

SENATE BILL NO. 48

BY SENATOR REESE AND REPRESENTATIVE ZERINGUE

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AN ACT

To amend and reenact R.S. 39:100.56(C), (D), (E), the introductory paragraph of (H), and (I) through (L) and to repeal R.S. 39:100.56(H)(5), (O), and (P), relative to the Water Sector Program; to remove provisions relative to storm water; to provide for funding for small water and sewer systems; to provide relative to application period dates; to require the division of administration to post certain documents; to require the division of administration to conduct outreach efforts; to repeal provisions relative to capital outlay; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 39:100.56(C), (D), (E), the introductory paragraph of (H), and (I) through (L) are hereby amended and reenacted to read as follows:

§100.56. Water Sector Program

\* \* \*

C. The Water Sector Program is hereby established to provide grant funding for repairs, improvements, and consolidation of community water and sewer systems, ~~and repairs and improvements necessitated by storm water.~~ The division of administration, office of facility planning and control, and the office of community development shall administer the program in consultation with the Louisiana Department of Health and the Department of Environmental Quality. The division shall establish a working panel comprised of employees of the office of facility planning and control and the office of community development, within the division of administration, the office of public health within the Louisiana Department of Health, and the Department of Environmental Quality. The working panel shall review and rate applications submitted by community water systems, community sewer systems, and local governing authorities and submit recommendations for

1 funding to the commission.

2 D.(1) ~~The commission shall hold its first meeting no later than June 30, 2021.~~  
 3 ~~At its first meeting, the commission shall issue directives to the division to utilize in~~  
 4 ~~the development of the guidance required in Paragraph (2) of this Subsection.~~

5 (2) The division shall promulgate guidance for the administration of the  
 6 program. The guidance shall include application requirements, **application period**  
 7 **dates and** deadlines for ~~application~~ submissions and approval, criteria for ratings,  
 8 and a process for **ensuring funding for small water and sewer systems and**  
 9 prioritizing critical infrastructure needs. The Administrative Procedure Act, R.S.  
 10 49:950 et seq., shall not apply to guidance promulgated pursuant to this Section. ~~No~~  
 11 ~~later than July 15, 2021, the~~ **The** division shall submit the proposed guidance to the  
 12 commission for review and approval. Any changes to the guidance shall require  
 13 approval by the commission.

14 **(2) Prior to the application period, the division shall conduct outreach**  
 15 **and educational efforts for all water and sewer systems to raise awareness**  
 16 **regarding the program.**

17 **(3) The division shall post on its website a copy of the guidance**  
 18 **promulgated pursuant to this Section as well as any additional information**  
 19 **regarding the program, including the application process, procurement, or**  
 20 **scoring criteria upon request of the commission.**

21 E. In addition to the guidance provided for in Subsection D of this Section,  
 22 the division shall submit a proposal outlining administrative costs for the program  
 23 to the commission for review and approval prior to implementing the program ~~no~~  
 24 ~~later than July 15, 2021.~~ The commission shall review the proposed administrative  
 25 costs and make a recommendation to the Joint Legislative Committee on the Budget  
 26 for funding for administrative costs. The committee shall review the  
 27 recommendations submitted by the commission and approve administrative costs for  
 28 the program.

29 \* \* \*

30 H. ~~The division shall begin accepting applications no later than August 1,~~

1           2021. The applications Applications shall include the following, at a minimum:

2   \*       \*       \*

3                       I. ~~Within forty-five days of the end of the application period, the~~ The division  
4 shall submit the working panel's ratings of proposed projects and recommendations  
5 for funding for the projects to the commission. The working panel's  
6 recommendations to the commission shall include recommendations for utilization  
7 of existing funding sources including the Drinking Water Revolving Loan Fund,  
8 Clean Water State Revolving Fund, and Community Water Enrichment and Other  
9 Improvements Fund.

10                    J. The commission shall review the ratings and recommendations submitted  
11 by the working panel. The commission shall submit its recommendations for projects  
12 ~~to receive monies from the fund and funding amounts~~ grant awards to the Joint  
13 Legislative Committee on the Budget. The recommendations shall include:

14                       (1) Proposed ~~proposed~~ matching funds, unless the commission recommends  
15 a waiver of matching funds or decreased match for any project based on the  
16 determination that the local governing authority or water system is unable to provide  
17 the match.

18                       (2) Funding for small water and sewer systems as provided for in the  
19 guidance.

20                    K.(1) The committee shall review the recommendations submitted by the  
21 commission and have final approval of ~~funding for projects~~ that receive grant  
22 awards through the program. ~~No monies shall be expended from the fund without~~  
23 ~~approval of the Joint Legislative Committee on the Budget.~~

24                       (2)(a) The commission may approve adjustments to any grant award for  
25 a project for any of the following reasons:

- 26                       (i) Duplication of benefits.
- 27                       (ii) Increase in project costs, not to exceed five percent of the total grant  
28 award for a project.

29                       (iii) The inability of a grant recipient to complete one or more projects  
30 within the scope of the grant award.

1 (iv) Technical corrections.

2 (b) Notwithstanding the provisions of Paragraph (1) of this Subsection,  
3 any adjustments made pursuant to the provisions of this Paragraph shall be  
4 reported to the Joint Legislative Committee on the Budget but shall not require  
5 approval of the committee.

6 (3) The commission may rescind any grant award for a project if the  
7 grant recipient fails to comply with the guidance approved by the commission.

8 L. Beginning January 1, 2022, the division shall submit a quarterly **status**  
9 **update, including a** construction progress ~~report~~ **report,** for projects that received  
10 funding approval to **the Water Sector Commission and** the Joint Legislative  
11 Committee on the Budget.

12 \* \* \*

13 Section 2. R.S. 39:100.56(H)(5), (O), and (P) are hereby repealed in their entirety.

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

\_\_\_\_\_  
PRESIDENT OF THE SENATE

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_