

2015 Regular Session

HOUSE BILL NO. 690

BY REPRESENTATIVE LORUSSO

HOUSING/AUTHORITIES: Provides with respect to the Housing Authority of New Orleans

1 AN ACT

2 To amend and reenact R.S. 40:530, 531(B), 532, and 537(B) and to enact R.S. 40:483.1 and  
3 537(A)(6), relative to the Housing Authority of New Orleans; to provide relative to  
4 the governing board of the authority; to provide relative to the appointment, terms,  
5 and removal of board members; to provide relative to the application of the Code of  
6 Governmental Ethics to certain board members; to require the housing authority to  
7 adopt procedures to provide for the method of reimbursement of monies owed to the  
8 housing authority; 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. 40:530, 531(B), 532, and 537(B) are hereby amended and reenacted  
14 and R.S. 40:483.1 and 537(A)(6) are hereby enacted to read as follows:

15 §483.1. Housing Authority of New Orleans; overpayments; reimbursement  
16 A. The Housing Authority of New Orleans shall adopt procedures, in  
17 accordance with federal law, to provide for the method of reimbursement of funds  
18 owed to the housing authority. The procedures shall provide for the method of  
19 reimbursement for overpayments made by the housing authority to property owners

1 who provide rental housing in the city of New Orleans through the Housing Choice  
2 Voucher Program.

3 B. The procedures shall require the housing authority to give notice to each  
4 property owner that such property owner has received an overpayment and  
5 reimbursement is required. The notice shall be sent by certified mail, return receipt  
6 requested, as soon as the overpayment is discovered and shall provide the reason for  
7 the required reimbursement, the amount owed, the name of the tenant if known and  
8 the address of the property, including the specified unit number, for which the  
9 amount is owed, and the term of the reimbursement.

10 C.(1) The property owner shall have sixty days from the receipt of notice to  
11 reimburse the housing authority through a payment by certified check. During the  
12 sixty day period, the housing authority shall not suspend subsidy payments owed to  
13 the property owner, reduce payments, or deduct overpayment amounts from other  
14 contract agreements with the property owner.

15 (2) If the property owner fails to reimburse the housing authority within sixty  
16 days from the receipt of the notice, the housing authority shall seek all necessary  
17 remedies to recover the overpayments made to the property owner.

18 \* \* \*

19 §530. Conflict of interest

20 A. All housing authority officials and employees are subject to the state  
21 Code of Governmental Ethics.

22 B. Notwithstanding the provisions of Subsection A of this Section, the two  
23 landlord commissioners serving on the governing board of the Housing Authority of  
24 New Orleans, pursuant to R.S. 40:531(B), shall not be subject to the provisions of  
25 Chapter 15 of Title 42 of the Louisiana Revised Statutes of 1950, as amended, with  
26 respect to his service on such board and a contract with the authority to provide  
27 rental housing through the Housing Choice Voucher Program. In addition, no former  
28 landlord commissioner shall be subject to any such provision with respect to his prior  
29 service on such board.

1 §531. Appointment of commissioners to local housing authority

\* 2 \* \*

3 B.(1) In the city of New Orleans, the governing authority of the housing  
4 authority shall consist of ~~seven~~ nine commissioners, at least two of whom shall be  
5 tenants of the housing authority and two of whom shall be property owners who  
6 provide rental housing in the city of New Orleans through the Housing Choice  
7 Voucher Program pursuant to a signed contract with the housing authority. The  
8 property owner commissioners shall be known as landlord commissioners.

9 (2)(a) ~~The commissioners~~ Seven commissioners, excluding landlord  
10 commissioners, shall be appointed by the mayor of the city of New Orleans ~~and shall~~  
11 ~~serve terms concurrent with that of the mayor.~~ The two tenant commissioners shall  
12 be chosen from a list of names submitted to the mayor by the Citywide Tenants  
13 Council, Inc., of the housing authority. The number of names submitted shall be  
14 three for each vacancy to be filled by a tenant commissioner. ~~Vacancies shall be~~  
15 ~~filled for the unexpired term.~~

16 (b) The two landlord commissioners shall be appointed by the property  
17 owners who provide rental housing in the city of New Orleans through the Housing  
18 Choice Voucher Program pursuant to a signed contract with the housing authority.  
19 The property owners shall meet within sixty days after any vacancy in a landlord  
20 commissioner position and shall appoint at the same time both landlord  
21 commissioners as provided in this Subsection upon a majority vote of the property  
22 owners present and voting. The property owners shall give notice of the purpose,  
23 time, and place of such a meeting through the landlord portal on the official website  
24 of the housing authority or by publication in the official journal of the city of New  
25 Orleans at least seven days prior to the date set for the hearing.

\* 26 \* \*

27 §532. Terms of office for local housing authority commissioner

28 A. In the case of local housing authorities, the commissioners who are first  
29 appointed shall be designated to serve for terms of one, two, three, four and five

1 years, respectively, from the date of their appointment, but thereafter commissioners  
2 shall be appointed for terms of five years. All commissioners shall, except as  
3 otherwise provided in R.S. 40:536 and 537, continue to serve until their successors  
4 have been duly appointed.

5 B.(1)(a) Notwithstanding the provisions of Subsection A of this Section,  
6 seven commissioners of the Housing Authority of New Orleans, excluding landlord  
7 commissioners, shall serve five-year terms after serving initial terms as provided in  
8 this Subparagraph. One member shall serve an initial term of one year, one shall  
9 serve two years, one shall serve three years, two shall serve four years, and two shall  
10 serve five years as determined by lot at the first meeting of the board.

11 (b) The seven commissioners serving on August 1, 2015, shall continue to  
12 serve until the expiration of their terms. The successors of such commissioners shall  
13 be appointed as provided in R.S. 40:531(B). Vacancies shall be filled in the manner  
14 of the original appointment; however, if a vacancy occurs prior to the expiration of  
15 a term of any such commissioner serving on August 1, 2015, the mayor of the city  
16 of New Orleans shall appoint a commissioner to fill the vacancy in the same manner  
17 as the original appointment. The commissioner appointed shall serve for the  
18 remainder of the unexpired term.

19 (2) The two landlord commissioners appointed pursuant to R.S. 40:531(B)  
20 shall serve terms concurrent with the mayor. Vacancies shall be filled in the manner  
21 of the original appointment.

22 \* \* \*

23 §537. Removal of commissioners

24 A.

25 \* \* \*

26 (6) Notwithstanding any other provision of law to the contrary, landlord  
27 commissioners appointed pursuant to R.S. 40:531(B) may be removed by the  
28 appointing authority for neglect of duty or misconduct in office. Any landlord

1 commissioner convicted of a felony while serving as a commissioner shall be  
2 disqualified and removed from office by the appointing authority.

3 B.(1) The chief elected official or the governing body of the municipality or  
4 parish, as the case may be, which seeks to remove a commissioner shall send a notice  
5 of removal to such commissioner, which notice shall set forth the charges against the  
6 commissioner. Unless, within ten days from the receipt of such notice, such  
7 commissioner files with the clerk or secretary of the municipality's or parish's  
8 governing body a request for a hearing before the governing body, the commissioner  
9 shall be deemed removed from office. If a request for hearing is so filed, the  
10 governing body of the municipality or parish, as the case may be, shall hold a  
11 hearing, not sooner than ten days subsequent to the date a hearing is requested, at  
12 which the commissioner shall have the right to appear in person or by counsel and  
13 the governing body shall determine whether the removal shall be upheld. If the  
14 removal is not upheld by the governing body, the commissioner shall continue to  
15 hold office.

16 (2) Notwithstanding the provisions of Paragraph (1) of this Subsection, the  
17 appointing authority seeking to remove a commissioner pursuant to Paragraph (A)(6)  
18 of this Section shall send a notice of removal to such commissioner, which notice  
19 shall set forth the charges against the commissioner. Unless such commissioner files  
20 with the appointing authority a request for a hearing before the appointing authority  
21 within ten days after receipt of such notice, the commissioner is deemed removed  
22 from office. If a request for hearing is so filed, the appointing authority shall hold  
23 a hearing no earlier than ten days after the filing of the request for a hearing at which  
24 hearing the commissioner has the right to appear in person or by counsel and the  
25 appointing authority shall determine whether the removal is to be upheld. If the  
26 removal is not upheld by the appointing authority, the commissioner shall continue  
27 to hold office.

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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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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.

Present law (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.

Present law (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.

Proposed law 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.

Proposed law provides that the two landlord commissioners are appointed by the property owners who provide rental housing in the city of New Orleans through 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 proposed law 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.

Present law (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.

Proposed law 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 proposed law will continue to serve until the expiration of their terms. Provides that the successors of such commissioners will be appointed as provided in proposed law. 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 proposed law. Provides that the two landlord commissioners will be appointed as provided in proposed law and will serve terms concurrent with the mayor.

Present law (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.

Proposed law retains present law but provides that the landlord commissioners appointed pursuant to proposed law 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.

Proposed law retains present law 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 present law.

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

Proposed law retains present law 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.

Present law (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.

Proposed law retains present law 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.

Proposed law 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))