions relative to parishes with a population of not less than one hundred seven thousand persons and not more than one hundred ten thousand persons.

Report amends the bill to:

- 1. Revise language relative to privately owned public water supply or sewer system providers, and provide for imposition of a fine under certain circumstances.
- 2. Enact new law providing that the office of public health of DHH shall promulgate and adopt rules in accordance with the APA to implement iron and manganese control requirements for water systems.

Digest of the bill as proposed by the Conference Committee

<u>Proposed law</u> provides relative to privately owned public water supply or sewer system providers.

<u>Proposed law</u> provides that it shall apply to any political subdivision within a parish having a population greater than two hundred thousand but less than two hundred and thirty thousand according to the latest federal census.

<u>Proposed law</u> provides that a privately owned public water supply or sewer system provider serving the residents of a political subdivision as set forth in the <u>proposed law</u> shall comply with all applicable standards set forth in law and regulation, including standards relative to chlorination and iron and manganese control of drinking water and disinfection of waste water discharged in compliance with such sewer system provider's permit, rules, regulations, and laws governing the operation of such sewer system provider.

<u>Proposed law</u> further provides that in addition to any other penalty or liability authorized by law that may be imposed upon a privately owned public water supply or sewer system provider that fails to meet applicable standards, a political subdivision may by ordinance adopt a remediation charge to be imposed upon such a system operating therein in accordance with such conditions and in such an amount as the political subdivision determines in order to implement the provisions of the <u>proposed law</u>.

<u>Proposed law</u> also provides that a privately owned public water supply or sewer system provider that is penalized by the state or political subdivision within which it operates at least two separate times within a consecutive twelve-month period due to failure to

comply with applicable laws and regulations relative to water supply or wastewater treatment and discharge shall, upon the request of the governing authority of the political subdivision, transfer such system to the political subdivision for just compensation or be subject to receivership pursuant to R.S. 30:2075.3 or R.S. 40:5.9. Such a transfer shall be subject to applicable rules, regulations, and laws governing the transfer of a permit, license, or certificate for a privately owned public water supply or sewer system provider and shall be subject to approval by the Public Service Commission.

<u>Proposed law</u> provides that the Department of Health and Hospitals shall provide technical assistance concerning iron and manganese issues to privately owned public water supply providers to pursue possible solutions such as installing new wells with greater depths and to assist impacted populations to resolve their drinking water issues.

<u>Proposed law</u> further provides that privately owned public water supply providers that have on-site water filtration systems shall be required to maintain and utilize such systems. Any privately owned public water supply provider that fails to maintain and utilize any such system shall be subject to a fine by the Department of Health and Hospitals of one thousand dollars per day until the system is maintained and utilized.

<u>Proposed law</u> provides that it shall not apply to any privately owned public water supplier or sewer system provider who, on January 1, 2014, conducted operations in three or fewer parishes. However, it shall apply to any privately owned public water supplier or sewer system provider who, on January 1, 2014, conducted operations in more than three parishes.

<u>Proposed law</u> further provides that the office of public health of the Department of Health and Hospitals shall promulgate and adopt rules in accordance with the Administrative Procedure Act to implement iron and manganese control requirements for water systems.

Effective August 1, 2014.

(Adds R.S. 33:42 and R.S. 40:4.15)