

Regular Session, 2003

HOUSE BILL NO. 1726

BY REPRESENTATIVE MORRELL

DISTRICTS/SEWERAGE: Requires referendum approval of certain New Orleans Sewerage and Water Board privatization contracts and repeals provisions for city council approval of construction contracts exceeding \$50,000

1 AN ACT

2 To enact R.S. 33:4071.1 and to repeal R.S. 33:4085(C), relative to the
3 Sewerage and Water Board of New Orleans; to provide relative to
4 certain contracts of the Sewerage and Water Board of New Orleans; to
5 provide for certain approvals of certain contracts of the Sewerage and
6 Water Board of New Orleans; and to provide for related matters.

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

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 33:4071.1 is hereby enacted to read as follows:

12 §4071.1. Privatization contracts; approval; referendum

13 Prior to the execution of any contract valued at more than five
14 million dollars for the privatization of any Sewerage and Water Board
15 management or administrative function, drainage, sewer, or water
16 operation, the proposed contract shall be submitted to the electors of

1 New Orleans at an election held in accordance with and pursuant to
 2 Section 5-303 of the Home Rule Charter of the City of New Orleans.
 3 The proposed contract shall be published in its entirety in the official
 4 journal of the parish of Orleans no later than sixty days prior to the
 5 election. No such proposed contract shall become effective unless
 6 approved by a majority of the electors voting thereon.

7 Section 2. R.S. 33:4085(C) is hereby repealed in its entirety.

8 Section 3. This Act shall become effective upon signature by the
 9 governor or, if not signed by the governor, upon expiration of the time for bills
 10 to become law without signature by the governor, as provided in Article III,
 11 Section 18 of the Constitution of Louisiana. If vetoed by the governor and
 12 subsequently approved by the legislature, this Act shall become effective on
 13 the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument.

Morrell

HB No. 1726

Abstract: Requires referendum approval of privatization contracts of any New Orleans Sewerage and Water Board management or administrative function, drainage, sewer, or water operation, exceeding \$5,000,000. Repeals provisions requiring city council approval of Sewerage and Water Board of New Orleans contracts for construction work exceeding \$50,000.

Proposed law would require that any contract valued at more than \$5,000,000 for the privatization of any Sewerage and Water Board management or administrative function, drainage, sewer, or water operation shall be submitted to the electors of New Orleans pursuant to the city's home rule charter and shall become effective only if approved by a majority of the electors voting thereon.

Present law provides that every contract for construction work exceeding \$50,000 be approved by an ordinance of the council of the city of New Orleans before it becomes operative and binding on the board. Further provides that

the contract be executed by a public act before the city notary at the expense of the contractor.

Proposed law repeals present law.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 33:4071.1; Repeals R.S. 33:4085(C))

Summary of Amendments Adopted by House

House Floor Amendments to the engrossed bill.

1. Adds provisions requiring referendum approval of privatization contracts of any Sewerage and Water Board management or administrative function, drainage, sewer, or water operation, exceeding \$5,000,000.