

January 2019
Economic Impact Statements for Proposed Rules

The corresponding proposed rule to each of the statements below may be viewed in its entirety in the January 20, 2019 *Louisiana Register*. Each *Louisiana Register* edition is published on the 20th of each month and can be viewed here: <https://www.doa.la.gov/Pages/osr/reg/regs2019.aspx>

Promulgating Agency	Proposed Rule Title	Estimated Costs and/or Economic Benefits to Directly Affected Persons, Small Businesses or Nongovernmental Groups
Department of Children and Family Services	Extended Foster Care Services	The proposed rule provides a significant benefit to foster children, age 18-21, that have not completed high school. This rule allows these children to continue in foster care for the purpose of completing high school or an equivalent credential. A high school degree will positively impact their employability and lifetime earning potential.
Department of Children and Family Services	State Central Registry—Child Residential Care, Class B	Implementation of this proposed rule will have no cost or economic benefit to directly affected persons or nongovernmental groups.
Department of Children and Family Services	State Central Registry—Maternity Homes and Residential Homes—Type IV	Implementation of this proposed rule will have no cost or economic benefit to directly affected persons or nongovernmental groups.
Board of Elementary and Secondary Education	Bulletin 137—Louisiana Early Learning Center Licensing Regulations—Licensure and Minimum Child-to-Staff Ratios for Type I Centers	Operators of early learning centers will benefit from a potential reduction in the level of fines assessed for operating without a valid license.
Board of Elementary and Secondary Education	Bulletin 746—Louisiana Standards for State Certification of School Personnel Teaching Authorizations and Certification	The proposed policy revisions allow district-level administrators to renew educational leader licenses using local evaluations. The policy also establishes an "operational role" status that allows teachers and school-based administrators serving in operational roles to freeze the validity period of their certificate while serving in such a role. This ensures that the educator certificate will not expire while the educator is serving in a role that is not suited to being evaluated per the standards of effectiveness. The proposed policy does not affect teacher or school-level leader evaluations.
Board of Elementary and Secondary Education	Bulletin 1530—Louisiana's IEP Handbook for Students with Exceptionalities—Statewide Assessments	The proposed policy revisions will not result in costs and/or economic benefits to directly affected persons or non-governmental groups.

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Department of Environmental Quality	Risk Evaluation/Corrective Action Program	<p>The proposed rule changes implement Risk Evaluation/Corrective Action Program (RECAP) revisions that may result in reductions in the costs of remediating contaminated sites to a protective level when compared to the present RECAP regulation.</p> <p>The proposed rule changes will also provide clarifications, guidance, and corrections to text, figures, tables, and appendices to the document that may benefit the environmental service providers by reducing overall review time and preparation.</p>
Department of Environmental Quality	UST New and Used Motor Oil Storage Fee Correction	<p>The proposed rule change will correct an erroneous increase in the underground storage tanks containing new or used motor oil fee that will provide these storage owners with a \$28 decrease in annual fees (from \$303 to \$275). Storage owners that have paid the additional fee amount have either been reimbursed or will be reimbursed for this error. All future payments will be at the \$275 amount.</p>
Department of Environmental Quality	Water Quality Trading	<p>The proposed rule will have an indeterminable cost and benefit to directly affected persons and non-governmental groups through the sale of pollutant reduction credits generated from eligible projects to entities for permit compliance or environmental benefit.</p>
Board of Cosmetology	Cosmetology	<p>Proposed rule changes will increase access to cosmetology courses by offering a curriculum which will enable high school students to earn up to 500 hours of credit which can be transferred to a cosmetology school to be credited toward the total number of hours required to apply for licensure.</p>
Boxing and Wrestling Commission	Professional Wrestling	<p>Currently licensed individuals who will become licensed as Class B wrestling promoters will be impacted by the proposed rule change. Class B promoters will not be assessed the show reservation fee of \$250 per event or the 5% tax on gross receipts per event; they will not be required to purchase health and accidental insurance which averages \$645 per event; hire state licensed doctors to attend the event which costs approximately \$300 - \$500 per event; and they will not be responsible for submitting a \$5,000 bond. Class B promoters will, however, be responsible for the following: a \$50 documentation review fee; a potential \$50 unlicensed wrestler evaluation fee; a commercial liability insurance policy in a minimum amount of \$100,000 which is anticipated to cost \$550 per event (to the extent they will not be covered under the facilities policy); ensure a CPR certified individual will be present during the event with an anticipated cost of \$50 per event; as well as submitting documentation within 15 days after the event detailing injuries of participants and spectators, the number of people attending, and a list of any rules or regulations violated during the event.</p>

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Commission on Law Enforcement and Administration of Criminal Justice	General Subgrant Guidelines	It is estimated that implementation of the proposed rules will have little or no effect on directly affected persons or non-governmental groups.
Department of Health	Crisis Receiving Centers—Licensing Standards	This proposed Rule amends the provisions governing the licensing of hospital crisis receiving centers in order to adopt provisions to allow free-standing psychiatric hospitals which do not have dedicated emergency departments (EDs) to designate crisis receiving center-specialty units (CRC-SUs) as EDs for patients in need of psychiatric crisis treatment, if the CRC-SU meets all of the same regulations as a hospital ED. Implementation of this proposed Rule will expand access to care for patients in need of crisis mental health services by allowing them to be assessed at a psychiatric hospital without delay, rather than being treated at a traditional hospital emergency department. It is anticipated that the implementation of this proposed rule will not result in economic costs to crisis receiving centers for FY 18-19, FY 19-20 and FY 20-21, but will be beneficial providing accurate, clearly identified licensing standards for psychiatric hospitals to provide crisis receiving services as a specialty unit/ED.
Department of Health	Pharmacy Benefits Management Program Pharmacy Ingredient Cost Reimbursement	This proposed rule amends the provisions governing reimbursement in the Pharmacy Benefits Management Program in order to change the pharmacy ingredient cost reimbursement methodology from average acquisition cost to the national average drug acquisition cost (NADAC). The proposed rule will increase payments to pharmacy providers. It is anticipated that implementation of this proposed rule will result in an increase in programmatic expenditures in the pharmacy program by approximately \$346,083 for FY 18-19, \$4,377,000 for FY 19-20 and \$4,377,000 for FY 20-21 which will be paid for by an increase in drug rebate revenues from the implementation of a single preferred drug list for fee-for-service and managed care that allows the state to capture supplemental rebates on MCO pharmacy claims.
Department of Insurance	Regulation 100—Coverage of Prescription Drugs through a Drug Formulary	The proposed rule change will not result in any costs and/or economic benefits to health insurers. The purpose of this amendment is to align the administrative rules with Act 316 of the 2012 Regular Session, regarding the coverage of prescription drugs through a drug formulary. Act 316 removes the requirement of health insurers to obtain approval from the Commissioner when implementing modifications to health insurance plans affecting drug coverage.

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Department of Natural Resources	Alternate Source Wells	There are no anticipated costs to directly affected persons or non-governmental groups. It will provide drillers of wells producing water containing more than 10,000 mg/l total dissolved solids with one comprehensive and succinct set of procedures. The proposed rule changes may reduce the time needed to contact various agency staff to gather together all applicable requirements for permitting, operating and plugging these types of wells.
Corrections Services	Special Agents	There is no estimated cost and/or economic benefit to directly affected persons or <u>non-governmental groups as a result of the proposed rule changes</u> .
Gaming Control Board	Computer System Requirement	The proposed rule change will have no effect on costs or economic benefits to directly affected persons or non-governmental units.
Gaming Control Board	State Tax Clearance	The proposed rule change will have no effect on costs or economic benefits to directly affected persons or non-governmental units.
Office of State Police	Accident Reports	The proposed rule change will increase costs for individuals obtaining copies of crash reports exceeding two pages by \$9.00 for paper copies (\$16.50 total) and \$4.00 for electronic copies (\$11.50 total). Individuals obtaining copies of electronic reports from local police departments or sheriff's offices may realize a fee change as a result of a new maximum \$11.50 for such reports, should these local governmental units change their fee structure accordingly.
Office of State Police	Issuance of Concealed Handgun Permits	It is anticipated that implementation of this proposed rule will not have economic cost or benefits to directly affected persons or non-governmental groups for FY 18-19, FY 19-20, and FY 20-21.
Office of State Police	Photographs	The proposed rule will have no effect on costs or economic benefits to directly affected persons or non-governmental units.
Wildlife and Fisheries Commission	2019-2020 Hunting Regulations and Seasons	The proposed rule changes may impact hunters and persons utilizing Wildlife Management Areas. A majority of the changes pertain to game limits, hunting seasons and use of certain equipment on Wildlife Management Areas. While the aforementioned groups may incur additional costs or benefits as a result of the proposed rules, the impacts are not anticipated to be material.
Wildlife and Fisheries Commission	Public Oyster Seed Grounds East of the Mississippi River	The proposed rule changes will have an unknown economic benefit for commercial oyster producers which would gain access to more acres to lease for oyster production. The portions of the Public Oyster Seed Grounds declassified under the proposed rule change currently produce few oysters but may produce oysters in future if potential leaseholders develop the area. Additionally, individuals who hold leases will be responsible for application fees as well recurring oyster lease payments based on acreage.