

June 2021

**Economic Impact Statements for Proposed Rules**

The corresponding proposed rule to each of the statements below may be viewed in its entirety in the June 20, 2021 *Louisiana Register*. Each *Louisiana Register* edition is published on the 20<sup>th</sup> of each month.

<b>Promulgating Agency</b>	<b>Proposed Rule Title</b>	<b>Estimated Costs and/or Economic Benefits to Directly Affected Persons, Small Businesses or Nongovernmental Groups</b>
<b>Board of Elementary and Secondary Education</b>	<b>Bulletin 137—Louisiana Early Learning Center Licensing Regulations</b>	<p>There may be an increased workload for child care staff to take the required online orientation training provided by LDE as well as the mandated reporter training provided by DCFS. While the training is available at no cost, the three LDE training modules take approximately one hour each to complete. The extent to which these modules will take longer to complete than any center-provided training they may replace is indeterminable.</p> <p>There may be cost savings to early child care centers associated with the revisions to staffing requirements and ratios. Current policy requires there be a minimum of two staff members present at an early learning center when more than one child is present. The proposed revision provides that a minimum of two staff members be present at an early learning center when more than four children are present. This revision will result in the need for fewer staff members in early learning centers, which will result in cost savings to early learning centers. The revisions also reduce the indoor useable space requirements from 35 square feet to 25 square feet per child if every child in the space is age 4 or above. However, the extent of such impacts is indeterminable at this time.</p>
<b>Board of Elementary and Secondary Education</b>	<b>Bulletin 139—Louisiana Child Care and Development Fund Programs—CCAP Household Eligibility</b>	<p>There may be an increased workload for child care providers for staff to take the required online orientation training provided by LDE as well as the Mandated Reporter training provided by DCFS. While the training is available at no cost to providers, the three LDE training modules take approximately one hour each to complete. The extent to which these modules will take longer to complete than any training they may replace is indeterminable.</p>
<b>Board of Elementary and Secondary Education</b>	<b>Bulletin 140—Louisiana Early Childhood Care and Education Network</b>	<p>The proposed revisions will benefit Type III early learning centers whose 2020-2021 performance scores are lower than their 2019-2020 performance scores, as the centers will instead be assigned their 2019-2020 performance scores for accountability purposes. This may prevent a decrease in the performance rating of the center, which would otherwise lead to a loss of SRTC credits and quarterly bonus payments through the Child Care Assistance Program (CCAP). In addition, taxpayers who have enrolled dependents in these centers and businesses that support these centers may benefit by avoiding a decrease in their SRTC credit amounts.</p>
<b>Board of Elementary and Secondary Education</b>	<b>Minimum Reopening Standards</b>	<p>The proposed revisions will not result in costs or benefits to directly affected persons, small businesses, or non-governmental groups.</p>
<b>Office of Student Financial Assistance</b>	<b>2021-2022 Chafee ETV Award Amount</b>	<p>The Chafee ETV program provides funds to disadvantaged students to access postsecondary education. Many of these students will attend an in-state school to further their education and remain in Louisiana upon completion of their education. This will provide Louisiana employers a better-educated workforce and may also attract out-of-state employers to Louisiana, thus providing additional better paying jobs.</p>
<b>Office of Student Financial Assistance</b>	<b>START Saving Program</b>	<p>The proposed rule changes adopt actual interest rates for deposits and earnings enhancements for the year ending December 31, 2020. As determined by the State Treasurer, the interest rate earned for the 2020 calendar year by the Louisiana Education Tuition and Savings Fund was 1.4%, and by the Savings Enhancements Fund was 1.97%. These interest rates are less than the actual rates realized in the previous year and are the property of the account owners.</p>

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<b>Department of Health</b>	<b>Case Management Licensing Standards</b>	The proposed rule amends the provisions governing the licensing of case management providers in order to amend the training and education requirements to address current staff shortages and ensure sufficient access to services. This Rule will be beneficial to recipients as it will ensure continued access to needed case management services. Providers and small businesses will benefit from implementation of this proposed Rule since the change in education and training requirements for case managers and supervisors reduces hiring barriers. It is anticipated that implementation of this proposed Rule will not result in costs to case management providers in FY 20-21, FY 21-22, and FY 22-23.
<b>Department of Health</b>	<b>Hospice Licensing Standards</b>	This proposed rule amends the provisions governing hospice licensing to include the definition of a public health emergency (PHE) and add exemptions relating to the qualifications required for certain nursing staff hired during a PHE. This Rule will be beneficial to recipients as it will ensure continued access to hospice services during a PHE. Providers and small businesses will benefit from implementation of this proposed Rule since the change in qualifications will alleviate potential nursing staff shortages during PHEs. It is anticipated that implementation of this proposed Rule will not result in costs to hospice providers in FY 20-21, FY 21-22, or FY 22-23.
<b>Department of Health</b>	<b>Intermediate Care Facilities for Persons with Developmental Disabilities Licensing Standards</b>	In compliance with Act 27 of the 2020 Second Extraordinary Session, this proposed rule amends the provisions governing the licensing of intermediate care facilities for persons with developmental disabilities (ICF/DDs) in order to establish minimum requirements and limitations for visitations of immediate family members or other designated persons during a declared public health emergency (PHE) or to address COVID-19. This proposed Rule will be beneficial to ICF/DD residents by allowing visits by immediate family members during a PHE. It is anticipated that implementation of this proposed rule will not result in costs to ICF/DDs for FY 20-21, FY 21-22, and FY 22-23, and will be beneficial by establishing standards for visitation during a declared PHE.
<b>Department of Health</b>	<b>Nursing Facilities Licensing Standards</b>	In compliance with Acts 18 and 30 of the 2020 Second Extraordinary Session, this proposed Rule amends the provisions governing the licensing of nursing facilities in order to establish minimum requirements and limitations for visitation by clergy and immediate family members or other designated persons during a declared public health emergency (PHE). This proposed Rule will be beneficial to nursing facility residents by allowing visits by family and clergy during a PHE. It is anticipated that implementation of this proposed Rule will not result in costs to nursing facilities in FY 20-21, FY 21-22, and FY 22-23, but will be beneficial by establishing standards for visitation during a PHE.
<b>Department of Health</b>	<b>Reimbursement for Coronavirus Disease 2019 (COVID-19) Laboratory Testing</b>	This proposed Rule amends the provisions governing inpatient hospital services and ambulatory surgical centers in order to provide for reimbursement of laboratory testing for Coronavirus Disease 2019 (COVID-19) separately from inpatient hospital per diem payments and ambulatory surgical center flat fee reimbursement amounts. This proposed Rule will be beneficial to patients in inpatient hospitals and ambulatory surgical centers by improving access to COVID-19 testing. It is anticipated that implementation of this proposed Rule will increase payments to inpatient hospitals and ambulatory surgical centers by approximately \$12,901,267 for FY 21-22 and \$15,481,520 for FY 22-23.
<b>Department of Insurance</b>	<b>Regulation 17—Reinstatement of Policies</b>	The proposed rule changes may result in indeterminable additional costs for insurers to the extent they must amend their certificate of authority to comply with the new regulations.
<b>Department of Insurance</b>	<b>Regulation 56—Credit for Reinsurance</b>	The proposed rule changes will provide for the establishment of credit for reinsurance ceded by a domestic insurer to an assuming insurer that is licensed to write reinsurance by, and has its head office or is domiciled in, a reciprocal jurisdiction as defined and established by this regulation.

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Department of Insurance	Regulation 65—Bail Bond Licensing Requirements/Bounty Hunter	The proposed rule changes will have no impact on economic costs or benefits to directly affected persons or non-governmental groups. The amendment removes the pre-licensing and continuing education requirements since these requirements are now included in the recently amended Rule 9 and 10.
Department of Insurance	Regulation 115—Title Insurance Record Retention	The proposed regulation will impact every title insurer and producer in the manner of how to retain sufficient records of its affairs, including evidence of the examination of title and determination of insurability and records of its escrow operations and escrow accounts for a period of ten years.
Department of Insurance	Rule 12—Transmission of Forms and Documents	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 amend Rule 12 to allow for the use of private or commercial interstate carriers as an acceptable method for delivery of documents to the Louisiana Department of Insurance.
Department of Revenue	Abatement of Presumed Accuracy-Related Penalties	<p>The proposed rule will have an indeterminable impact on annual state revenue collections. The impact is dependent upon taxpayer behavior. The proposed rule provides guidance regarding exceptions to the application of the presumed penalties and procedures for requesting relief when these exceptions apply. Clarifying the exceptions and providing procedures for requesting relief will afford taxpayers a better understanding of the circumstances under which relief from the penalties may be requested and encourage better compliance.</p> <p>While the proposed rule offers guidance regarding the penalties provided in LA R.S. 47:1604.1 and clarification of the circumstances that may allow a taxpayer to make an application for relief from the penalties, it does not directly affect revenues. In FY 19, an amount of \$11.9M was collected from the basic Negligence Penalty assessed per the provisions of R.S. 47:1604.1 prior to the amendments that occurred as a result of Act 348 of 2020. With the passage of Act 348, the section changed from Negligence Penalty to Accuracy-related penalty. In addition, Act 348 designated that the funds associated with this penalty would no longer be self-generated funds but would go to the State General Fund beginning July 1, 2022.</p>
Department of Revenue	Claim for Refund Requirements	The proposed rule will have a slight economic impact on the affected taxpayer by clarifying requirements and procedures for requesting a refund. The proposed rule provides additional requirements and guidance regarding information and documentation to be provided in support of a claim for a refund. Clarifying the information required for a claim for a refund will afford taxpayers a better understanding of the process and may reduce delays caused by incomplete refund claims.
Department of State	Opportunity to Cure Deficiencies in Absentee By Mail Ballots	The proposed rule change enacts a procedure that notifies absentee by mail ballot voters when their ballot has deficiencies and allows voters an opportunity to cure these deficiencies.
Board of Trustees of the Teachers' Retirement System	Optional Retirement Plan (ORP)	There is no measurable quantifiable impact of the proposed rules. The proposed rules provide for the distribution of Optional Retirement Plan (ORP) funds. To the extent that the rules allow better distribution options from a tax perspective, ORP members may benefit, though to what extent cannot be quantified. Since TRSL is a governmental 401(a) retirement plan serving mostly public employees, there is no measurable impact on small businesses or non-governmental groups.

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<p align="center"><b>Board of Trustees of the Teachers' Retirement System</b></p>	<p align="center"><b>Voluntary Deductions from Retiree Benefits Payroll</b></p>	<p>There is no measurable quantifiable impact of the proposed rules on the following entities for the following reasons:</p> <p>Directly Affected Persons - retirees, beneficiaries and survivors may have new options with regard to which professional organizations they may have dues remitted to through voluntary benefit deductions. However, these deductions are completely voluntary.</p> <p>Small businesses - TRSL does not anticipate that insurance companies along with banks and credit unions (some of which may be small businesses) participating in TRSL's voluntary deduction program will see any measurable changes to the number or dollar amount of deductions being remitted from retirees, beneficiaries and survivors.</p> <p>Non-governmental groups - to the extent that TRSL employers who are professional educational organizations are considered non-governmental groups, more groups will have access to TRSL's voluntary deduction program under proposed rules. Whether and to what extent this will lead to a change in collection of membership dues or in some other economic impact for such groups cannot be measured.</p>