

**August 2022**

**Economic Impact Statements for Proposed Rules**

The corresponding proposed rule to each of the statements below may be viewed in its entirety in the August 20, 2022 *Louisiana Register*. Each *Louisiana Register* edition is published on the 20<sup>th</sup> of each month.

Promulgating Agency	Proposed Rule Title	Estimated Costs and/or Economic Benefits to Directly Affected Persons, Small Businesses, or Nongovernmental Groups
<b>Department of Agriculture and Forestry</b>	<b>Horticulture and Quarantine Programs Lethal Bronzing and Lethal Yellowing Disease Quarantine</b>	Nursery stock dealers and nursery growers will be directly affected by the proposed rule. The proposed rule establishes a Lethal Bronzing quarantine in the parishes of East Baton Rouge, Iberia, Jefferson, Orleans, and West Baton Rouge and establishes a Lethal Yellowing quarantine in the parishes of East Baton Rouge and Jefferson. Therefore, any regulated articles may not be moved from quarantined areas to non-quarantined areas unless treated with an insecticide labeled for leafhoppers. The average cost of insecticide is between \$65 and \$70 per gallon. Treatment can cost anywhere from \$1-\$22 depending on method and concentration. Limiting the spread of LB and LY will protect Louisiana's nursery industry, which has a gross farm value of \$115.2 million.
<b>Department of Agriculture and Forestry</b>	<b>Structural Pest Control</b>	There are no anticipated additional costs or economic benefits to affected person, small businesses, or non-governmental groups as a result of the proposed rules.
<b>Board of Ethics</b>	<b>Disclosure Forms</b>	The proposed rule will require directly affected persons to file a disclosure form with the Board of Ethics by September 15th of each school year.
<b>Board of Elementary and Secondary Education</b>	<b>Bulletin 140—Louisiana Early Childhood Care and Education Network</b>	The proposed revisions will not result in costs and/or benefits to directly affected persons, small businesses, or non-governmental groups.
<b>Board of Elementary and Secondary Education</b>	<b>Bulletin 746—Louisiana Standards for State Certification of School Personnel</b>	Educators who choose to add a geometry endorsement to an existing certificate will need to take the Geometry Praxis examination, test code 5163, at a cost of \$130. A \$25 application fee is required to update the teaching certificate.
<b>Office of Group Benefits</b>	<b>Schedule of Benefits Emergency Room Copayment</b>	The proposed amendment to LAC 32:V.205 – Schedule of Benefits, and to LAC 32:V.305 – Schedule of Benefits is estimated to increase the out-of-pocket expenditures incurred by the plan members of the Magnolia Open Access and Magnolia Local plans (in total) by \$530,000 from FY 2023 through FY 2025. As of July 1, 2022, the total membership in the Magnolia Open Access and Magnolia Local plans were 31,243 and 1,466, respectively. Each individual member of the Magnolia Open Access and Magnolia Local plans who elects to utilize a hospital emergency room for healthcare services, and who is not admitted to the hospital as a result of their visit, will pay an additional \$50 per visit as a result of the proposed amendment to LAC 32:V.205 – Schedule of Benefits, and to LAC 32:V.305 – Schedule of Benefits. Member emergency room copayments are waived when the member is admitted to the same facility.
<b>Real Estate Appraisers Board</b>	<b>Fee Appraisers Compensation</b>	There are no estimated costs associated with the proposed changes.
<b>Real Estate Commission</b>	<b>Documentation</b>	There are no estimated costs associated with the proposed changes.

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<b>Department of Health</b>	<b>Applied Behavior Analysis-Based Therapy Services Place of Service Limitations</b>	This proposed rule continues the provisions of the July 15, 2022 Emergency Rule which amended the provisions governing applied behavior analysis-based (ABA) therapy services in order to remove non-conventional place of service limitations to ensure ABA services can be delivered in a community setting. This proposed rule will be beneficial by improving access to services for ABA beneficiaries and allowing providers to deliver these services in settings that were previously not approved. It is anticipated that implementation of this proposed rule will not result in costs to ABA providers for FY 22-23, FY 23-24, and FY 24-25, since the units of service approved in the beneficiary's behavior treatment plan and the rates for these services are not being changed.
<b>Department of Health</b>	<b>Behavioral Health Service Providers Licensing Standards</b>	In compliance with Acts 151, 344, 390, 503 and 309 of the 2022 Regular Session of the Louisiana Legislature, this proposed rule amends the provisions governing the licensing of behavioral health service (BHS) providers and establishes requirements for the treatment of opioid use disorder in pregnant women by licensed BHS providers. This proposed rule will be beneficial by ensuring that legislative mandates regarding employment of peer support specialists, geographic service locations, specialized behavioral health rehabilitation services, and providing opioid use disorder treatment to pregnant women are included in the administrative licensing rule for providers of these services. It is anticipated that implementation of this proposed rule will not result in costs to BHS providers or small businesses for FY 22-23, FY 23-24, and FY 24-25, since it updates requirements in the Louisiana Administrative Code that BHS providers already have to meet for licensure.
<b>Department of Health</b>	<b>Inpatient Hospital Services Urban Metropolitan Statistical Area Facility</b>	This proposed rule continues the provisions of the July 1, 2022 Emergency Rule which adopted provisions to establish the criteria for an acute care hospital to qualify as an urban metropolitan statistical area (MSA) facility and the reimbursement methodology for the provision of inpatient services. This proposed rule will benefit Medicaid beneficiaries by ensuring continued access to an urban MSA facility. Implementation of this proposed rule is anticipated to increase Medicaid payments to a qualifying hospital by approximately \$3,193,871 for FY 22-23, \$3,193,871 for FY 23-24 and \$3,193,871 for FY 24-25, which will assist the hospital in achieving financial viability and continuing operations so vital healthcare services remain available.
<b>Department of Health</b>	<b>Outpatient Hospital Services Urban Metropolitan Statistical Area Facility</b>	This proposed rule continues the provisions of the July 1, 2022 Emergency Rule which adopted provisions to establish the criteria for an acute care hospital to qualify as an urban metropolitan statistical area (MSA) facility and the reimbursement methodology for the provision of outpatient services. This proposed rule will benefit Medicaid beneficiaries by ensuring continued access to an urban MSA facility. This proposed rule is anticipated to increase Medicaid payments to a qualifying hospital by approximately \$461,292 for FY 22-23, \$461,292 for FY 23-24 and \$461,292 for FY 24-25, which will assist the hospital in achieving financial viability and continuing operations so vital healthcare services remain available.
<b>Board of Medical Examiners</b>	<b>Rules of Procedure; Adjudication</b>	It is not anticipated that the proposed amendment will have any economic benefit to directly affected persons, small businesses, or non-governmental groups and/or have any material effect on costs, paperwork or workload of physicians or other health care providers licensed by the LSBME, nor on receipts and/or income of licensees, small businesses, or non-governmental groups.
<b>Department of Insurance</b>	<b>Rule 9—Prelicensing Education</b>	The proposed rule change will not result in any costs and/or economic benefits to directly affected persons or non-governmental groups. The rule revision repeals Rule 9 due to the passage of Act 273 of the 2022 Regular Legislative Session.
<b>Department of Insurance</b>	<b>Rule 10—Continuing Education</b>	The proposed is amended to update the continuing education requirements as implemented under the provisions of Act 56 and Act 273 of the 2022 Louisiana Regular Legislative Session.

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Department of Insurance	<b>Regulation 114—Claims Adjuster Pre-Licensing Education Program</b>	The proposed rule change will not result in any costs and/or economic benefits to directly affected persons or non-governmental groups. The rule revisions repeal Regulation 114, which was implemented to provide for the submission of approved pre-licensing education programs to be listed on the web page of the Louisiana Department of Insurance and to establish the requirements and set forth the procedure for pre-licensing programs and providers of programs by the Commissioner. LDI is repealing Regulation 114 in light of Act 273 of 2022, which repeals pre-licensing requirements for insurance producers and bail enforcement agents.
Department of Insurance	<b>Regulation 123—Producer Responsibility for Bail Bond Collateral</b>	The proposed rule may affect any bail bond producer and surety licensed in Louisiana. The proposed rule sets forth the duties and responsibilities of bail bond producers and sureties when collateral is pledged to secure a criminal defendant’s release from custody.
Department of Revenue	<b>Corporation Income Tax</b>	No material impacts on costs or economic benefits are anticipated for affected personal, small business or non-governmental groups due to this proposed rule change.
Department of Revenue	<b>Donation to Qualified Foster Care Charitable Organization Credit and Certain Adoptions Deductions</b>	The proposed rule may reduce the tax liability of qualifying individual income tax filers who are adopting a child or youth from foster care as provided in LA R.S. 47:297.20, or adopting an infant by private adoption as provided in LA R.S. 47:297.21. The proposed rule may also incentivize financial assistance to QFCCOs who provide qualified services to children in foster care placement programs established by the Department of Children and Family Services (“DCFS”) as provided by LA R.S. 47:6042. Due to the availability of the tax credit, these organizations may experience an increase in donations to be used to provide services to a child in a foster care placement program with DCFS, while taxpayers donating to QFCCOs may be eligible for a reduced tax liability, subject to the statewide maximum of \$500,000. In order to claim the qualifying deduction for individual income tax for adopting a child under certain circumstances, or claim an income tax credit for donations made to QFCCOs, taxpayers must attach a copy of supporting documents to support eligibility for the credit or deduction. Additional costs for completion and submission of the required paperwork of this proposed rule are expected to be minimal.
Department of Revenue	<b>Mandatory Electronic Filing and Payment of Tobacco Tax by Vapor Dealers</b>	LDR does not have the information necessary to determine the additional costs to comply with this change, but these costs are expected to be minimal, as online access and activity has largely become a business standard.
Department of Revenue	<b>Manufacturer’s Net Invoiced Price</b>	LDR does not anticipate any additional costs to comply with this change. Any additional costs or economic benefits to affected persons are expected to be minimal.
Department of Wildlife and Fisheries	<b>Alligator Regulations</b>	The temporary tag fee reduction is expected to benefit farmers or processors who produce or harvest wild or farm-raised alligators in Louisiana by reducing tag fee payments by approximately \$429,650 in 2023. There were 59 alligator farms in Louisiana in 2020, including 23 that sold alligator hides. Commercial alligator hunters in 2020 numbered 2,568. The change that eliminated the alligator hide severance is expected to reduce tax costs among alligator farmers and dealers by an anticipated \$107,000 per year. The changes in license fees for the fur buyer’s and dealer’s licenses, nongame quadruped exhibitor’s and breeder’s license, and alligator parts dealer and retailer licenses are expected to increase license costs incurred by alligator and fur dealers by an estimated \$6,568 in FY 23 and FY 24 and by \$13,135 in FY 25.

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<p><b>Department of Wildlife and Fisheries</b></p>	<p><b>Derelict Crab Trap Removal Program</b></p>	<p>Crab fishers who utilize the areas proposed for closure will experience lost fishing time during the designated period and encounter additional costs to temporarily remove their traps. These crab fishers must either move their traps to open fishing areas or remove their traps from the water for the duration of the closure. Traps that are not removed from waters in the closed areas within the allotted time may be destroyed, potentially creating an additional cost to replace the traps for noncompliant fishers.</p> <p>Local seafood dealers, processors and consumers may experience a slight decrease in the availability of fresh crabs during the closures, resulting in a slightly higher price for fresh crabs in the short term. However, the crab resource will not be lost or harmed in any way and will be available for harvest when the closed area is reopened.</p> <p>The removal of abandoned crab traps should provide improved fishing and reduced fishing costs for recreational saltwater fishers, commercial fishers and individuals who operate vessels within the designated areas by reducing encounters with abandoned traps that often result in lost fishing time and damage to the vessel's lower unit or fishing gear. The removal of abandoned crab traps will reduce the mortality and injuries to crabs and by-catch that become ensnared and die in these traps, benefiting crab harvesters.</p> <p>The overall impact of the proposed area closure is anticipated to be minimal because the closure would occur during the time of the year with the lowest harvests and adjacent waters will remain open for crab fishers to continue to fish.</p>
<p><b>Department of Wildlife and Fisheries</b></p>	<p><b>Harvest Regulations—Billfishes</b></p>	<p>The proposed rule change that lowers the possession limits for swordfish on recreational vessels from five fish per vessel to one fish per person with a maximum of four fish per vessel may have a minor negative effect on private anglers who harvest swordfish.</p> <p>The proposed rule changes that establish possession limits for charter boats and headboats of one fish per paying passenger aboard with a maximum of 6 or 15 fish respectively per vessel may have a minor positive effect on for-hire vessel operators and their customers.</p>
<p><b>Department of Wildlife and Fisheries</b></p>	<p><b>Sharks and Sawfishes Harvest Regulations</b></p>	<p>The proposed rule change is anticipated to have a positive effect on anglers and commercial fishers who harvest sharks. The increase in dockside value of shark landings accruing to commercial fishers is expected to be approximately \$69,913 per year.</p> <p>Because recreational landings of shark in Louisiana are relatively small (perhaps 700 to 1,000 sharks per year), the increase in recreational fishing opportunities resulting from the proposed rule change is expected to be modest.</p>