

# Notices of Intent

## NOTICE OF INTENT

### Department of Economic Development Office of the Secretary

#### Angel Investor Tax Credit Program (LAC 13:I.Chapter 33)

The Department of Economic Development, Office of the Secretary, as authorized by and pursuant to the provisions of the Administrative Procedure Act, R.S. 49:950, et seq., and in accordance with R.S. 47:6020 through 6020.4 and 36:104, hereby gives notice of its intent to adopt the following Rule for the Angel Investor Tax Credit Program.

The Department of Economic Development, Office of the Secretary, has found a need to provide rules regarding the regulation of the Angel Investor Tax Credit Program pursuant to R.S. 47:6020 through 6020.4, since no such rules exist at this time, and the state needs to provide for the growth and stability of Louisiana's entrepreneurial business environment by making available ready sources of capital necessary to support this environment. This program is intended to provide economic benefits to Louisiana-based investors who will make new investments or increase their existing investment in Louisiana-based economic development projects that will create and/or retain jobs for Louisiana citizens; and to enhance the entrepreneurial business environment and raise ready sources of capital for this environment through encouraging third parties to invest in early stage wealth-creating businesses expanding the economy of the state, enlarging the quality of jobs available in Louisiana. Without this Rule, the state of Louisiana may suffer the loss of business investment and economic development projects creating or retaining jobs that would improve the standard of living and enrich the quality of life for citizens of this state.

#### Title 13

#### ECONOMIC DEVELOPMENT

#### Part I. Financial Incentive Programs

#### Chapter 33. Angel Investor Tax Credit

#### §3301. General

A. The intent of the Angel Investor Tax Credit Program Act of 2005 (Act 400 of 2005; R.S. 47:6020 through 6020.4, the provisions of which shall hereinafter be referred to as "Act 400") is to enhance the entrepreneurial business environment and raise ready sources of capital for this environment through encouraging third parties to invest in early stage wealth-creating businesses expanding the economy of the state, enlarging the quality jobs available in Louisiana to retain the presence of young people in Louisiana. The purpose of these rules is to provide, on an emergency basis, definition of key terms provided for by the statute in order to advise the public and to provide for the efficient administration of the statute while the entirety of the rules are promulgated pursuant to the Louisiana Administrative Procedure Act. These provisions are to be

read in pari materiae with Act 400 and shall be superseded upon final promulgation of the rules in accordance with applicable statutes. For the purposes of this rule, the "secretary" shall be either the Secretary of Economic Development or his designee.

AUTHORITY NOTE: Promulgated in accordance with R.S. 47:6020 through 6020.4 and R.S. 36:104.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of the Secretary, LR 32:

#### §3303. Accredited Investor

A. An *accredited investor* shall be defined as:

1. an angel pool as determined by the secretary, all of whose participants shall be accredited investors;
2. a natural person who has individual net worth, or joint net worth with the person's spouse, that exceeds \$1,000,000 at the time of the purchase;
3. a natural person with income exceeding \$200,000 in each of the two most recent years or joint income with a spouse exceeding \$300,000 for those years and a reasonable expectation of the same income level in the current year.

AUTHORITY NOTE: Promulgated in accordance with R.S. 47:6020 through 6020.4 and R.S. 36:104.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of the Secretary, LR 32:

#### §3305. Louisiana Entrepreneurial Business

A. A Louisiana entrepreneurial business shall be defined as those businesses approved by the secretary under Act 400 and that meet the following requirements.

1. A business shall provide the secretary with a business plan that includes all appropriate long and short term forecasts and contingencies of business operations, including research and development, profit, loss and cash flow projections and details of expenditure of angel investor funding in accordance with Act 400 and shall also include the following:

a. the principal business operations of the business are located in Louisiana, including Louisiana as the primary place of employment for the employees of the business;

b. demonstrating a plan or progression through which more than 50 percent of its sales will be from outside of Louisiana;

c. that the business is to operate as a person defined as an "employer" within the meaning of R.S. 51:2453(1)(b)(i) through (v), (c), and (d), and in §1105.A.1 through A.5 of Chapter 11. Quality Jobs Program.

2. The secretary shall also find that the business is not a business primarily engaged in the business of retail sales, real estate, professional services, gaming or gambling, natural resource extraction or exploration, or financial services including venture capital funds.

3. Such other findings by the secretary as shall be consistent with Act 400, provided that under no circumstances shall the secretary's certification of the applicant as a Louisiana entrepreneurial business be considered or implied to be an endorsement of the business or any investment in that business and the applicant shall so advise all investors of this fact.

B. Approval of the secretary shall be obtained upon application by letter that submits the above business plan together with the Louisiana taxpayer identification number of the business and all other information regarding those items necessary to qualify the investment in the business for the angel tax credit as provided for by Act 400 addressed to the Secretary of Economic Development, P. O. Box 94185, Baton Rouge, LA 70802-9185. Upon receipt, the secretary shall make such requests for other information necessary to a determination that the business should or should not be certified as a Louisiana entrepreneurial business. The secretary's certification of the business shall include the Louisiana taxpayer identification number of the business.

AUTHORITY NOTE: Promulgated in accordance with R.S. 47:6020 through 6020.4 and R.S. 36:104.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of the Secretary, LR 32:

### **§3307. The Angel Investor Tax Credit**

A. The following rules shall be applicable to investments by accredited investors in Louisiana entrepreneurial businesses.

1. By January 31, 2006, Louisiana entrepreneurial businesses certified by the secretary shall, by affidavit of its chief financial officer, provide the secretary with the list of those accredited investors, the Louisiana taxpayer identification number of the accredited investors and the amount of their investment in accordance with the statute and these rules, who have invested in the business provided that the business shall report up to and no more than \$2,000,000 total for the calendar year 2005 that shall have been invested by accredited investors in the manner prescribed by Act 400 in order to obtain a tax credit for the accredited investors of no more than \$1,000,000 total for the tax year ending December 31, 2005.

2. All tax credit amounts reported to the secretary shall be fully credited to the accredited investor unless the total of all such investments shall exceed \$10,000,000 and the total of such credits shall exceed \$5,000,000 in which case the secretary shall prorate the total amount of investment and tax credits earned and advise each accredited investor of the amount of his credit for the tax year ending December 31, 2005 no later than February 28, 2006.

3. The secretary shall provide the accredited investor with all other necessary and appropriate certificates as provided by statute and as shall assist the Department of Revenue in its determination of applicability of the credit. No credit certificates shall be issued until after a determination has been made as to whether or not there is a necessity for prorating of the credits as provided above. When issued, the certificates shall include the Louisiana taxpayer identification number of the accredited investor.

AUTHORITY NOTE: Promulgated in accordance with R.S. 47:6020 through 6020.4 and R.S. 36:104.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of the Secretary, LR 32:

#### **Family Impact Statement**

These proposed Rules should not have any known or foreseeable impact on any family as defined by R.S. 49:972(D), or on family formation, stability and autonomy. There should be no known or foreseeable effect on: the stability of the family; the authority and rights of parents regarding the education and supervision of their children; the functioning of the family; on family earnings and family

budget; the behavior and responsibility of children; or the ability of the family or a local government to perform the function as contained in the proposed Rule.

Interested persons may submit written comments to: Richard House, Executive Counsel, Legal Division, Louisiana Department of Economic Development, P.O. Box 94185, Baton Rouge, LA 70804-9185; or physically delivered to: Capitol Annex Building, Second Floor, 1051 North 3rd Street, Baton Rouge, LA, 70802. All comments must be submitted (mailed and received) by 5 p. m., on Friday, December 16, 2005.

Michael J. Olivier  
Secretary

### **FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES**

#### **RULE TITLE: Angel Investor Tax Credit Program**

#### **I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)**

There will be no incremental costs of savings to state or local governmental units due to the implementation of these rules into this Program. Current staff of the department will be sufficient to process and monitor these Rules within this program. There will be no increase in costs or savings. Funding for this Program will come from the regular authorized appropriations received by the Department.

#### **II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)**

State General Fund revenues will decrease by \$1 million in Fiscal Year 2006-2007 if the program is fully subscribed. Full participation will increase this amount to \$2 million in Fiscal Year 2007-2008. The amount of lost revenue will increase by \$1 million each year through Fiscal Year 2010-2011.

#### **III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)**

There are no anticipated additional costs to directly affected persons or nongovernmental groups. The economic benefits of such Rules will inure to Louisiana-based investors who will make new investments or increase their existing investment in Louisiana-based economic development projects that will create and/or retain jobs for Louisiana citizens. The intent of the Angel Investor Tax Credit Program is to enhance the entrepreneurial business environment and raise ready sources of capital for this environment through encouraging third parties to invest in early stage wealth-creating businesses expanding the economy of the state, enlarging the quality jobs available in Louisiana to retain the presence of young people in Louisiana. The purpose of these rules is to provide definition of key terms provided for by the statute in order to advise the public and to provide for the efficient administration of the statute; all of which will enhance and expand economic development throughout Louisiana and improve the standard of living and the quality of life of Louisiana citizens.

#### **IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)**

Investments by Louisiana-based investors as contemplated by the Rule will enhance this State's economic development through the formation of new and the expansion of existing businesses, which investments in Louisiana will help create and/or retain jobs for Louisiana citizens and thereby enhance and expand economic development throughout Louisiana. By taking advantage of such business opportunities which may otherwise be exported out of Louisiana, local development, expansion and operation of such businesses will create

increased competition among businesses and correspondingly increase employment prospects for Louisiana residents throughout the state.

Richard House  
Executive Counsel  
0511#115

Robert E. Hosse  
Staff Director  
Legislative Fiscal Officer

## NOTICE OF INTENT

### Department of Economic Development Office of the Secretary

#### Small Entrepreneurship (Hudson Initiative) Certification Program (LAC 19:VIII.Chapters 1 and 3)

The Department of Economic Development, Office of the Secretary, as authorized by and pursuant to the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., and in accordance with R.S. 39:2006 and R.S. 51:931, hereby gives notice of its intent to adopt the following Rule for the Small Entrepreneurship (Hudson Initiative) Certification Program.

The Department of Economic Development, Office of the Secretary, has found a need to provide rules with regard to the certification of businesses as a "small entrepreneurship" pursuant to the mandate of R.S. 39:2006 and R.S. 51:931, since no such rules exist at this time, and the state needs to provide for the facilitation of the growth and stability of Louisiana's economy by fostering utilization by state interests of the business offerings available for state procurement and public contracts from Louisiana's small entrepreneurships. This program is intended to provide economic benefits to small Louisiana-based businesses which may not be benefiting from the business offerings available from state procurement and public contracts; and these Rules prescribe procedures for qualifying and certifying a business as a "small entrepreneurship" in order to facilitate their access to state procurement and public contracts and encourage business opportunities for small entrepreneurships, which will expand small business economic development throughout Louisiana. Without this Rule, the state of Louisiana may suffer the loss of business investment and economic development projects creating or retaining jobs that would improve the standard of living and enrich the quality of life for citizens of this state.

#### Title 19

### CORPORATIONS AND BUSINESS

#### Part VIII. Small Entrepreneurship (Hudson Initiative) Certification Program

#### Chapter 1. General Provisions

#### §101. Statement of Policy

A. In accordance with the provisions of R.S. 39:2006 and R.S. 51:931, the Department of Economic Development's Small Entrepreneurship (Hudson Initiative) Certification Program [SE(HI) Certification Program] through its designee or its staff administers these regulations which are intended to prescribe the procedures for qualifying and certifying a business as a "small entrepreneurship" to facilitate access to state procurement and public contracts and encourage business opportunities for small entrepreneurships.

B. Certifications that a business is a "small entrepreneurship" are not to be construed as an entitlement

for any business locating or located in Louisiana either to such a certification, to any public contract, or to any proceeds from any state contract; and the Secretary of the Department of Economic Development, the director, or his or their designee, the SE(HI) Certification Program, or its designee or staff, shall have the discretion to determine whether or not each particular applicant or application meets the criteria for the certification as provided herein; and in all such circumstances, the exercise of that discretion shall be deemed to be a final determination of such certification status.

C. In no way whatsoever shall the sex, race, birth, age, physical condition, religious beliefs, political ideas, or affiliations of a business' owners or officers be considered as a factor in determining whether a business receives certified status.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:2006 and R.S. 51:931.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of the Secretary, LR 32:

#### §103. Purpose

A. The purposes and intent of this program are to provide the maximum opportunity for small entrepreneurships to become so certified as small entrepreneurships and thereby become eligible to participate in a competitive modern business economy, to facilitate their access to state procurement and public contracts, and encourage business opportunities for such small entrepreneurships. These purposes shall be accomplished by providing a program for the certification of a business as a "small entrepreneurship."

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:2006 and R.S. 51:931.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of the Secretary, LR 32:

#### §105. Definitions

A. When used in these regulations, the following terms shall have meanings as set forth below.

*Applicant*—an individual, firm or business that seeks to be certified as a small entrepreneurship.

*Certification*—the determination and acknowledgement that a business qualifies for designation as a small entrepreneurship.

*Designee*—the person designated by the secretary or by the director to act in his absence.

*Director*—the Director of the Small Entrepreneurship (Hudson Initiative) Certification Program designated by the Secretary of the Department of Economic Development.

*Firm*—a business that seeks to be or that has been certified as a small entrepreneurship.

*Full Time*—employed and working in the firm at least 35 hours per week on a regular basis.

*Program*—the Small Entrepreneurship (Hudson Initiative) Certification Program [SE(HI) Certification Program] in the Department of Economic Development.

*Secretary*—the Secretary of the Department of Economic Development.

*Small Entrepreneurship (SE)*—any business or firm organized for profit, including any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other legal entity which meets all of the criteria for certification by the Secretary of the Department of Economic Development as specified in R.S. 39:2006(A),

as it may be amended from time to time. A nonprofit organization is not a small entrepreneurship for purposes of this program.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:2006 and R.S. 51:931.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of the Secretary, LR 32:

### **Chapter 3. Certification**

#### **§301. Eligibility Requirements for Certification**

A. A small entrepreneurship (SE) is a firm independently owned and operated; not dominant in its field of operations, which shall be determined by consideration of the business' number of employees, volume of business, financial resources, competitive status, and ownership or control of materials, processes, patents, license agreements, facilities, and sales territory; is owned by and has officers who are citizens or legal residents of the United States, all of whom are domiciled in Louisiana, and who maintain the principal business office in Louisiana; and together with its affiliate entities, has fewer than 50 full-time employees with average annual gross receipts not exceeding \$5,000,000 per year for construction operations and \$ 3,000,000 per year for non-construction operations, for each of the previous three tax years. Eligibility requirements include meeting all of the criteria specified in R.S. 39:2006(A), as it may be amended from time to time. In order to participate and continue to participate in the program, an individual or firm must meet and continue to meet all such eligibility requirements or criteria.

B. Small Entrepreneurship (SE). For purposes of the program, an individual or legal entity that meets all of the criteria specified in R.S. 39:2006(A), as it may be amended from time to time, may be certified as a small entrepreneurship.

C. Requirement for Certification. Applicants for certification as a small entrepreneurship must submit to the SE(HI) Certification Program office of the Department of Economic Development a written application, on a form prepared by the SE(HI) Certification Program, or its designee or staff, providing financial and other background information, and certifying as to the applicant's eligibility requirements or criteria as specified in R.S. 39:2006A, as it may be amended from time to time, including an affidavit signed, dated, and notarized attesting to the correctness of the information provided and to the authenticity of all supporting documentation or information which may be provided by the applicant pursuant to the request of the SE(HI) Certification Program, or its designee or staff; and if requested by the SE(HI) Certification Program, or its designee or staff, the applicant must also furnish, within a reasonable time as established by the SE(HI) Certification Program, or its designee or staff, applicant's most recent financial statements, federal and state tax returns, a copy of its most recently filed Louisiana Department of Labor (LDOL) ES-4 form, and any other appropriate supporting documentation or information as may be requested or required by the SE(HI) Certification Program, or its designee or staff.

D. Any records, writings, accounts, reports, documents, financial information, tax information, proprietary business information and other materials that are in their nature considered to be confidential and are designated as confidential or proprietary by those firms, businesses or

individuals submitting, delivering or transmitting the same, pursuant to request, for the purposes of allowing the SE(HI) Certification Program, or its designee or staff, to investigate and/or examine these firms, businesses or individuals pertaining to its statutory duties, shall be considered and maintained as confidential and proprietary information within the meaning of R.S. 44:4(3). The SE(HI) Certification Program, its designee and staff, shall use all reasonable precautions to maintain such confidentiality and they are not to disclose such confidential information to any third party except as permitted or as required by law.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:2006 and R.S. 51:931.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of the Secretary, LR 32:

#### **§303. Responsibility for Applying**

A. It is the responsibility of any individual or business wishing to participate in the program to complete the appropriate written application and required certification process. Failure to provide complete, true, accurate or timely any requested additional supporting information may result in the rejection of the application.

B. Application and certification materials will be distributed by the SE(HI) Certification Program, or its designee or staff, upon written or verbal request. Written or verbal requests for application and certification materials should be directed to the SE(HI) Certification Program office in the Department of Economic Development in Baton Rouge.

C. Certification as a small entrepreneur (SE) also does not constitute compliance with any other laws or regulations and does not relieve any firm of its obligations under other laws or regulations. Certification as a small entrepreneurship also does not constitute any determination by the SE(HI) Certification Program, its designee or staff, that the firm is a responsible one according to R.S. 39:1505 or R.S. 39:1601, or that the firm is capable of performing any work of any kind.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:2006 and R.S. 51:931.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of the Secretary, LR 32:

#### **§305. Certification Application Procedure**

A. The applicant must submit an application to the SE(HI) Certification Program office in the Department of Economic Development in Baton Rouge, containing a signed, dated, and notarized affidavit attesting to the correctness of the information provided in the application and to the authenticity of all supporting documentation or information which may be provided by the applicant pursuant to the request of the SE(HI) Certification Program, or its designee or staff, and attesting to the applicant's eligibility requirements or criteria as specified in R.S. 39:2006(A), as it may be amended from time to time.

B. The SE(HI) Certification Program, through its designee or staff, shall review the application, and if it is found to be incomplete or if further information is needed (such as, for example, applicant's most recent financial statements, federal and state tax returns, a copy of its most recently filed Louisiana Department of Labor (LDOL) ES-4 form, and any other appropriate supporting documentation or information as may be requested or required by the SE(HI) Certification Program, or its designee or staff), the

SE(HI) Certification Program designee or staff will contact the applicant business and request such additional information. If the applicant does not respond with the further requested information within 15 days, the application will be denied. If the application is found to be sufficient, or if the application along with the additional information provided is found to be sufficient, a determination shall be made by the SE(HI) Certification Program, or its designee or staff, as to whether or not the applicant business will be certified as a small entrepreneur.

C. The director, or his designee, shall notify the applicant in writing of the decision whether or not to grant such SE certification; and if such SE certification is to be granted, a written certification as to such status in appropriate form, as determined by the director or his designee, shall be provided to the applicant business.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:2006 and R.S. 51:931.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of the Secretary, LR 32:

### **§307. Duration of Certification; Graduation through Growth**

A. The amount of time that a firm may be granted certification by the SE(HI) Certification Program is unlimited until the firm graduates by growing to exceed the eligibility requirements for certification.

B. Retention of the firm in the program depends upon the passing of time, the firm's growth and progress toward successfulness and the attainment of its business goals, its willingness and ability to cooperate with and follow through on recommendations of the SE(HI) Certification Program designee or staff.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:2006 and R.S. 51:931.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of the Secretary, LR 32:

### **§309. Verification of Eligibility; Reports by Certified Small Businesses; Evaluation**

A. Verification of Eligibility. The SE(HI) Certification Program, or its designee or staff, may take any reasonable means at any time to confirm an applicant's eligibility or a certified firm's continued eligibility, such as by investigation, letter, telephone, contact with other governmental and/or state agencies, including but not limited to the Department of Labor, and any other persons, companies, suppliers, or by either announced or unannounced site inspections.

B. Report Form. By letter, or on forms which may be identified or prescribed by the SE(HI) Certification Program, or its designee or staff, certified businesses shall continue to report periodically and at times specified by the SE(HI) Certification Program, or its designee or staff, their financial position and attainment of the business' performance goals. Failure to report or failure to report on a timely basis, as required or requested by the SE(HI) Certification Program, or its designee or staff, may result in the business' termination of its SE certification and from the program.

C. Notification of Changes. To continue participation, a certified firm shall provide the SE(HI) Certification Program, or its designee or staff, with a written statement of any changes in its address, telephone number, ownership, control, financial status, major changes in the nature of the operation, or any other appropriate supporting documentation or information as may be requested or

required by the SE(HI) Certification Program, or its designee or staff, including, if requested by the SE(HI) Certification Program, or its designee or staff, updated financial information, federal and state tax returns, copies of DOL ES-4 Forms, and including an affidavit (signed, dated, and notarized) attesting to the authenticity of all of the aforesaid supporting documentation and attesting to the applicant's eligibility or the certified business' continued eligibility requirements or criteria as specified in R.S. 39:2006(A), as it may be amended from time to time. Failure to do so may be grounds for the firm's termination of eligibility and certification, and termination from the program.

D. Evaluation. The SE(HI) Certification Program, or its designee or staff, as necessary, shall evaluate and continue to evaluate the information provided and/or otherwise obtained to determine a business' progress, growth and dominance in its field of operations, number of employees, volume of business, areas of improvement, the firm's financial resources, competitive status, ownerships, status of owners and officers, and generally the firm's continued eligibility for its continued SE certification and continued participation in the program.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:2006 and R.S. 51:931.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of the Secretary, LR 32:

### **§311. Deception Relating to Certification of a Small Entrepreneurship**

A. Any individual or business found guilty of deception relating to certification of a Small Entrepreneurship (SE) will be denied its SE certification, or have its already approved certification revoked and shall be discharged from the program, and will not be eligible to reapply under the business name involved in the deception or under any business with which such individual(s) or business may be associated or affiliated.

B. In the event an applicant or certified business knowingly files a false statement in its application or in any other filing, the applicant or the certified business and/or its representatives may be guilty of the offense of filing false public records, and may be subject to the penalty provided for in R.S. 14:133. In the event an applicant or a certified business and/or its representative is reasonably believed to have filed a false statement in its application or any other filing, the SE(HI) Certification Program, or its designee or staff, is authorized to notify the District Attorney of East Baton Rouge Parish, Louisiana, and may also notify any other appropriate law enforcement personnel, so that an appropriate investigation may be undertaken with respect to the false statement and the application of any state funds to the application for other filing.

C. The SE(HI) Certification Program or its designee or staff shall have and retain the right, and shall have the authority, but not the obligation, to require and/or conduct full investigations, at any time and from time to time, including but not limited to full financial and performance audits of any applicant, certified business or SE firm, including all relevant accounts, records and documents of the individual or business.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:2006 and R.S. 51:931.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of the Secretary, LR 32:

**§313. Departmental Listing; Availability**

A. The department shall maintain a listing of all certified small entrepreneurship which shall be updated monthly. The listing shall be available on the Internet and shall also be available in written form upon written request.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:2006 and R.S. 51:931.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of the Secretary, LR 32:

**§315. Departmental Reporting**

A. The department shall report annually to the Commissioner of Administration with respect to the graduation rates for businesses which grew to exceed the eligibility requirements for certification in the most recently concluded fiscal year.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:2006 and R.S. 51:931.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Office of the Secretary, LR 32:

**Family Impact Statement**

These proposed Rules should not have any known or foreseeable impact on any family as defined by R.S. 49:972.D, or on family formation, stability and autonomy. There should be no known or foreseeable effect on: the stability of the family; the authority and rights of parents regarding the education and supervision of their children; the functioning of the family; on family earnings and family budget; the behavior and responsibility of children; or the ability of the family or a local government to perform the function as contained in the proposed Rule.

Interested persons may submit written comments to: Robert L. Cangelosi, Attorney, Legal Division, Louisiana Department of Economic Development, P.O. Box 94185, Baton Rouge, LA 70804-9185; or physically delivered to: Capitol Annex Building, Second Floor, 1051 North 3rd Street, Baton Rouge, LA, 70802. All comments must be submitted (mailed and received) by 5 p. m., on Friday, December 16, 2005.

Michael J. Olivier  
Secretary

**FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES**

**RULE TITLE: Small Entrepreneurship (Hudson Initiative) Certification Program**

**I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)**

There may be increased costs to the extent that higher priced small entrepreneurship are chosen for state procurements and public contracts to the exclusion of lower priced competitors. According to the Department of Economic Development, current staff of the Department will be sufficient to process and monitor these Rules within this Program. The Office of State Purchasing anticipates that two additional employees (\$50,000 plus related benefits/person) would be necessary to adopt rules, develop the program, develop goals and initiatives, create and maintain a database, provide training, schedule and conduct presentations and forums, produce reports, monitor the program and also audit the program. There will likely be some minor additional operating expenses associated with these two additional positions.

**II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)**

There is no expected impact or effect on revenue collections of state or local governmental units.

**III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)**

There are no anticipated additional costs to directly affected persons or non-governmental groups. The economic benefits of such Rules will inure to small Louisiana-based businesses which may not be benefiting from the business offerings available for state procurement and public contracts. These regulations are intended to prescribe the procedures for qualifying and certifying a business as a "Small Entrepreneurship" to facilitate their access to state procurement and public contracts and encourage business opportunities for small entrepreneurs, to provide the maximum opportunity for Small Entrepreneurs to become eligible to participate in a competitive modern business economy, to facilitate their access to state procurement and public contracts, and encourage business opportunities for such small entrepreneurs; all of which will enhance and expand small business economic development throughout Louisiana and improve the standard of living and the quality of life of Louisiana citizens.

**IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)**

Investments by small Louisiana-based businesses as contemplated by the Rule will enhance this State's small business economic development through the formation of new and the expansion of existing businesses, which investments in Louisiana will help create and/or retain jobs for Louisiana citizens and thereby enhance and expand small business economic development throughout Louisiana. By taking advantage of such business opportunities and facilitating their access to state procurement and public contracts which may otherwise be unavailable to them, such opportunities for small businesses will create increased competition among businesses and correspondingly increase employment prospects for Louisiana residents throughout the state.

Richard House  
Executive Counsel  
0511#116

Robert E. Hosse  
Staff Director  
Legislative Fiscal Office

**NOTICE OF INTENT**

**Board of Elementary and Secondary Education**

Bulletin 118—Statewide Assessment Standards and Practices—Administrative Error, Cell Phones and Other Electronic Devices, and GEE 21 Administration Rules (LAC 28:CXI.312, 316 and 1351)

In accordance with R.S. 49:950 et seq., the Administrative Procedure Act, notice is hereby given that the Board of Elementary and Secondary Education approved for advertisement revisions to Bulletin 118, *Statewide Assessment Standards and Practices*. Bulletin 118 contains the State Board of Elementary and Secondary Education (SBESE) and the Division of Student Standards and Assessments (DSSA) test policy rules, guidelines, and procedures for easy access during statewide test administration. The purpose of this project is to provide information regarding:

- Testing Opportunities for Louisiana High School Diploma Endorsements. In Chapter 13, §1351 language has been added to permit seniors who wish to retest for

diploma endorsements to test during the fall retest. If a student is unable to test during the fall retest administration, the student may test in the February seniors retest only retest.

- Addition of new language in Chapter 3 regarding test security. In Chapter 3, §312 titled "Administrative Error" will be added. The Section will provide guidelines and rules about administrative error that may occur during statewide assessment.
- Addition of new language in Chapter 3 regarding Cell phones and Other Electronic Devices. In Chapter 3, §316 titled, "Cell phones and Other Electronic Devices" will be added. The Section will provide guidelines and rules regarding cell phones and other electronic devices usage during the administration of statewide assessment.

**Title 28  
EDUCATION**

**Part CXI. Bulletin 118—Statewide Assessment  
Standards and Practice**

**Chapter 3. Test Security**

**§312. Administrative Error**

A. Administrative errors by school personnel that results in a question regarding the security of the test or the accuracy of the test data are considered testing irregularities. If it is deemed necessary to void the test, the district test coordinator must fax a completed void form to the LDE, Division of Student Standards and Assessments, as directed in the District and School Test Coordinators Manual. The original Void Verification Form, along with a copy of the account of the incident, must also be mailed to the LDE, Division of Student Standards and Assessments, as directed in the manual.

B. If LEAP English language arts and/or mathematics tests are voided by the district due to administrative error, the LEA superintendent may initiate a request to the state superintendent of education for an opportunity to retest prior to the next scheduled test administration on behalf of individual students who are not eligible for promotion.

C. If a GEE test is voided by the district due to administrative error for a graduating senior, the LEA superintendent may initiate a request to the state superintendent of education for an opportunity to retest prior to the next scheduled test administration on behalf of the individual students who are not eligible for graduation because of the administrative error.

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:24 et seq.

HISTORICAL NOTE: Promulgated by the Department of Education, Board of Elementary and Secondary Education, LR 32:

**§316. Cell Phones and Other Electronic Devices**

A. If district and school policy allows for students and personnel to carry cell phones or other similar technological devices with imaging or text-messaging capability, test administrators must make certain that the devices are in the off position while test booklets and answers documents are in the vicinity.

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:24 et seq.

HISTORICAL NOTE: Promulgated by the Department of Education, Board of Elementary and Secondary Education, LR 32:

**Chapter 13. Graduation Exit Examination  
Subchapter D. GEE 21 Assessment Structure**

**§1351. GEE 21 Administration Rules**

A. - M. ...

N. Seniors who have completed all GEE tests required for a standard high school diploma and who wish to retest for the Louisiana high school diploma endorsements may retest during the fall retest administration. If the student is unable to test during the fall retest administration, the student may retest in the February seniors only retest.

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:24.4.

HISTORICAL NOTE: Promulgated by the Board of Elementary and Secondary Education, LR 31:1554 (July 2005), amended LR 32:

**Family Impact Statement**

In accordance with Section 953 and 974 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a Family Impact Statement on the Rule proposed for adoption, repeal or amendment. All Family Impact Statements shall be kept on file in the State Board Office which has adopted, amended, or repealed a rule in accordance with the applicable provisions of the law relating to public records.

1. Will the proposed Rule affect the stability of the family? No.

2. Will the proposed Rule affect the authority and rights of parents regarding the education and supervision of their children? No.

3. Will the proposed Rule affect the functioning of the family? No.

4. Will the proposed Rule affect family earnings and family budget? No.

5. Will the proposed Rule affect the behavior and personal responsibility of children? No.

6. Is the family or a local government able to perform the function as contained in the proposed Rule? No.

Interested persons may submit written comments until 4:30 p.m., January 9, 2006, to Nina A. Ford, Board of Elementary and Secondary Education, Box 94064, Capitol Station, Baton Rouge, LA 70804-9064.

Weegie Peabody  
Executive Director

**FISCAL AND ECONOMIC IMPACT STATEMENT  
FOR ADMINISTRATIVE RULES**

**RULE TITLE: Bulletin 118—Statewide Assessment  
Standards and Practices—Administrative Error,  
Cell Phones and Other Electronic Devices,  
and GEE 21 Administration Rules**

**I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO  
STATE OR LOCAL GOVERNMENT UNITS (Summary)**

The proposed rule consolidates into Bulletin 118 the State Board of Elementary and Secondary Education and the Division of Student Standards and Assessments test policy rules, guidelines, and procedures for easy access during statewide test administration. The proposed rule change will have no implementation cost to state or local governmental units.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There will be no effect on revenue collections at the state or local governmental levels.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

There should be no effect on costs and/or economic benefits to directly affected persons or Non-governmental groups.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There should be no impact on competition and employment.

Marlyn Langley  
Deputy Superintendent  
Management and Finance  
0511#054

H. Gordon Monk  
Legislative Fiscal Officer  
Legislative Fiscal Office

**NOTICE OF INTENT**

**Board of Elementary and Secondary Education**

Bulletin 1943—Policies and Procedures for Louisiana Teacher Assistance and Assessment—Standards for Certification (LAC 28:XXXVII.1901)

In accordance with R.S. 49:950 et seq., the Administrative Procedure Act, notice is hereby given that the Board of Elementary and Secondary Education approved for advertisement revisions to *Bulletin 1943—Policies and Procedures for Louisiana Teacher Assistance and Assessment* (LAC Part Number XXXVII). These changes to current Bulletin 1943 policy provide for revisions to the assessment standards for new teachers that are directly related to the inclusion of three new components in the Domains of Professional Development and School Improvement in the revised Louisiana Components of Effective Teaching (LCET). The standards for certification are aligned with the revised LCET and reflect the achievement of a "competent" "2" rating on 11 components of the LCET for new teachers beginning the Louisiana Teacher Assistance and Assessment Program (LaTAAP) in Fall 2006. The amended language aligns Bulletin 1943 policy with the department's approval of the Blue Ribbon Commission's recommendations to strengthen the LaTAAP and the revised LCET.

**Title 28  
EDUCATION**

**Part XXXVII. Bulletin 1943—Policies and Procedures for Louisiana Teacher Assistance and Assessment  
Chapter 19. Assessment Standards for Certification  
§1901. Standards for Certification**

A. The assessment standards for certification recommended by a Standards Setting Panel convened by the State Superintendent of Education in June, 1994, adopted by the SBESE in the same month, and revised in Summer 2005 are:

1. achievement of a "competent", "2" rating on 11 components of the *Louisiana Components of Effective Teaching*.

NOTE: For new teachers entering the first semester of LA TAAP in Spring 2006, the assessment standards will be the achievement of a competent (2) rating on the 11 Components from Planning, Management, Instruction, Professional Development, and School Improvement. Review of the assessment standards will occur as needed.

B. - C. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:391.10; R.S. 17:3871-3873; R.S. 17:3881-3884; R.S. 17:3891-3895; R.S. 17:3901-3904.

HISTORICAL NOTE: Promulgated by the Board of Elementary and Secondary Education, LR 28:283 (February 2002), amended LR 30:1657 (August 2004), LR 32:

**Family Impact Statement**

In accordance with Section 953 and 974 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a Family Impact Statement on the Rule proposed for adoption, repeal or amendment. All Family Impact Statements shall be kept on file in the State Board Office which has adopted, amended, or repealed a rule in accordance with the applicable provisions of the law relating to public records.

1. Will the proposed Rule affect the stability of the family? No.

2. Will the proposed Rule affect the authority and rights or parents regarding the education and supervision of their children? No.

3. Will the proposed Rule affect the functioning of the family? No.

4. Will the proposed Rule affect family earnings and family budget? No.

5. Will the proposed Rule affect the behavior and personal responsibility of children? No.

6. Is the family or a local government able to perform the function as contained in the proposed Rule? Yes.

Interested persons may submit comments until 4:30 p.m., January 9, 2006, to Nina Ford, State Board of Elementary and Secondary Education, P.O. Box 94064, Capitol Station, Baton Rouge, LA 70804-9064.

Weegie Peabody  
Executive Director

**FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES**

**RULE TITLE: Bulletin 1943—Policies and Procedures for Louisiana Teacher Assistance and Assessment—Standards for Certification**

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

These changes to the current Bulletin 1943 reflect revisions to the assessment standards for new teachers participating in the Louisiana Teacher Assistance and Assessment Program that are directly related to the inclusion of three new components in the Domains of Professional Development and School Improvement in the revised Louisiana Components of Effective Teaching. The adoption of this policy will cost the Department of Education approximately \$700 (printing and postage) to disseminate the policy.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

This policy will have no effect on revenue collections.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

There are no estimated costs and/or economic benefits to directly affected persons or non-governmental groups.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

This policy will have no effect on competition and employment.

Marlyn J. Langley  
Deputy Superintendent  
Management and Finance  
0511#055

H. Gordon Monk  
Legislative Fiscal Officer  
Legislative Fiscal Officer

**NOTICE OF INTENT**

**Student Financial Assistance Commission  
Office of Student Financial Assistance**

Student Financial Assistance Bylaws  
Committee Membership  
(LAC 28:V.109)

The Louisiana Student Financial Assistance Commission (LASFAC) announces its intention to amend its Bylaws (R.S. 17:3021-3025 and R.S. 17:3048.1).

**Title 28  
EDUCATION**

**Part V. Student Financial Assistance—Higher  
Education Loan Program**

**Chapter 1. Student Financial Assistance Commission  
Bylaws**

**§109. Committees**

A. - C.3. ...

D. Quorum of Committee Meetings. A simple majority of the regular and/or ex officio members present at a meeting of a committee of the commission shall constitute a quorum for the transaction of business. When a quorum is not present, the chairman of the commission, the chairman of the committee, or vice chairman in the chairmen's absence, may designate a member of the commission to serve as a substitute member of the committee concerned.

E. - F.2. ...

3. Members of the executive committee are ex officio members of committees of the commission to which they have not been appointed as regular members. When a quorum is not present for a committee of the commission, the ex officio member(s) present shall serve as regular member(s) of the committee with voting privileges and shall be counted for purposes of affecting a quorum.

G. Budget and Finance Committee. The budget and finance committee shall consist of not less than five members of the commission. Normally, to this committee shall be referred all matters related to budget and to policies concerning the financial management of the commission and the office.

H. Personnel Committee. The personnel committee shall consist of not less than five members of the commission. Normally, to this committee shall be referred matters concerning oversight of personnel policies, staffing, and related matters. This committee shall hear appeals pursuant to the office's grievance procedure.

I. Internal Audit Committee. The internal audit committee shall consist of not less than five members of the commission. The internal auditor of the agency shall report to and be solely responsible to the internal audit committee for the performance and reporting of findings of internal audits approved by the commission as part of the internal audit plan. Every year, no later than the June meeting of the commission, the internal auditor shall submit to the committee for its consideration a proposed annual internal audit plan covering the next fiscal year. The plan shall incorporate those internal audits, which are recommended by the executive director. The committee shall forward its recommendations for the annual internal audit plan to the commission for approval. The internal auditor shall complete each internal audit required by the annual internal audit plan and submit audit findings to the committee for its review. The committee shall forward the report of findings to the executive director, who shall be given an opportunity to submit written comments prior to the committee's consideration of the report of findings. The findings of each internal audit, the executive director's comments, if any, and any committee comments and/or recommendations shall be presented to the commission for its disposition. Normally, to this committee shall also be referred all matters related to reports of audits performed by external auditors.

J. Planning Committee. The planning committee shall consist of not less than five members of the commission. Normally, to this committee shall be referred the strategic plans and related matters.

K. Rules Committee. The rules committee shall consist of not less than five members of the commission. Normally, to this committee shall be referred all matters related to making and interpreting rules.

L. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:3021.

HISTORICAL NOTE: Promulgated by the Student Financial Assistance Commission, Office of Student Financial Assistance, LR 22:811 (September 1996), repromulgated LR 24:1264 (July 1998), amended LR 26:484 (March 2000), LR 27:35 (January 2001), LR 32:

**Family Impact Statement**

The proposed Rule has no known impact on family formation, stability, or autonomy, as described in R.S. 49:972. (SG0667NI)

Interested persons may submit written comments on the proposed changes until 4:30 p.m., December 12, 2005, to Jack L. Guinn, Executive Director, Office of Student Financial Assistance, P.O. Box 91202, Baton Rouge, LA 70821-9202.

George Badge Eldredge  
General Counsel

**FISCAL AND ECONOMIC IMPACT STATEMENT  
FOR ADMINISTRATIVE RULES**

**RULE TITLE: Bylaws—Committee Membership**

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

There are no estimated implementation costs or savings to state or local governmental units. Since the full Commission meeting is held on the same day as the committee meetings, the

reduction in committee membership will not reduce or increase the cost of conducting Commission business.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

Revenue collections of state and local governments will not be affected by the proposed changes.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

There are no estimated effects on economic benefits to directly affected persons or non-governmental groups resulting from these measures.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There are no anticipated effects on competition and employment resulting from these measures.

George Badge Eldredge  
General Counsel  
0511#023

H. Gordon Monk  
Legislative Fiscal Officer  
Legislative Fiscal Office

**NOTICE OF INTENT**

**Tuition Trust Authority  
Office of Student Financial Assistance**

**Tuition Trust Bylaws—Committee Membership  
(LAC 28:VII.109)**

The Louisiana Tuition Trust Authority announces its intention to amend its Bylaws (R.S. 17:3091 et seq.).

**Title 28  
EDUCATION**

**Part VII. Tuition Trust Authority**

**Chapter 1. Bylaws**

**§109. Committees**

A. - C.5. ...

D. Quorum of Committee Meetings

1. A simple majority of the regular and/or ex officio members present at a meeting of a committee of the authority shall constitute a quorum for the transaction of business.

2. When a quorum is not present, the chairman of the authority, the chairman of the committee, or vice-chairman in the chairmen's absence, may designate a member of the authority to serve as a substitute member of the committee concerned.

E. - F.10. ...

11. Members of the executive committee are ex officio members of committees of the authority to which they have not been appointed as regular members. When a quorum is not present for a committee of the authority, the ex officio member(s) present shall serve as regular member(s) of the committee with voting privileges and shall be counted for purposes of affecting a quorum.

G. Budget and Finance Committee

1. The budget and finance committee shall consist of not less than five members of the authority.

G.2. - H.3.d. ...

I. Planning Committee. The planning committee shall consist of not less than five members of the authority. Normally, to this committee shall be referred the strategic plans and related matters.

J. Rules Committee. The rules committee shall consist of not less than five members of the authority. Normally, to this committee shall be referred all matters related to making and interpreting rules.

K. Audit Committee. The audit committee shall consist of not less than five members of the authority. Normally, to this committee shall be referred all matters involving audits of any program administered by the authority.

L. Special Committees

1. As the necessity therefor arises, the chairman may, with the concurrence of the authority, create special committees with such functions, powers and authority as may be delegated.

2. The chairman may appoint ad hoc committees for special assignments for limited periods of existence not to exceed the completion of the assigned task.

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:3091 et seq.

HISTORICAL NOTE: Promulgated by the Tuition Trust Authority, Office of Student Financial Assistance, LR 23:1655 (December 1997), amended LR 27:190 (February 2001), LR 27:1221 (August 2001), LR 30:785 (April 2004), LR 32:

**Family Impact Statement**

The proposed Rule has no known impact on family formation, stability, or autonomy, as described in R.S. 49:972. (ST0666NI)

Interested persons may submit written comments on the proposed changes until 4:30 p.m., December 12, 2005 to Jack L. Guinn, Executive Director, Office of Student Financial Assistance, P.O. Box 91202, Baton Rouge, LA 70821-9202.

George Badge Eldredge  
General Counsel

**FISCAL AND ECONOMIC IMPACT STATEMENT  
FOR ADMINISTRATIVE RULES**

**RULE TITLE: Bylaws—Committee Membership**

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There are no estimated implementation costs or savings to state or local governmental units. Since the full Authority meeting is held on the same day as the committee meetings, the reduction in committee membership will not reduce or increase the cost of conducting Authority business.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

Revenue collections of state and local governments will not be affected by the proposed changes.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

There are no estimated effects on economic benefits to directly affected persons or non-governmental groups resulting from these measures.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There are no anticipated effects on competition and employment resulting from these measures.

George Badge Eldredge  
General Counsel  
0511#024

H. Gordon Monk  
Legislative Fiscal Officer  
Legislative Fiscal Office

**NOTICE OF INTENT**

**Office of the Governor  
Boxing and Wrestling Commission**

Definition of Contestant; HIV Testing  
(LAC 46:XI.101, 108)

The Boxing and Wrestling Commission does hereby exercise the provisions of the Administrative Procedure Act, R.S. 49:953(b) and 49:967(D) to adopt the following Rule. This proposed Rule is necessary to promote the safety of contestants, other participants and spectators in that it will require participants in all sports under the jurisdiction of the Boxing and Wrestling Commission to be tested for HIV and present medical certification that participant is HIV negative. This proposed Rule repromulgates and moves to Chapter 1, General Rules, the Rule on HIV testing, previously in §325.B, and clarifies definition of contestant.

This proposed Rule will be no impact on family formation, stability, and autonomy.

**Title 46**

**PROFESSIONAL AND OCCUPATIONAL  
STANDARDS**

**Part XI. Boxing and Wrestling**

**Chapter 1. General Rules**

**§101. Definitions**

\* \* \*

*Contestant*—any participant in all sports under the jurisdiction of this commission including but not limited to boxing, wrestling, kickboxing and martial arts sports.

\* \* \*

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:61.D, R.S. 4:64 and R.S. 4:67.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Boxing and Wrestling Commission, LR 22:697 (August 1996), amended by the Office of the Governor, Boxing and Wrestling Commission, LR 31:2003 (August 2005), LR 32:

**§108. Medical Requirements**

A. Each contestant participating in any sport under this commission's jurisdiction must furnish to the commission physician a certified medical certificate evidencing that the contestant has been tested for HIV and said test results are negative. Said test and certificate shall be dated not more than six months prior to the scheduled event and said certificate is to be presented at the time of "weigh in."

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:61.D, R.S. 4:64 and R.S. 4:67.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Boxing and Wrestling Commission, LR 32:

All interested persons are invited to submit comments, views or positions on these proposed Rules, in writing, to A.L. "Buddy" Embanato, Chairman, Boxing and Wrestling Commission, P.O. Box 13126, Monroe, LA 71213, or by facsimile at (318) 362-4628.

Patrick C. McGinity  
Attorney for the Commission

**FISCAL AND ECONOMIC IMPACT STATEMENT  
FOR ADMINISTRATIVE RULES**

**RULE TITLE: Definition of *Contestant*; HIV Testing**

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

There will be no costs to implement this rule other than the minimal cost to publish in the *Louisiana Register*.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There will be no effect on revenue collections. Our intent is the repromulgation of a rule already in place by moving this rule previously in the Boxing Chapter to the General Rules.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

Wrestlers and/or martial arts contestants previously exempt from this rule will have potential income from future purses eliminated because they would then be barred from participating if found to be HIV positive. This rule will only have a cost impact on the contestants who will be required to pay the cost of HIV tests.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There will be a negative effect on future contestants whose HIV positive status would bar them from participating in ring sports under the jurisdiction of the Boxing and Wrestling Commission, therefore eliminating any potential income from successful bouts.

Patrick McGinity  
Attorney for the Commission  
0511#088

H. Gordon Monk  
Legislative Fiscal Officer  
Legislative Fiscal Office

**NOTICE OF INTENT**

**Office of the Governor  
Crime Victims Reparations Board**

Compensation to Victims (LAC 22:XIII.503)

In accordance with the provisions of R.S. 49:950 et seq., which is the Administrative Procedure Act, and R.S. 46:1801 et seq., which is the Crime Victims Reparations Act, the Crime Victims Reparations Board hereby gives notice of its intent to promulgate rules and regulations regarding the awarding of compensation to applicants. There will be no impact on family earnings or the family budget as set forth in R.S. 49:972.

**Title 22**

**CORRECTIONS, CRIMINAL JUSTICE AND LAW  
ENFORCEMENT**

**Part XIII. Crime Victims Reparations Board**

**Chapter 5. Awards**

**§503. Limits on Awards**

A. General

1. There will be a \$10,000 limit for awards for all victims with the exception of those primary victims who become totally and permanently disabled as a result of the crime. For those awards, the board may, at its discretion, award up to \$25,000, depending on availability of funds and the extent, if any, of collateral resources. For purposes of this Section:

**NOTICE OF INTENT**

**Department of Health and Hospitals  
Board of Dentistry**

General Provisions (LAC 46:XXXIII.301, 306, 415, 419, 501, 1506, 1509, 1511, 1611, 1613, 1703, and 1705)

In accordance with the applicable provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the Dental Practice Act, R.S. 37:751, et seq., and particularly R.S. 37:760(8), notice is hereby given that the Department of Health and Hospitals, Board of Dentistry intends to amend LAC 46:XXXIII.301, 306, 415, 419, 501, 1506, 1509, 1511, 1611 1613, 1703, and 1705. No preamble has been prepared. There will be no family impact in regard to issues set forth in R.S. 49:972.

**Title 46**

**PROFESSIONAL AND OCCUPATIONAL  
STANDARDS**

**Part XXXIII. Dental Health Profession**

**Chapter 3. Dentists**

**§301. Advertising and Soliciting by Dentists**

A. - B. ...

C. Approved Specialties. The board has reviewed and approved the "Standards for Advanced Specialty Education Programs" set forth by the Commission on Dental Accreditation of the American Dental Association and approves only the following specialties:

1. dental public health;
2. endodontics;
3. oral and maxillofacial surgery;
4. oral pathology;
5. orthodontics and dentofacial orthopedics;
6. pediatric dentistry;
7. periodontics;
8. prosthodontics; and
9. oral and maxillofacial radiology.

D. - H.3 ...

4. Those group practices which include general dentists and specialists must list the phrase "General Dentistry and Specialty Practice" or "Family Dentistry and Specialty Practice" larger and/or bolder and noticeably more prominent than any service offered. All dentists associated with the group and the area of practice shall be listed in advertisements. When a group practice advertises the availability of a general dentist and specialist, it is necessary that a specialist practice at the practice location a minimum of 16 hours per month for each and every month said practice is advertised as being both general and specialty practice.

I. - K. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:760(8).

HISTORICAL NOTE: Adopted by the Department of Health and Human Resources, Board of Dentistry, December 1970, amended 1971, amended and promulgated LR 13:179 (March 1987), amended by the Department of Health and Hospitals, Board of Dentistry, LR 15:966 (November 1989), LR 18:739 (July 1992), LR 20:657 (June 1994), LR 21:567 (June 1995), LR 22:23 (January 1996), LR 22:1215 (December 1996), repromulgated LR 23:199 (February 1997), amended LR 23:1524 (November 1997), LR

a. a victim is "totally and permanently disabled" if the victim has a physical or mental impairment that substantially precludes them from obtaining gainful employment and appears reasonably certain to continue without substantial improvement throughout their life;

b. the board reserves the right to obtain an impartial medical expert, at its expense, if necessary, to assess the degree of disability of the victim.

A.2. - M.2. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 46:1801 et seq.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Crime Victims Reparations Board, LR 20:539 (May 1994), amended LR 22:710 (August 1996), LR 24:328 (February 1998), LR 25:26 (January 1999), LR 26:1019 (May 2000), LR 29:577 (April 2003), LR 32:

A hearing on the proposed Rule will be held on December 13, 2005, at 10 a.m. at the Louisiana Commission on Law Enforcement, Seventh Floor Conference Room, 1885 Wooddale Boulevard, Baton Rouge, LA.

Interested persons may submit written comments on this proposed Rule no later than January 1, 2006, at 5 p.m. to the attention of Bob Wertz, Deputy Assistant Director, Commission on Law Enforcement and Administration of Criminal Justice, 1885 Wooddale Boulevard, Room 1230, Baton Rouge, LA 70806.

Lamarr Davis  
Chairman

**FISCAL AND ECONOMIC IMPACT STATEMENT  
FOR ADMINISTRATIVE RULES  
RULE TITLE: Compensation to Victims**

**I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)**

Implementation of the proposed rule will have no impact on state expenditures. The board is currently interpreting the proposed rule in this manner and will not result in a reduction of the number of persons eligible for reparations. Clarification was needed to specify the conditions for victims to be considered totally and permanently disabled.

**II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)**

Implementation of the proposed rule will not increase revenue collections of state or local governmental units.

**III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)**

Implementation of the proposed rule will have little or no effect on directly affected persons or non-governmental groups. The adoption of the rule seeks to clarify the situations in which applicants for reparations could be considered declared totally and permanently disabled.

**IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)**

There is no effect anticipated on competition or employment in the public or private sector as a result of this proposed amendment.

Michael A. Ranatza  
Executive Director  
0511#082

H. Gordon Monk  
Legislative Fiscal Officer  
Legislative Fiscal Office

25:509 (March 1999), LR 25:1476 (August 1999), LR 26:690 (April 2000), LR 27:1890 (November 2001), LR 28:1776 (August 2002), LR 28:2512 (December 2002), LR 30:2305 (October 2004), LR 32:

**§306. Requirements of Applicants for Licensure by Credentials**

A. - A.2. ...

3. has been in active practice, while possessing a nonrestricted license in another state, by working full-time as a dentist at a minimum of 1,000 hours per year for the preceding three years before applying for licensure in Louisiana or full-time dental education as a teacher for a minimum of three years immediately prior to applying for licensure; or has completed a two-year general dentistry residency program or successfully completed a residency program in one of the board recognized dental specialties as defined in §301; the applicant completing the residency program must apply for licensure within 180 days of graduation from said specialty program or fellowship or work full-time as a dentist for three years before licensure;

A.4. - E. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:760(8) and R.S. 37:768.

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Board of Dentistry, LR 18:739 (July 1992), amended LR 21:571 (June 1995), LR 22:23 (January 1996), LR 23:1528 (November 1997), LR 24:1114 (June 1998), LR 25:513 (March 1999), LR 26:692 (April 2000), LR 26:1612 (August 2000), repromulgated LR 27:1893 (November 2001), amended LR 28:1777 (August 2002), LR 30:2305 (October 2004), LR 32:

**Chapter 4. Fees and Costs**

**Subchapter C. Fees for Dentists**

**§415. Licenses, Permits, and Examinations (Dentists)**

A. For processing applications for licensure, permits, and examinations, the following non-refundable fees shall be payable in advance to the board:

1. - 3. ...		
4. Biennial renewal fee for dental license	\$500	
5. - 16. ...		
17. Clinical licensing examination makeup fee per portion	\$150	

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:760(8) and R.S. 37:795.

HISTORICAL NOTE: Promulgated by Department of Health and Hospitals, Board of Dentistry, LR 14:792 (November 1988), amended LR 16:566 (June 1990), LR 18:741 (July 1992), LR 23:1526 (November 1997), LR 24:1115 (June 1998), LR 25:1478 (August 1999), LR 26:691 (April 2000), LR 28:1778 (August 2002), LR 32:

**Subchapter D. Fees for Dental Hygienists**

**§419. Licenses, Permits, and Examinations (Dental Hygienists)**

A. For processing applications for licensure, permits, and examinations, the following non-refundable fees shall be payable in advance to the board:

1. - 2. ...		
3. Biennial renewal fee for dental hygienist license	\$200	
4. -10. ...		
11. Clinical licensing examination makeup fee per portion	\$50	

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:760 (8) , R.S. 37:768, and R.S. 37:795.

HISTORICAL NOTE: Promulgated by Department of Health and Hospitals, Board of Dentistry, LR 14:792 (November 1988), amended LR 16:566 (June 1990), LR 18:741 (July 1992), LR 23:1527 (November 1997), LR 24:1115 (June 1998), LR 25:1478 (August 1999), LR 26:691 (April 2000), LR 28:1778 (August 2002), LR 32:

**Chapter 5. Dental Assistants**

**§501. Authorized Duties**

A. - B.19. ...

20. exception: a dental assistant who has been employed by a licensed, practicing dentist and has worked as a dental assistant prior to July 30, 1992, may continue performing the following duties without registering as an expanded duty dental assistant. These duties must also be performed under the direct, on-premises supervision of the dentist:

- a. apply cavity liners, excluding capping of exposed pulpal tissue;
- b. place, wedge or remove matrices for restoration by the dentist;
- c. place and remove periodontal dressings;
- d. place and remove retraction cords.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:760(8).

HISTORICAL NOTE: Promulgated by the Department of Health and Human Resources, Board of Dentistry (October 1970), amended LR 2:186 (June 1976), LR 7:586 (November 1981), amended by Department of Health and Hospitals, Board of Dentistry, LR 15:965 (November 1989), LR 16:505 (June 1990), LR 19:205 (February 1993), LR 32:

**Chapter 15. Anesthesia/Analgesia Administration**

**§1506. Conscious Sedation with Enteral Drugs**

A. In order to administer enteral conscious sedation, the dentist shall:

- 1. comply with all requirements of this Chapter;
- 2. utilize a working pulse oximeter on patients;
- 3. maintain a proper record keeping mechanism in addition to a controlled substance log;
- 4. utilize an accurate scale on pediatric patients (anyone under the age of 13).

B. Drugs for enteral conscious sedation must be administered in a dental office and the patient must be observed by a qualified office staff member with training and credentials to perform the specific tasks concomitant with the procedure being administered. Continuous monitoring with pulse oximetry must be initiated with early signs of conscious sedation and continued until the patient is alert. A precordial, pretracheal stethoscope must be available to assist intraoperatively in the monitoring of heart and respiratory rates. A sphygmomanometer shall be immediately available and utilized as needed throughout the procedure. Drugs for anxiolysis may be administered off premises prior to the dental procedure.

C. For those licensees who have received permits to administer pediatric enteral conscious sedation prior to the effective date of this rule, said licensee shall satisfactorily complete a board approved course in the administration of pediatric enteral conscious sedation before the permit is renewed concurrently with the license renewal. However, a

grace period of 180 days after the renewal of one's license shall be granted to the licensee if good cause can be shown that a course was not available.

D. The licensee must provide proof of current certification in cardiopulmonary resuscitation, Course "C," Basic Life Support for the Health Care Provider as defined by the American Heart Association or its equivalent.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:760(8) and R.S. 37:793.

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Board of Dentistry, LR 20:659 (June 1994), amended LR 22:1216 (December 1996), LR 32:

**§1509. Minimal Educational Requirements for the Granting of Permits to Administer Nitrous Oxide Inhalation Analgesia, Conscious Sedation with Parenteral or Enteral Drugs and General Anesthesia/Deep Sedation**

A. - B.2 ...

C. Conscious Sedation with Enteral Drugs

1. To be granted an unrestricted (adults and children) permit to administer conscious sedation with enteral drugs, the applicant must submit verification of formal post-doctoral training in the use of enteral conscious sedation on both pediatric and adult patients or satisfactory completion of a board approved course which includes a minimum of 16 hours of didactic training and a component on handling emergencies incident to the administration of conscious sedation.

2. To be granted a restricted permit (adults only) to administer conscious sedation with enteral drugs, the applicant must submit verification of formal post-doctoral training in the use of enteral conscious sedation on adult patients or satisfactory completion of a board approved course which includes a minimum of 8 hours of didactic training and a component on handling emergencies incident to the administration of conscious sedation.

D. Deep Sedation and General Anesthesia. Successful completion of an American Dental Association accredited program in oral and maxillofacial surgery or a program which meets or exceeds the specifications outlined in Part II of the Guidelines for Teaching the Comprehensive Control of Pain and Anxiety in Dentistry adopted by the American Dental Association.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:760(8).

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Board of Dentistry, LR 20:659 (June 1994), amended LR 22:1216 (December 1996), LR 32:

**§1511. Required Facilities, Personnel and Equipment for Sedation Procedures**

A. - A.7.d. ...

e. Pulse oximeter when parenteral or enteral conscious sedation on a patient is performed.

A.8. - B.3. ...

4. When conscious sedation with parenteral or enteral drugs is being administered one auxiliary who is currently certified in basic life support must be available to assist the dentist in an emergency.

5. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:760(8).

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Board of Dentistry, LR 20:659 (June 1994), amended LR 32:

**Chapter 16. Continuing Education Requirements**

**§1611. Continuing Education Requirements for Relicensure of Dentists**

A. ...

B. At least one-half of the minimum credit hours (20) must be attained by personally attending clinical courses pertaining to the actual delivery of dental services to patients. However, 10 of these 20 hours may be attained by completing ADA or AGD certified Internet or correspondence courses which are clinical in nature and require successful completion of a written examination at the conclusion of said course.

C. - J. ...

K. In order to renew permits for the administration of deep sedation, parenteral sedation, and enteral sedation, each licensee shall complete a board approved course pertinent to the level of their sedation permit no less than once every five years.

I. Recertification for deep sedation or general anesthesia as required by the American Association of Oral and Maxillofacial Surgeons every five years shall satisfy this requirement.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:760(8) and (13).

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Board of Dentistry, LR 20:661 (June 1994), amended LR 21:569 (June 1995), LR 22:24 (January 1996), LR 22:1216 (December 1996), LR 23:1526 (November 1997), LR 24:1117 (June 1998), LR 25:510 (March 1999), LR 26:489 (March 2000), LR 30:2307 (October 2004), LR 32:

**§1613. Continuing Education Requirements for Relicensure of Dental Hygienists**

A. ...

B. At least one-half of the minimum credit hours (12) must be attained by personally attending clinical courses pertaining to the actual delivery of dental or dental hygiene services to patients. However, 6 of these 12 hours may be attained by completing ADA, AGD, or ADHA certified Internet or correspondence courses which are clinical in nature and require successful completion of a written examination at the conclusion of said course.

C. - J. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:760(8) and (13).

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Board of Dentistry, LR 20:661 (June 1994), amended LR 21:570 (June 1995), LR 22:24 (January 1996), LR 22:1217 (December 1996), LR 23:1526 (November 1997), LR 24:1118 (June 1998), LR 25:510 (March 1999), LR 26:489 (March 2000), LR 30:2307 (October 2004), LR 32:

**Chapter 17. Licensure Examinations**

**§1703. Candidate's Manual for the Dental Licensure Examination of the Louisiana State Board of Dentistry**

A. This manual is too voluminous to print and LAC 46:XXXIII.1703 is intended to put the public on notice that the board utilizes examination manuals which are revised every year. A copy is on file with the Office of the State Register, and copies may be obtained from the board office.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:760(1) and (8).

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Board of Dentistry, LR 24:1118 (June 1998), amended LR 32:

**§1705. Candidate's Manual for the Dental Hygiene Licensure Examination of the Louisiana State Board of Dentistry**

A. This manual is too voluminous to print and LAC 46:XXXIII.1705 is intended to put the public on notice that the board utilizes examination manuals which are revised every year. A copy is on file with the Office of the State Register, and copies may be obtained from the board office.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:760(1) and (8).

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Board of Dentistry, LR 24:1118 (June 1998), amended LR 32:

Interested persons may submit written comments on these proposed Rule changes to C. Barry Ogden, Executive Director, Louisiana State Board of Dentistry, One Canal Place, Suite 2680, 365 Canal Street, New Orleans, LA 70130. Written comments must be submitted to and received by the board within 60 days of this notice. A request pursuant to R.S. 49:953(A)(2) for oral presentation, argument, or public hearing must be made in writing and received by the board within 20 days of the date of this notice.

C. Barry Ogden  
Executive Director

**FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES  
RULE TITLE: General Provisions**

**I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)**

Other than the Rule publication costs, which are estimated to be \$500 in FY 05, it is not anticipated that the proposed Rule amendments will result in any material costs or savings to the Board of Dentistry, any state or local governmental unit. Notification of these Rule changes will be included in a mass mailing to all licensees which has already been budgeted for notification of such Rule changes.

**II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)**

The revenues of the Board are anticipated to increase by \$73,750 in FY 06 and subsequent fiscal years as a result of the proposed Rule. The Rule would require dentists (approximately 1,100) to pay \$50 more per year to renew their dental licenses and dental hygienists (approximately 750) to pay \$25 more per year to renew their dental hygiene licenses. Additionally, dental candidates for licensure would pay \$150 per portion for each portion of the clinical licensing examination they must retake. Dental hygienists would pay \$50 per portion for each portion of the clinical licensing examinations they must retake.

**III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)**

The proposed Rule will increase licensure fees for dentists and dental hygienists and allow the board to eliminate deficits in the operating budget that have existed for four of the last five years. Additionally, the proposed Rule would add oral and maxillofacial radiology as a specialty and clarify other rules relative to existing board policies and procedures.

**IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)**

There is no estimated effect on competition and employment.

C. Barry Ogden  
Executive Director  
0511#022

Robert E. Hosse  
Staff Director  
Legislative Fiscal Office

**NOTICE OF INTENT**

**Department of Health and Hospitals  
Board of Nursing**

Renewal of License and Licensure as  
Advanced Practice Registered Nurse  
(LAC 46:XLVII.3333 and 4507)

Notice is hereby given, in accordance with the provisions of the Administrative Procedures Act, R.S.49:950 et seq., that the Board of Nursing (board) pursuant to the authority vested in the board by R.S.37:918, R.S.37:920(E) intends to amend the Professional and Occupational Standards Rules pertaining to the extension period of time in which persons licensed to practice as registered nurses and advanced practice registered nurses must renew current licenses and removes the requirements of providing evidence of completion of continuing education for the calendar year 2005. The proposed amendments of the Rule is set forth below.

Many of the state's registered nurses and advanced practice registered nurses have suffered losses of personal property and have been displaced from their residences and places of employment. The lack of resources available to many registered nurses and advanced practice registered nurses will severely limit the ability of many licensees to meet the requirements for renewal of their licenses by January 31, 2006.

**Title 46  
PROFESSIONAL AND OCCUPATIONAL  
STANDARDS**

**Part XLVII. Nurses: Practical Nurses and Registered Nurses**

**Subpart 2. Registered Nurses**

**Chapter 33. General**

**Subchapter C. Registration and Registered Nurse Licensure**

**§3333. Renewal of License**

A. Every person holding a license to practice as a registered nurse, and intending to practice during the ensuing year, shall renew his license annually prior to the expiration of his license. The board shall furnish an application for renewal of a license to every person who holds a current license. The licensee shall complete the renewal form and return to the board before January 1. Upon receipt of the application and the renewal fee as required under §3341, the board shall verify the accuracy of the application and issue to the licensee a license of renewal for the current year beginning February 1 and expiring January 31. Incomplete

applications will be returned. Applications postmarked after December 31 will be considered late and subject to the fee as required under §3341 for late renewals. Failure to renew a license prior to expiration subjects the individual to forfeiture of the right to practice. An individual shall notify the board of:

A.1. - B.3. ...

4. notwithstanding any provision of this Section to the contrary, any license to practice as a registered nurse issued valid through January 31, 2006 shall be valid through March 31, 2006;

5. notwithstanding any provision of this section to the contrary, no evidence of meeting the requirements of §3335 shall be required to renew a license issued valid through January 31, 2006, if said license is renewed on or before March 31, 2006.

C. - D.8. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:918 and 920.

HISTORICAL NOTE: Promulgated by the Department of Health and Human Resources, Board of Nursing, LR 7:78 (March 1981), amended by the Department of Health and Hospitals, Board of Nursing, LR 16:1061 (December 1990), LR 23:962 (August 1997), LR 23:963 (August 1997), repromulgated LR 24:1293 (July 1998), amended LR 26:1443 (July 2000), LR 32:

#### **Chapter 45. Advanced Practice Registered Nurses §4507. Licensure as Advanced Practice Registered Nurse**

A. - E.2.d. ...

e. notwithstanding any provision of this Section to the contrary, for renewal of an APRN license issued valid through January 31, 2006 and renewed on or before March 31, 2006, compliance with Subparagraphs b and c will not be required.

F. - F.2.g. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:918.

HISTORICAL NOTE: Promulgated by the Department of Health and Human Resources, Board of Nursing, LR 22:283 (April 1996), amended LR 27:723 (May 2001), LR 29:580 (April 2003), LR 32:

#### **Family Impact Statement**

The Louisiana State Board of Nursing hereby issues this Family Impact Statement. The proposed Rule related to the board's licensure fees will have minimal impact on family formation, stability, and autonomy, as set forth in R.S. 49:972, in that the Registered Nurses (RNs) of Louisiana will be directly affected by the proposed action. The RNs will have an additional two months to pay the annual renewal fee. As well there will be a savings to the each RN and APRN since the continued education requirement has been waived for the year 2005.

Interested persons may submit written comments on the proposed Rule to Barbara L. Morvant, Executive Director, Louisiana State Board of Nursing, 5207 Essen Lane, Suite 6, Baton Rouge, LA 70809. The deadline for receipt of all written comments is 4:30 p.m. on December 10, 2005.

Barbara L. Morvant  
Executive Director

## **FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES**

### **RULE TITLE: Renewal of License and Licensure as Advanced Practice Registered Nurse**

#### **I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)**

It is anticipated that no additional staff or operating expenses will be needed to implement these changes. The only cost for implementation is for the publication of the rule change in the Louisiana Register estimated to be approximately \$272 in fiscal year 2005/06.

#### **II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)**

There will be no increase or decrease in revenues, however, the collection period will be extended by two months.

#### **III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)**

The Registered Nurses (RNs) of Louisiana will be directly affected by the proposed action. The RNs will have an additional two months to pay the annual renewal fee. As well there will be a savings to each RN and APRN since the continued education requirement has been waived for the year 2005.

#### **IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)**

There is no anticipated effect on competition and employment.

Barbara L. Morvant  
Executive Director  
0511#030

Robert E. Hosse  
Staff Director  
Legislative Fiscal Office

### **NOTICE OF INTENT**

#### **Department of Health and Hospitals Bureau of Health Services Financing**

#### **Pharmacy Benefits Management Program Antihemophilia Drugs Reimbursement**

The Department of Health and Hospitals, Office of the Secretary, Bureau of Health Services Financing promulgates the following Rule in the Medical Assistance Program as authorized by R.S. 36:254 and pursuant to Title XIX of the Social Security Act. This proposed Rule is promulgated in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq.

The Department of Health and Hospitals, Office of the Secretary, Bureau of Health Services Financing currently provides reimbursement under the Medicaid Program for Antihemophilia drugs, Factor products. As a result of the allocation of funds by the Legislature during the 2001 Regular Session, the bureau increased the reimbursement rate for prescription drugs under the Medicaid Program by amending the estimated acquisition cost formula from average wholesale price (AWP) minus 15 percent to AWP minus 13.5 percent for independent pharmacies and from AWP minus 16.5 percent to AWP minus 15 percent for chain pharmacies (*Louisiana Register*, Volume 28, Number 4). In order to reduce expenditures, the bureau now proposes to

amend the April 20, 2002 Rule and reduce the reimbursement rate for Antihemophilia drugs to a single rate for all prescription drug providers.

#### **Family Impact Statement**

In compliance with Act 1183 of the 1999 Regular Session of the Louisiana Legislature, the impact of this proposed Rule on the family has been considered. It is anticipated that this proposed Rule will have no impact on family functioning, stability, or autonomy as described in R.S. 49:972.

#### **Proposed Rule**

The Department of Health and Hospitals, Office of the Secretary, Bureau of Health Services Financing reduces the estimated acquisition cost reimbursement rate under the Medicaid Program for Antihemophilia drugs, Factor products, to the average wholesale price minus 30 percent for all prescription drug providers.

Implementation of the provisions of this proposed Rule shall be contingent upon the approval of the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services.

Interested persons may submit written comments to Ben A. Bearden, Bureau of Health Services Financing, P.O. Box 91030, Baton Rouge, LA 70821-9030. He is responsible for responding to inquiries regarding this proposed Rule. A public hearing on this proposed Rule is scheduled for Tuesday, December 27, 2005, at 9:30 a.m. in the Department of Transportation and Development Auditorium, First Floor, 1201 Capitol Access Road, Baton Rouge, LA. At that time all interested persons will be afforded an opportunity to submit data, views or arguments either orally or in writing. The deadline for the receipt of all written comments is 4:30 p.m. on the next business day following the public hearing.

Frederick P. Cerise, M.D., M.P.H.  
Secretary

#### **FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES**

##### **RULE TITLE: Pharmacy Benefits Management Program—Antihemophilia Drugs Reimbursement**

#### **I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)**

It is anticipated that implementation of this proposed rule will result in an estimated net cost avoidance to the state of \$137,632 for FY 05-06, \$441,921 for FY 06-07 and \$508,291 for FY 07-08. It is anticipated that \$136 (\$68 SGF and \$68 FED) will be expended in FY 05-06 for the state's administrative expense for promulgation of this proposed rule and the final rule.

#### **II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)**

It is anticipated that implementation of this proposed rule will reduce federal revenue collections by \$322,767 for FY 05-06, \$1,036,075 for FY 06-07 and \$1,191,678 for FY 07-08. \$68 is included in FY 05-06 for the federal administrative expenses for promulgation of this proposed rule and the final rule.

#### **III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)**

This proposed rule reduces the Estimated Acquisition Cost reimbursement rate under the Medicaid Program to prescription drug providers for Antihemophilia drugs, Factor products, to

the average wholesale price minus 30 percent (approximately 547 claims per year). It is anticipated that implementation of this proposed rule will decrease reimbursements for Antihemophilia drugs by \$460,535 for FY 05-06, \$1,477,996 for FY 06-07 and \$1,699,969 for FY 07-08.

#### **IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)**

It is anticipated that there will be no effect on competition and employment as a result of the implementation of this proposed rule.

Ben A. Bearden  
Director  
0511#062

Robert E. Hosse  
Staff Director  
Legislative Fiscal Office

#### **NOTICE OF INTENT**

##### **Department of Revenue Policy Services Division**

##### **Annual Retirement Income Exemption for Individuals 65 or Older (LAC 61:I.1311)**

Under the authority of R.S. 47:44.1, R.S. 47:295, and R.S. 47:1511, and in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the Department of Revenue, Policy Services Division, proposes to adopt LAC 61:I.1311 relative to the \$6,000 exemption for annual retirement income received by an individual who is 65 years of age or older.

Louisiana Revised Statutes 47:44.1 allows an individual who is 65 years of age or older and who receives annual retirement income to exempt up to \$6,000 of this income from state income tax. This proposed regulation will inform individual income taxpayers and their representatives that for all tax years beginning on or after 2005 only the individual who actually received the annual retirement income is entitled to the exemption. It will also provide guidance to taxpayers to assist them in determining who is the recipient of annual retirement income from a pension, annuity or individual retirement account.

The text of this proposed Rule may be viewed in the Emergency Rule portion of this month's edition of the *Louisiana Register*.

#### **Family Impact Statement**

The proposed adoption of LAC 61:I.1311, regarding the Annual Retirement Income Exemption for Individuals 65 or Older, should not have any known or foreseeable impact on the stability of the family, the authority and rights of parents regarding the education and supervision of their children, the functioning of the family, family earnings and family budget, the behavior and personal responsibility of children, the ability of the family or a local government to perform this function.

Any interested person may submit written data, views, arguments or comments regarding this proposed Rule to Michael D. Pearson, Senior Policy Consultant, Policy Services Division, Office of Legal Affairs by mail to P.O. Box 44098, Baton Rouge, LA 70804-4098. All comments must be received no later than 4:30 p.m. Tuesday, December 27, 2005. A public hearing will be held on Wednesday, December 28, 2005, at 10 a.m. in the River Room, seventh

floor of the LaSalle Building, 617 North Third Street, Baton Rouge, LA.

Cynthia Bridges  
Secretary

**FISCAL AND ECONOMIC IMPACT STATEMENT  
FOR ADMINISTRATIVE RULES**

**RULE TITLE: Annual Retirement Income  
Exemption for Individuals 65 or Older**

**I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO  
STATE OR LOCAL GOVERNMENT UNITS (Summary)**

There are no estimated implementation costs or savings to state or local governmental units.

The implementation of this proposed regulation, which addresses the exemption of up to six thousand dollars of annual retirement income received by an individual sixty-five years of age or older, will formally inform all taxpayers that only the individual who actually received the annual retirement income is entitled to the exemption. The regulation will provide guidance to taxpayers to assist them in determining who is the recipient of annual retirement income from a pension or annuity.

**II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE  
OR LOCAL GOVERNMENTAL UNITS (Summary)**

The implementation of this proposed regulation may result in a slight increase in revenue collections to the state. Although the regulation is incorporating the Department's practice since 2002 into regulation, the regulation should raise awareness of the issue and result in increased compliance. The increase will result from the taxation of income formerly claimed as exempt by the spouse who has not received retirement income. There will be no effect on revenue collections of local governmental units.

**III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO  
DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL  
GROUPS (Summary)**

This proposed regulation should have no effect on economic benefits to directly affected persons as it is incorporating the Department's current practice into regulation which has been in effect since the 2002 tax year.

**IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT  
(Summary)**

This proposed regulation should have no effect on competition or employment.

Cynthia Bridges  
Secretary  
0511#046

Robert E. Hosse  
Staff Director  
Legislative Fiscal Office

**NOTICE OF INTENT**

**Department of Revenue  
Policy Services Division**

**Definition of Separate Corporation Basis  
(LAC 61:I.1175)**

Under the authority of R.S. 47:287.733, R.S. 47:287.785, and R.S. 47:1511 and in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the Department of Revenue, Policy Services Division, proposes to adopt LAC 61:I.1175 relative to a definition of separate corporation basis.

The primary purpose of this regulation is to define the term "separate corporation basis" as used in R.S. 47:287.733.

**Title 61**

**REVENUE AND TAXATION**

**Part I. Taxes Collected and Administered  
by the Secretary of Revenue**

**Chapter 11. Income: Corporation Income Tax  
§1175. Definition of Separate Corporation Basis**

A. Louisiana Revised Statute 47:287.733 provides that corporations that are included with affiliates in a consolidated federal income tax return must file their Louisiana corporation income tax on a separate corporation basis. For Louisiana income tax purposes, filing a return on a separate corporation basis means filing a return as if the affiliate either elects not to be part of the consolidated group or is not included in a federal consolidated return.

AUTHORITY NOTE: Promulgated in accordance with R.S. 47:287.733, R.S. 47:287.785, and R.S. 47:1511.

HISTORICAL NOTE: Promulgated by the Department of Revenue, LR 32:

**Family Impact Statement**

The proposed adoption of LAC 61:I.1175, regarding modifications to federal gross income should not have any known or foreseeable impact on any family as defined by R.S. 49:972(D) or on family formation, stability and autonomy. The implementation of this proposed Rule will have no known or foreseeable effect on:

1. the stability of the family;
2. the authority and rights of parents regarding the education and supervision of their children;
3. the functioning of the family;
4. family earnings and family budgets;
5. the behavior and personal responsibility of children;
6. the ability of the family or a local government to perform this function.

Any interested person may submit written data, views, arguments or comments regarding this proposed Rule to Michael D. Pearson, Senior Policy Consultant, Policy Services Division, Office of Legal Affairs, by mail to P.O. Box 44098, Baton Rouge, LA 70804-4098. All comments must be submitted no later than 4:30 p.m., Tuesday, December 27, 2005. A public hearing will be held on Wednesday, December 28, 2005, at 10 a.m. in the River Room located on the seventh floor of the LaSalle Building, 617 North Third Street, Baton Rouge, LA 70802.

Cynthia Bridges  
Secretary

**FISCAL AND ECONOMIC IMPACT STATEMENT  
FOR ADMINISTRATIVE RULES**

**RULE TITLE: Definition of Separate Corporation Basis**

**I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO  
STATE OR LOCAL GOVERNMENT UNITS (Summary)**

The implementation of this proposed amendment to the regulation will have no impact upon any local governmental units.

The implementation of this proposed regulation, which simply defines the term separate corporation basis as used in R.S. 47:287.733, would have no impact on state government costs or savings.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There will be no effect on state or local revenue collections as a result of this proposed amendment to the regulation. The proposed rule is the same as current practice.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

Corporations that are included in a consolidated federal income tax return are instructed by the state to file their Louisiana income tax returns on a separate corporation basis. By enacting LAC 61:I.1175, the Department will provide guidance to taxpayers regarding the requirements for filing. Because the regulation is the same as current practice, it will ease the filing process by making the filing requirements clear.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

This proposed regulation should have no effect on competition or employment.

Cynthia Bridges  
Secretary  
0511#068

Robert E. Hosse  
Staff Director  
Legislative Fiscal Office

**NOTICE OF INTENT**

**Department of Revenue  
Policy Services Division**

**Interest Waiver and Filing Extensions Following Disasters  
(LAC 61:III.2111)**

Under authority of R.S. 47:1601(A)(2)(e) and 1511 and in accordance with provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the Department of Revenue, Policy Services Division, proposes to adopt LAC 61:III.2111 to provide automatic extensions and interest waivers for tax returns filed by taxpayers located in disaster areas.

Revised Statute 47:1601(A)(2)(e) authorizes the secretary to waive the interest to promote the effective administration of the tax laws. Taxpayers located in disaster areas need additional time to compile the records required to file tax returns. Providing waiver of interest and automatic extensions will promote the effective administration of the tax laws.

**Title 61**

**REVENUE AND TAXATION**

**Part III. Department of Revenue—Administrative  
Provisions and Miscellaneous**

**Chapter 21. Interest and Penalties**

**§2111. Interest Waiver and Filing Extensions Following  
Disasters**

A. The following provisions apply to all returns due following a disaster.

1. Automatic Extensions—Taxpayers located within the disaster areas will automatically be granted the applicable statutory extensions for filing returns without having to file an application for extension.

2. Interest Waiver—Interest on these returns due as a result of a disaster may be waived in accordance with the following guidelines.

a. If the return is filed within the applicable statutorily provided extension period, interest will be automatically waived.

b. If the return is filed after the applicable statutorily provided extension period, the taxpayer must file a written request to have the interest waived.

3. Tax Preparers—If a taxpayer's tax preparer is located within the disaster area, and as a result the taxpayer's returns are not timely filed, the taxpayer must make a written request for interest due as a result of the disaster to be waived.

4. Consolidated Returns—Taxpayers filing consolidated returns for locations within and without the disaster areas should file returns using the information available at the time the return is due. When the amended return is filed to accurately reflect the taxpayer's information, the taxpayer should attach a written request to waive any interest due as a result of the disaster.

**B. Definitions**

*Disaster Area*—a parish or location that has been declared a disaster area by the President.

AUTHORITY NOTE: Promulgated in accordance with R.S. 47:1601(A)(2)(e) and 1511.

HISTORICAL NOTE: Promulgated by the Department of Revenue, Policy Services Division, LR 32:

**Family Impact Statement**

As required by Act 1183 of the 1999 Regular Session of the Louisiana Legislature the following Family Impact Statement is submitted to be published with the Notice of Intent in the Louisiana Register. A copy of this statement will also be provided to our legislative oversight committees.

1. The Effect on the Stability of the Family. Implementation of this proposed Rule will have no impact on family stability.

2. The Effect on the Authority and Rights of Parents Regarding the Education and Supervision of Their Children. Implementation of this proposed Rule will have no effect on the authority and rights of parents regarding the education and supervision of their children.

3. The Effect on the Functioning of the Family. Implementation of this proposed Rule will have no effect on the functioning of the family.

4. The Effect on Family Earnings and Family Budget. Implementation of this proposed Rule will have no effect on family earnings and family budget.

5. The Effect on the Behavior and Personal Responsibility of Children. Implementation of this proposed Rule will have no effect on the behavior and personal responsibility of children.

6. The Ability of the Family or a Local Government to Perform the Function as Contained in the Proposed Rule. Implementation of this proposed Rule will have no effect on the ability of the family or a local government to perform this function.

Interested persons may submit data, views, or arguments, in writing to Linda Denney, Senior Policy Consultant, Policy Services Division, Department of Revenue, P.O. Box 44098, Baton Rouge, LA 70804-4098 or by fax to (225) 219-2759. All comments must be submitted

by 4:30 p.m., Wednesday, December 28, 2005. A public hearing will be held on Thursday, December 29, 2005, at 2:00 p.m. in the River Room on the Seventh Floor of the LaSalle Building at 617 North Third Street, Baton Rouge, LA 70802-5428.

Cynthia Bridges  
Secretary

**FISCAL AND ECONOMIC IMPACT STATEMENT  
FOR ADMINISTRATIVE RULES  
RULE TITLE: Interest Waiver and  
Filing Extensions Following Disasters**

**I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO  
STATE OR LOCAL GOVERNMENT UNITS (Summary)**

This proposed rule provides for automatic extensions and interest waivers for tax returns filed by taxpayers located in disaster areas.

Implementation of this proposed rule will have minimal impact of the agency's costs. Providing automatic extensions to taxpayers in the disaster areas without the need for a request will streamline agency procedures and reduce manual extension request processing.

**II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE  
OR LOCAL GOVERNMENTAL UNITS (Summary)**

This proposed rule, which provides waivers of interest for taxpayers located in disaster areas under certain circumstances, will result in an indeterminable reduction in the state's interest collections. We do not have data to estimate the amount of the revenue loss. This proposed rule will have no effect on the revenue collections of state or local governmental units.

**III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO  
DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL  
GROUPS (Summary)**

This proposed rule will provide relief to taxpayers that are located in disaster areas and need additional time to compile the records required to file tax returns. The amount of the interest to be waived cannot be determined.

**IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT  
(Summary)**

This proposed rule will have no effect on competition or employment.

Cynthia Bridges  
Secretary  
0511#039

Robert E. Hosse  
Staff Director  
Legislative Fiscal Office

**NOTICE OF INTENT**

**Department of Revenue  
Policy Services Division**

**Nonresident Contractors  
(LAC 61:I.4373)**

Under the authority of R.S. 47:9, R.S. 47:306, R.S. 47:337.2, R.S. 47:337.18, R.S. 47:337.19, and R.S. 47:1511 and in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the Department of Revenue, Policy Services Division, proposes to amend LAC 61:I.4373 pertaining to the value of the surety bonds that nonresident contractors are required to furnish to the Secretary of the Department of Revenue guaranteeing their

payment of the state and local taxes that become due as the result of their construction activity in the state.

R.S. 47:306(D) provides that nonresident contractors must file with the department a surety bond or a blanket surety bond for all contracts, sufficient to cover all taxes due on the contract or contracts, in accordance with the provisions of R.S. 47:9(B)(1). R.S. 47:9(B)(1) provides similarly that nonresident contractors must execute and file with the Secretary of the Department of Revenue a good and valid bond in a surety company authorized to business in this state to ensure that all taxes will be paid when due.

The current Rule provides that the bond is 5 percent of the total contract price or \$1,000, whichever is greater. These proposed amendments provide a reduced bond for nonresident contractors that withhold income taxes from non-employee compensation, such as payments to subcontractors. Under these circumstances, the proposed reduced bonds should be sufficient to guarantee the payment of state and local taxes.

**Title 61**

**REVENUE AND TAXATION**

**Part I. Taxes Collected and Administered by the  
Secretary of Revenue**

**Chapter 43. Sales and Use Tax**

**§4373. Nonresident Contractors**

A. - B. ...

C. Contracts to be Registered with Secretary and Central Collector

1. Prior to obtaining a building permit necessary for the lawful commencement of any contract in Louisiana, a nonresident contractor shall register each contract that exceeds \$3,000 in total price or compensation with the secretary of the Department of Revenue and with the central sales and use tax collector for the parish in which the project is located. The secretary shall provide the necessary forms for the contractors to register each contract. The forms will require the nonresident contractor to give a complete description of each project, pertinent tax registration data, and a list of anticipated subcontractors. A fee of \$10 per contract shall be paid to the secretary at the time of registration. As required by the secretary, the contractor shall furnish a surety bond for each contract or a blanket surety bond for all contracts. The bond shall be:

a. two and one-half percent of the gross contract amount or \$1,000, whichever is greater, if income tax withholdings remitted to the department include such payments deducted from non-employee compensation (e.g., independent contractors); or

b. five percent of the gross contract amount or \$1,000, whichever is greater, if income tax is not withheld from non-employee compensation paid by the non-resident contractor.

2. Upon satisfactory completion of the registration and surety bond requirements, the secretary shall issue the contractor a certificate of compliance with which to obtain any building permits necessary for lawful commencement.

C.3. - F.2.d. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 47:9, R.S. 47:306, R.S. 47:337.2, R.S. 47:337.18, R.S. 47:337.19, and R.S. 47:1511.

HISTORICAL NOTE: Promulgated by the Department of Revenue and Taxation, Sales Tax Division, LR 21:185 (February

1995), amended by the Department of Revenue, Policy Services Division, LR 31:95 (January 2005), LR 32:

**Family Impact Statement**

As required by Act 1183 of the 1999 Regular Session of the Louisiana Legislature the following Family Impact Statement is submitted to be published with the Notice of Intent in the Louisiana Register. A copy of this statement will also be provided to our legislative oversight committees.

1. The Effect on the Stability of the Family. Implementation of these proposed amendments will have no effect on the stability of the family.

2. The Effect on the Authority and Rights of Parents Regarding the Education and Supervision of Their Children. Implementation of these proposed amendments will have no effect on the authority and rights of parents regarding the education and supervision of their children.

3. The Effect on the Functioning of the Family. Implementation of these proposed amendments will have no effect on the functioning of the family.

4. The Effect on Family Earnings and Family Budget. Implementation of these proposed amendments will have no effect on family earnings and family budget.

5. The Effect on the Behavior and Personal Responsibility of Children. Implementation of these proposed amendments will have no effect on the behavior and personal responsibility of children.

6. The Ability of the Family or a Local Government to Perform the Function as Contained in the Proposed Rule. Implementation of these proposed amendments will have no effect on the ability of the family or a local government to perform this function.

Interested persons may submit data, views, or arguments, in writing to Raymond E. Tangney, Senior Policy Consultant, Policy Services Division, P.O. Box 44098, Baton Rouge, LA 70804-4098 or by fax to (225) 219-2759. All comments must be submitted by 4:30 p.m., Tuesday, December 27, 2005. A public hearing will be held on Thursday, September 29, 2005, at 9 a.m. at the Department of Revenue Headquarters Building, 617 North Third Street, Baton Rouge, LA.

Raymond E. Tangney  
Senior Policy Consultant

**FISCAL AND ECONOMIC IMPACT STATEMENT  
FOR ADMINISTRATIVE RULES  
RULE TITLE: Nonresident Contractors**

**I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)**

Implementation of these amendments will have no effect on state or local governmental unit costs.

**II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)**

There should be no effect on the revenue collections of state or local governmental units as a result of these proposed amendments.

**III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)**

These proposed amendments will speed up the rebuilding of areas damaged by recent hurricanes. Nonresident contractors will have less administrative burden in complying with the law in order to do business in this state.

**IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)**

These proposed amendments will have no effect on competition or employment.

Cynthia Bridges  
Secretary  
0511#087

Robert E. Hosse  
Staff Director  
Legislative Fiscal Office

**NOTICE OF INTENT**

**Department of Revenue  
Policy Services Division**

Sales Tax Refund for  
Tangible Personal Property  
Destroyed in a Natural Disaster (LAC 61:I.4371)

Under the authority of R.S. 47:315.1 and R.S. 47:1511 and in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the Department of Revenue, Policy Services Division, proposes to amend LAC 61:I.4371, to clarify the types of property destroyed in natural disasters, the sales tax paid on which will be eligible for refund under R.S. 47:315.1.

Revised Statute 47:315.1 provides that refunds are available of the state sales taxes paid on destroyed property "used in or about a person's home, apartment, or homestead." This proposed amendment deletes language that states that refunds are available on vehicles, boats, and boat trailers that are acquired and intended for use away from the home, apartment, or homestead, and adds language that provides specifically that refunds will not be made of the taxes paid on such property.

**Title 61  
REVENUE AND TAXATION**

**Part I. Taxes Collected and Administered by the  
Secretary of Revenue**

**Chapter 43. Sales and Use Tax**

**§4371. Sales Tax Refund for Tangible Personal Property  
Destroyed in a Natural Disaster**

A. Under certain circumstances, a refund is allowed for state sales or use tax paid on tangible personal property that has been destroyed in a natural disaster. The conditions and requirements are as follows.

1. The property destroyed must be classified as tangible personal property at the time of destruction rather than being classified as real or immovable property. For purposes of determination of the classification of such property, reference and guidance shall be to the rules of the Louisiana Civil Code. In Louisiana, property is classified as either movable or immovable rather than as personal or real. Under Louisiana law a corporeal movable is equivalent to tangible personal property at common law, and an immovable is equivalent to real property. Generally speaking a house or a building and all central heating or cooling systems, lighting fixtures, lavatories, etc., that are actually connected with or attached to the house or building by the owner are immovable by their nature. Such items as clothing, drugs, food, recreation equipment, appliances not permanently attached to a house or building where the removal thereof would not damage the movable or immovable, etc., would be classified as tangible personal property or movable property, and the sales tax paid on these

items would be eligible to be refunded. Automobiles, trucks, motorcycles, boats, boat trailers, and other vehicles will not be considered tangible personal property used in or about a person's home, apartment, or homestead and the sales tax paid on these items would be eligible to be refunded. Automobiles, trucks, motorcycles, boats, boat trailers, and other vehicles will not be considered tangible personal property used in or about a person's home, apartment, or homestead. The sales tax paid on these items is not eligible to be refunded under this statute.

2. Such property destroyed must be a part of and used in or about a person's home, apartment or homestead, on which Louisiana sales tax has been paid by the owner of the property destroyed in an area subsequently determined by the president of the United States to warrant assistance by the federal government. Therefore, it is necessary that individuals suffer the loss, since R.S. 47:315.1 does not apply to partnerships or corporations. Further, it does not apply to business losses, even by individuals, since the law limits the losses to property that is part of and used in or about a person's home, apartment or homestead. Also, the area where the natural disaster occurred must be designated as an area warranting assistance by the federal government in order to qualify under this Section.

3. The claimant suffering the loss of the tangible personal property must be the owner of such property that purchased and paid the Louisiana sales tax on such property. Any refund claim filed shall be made in accordance with the rules and regulations prescribed by the secretary. Accordingly, any refund claim shall be filed on or before the end of the third calendar year following the year in which the property was destroyed, and the refund claim shall be limited to the tax paid on such tangible personal property destroyed for which no reimbursement was received by insurance or otherwise.

4. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 47:315.1.

HISTORICAL NOTE: Promulgated by the Department of Revenue and Taxation, LR 13:107 (February 1987), amended by the Department of Revenue, Policy Services Division, LR 31:99 (January 2005), LR 32:

#### **Family Impact Statement**

As required by Act 1183 of the 1999 Regular Session of the Louisiana Legislature the following Family Impact Statement is submitted to be published with the Notice of Intent in the Louisiana Register. A copy of this statement will also be provided to our legislative oversight committees.

1. The Effect on the Stability of the Family. Implementation of these proposed amendments will have no effect on the stability of the family.

2. The Effect on the Authority and Rights of Parents Regarding the Education and Supervision of Their Children. Implementation of these proposed amendments will have no effect on the authority and rights of parents regarding the education and supervision of their children.

3. The Effect on the Functioning of the Family. Implementation of these proposed amendments will have no effect on the functioning of the family.

4. The Effect on Family Earnings and Family Budget. Implementation of these proposed amendments will have no effect on family earnings and family budget.

5. The Effect on the Behavior and Personal Responsibility of Children. Implementation of these proposed amendments will have no effect on the behavior and personal responsibility of children.

6. The Ability of the Family or a Local Government to Perform the Function as Contained in the Proposed Rule. Implementation of these proposed amendments will have no effect on the ability of the family or a local government to perform this function.

Interested persons may submit data, views, or arguments, in writing to Raymond E. Tangney, Senior Policy Consultant, Policy Services Division, P.O. Box 44098, Baton Rouge, LA 70804-4098 or by fax to (225) 219-2759. All comments must be submitted by 4:30 p.m., Tuesday, December 27, 2005. A public hearing will be held on Thursday, December 29, 2005, at 2 p.m. at the Department of Revenue Headquarters Building, 617 North Third Street, Baton Rouge, LA.

Raymond E. Tangney  
Senior Policy Consultant

#### **FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES**

##### **RULE TITLE: Sales Tax Refund for Tangible Personal Property Destroyed in a Natural Disaster**

#### **I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)**

R.S. 47:315.1 provides that refunds are available for the state sales taxes paid on property used in or about a person's home, apartment, or homestead that was destroyed in a natural disaster for which no reimbursement was received by insurance or otherwise.

The existing rule provides examples of movable property eligible for the sales tax refund that includes automobiles and boats. The proposed amendments delete automobiles and boats from the list of examples and add language to clarify that items such as automobiles and boats are intended for use away from the home and are not eligible for the refund of taxes paid on the items.

Implementation of these amendments will have no effect on state or local governmental unit costs.

#### **II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)**

Disqualifying automobiles and boats from the sales tax refund will result in a revenue savings based on the number of uninsured automobiles and boats destroyed by a natural disaster, the amount of sales tax paid on the destroyed property, and whether or not the owners file a refund claim within the three-year prescriptive period.

There should be no effect on the revenue collections of local governmental units as a result of these proposed amendments.

#### **III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)**

Persons who have uninsured automobile and boat losses as a result of a natural disaster will not be eligible for the sales tax refund under these proposed amendments. The total costs to these persons will be based on the number of uninsured automobiles and boats destroyed, the amount of sales tax paid on the destroyed property, and whether or not the owners file a refund claim within the three-year prescriptive period.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT  
(Summary)

These proposed amendments will have no effect on competition or employment.

Cynthia Bridges  
Secretary  
0511#086

Robert E. Hosse  
Staff Director  
Legislative Fiscal Office

**NOTICE OF INTENT**

**Department of Revenue  
Office of Charitable Gaming**

Casino Nights  
(LAC 42:I.2301-2339)

Under authority of R.S. 4:707 and 729 and R.S. 47:1511 and in accordance with provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the Department of Revenue, Office of Charitable Gaming, proposes to amend LAC 42:I.2301-2339 to remove antiquated references and clarify the Office of Charitable Gaming's requirements for casino nights conducted by charitable organizations.

**Title 42**

**LOUISIANA GAMING**

**Part I. Charitable Bingo, Keno, Raffle**

**Subpart 2. Electronic Video Bingo**

**Chapter 23. Casino Nights**

**§2301. Definitions**

A. For the purposes of this Chapter the following definitions shall apply.

*Cash*—all coins, currency, and legal tender of the United States and foreign governments including gold, silver, or other negotiable instruments such as cashiers checks, certified checks, money orders, stocks, bonds, or negotiable securities.

*Certain Related Offenses*—an offense against local, state, federal, or other country's laws as follows:

- a. any felony offense;
- b. any offense directly or indirectly related to gambling or gaming laws; or
- c. any misdemeanor offense for the following:
  - i. theft or related offense;
  - ii. attempted theft or related offense;
  - iii. issuing worthless checks;
  - iv. illegal possession of stolen things, or
  - v. false swearing or related offense.

*Law*—the Charitable Raffle, Bingo and Keno Licensing Law, R.S. 4:701 et seq.

*Private Casino Contractor*—any person or other entity licensed pursuant to the provisions of R.S. 4:701 et seq. as a distributor of gaming supplies or equipment who is engaged directly or indirectly in the business of providing equipment, supplies, and/or services for the conducting of charitable casino nights for licensed charitable organizations.

*Reasonable Market Rental Rate*—that rate at which similar facilities or equipment available for similar purposes in the community may be leased or rented.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:707 and 729.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, LR 18:283

(March 1992), amended by the Department of Revenue, Office of Charitable Gaming, LR 32:

**§2303. Compliance**

A. Any person, corporation or other legal entity desiring to act as a private casino contractor in this state must:

1. comply with all criteria set forth in R.S. 4:701 et seq. and the administrative provisions of Title 42 of the Louisiana Administrative Code, Part I, Charitable Bingo, Keno, Raffle, and all other applicable provisions of federal, state and local laws;

2. be issued and maintain all applicable federal, state, parish and municipal licenses; and

3. qualify for and possess a current valid license to distribute gaming supplies issued by the office pursuant to the provisions of R.S. 4:701 et seq.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:707 and 729.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, LR 18:284 (March 1992), amended by the Department of Revenue, Office of Charitable Gaming, LR 32:

**§2305. Commencement of Activity**

A. No person, corporation, or other legal entity shall act as a private casino contractor until the effective date of any license that is granted by the office

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:707 and 729.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, LR 18:284 (March 1992), amended by the Department of Revenue, Office of Charitable Gaming, LR 32:

**§2307. License Required for Leasing Equipment**

A. No person, corporation, or other legal entity except a licensed private casino contractor may lease casino night equipment to any person or organization for use during a casino night.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:707 and 729.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, LR 18:284 (March 1992), amended by the Department of Revenue, Office of Charitable Gaming, LR 32:

**§2309. Information Required; Unsuitability**

A. In conjunction with its application, the private casino contractor must furnish to the office for approval the following information for each of his employees or independent contractors to be used to work or assist during a casino night during the licensing year:

1. full name;
2. date of birth;
3. Social Security number; and
4. current physical address.

B. Any significant change in the information submitted on its application for licensure shall be filed by a licensee with the office within 10 days of the change. Names of additional workers and employees not provided in the application must be provided to the office no later than two business days prior to the event. Any change in the officers, directors, managers, proprietors, or persons having a direct or indirect financial interest in any licensed organization or entity is considered to be a significant change that must be reported.

C. The office may declare unsuitable and restrict from participation in charitable gaming any person assisting in the holding, operation, or conduct of casino nights who:

1. has been convicted of certain related offenses within the last five years or who presently has such a charge pending in any state or federal court;
2. has ever been convicted of a gambling-related offense in any state or federal court;
3. is or has ever been a professional gambler;
4. is in consideration of any of the factors enumerated in R.S. 4:705(11) determined unsuitable.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:707 and 729.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, LR 18:284 (March 1992), amended by the Department of Revenue, Office of Charitable Gaming, LR 32:

### **§2311. Leasing Equipment from Licensed Private Casino Contractors**

A. No organization may lease casino night equipment for use during a casino night from anyone other than a licensed private casino contractor.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:707 and 729.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, LR 18:284 (March 1992), amended by the Department of Revenue, Office of Charitable Gaming, LR 32:

### **§2313. Specific License Required**

A. No person, corporation, or organization may conduct a casino night without a charitable gaming license issued by the office specifically authorizing the casino night at the specific date and times. The license must be conspicuously displayed at the premises where the event is conducted at all times during the activity.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:707 and 729.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, LR 18:284 (March 1992), amended by the Department of Revenue, Office of Charitable Gaming, LR 32:

### **§2315. Organization Compliance**

A. Any person, corporation, or organization desiring to conduct casino nights must:

1. comply with and meet all criteria as set forth in R.S. 4:701 et seq. and the administrative provisions of Part I of Title 42 of the Louisiana Administrative Code and comply with all other applicable provisions of federal, state, and local laws;
2. be issued and maintain all applicable federal, state, parish, and municipal licenses; and
3. qualify for and possess a valid license to conduct charitable games of chance issued by the Office pursuant to the provisions of R.S. 4:701 et seq.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:707 and 729.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, LR 18:285 (March 1992), amended by the Department of Revenue, Office of Charitable Gaming, LR 32:

### **§2317. Contracts**

A. Each organization leasing casino night equipment or utilizing private casino contractor labor or services must submit to the office a copy of the contract for the equipment,

labor and/or services no later than seven days prior to the scheduled event. The casino night contract must include the following:

1. name of licensed charitable organization;
2. name and address of distributor or private casino contractor company;
3. date, times, and location of event;
4. detailed list of games to be conducted;
5. description of gaming equipment including number of gaming tables to be supplied;
6. rental price of each gaming table and any other rental terms and conditions;
7. number of dealers or other workers to be supplied;
8. proposed charges for labor and services;
9. signature of organization official; and
10. signature of private casino contractor.

B. Any changes in the information contained in Subsection A that occur within seven days of the event must be provided to the office in writing within 10 days after the event.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:707 and 729.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, LR 18:285 (March 1992), amended by the Department of Revenue, Office of Charitable Gaming, LR 32:

### **§2319. Additional Consideration Prohibited**

A. No organization may pay any consideration, other cost, or service charge, directly or indirectly, more than the agreed rental price for the rental of casino night equipment and/or for private casino contractor labor or services.

B. No lease providing for a rental arrangement for premises, equipment, labor, or services in conjunction with a casino night may provide for payment in excess of the reasonable market rental rate for the premises, equipment, labor, or services. Any charges for premises, equipment, labor, or services in excess of the reasonable market rental rate will be waived or reimbursed within 10 days of the determination by the office.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:707 and 729.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, LR 18:285 (March 1992), amended by the Department of Revenue, Office of Charitable Gaming, LR 32:

### **§2321. Percentage Payments Prohibited; Use Fees**

A. No organization may pay a percentage of the receipts or net profits from the casino night for the rental of casino night equipment or for private casino contractor labor or services.

B. Use fees must be based on rental, lease, or sale of equipment or charitable gaming supplies excluding any charge for labor or services.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:707 and 729.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, LR 18:285 (March 1992), amended by the Department of Revenue, Office of Charitable Gaming, LR 32:

### **§2323. Name Tags**

A. Each organization member, organization worker, or private casino contract worker assisting in the conduct of a casino night must wear a printed or typed name tag clearly

visible by the participants. The printing on the tag must include the following:

1. the name of the person; and
2. the name of the private casino contractor's company for whom the person is working, if applicable; or
3. the name of the organization of which the person is a member, if applicable.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:707 and 729.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, LR 18:285 (March 1992), amended by the Department of Revenue, Office of Charitable Gaming, LR 32:

### §2325. Authorized Games

A. During a casino night, an organization or private casino contractor may conduct only the following authorized games of chance:

1. blackjack;
2. roulette;
3. any dice game where the player competes against the house;
4. money wheel;
5. baccarat;
6. poker; and
7. bourrée.

B. Nothing will prohibit an organization from also conducting, during a licensed scheduled casino night, the games of chance authorized by R.S. 4:707(A), when the games are conducted in accordance with the Law. The authorized games of chance listed in this Subsection A may not be conducted utilizing any electromechanical device or other mechanism employing cathode ray tubes, video display screens, or microprocessors.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:707 and 729.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, LR 18:285 (March 1992), amended by the Department of Revenue, Office of Charitable Gaming, LR 32:

### §2327. Wagering on Authorized Games Only

A. A wager may not be placed on any contest other than an authorized game of chance being conducted at the designated time and location.

B. Side bets shall not be permitted.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:707 and 729.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, LR 18:286 (March 1992), amended by the Department of Revenue, Office of Charitable Gaming, LR 32:

### §2329. Display of Rules

A. The private casino contractor or the organization conducting the casino night must notify players of the rules governing each game by posted rules with letters a minimum of 1/2 inch high or by a legibly printed program provided to all participants.

B. A copy of the rules must be submitted to the office no less than 10 business days prior to the start of the activity. The office may, at its own discretion, require rule changes based on fairness to players and/or organization.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:707 and 729.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, LR 18:286

(March 1992), amended by the Department of Revenue, Office of Charitable Gaming, LR 32:

### §2331. Miscellaneous Provisions

A. In all dice games, the size of each die shall be a minimum of 3/4 inch.

B. Equipment used in the conduct of a casino night must be maintained in good repair and proper working condition.

C. The utilization of equipment and method of play must be such that each participant is afforded an equal chance of winning.

D. Each game must be conducted by a dealer present at the gaming table. In a family style game, a dealer must be designated for each game.

E. No organization worker or contract worker may accept tips, either with real or imitation money, from the participants. However, organization workers may receive donations for the organization.

F. No organization worker or contract worker may conduct the game when the worker's immediate family member is a participant at the worker's table.

G. No person under 21 years of age will be permitted to participate in gaming at the casino night. No person under 18 years of age shall be permitted to assist in the conduct of the casino night.

H. No private casino contract worker or organization worker will be eligible to win prizes or bid on prizes in the event an auction is conducted.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:707 and 729.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, LR 18:286 (March 1992), amended by the Department of Revenue, Office of Charitable Gaming, LR 32:

### §2333. Tickets; Recordkeeping Requirements

A. The organization conducting a casino night must require tickets for admission to the event. No ticket may be sold for less than the price printed on it.

B. Nothing will prohibit an organization from printing separate, complimentary invitations or tickets for dignitaries or selected persons. However, the organization must maintain a list of every person who is admitted free of charge. The list will be considered part of the session records and be retained for three years.

C. Each admission ticket sold for admission to a casino night must be preprinted and prenumbered in consecutive order. Each admission ticket must include the following:

1. organization name;
2. organization license number;
3. date, time, and location of event; and
4. ticket price.

D. Admission tickets may be sold only by bona fide members of the organization licensed to conduct the casino night or bona fide members of another licensed organization. No tickets may be sold by the private casino contractor, or the contractor's agents or employees regardless of whether the person is a member of a licensed charitable organization.

E.1. The organization must maintain a log including the following:

- a. name of each worker issued tickets;
- b. name of organization to which each worker belongs if the worker is not a bona fide member of the organization licensed to conduct the casino night;

c. serial numbers of tickets issued, sold, and returned by each worker;

d. amount of money submitted by each worker for advance ticket sales.

2. The log and all unsold tickets will be considered part of the session records and must be retained for three years.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:707 and 729.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, LR 18:286 (March 1992), amended by the Department of Revenue, Office of Charitable Gaming, LR 32:

### **§2335. Accountability**

A. Imitation money sales must be fully and accurately documented.

B. Each organization must ensure strict accountability for the handling of cash and imitation money by all participating members.

C. The accounting system must provide a sound audit trail and allow for the systematic accumulation of data for the organization's quarterly financial report to be submitted to the office.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:707 and 729.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, LR 18:286 (March 1992), amended by the Department of Revenue, Office of Charitable Gaming, LR 32:

### **§2337. Imitation Money**

A. Upon admission, each participant will be given the same amounts in value of imitation money.

B. No cash may be wagered or paid as winnings during a casino night.

C. Imitation money must be sold only by organization workers on the floor or at selected sales areas. Imitation money may not be sold at an individual gaming table.

D. Imitation money will have no actual cash value and must be unique to the organization or private casino contractor.

E. If redeemed, the imitation money must be bid on merchandise prizes in an auction that must be completed no later than two hours after the conclusion of the authorized games of chance. Cash prizes may not be awarded.

F. In lieu of an auction, the organization may designate prizes to be awarded to top winners prior to the start of the gaming activity. Cash prizes may not be awarded.

G. After the original issue of imitation money, no person may provide imitation money to any participant except for the original issue price.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:707 and 729.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, LR 18:286 (March 1992), amended by the Department of Revenue, Office of Charitable Gaming, LR 32:

### **§2339. Register of Workers**

A. The charitable organization and/or the private casino contractor conducting a casino night must prepare and maintain a register of workers including the following information:

1. name;
2. current residential address;

3. date of birth;

4. job description; and

5. name of organization or private casino contractor.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:707 and 729.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of State Police, LR 18:287 (March 1992), amended by the Department of Revenue, Office of Charitable Gaming, LR 32:

### **Family Impact Statement**

As required by Act 1183 of the 1999 Regular Session of the Louisiana Legislature the following Family Impact Statement is submitted to be published with the Notice of Intent in the Louisiana Register. A copy of this statement will also be provided to our legislative oversight committees.

1. The Effect on the Stability of the Family. Implementation of this proposed Rule will have no impact on family stability.

2. The Effect on the Authority and Rights of Parents Regarding the Education and Supervision of Their Children. Implementation of this proposed Rule will have no effect on the authority and rights of parents regarding the education and supervision of their children.

3. The Effect on the Functioning of the Family. Implementation of this proposed Rule will have no effect on the functioning of the family.

4. The Effect on Family Earnings and Family Budget. Implementation of this proposed Rule will have no effect on family earnings and family budget.

5. The Effect on the Behavior and Personal Responsibility of Children. Implementation of this proposed Rule will have no effect on the behavior and personal responsibility of children.

6. The Ability of the Family or a Local Government to Perform the Function as Contained in the Proposed Rule. Implementation of this proposed Rule will have no effect on the ability of the family or a local government to perform this function.

Interested persons may submit data, views, or arguments, in writing to Michael Legendre, Director, Office of Charitable Gaming, Department of Revenue, P.O. Box 98502, Baton Rouge, LA 70884-9502 or by fax to (225) 925-7069. All comments must be submitted by 4:30 p.m., Wednesday, January 4, 2006. A public hearing will be held on Thursday, January 5, 2006, at 6 p.m. in the auditorium located at 8549 United Plaza Blvd., Baton Rouge, LA 70809.

Michael E. Legendre  
Director

### **FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES**

#### **RULE TITLE: Casino Nights**

#### **I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)**

These proposed amendments remove antiquated references and clarify the Office of Charitable Gaming's requirements for casino nights conducted by charitable organizations including Las Vegas Nights and Poker Tournaments such as Texas Holdem Tournaments. Implementation of this proposed rule will have minimal impact on the agency's costs.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

These proposed amendments will have no effect on the Office of Charitable Gaming's revenue collections or those of local governmental units.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

These proposed amendments will have no impact on the costs or economic benefits of organizations that offer charitable gaming activities.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

These proposed amendments will have no effect on competition or employment.

Michael E. Legendre  
Director  
0511#041

Robert E. Hosse  
Staff Director  
Legislative Fiscal Office

**NOTICE OF INTENT**

**Department of Revenue  
Office of Charitable Gaming**

**Electronic Bingo Card Dabber Devices  
(LAC 42:I.2101-2111)**

Under authority of R.S. 4:703 and 739 and 47:1511 and in accordance with provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the Department of Revenue, Office of Charitable Gaming, is proposing to adopt LAC 42:I.2101-2111, to provide for the regulation of the use of electronic bingo card dabber devices and systems.

This proposed Rule provides for the use of electronic bingo card dabber devices and systems by charitable organizations without the need to purchase bingo paper.

**Title 42**

**LOUISIANA GAMING**

**Part I. Charitable Bingo, Keno, Raffle**

**Subpart 2. Electronic Video Bingo**

**Chapter 21. Electronic Bingo Card Dabber Devices**

**§2101. Definitions**

A. As used throughout this Chapter, the following definitions apply.

*Applicant*—any person who has applied for registration as a manufacturer, distributor, or supplier for electronic bingo card dabber devices.

*Distributor*—a person or business entity that owns and/or leases electronic bingo card dabber devices to a charitable organization.

*EBCDD*—electronic bingo card dabber device.

*Electronic Bingo Card Dabber Device System (EBCDD system)*—any electronic or computerized device and related hardware and software that is interfaced with or connected to equipment used in connection with EBCDD to conduct a game of bingo.

a. May include secondary components provided by the manufacturer that are part of or are connected to EBCDD that does not affect the conduct of the game of bingo.

b. EBCDD systems may include, but are not limited to, computer screen backgrounds, battery charge up, software routines, modems, monitors, keyboards, pointer devices, mice, printers, printer software drivers, radio

frequency (RF) software and hardware, TV tuners, and charging racks.

*Law*—the Charitable Raffle, Bingo and Keno Licensing Law, R.S. 4:701 et seq.

*Lease Agreement*—the lease agreement between the holder of a bingo license and the distributor of electronic bingo dabber devices or the agreement between the distributor of electronic bingo card dabber devices and the manufacturer.

*Office*—The Office of Charitable Gaming under the Louisiana Department of Revenue.

*Person*—an individual, partnership, joint venture, or corporation doing business in this state.

**AUTHORITY NOTE:** Promulgated in accordance with R.S. 4:703 and 739.

**HISTORICAL NOTE:** Promulgated by the Department of Revenue, Office of Charitable Gaming, LR 32:

**§2103. Registration of Manufacturers, Distributors or Owners of Electronic Bingo Card Dabber Devices**

A. Any person desiring to own, sell, or distribute electronic bingo card dabber devices in this state must comply with the following:

1. be issued and maintain all required federal, state, parish, and municipal licenses;
2. apply to the office and pay the required licensing fee as prescribed in R.S. 4:705(2);
3. apply to the office 90 days prior to June 30 for a renewal of registration and pay the nonrefundable renewal fee as prescribed in R.S. 4:705(2);
4. furnish to the office quarterly reports identifying the quantities, models, manufacturers, owners, and distributors of machines, and any other information the office determines necessary; and
5. meet the suitability and business relationship criteria of R.S. 4:718.

B. No manufacturer or distributor except one that is a licensed charity may be registered to hold a permit or be directly involved with the operating or the assisting in the operation of any other game of chance permitted under the Act. In addition, no manufacturer or distributor may be involved in directly or indirectly in leasing or renting any premises or equipment for such game or in the providing of any other incidental goods or service in connection with such game or games.

C. No manufacturer or distributor may ship electronic video machines into this state until an application for registration is granted by the office.

D. Registration may be suspended or revoked by the office upon determination, after notice and opportunity for hearing, that the registrant has not complied with the conditions of registration.

**AUTHORITY NOTE:** Promulgated in accordance with R.S. 4:726 and 739.

**HISTORICAL NOTE:** Promulgated by the Department of Revenue, Office of Charitable Gaming, LR 32:

**§2105. Electronic Bingo Card Dabber Device Approval Process**

A. Eligibility. Electronic bingo card dabber devices and systems will only be allowed under the following criteria:

1. a charitable organization doing business in those parishes or incorporated municipalities where an ordinance has been adopted allowing charitable games of chance; or

2. a manufacturer or distributor of electronic bingo card dabber devices that is registered under the Law and leases or rents the machines only to charitable organizations in parishes or incorporated municipalities where an ordinance has been adopted allowing charitable games of chance.

#### B. Application

1. Upon approval of the manufacturer's application by written notice from the office, the manufacturer will be allowed to submit electronic bingo card dabber devices (EBCDD) and EBCDD systems for certification to an independent testing laboratory approved by the office.

2. The manufacturer must agree to pay all cost associated with the testing by the independent testing laboratory, which will use established uniform testing criteria.

3. Prior to the shipment of EBCDD devices or EBCDD systems into the state, manufacturers must receive final written approval from the office.

C. EBCDD Specifications. Each EBCDD must include the following specifications:

1. a model number and unique identification number designated by the manufacturer;

2. be programmed to automatically erase all electronic bingo cards and/or bingo card face numbers that were stored in the device upon turning off the device after the last bingo game of each session or by some secondary timing or clearing method;

3. offer for play only the game commonly known as bingo. EBCDD may not allow the play or simulate the play of video poker, keno, blackjack, slots, or similar games.

D. EBCDD System Specifications. Each EBCDD System must include the following specifications.

1. a self-contained receipting function for electronic bingo cards and be able to print out a copy of the receipt for each sale or void of an EBCDD. The receipt must be given to the player and must include the following information:

- a. EBCDD model and unique identification number;
- b. the date and time of the transaction;
- c. the session in which the product was used;
- d. the quantity of electronic bingo cards purchased or loaded;
- e. the total dollar amount of the transaction; and
- f. the sequential and consecutive transaction number.

2. not be able to engage in any type of sale, void, alteration, or reload transactions unless the EBCDD is connected or interfaced with and communicating with the site system;

3. include a point of sale station and an internal accounting system that is capable of recording each sale of EBCDD;

4. be able to provide the winning numbers and game patterns required for the entire bingo session on a hard copy printout. The printout must be available upon demand by the office at the bingo session;

5. electronically verify that the numbers appearing on a potential winning electronic bingo card is a valid bingo and that the bingo card was purchased during the current session;

6. ensure that an EBCDD does not allow for play any bingo card faces other than those verifiably purchased by the player;

7. ensure that system has the capability to produce a summary report, on a hard copy transaction log, after each session that includes the following information:

- a. name and state license number of organization;
- b. date and time of report;
- c. number of EBCDDs loaded;
- d. number and description of electronic bingo faces loaded into the EBCDDs;
- e. voided transactions; and
- f. total sales;

8. must include software that ensures the internal accounting system is capable of recording and retaining for each session the following information:

- a. the unique serial number of each bingo card sold for EBCDD use;
- b. the sale price of each card or card package for use with an EBCDD;
- c. the total amount of EBCDD sales;
- d. the total number of card faces sold for use with EBCDDs;
- e. the model and unique identification number associated with each EBCDD sold;
- f. all the above information must be secured and shall not be accessible for alteration during a session; and
- g. must have the capability to print all required information on the system's active or archived databases for a period not less than 12 months;

9. may have dial-up capability, so that the office has the ability to remotely verify operation, compliance, and internal accounting systems;

10. may include a player tracking computer software that is used to identify or track certain characteristics of bingo players, including but not limited to, personal data and purchasing habits of players at a particular location.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:739.

HISTORICAL NOTE: Promulgated by the Department of Revenue, Office of Charitable Gaming, LR 32:

### **§2107. Equipment Malfunctions and Inspections**

A. Any malfunction or problems with an EBCDD or EBCDD system that could affect the security or integrity of the bingo game, the bingo card monitoring devices, or other bingo systems, must be logged and the office must be notified of the malfunction as soon as possible.

B. The office's authorized representatives may examine and inspect any individual EBCDD or EBCDD system. Examination and inspection includes immediate access to the EBCDD and unlimited inspection of all secondary parts of the EBCDD system.

AUTHORITY NOTE: Promulgated in accordance with R.S. 739.

HISTORICAL NOTE: Promulgated by the Department of Revenue, Office of Charitable Gaming, LR 32:

### **§2109. Reporting and Record Requirements**

#### A. Reporting Requirements—Manufacturers

1. Each manufacturer selling, leasing, or otherwise furnishing EBCDD or EBCDD systems must maintain a log or other records, such as invoices, which includes the following information:

- a. the date of transaction;
- b. the model and unique identification number of each EBCDD and EBCDD system;
- c. the model and/or version number of all components of the EBCDD system;
- d. the name of the distributor to whom the EBCDD or EBCDD system was sold, leased, or otherwise furnished;
- e. the time period covered by the invoice;
- f. the quantity sold or leased; and
- g. the total invoice amount.

2. Each licensed manufacturer shall file with the office a quarterly report signed by an official of the manufacturer as described in §1707 on form prescribed and supplied by the office. The report must be postmarked, or if hand delivered, received in the office, no later than the last business day of the first month following the end of the quarter. Quarters are on a calendar year basis and end on March 31, June 30, September 30, and December 31. The report must include the following information:

- a. licensed distributor sold or leased to;
- b. number of units sold or leased;
- c. item description or model number;
- d. cost or lease amount per item; and
- e. total sale amount or leased amount.

3. In addition to any other civil or criminal penalties, manufacturers may be assessed a \$100 late penalty for each quarterly report or reports not submitted timely after notice and opportunity for a hearing held in accordance with the Administrative Procedure Act. Repeated violations are cause for denial, suspension, or revocation of license.

#### B. Reporting requirements—Distributors

1. Each Distributor selling, leasing, or otherwise furnishing EBCDD or EBCDD systems must maintain a log or other records, such as invoices, which includes the following information:

- a. the date of transaction;
- b. the model and unique identification number of each EBCDD and EBCDD system;
- c. the model and/or version number of all components of the EBCDD system;
- d. the name of the organization to which the EBCDD or EBCDD system was sold, leased, or otherwise furnished;
- e. the time period covered by the invoice;
- f. the quantity sold or leased; and
- g. the total invoice amount.

2. Each licensed distributor shall file with the office a monthly report signed by an official of the distributor as described in §1707 on form prescribed and supplied by the office. The office must receive the report, along with the user fees, no later than the midnight of the 15th of each following month. The report must include the following information:

- a. licensed organization sold or leased to;
- b. number of units sold or leased;
- c. item description or model number;
- d. cost or lease amount per item;
- f. total number of card faces sold for use by EBCDDs;
- g. total sale amount or leased amount; and
- h. total amount of use fees collected.

3. In addition to any other civil or criminal penalties, distributors may be assessed a \$100 late penalty for each monthly report or reports not submitted timely after notice and opportunity for a hearing held in accordance with the Administrative Procedure Act. Repeated violations are cause for denial, suspension, or revocation of license.

#### C. Reporting requirements—Organizations

1. Each Organizations leasing or otherwise utilizing EBCDD or EBCDD systems must maintain a log or other records, which includes the following information:

- a. the date of transaction;
- b. the model and unique identification number of each EBCDD and EBCDD system;
- c. the model and/or version number of all components of the EBCDD system;
- d. the name of the distributor(s) whom the EBCDD or EBCDD system were leased or otherwise furnished;
- f. the time period covered by the invoice;
- g. the quantity sold or leased; and
- h. the total invoice amount.

2. Each Organization must receive approval from the office for the selling price of paperless sales. Any configuration desiring to be sold by an organization must have prior approval from the office.

3. All paperless sales must be reported on the Organization quarterly report as gross proceeds from bingo.

4. A violation of the aforementioned provisions may result in a civil penalty and possible revocation of license in accordance with these rules.

AUTHORITY NOTE: Promulgated in accordance with R.S. 716 and 739.

HISTORICAL NOTE: Promulgated by the Department of Revenue, Office of Charitable Gaming, LR 32:

#### §2111. Enforcement

A. Applicant Suitability and Business Relationships. The office may deny an application or revoke, suspend, restrict, or limit a permit or approval of a electronic bingo card dabber device or system when it is determined that the applicant or a business relationship between an applicant and another person or business entity is unsuitable or endangers the health, safety, or welfare of the citizens of this state. In determining the suitability of an applicant or other persons or business entities in a business relationship, the office may consider the following factors relating to the person or business entity:

- 1. general character, including honesty and integrity;
- 2. financial security and stability, competency, and business experience in the capacity of the relationship;
- 3. records, if any, of violations that may affect the legal and proper operation of a machine including a violation affecting another permittee or applicant and any violation of the laws of this state, other states, and countries without limitations as to the nature of the violation;
- 4. refusal to provide access to records, information, equipment, or premises to the office or its authorized representatives when access is reasonably necessary to ensure or protect public health, safety, or welfare.

B. Approval of Electronic Bingo Card Dabber Devices or Systems

1. The office may conditionally approve and maintain a list of specific models of electronic bingo card dabber

devices (EBCDD) or EBCDD systems based on its finding that the machines conform to R.S. 4:739.

a. Final approval of each EBCDD and EBCDD system is required even if the device or system has been conditionally approved.

b. Conditional or final approval may be withdrawn by the office if it is found that a device or system does not conform to specifications and testing standards, including new or revised requirements.

2. The office may allow shipment of an EBCDD or EBCDD system for the purpose of providing conditional approval of that make or model provided the following conditions are met:

a. the office will not be responsible for any purchase, shipping, or handling charges;

b. all information required by this Section must accompany the EBCDD or EBCDD system; and

c. prior to shipment, the office has approved shipment of an EBCDD or EBCDD system for scheduled testing and approval.

3. If the specifications are changed such that previously approved machines do not comply, the office will allow a specified time for a permittee to bring an EBCDD or EBCDD system into compliance.

C. Machine Repair. To assure the integrity, security, and monitoring of EBCDD or EBCDD systems in service, a permitted EBCDD or EBCDD system or any portion thereof may not be substituted or replaced until the replacement EBCDD or EBCDD system has been permitted by the office.

D. Inspection and Seizure of EBCDD or EBCDD Systems

1. The office or its authorized representative has the right at all times to make an examination of any EBCDD or EBCDD system being used to play electronic bingo. The right of inspection includes immediate access to all EBCDD or EBCDD systems and unlimited inspection of all parts. The office or its authorized representative may immediately seize and remove any machine or device that violates the Law or this Section. Emergency seizure is subject to a hearing as described in R.S. 4:711.

2. Given reasonable cause, the office may remove an EBCDD or EBCDD system or any parts for laboratory testing and analysis. When parts are removed, the office may seal any EBCDD or EBCDD system left on the permittee's premises pending the investigation. Breaking or removal of the seal without approval, may subject the permittee to seizure of the entire EBCDD or EBCDD system and suspension or revocation of the permit.

E. Investigation of Permittee. The office may, upon its own motion, and will, upon receipt of a written verified complaint of any person, investigate the actions of any permittee and the operations of any EBCDD or EBCDD system. The investigation shall be undertaken for the purpose of gathering evidence and determining whether a violation of the Law, rules, or other statutes has occurred.

F. Civil Violations

1. When the office determines a permittee has violated the Law or these rules, the office may issue a civil violation to the permittee in an amount not less than \$250 nor more than \$1,000. Violations may be issued for each offense not in accord with these regulations. Each day of operation in violation constitutes a separate violation.

2. A violation may be issued for the following acts:

a. the operation or possession of an unapproved EBCDD or EBCDD system;

b. the failure to report and pay timely the fees assessed;

c. the falsification of application or reporting documents; or

d. the refusal to allow inspection of the EBCDD or EBCDD system.

G. Suspension and Revocation

1. The office may suspend any and all permits held by an alleged violator after opportunity for hearing when:

a. the office receives a certified copy or other credible evidence of a judgment or conviction of any permittee or the permittee's agent, servant, or employee for any violation of any criminal law or ordinance of the United States, the state of Louisiana, or any Louisiana parish or town relating to charitable gaming;

b. the office receives a certified copy of the record or other credible evidence of the forfeiture by any permittee or the permittee's agent or employee of bond to appear to answer charges of violating any law or ordinance relating to charitable gaming; or

c. the office, after investigation, has reasonable cause to believe that any permittee, or the permittee's agent or employee has violated the provisions of the Law or these rules and has been issued a violation or citation.

2. The office may suspend a permit or permits prior to the opportunity for hearing when the office, after investigation, has reasonable cause to believe continued operation of the permitted machine endangers public health, safety, and welfare. During the period of suspension, the permittee may not operate the EBCDD or EBCDD system.

AUTHORITY NOTE: Promulgated in accordance with R.S. 4:711 and 739.

HISTORICAL NOTE: Promulgated by the Department of Revenue, Office of Charitable Gaming, LR 32:

#### **Family Impact Statement**

As required by Act 1183 of the 1999 Regular Session of the Louisiana Legislature the following Family Impact Statement is submitted to be published with the notice of intent in the Louisiana Register. A copy of this statement will also be provided to our legislative oversight committees.

1. The Effect on the Stability of the Family. Implementation of this proposed Rule will have no impact on family stability.

2. The Effect on the Authority and Rights of Parents Regarding the Education and Supervision of their Children. Implementation of this proposed Rule will have no effect on the authority and rights of parents regarding the education and supervision of their children.

3. The Effect on the Functioning of the Family. Implementation of this proposed Rule will have no effect on the functioning of the family.

4. The Effect on Family Earnings and Family Budget. Implementation of this proposed Rule will have no effect on family earnings and family budget.

5. The Effect on the Behavior and Personal Responsibility of Children. Implementation of this proposed Rule will have no effect on the behavior and personal responsibility of children.

6. The Ability of the Family or a Local Government to Perform the Function as Contained in the Proposed Rule. Implementation of this proposed Rule will have no effect on the ability of the family or a local government to perform this function.

Interested persons may submit data, views, or arguments, in writing to Michael Legendre, Director, Office of Charitable Gaming, Department of Revenue, P.O. Box 98502, Baton Rouge, LA 70884-9502 or by fax to (225) 925-7069. All comments must be submitted by 4:30 p.m., Wednesday, January 4, 2006. A public hearing will be held on Thursday, January 5, 2006, at 6 p.m. in the auditorium located at 8549 United Plaza Blvd, Baton Rouge, LA 70809.

Michael E. Legendre  
Director

**FISCAL AND ECONOMIC IMPACT STATEMENT  
FOR ADMINISTRATIVE RULES**

**RULE TITLE: Electronic Bingo Card Dabber Devices**

**I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)**

This proposed rule provides for the use of electronic bingo card dabber devices by charitable organizations without the need to purchase bingo paper. Implementation of this proposed rule, which will require training personnel on new procedures and printing new forms, will have minimal impact on the agency's costs. Implementation of this proposed rule will have no effect on local government costs.

**II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)**

Implementation of this proposed rule may result in a minimal increase in the Office's self-generated revenues from the eight percent fee collected on the sale of the electronic bingo card dabber devices. However, this fee will be offset by a reduction in the five percent fee collected on gaming supplies including bingo paper purchases, because, under this proposed rule, the organization will have the option of using electronic bingo card dabber devices without bingo paper. Overall the impact on the Office's self generated revenues should be minimal because use of the paperless electronic bingo card dabber devices is optional and it is not known how many organizations will opt for the paperless electronic bingo card dabber devices.

This proposed rule will have no effect on the revenue collections of local governmental units.

**III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)**

This proposed rule would reduce the charitable organization's expenses by providing for the use of electronic bingo card dabber devices and paperless systems.

**IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)**

This proposed rule will have no effect on competition or employment.

Michael E. Legendre  
Director  
0511#040

Robert E. Hosse  
Staff Director  
Legislative Fiscal Office

**NOTICE OF INTENT**

**Department of Social Services  
Office of Family Support**

Truancy Assessment and Service Centers  
(LAC 67:III.5539)

In accordance with R.S.49:950 et seq., the Administrative Procedure Act, the Department of Social Services, Office of Family Support, proposes to adopt §5539, Truancy Assessment and Service Centers as a new TANF Initiative for the purpose of providing truancy intervention for at-risk school-aged children.

The agency has provided funding through Memoranda of Understanding and contracts, to several state agencies and other entities for implementation and administration of the TANF Initiative programs which provide services to families with minor children in order to meet one of the four TANF goals. In an effort to meet the TANF goal to prevent and reduce the incidence of out-of-wedlock births, the agency proposes to adopt this new TANF Initiative that will provide counseling to children and family members designed to assure regular school attendance and improved academic and behavioral outcomes.

This Rule was effected October 1, 2005, by a Declaration of Emergency published in the October issue of the *Louisiana Register*.

**Title 67**

**SOCIAL SERVICES**

**Part III. Family Support**

**Subpart 15. Temporary Assistance to Needy Families (TANF) Initiatives**

**Chapter 55. TANF Initiatives**

**§5539. Truancy Assessment and Service Centers**

A. Effective October 1, 2005, OFS shall enter into Memoranda of Understanding or contracts for Truancy Assessment and Service Centers designed to identify, assess, and intervene to ensure that children in kindergarten through sixth grade attend school regularly.

B. These services meet the TANF goal to prevent and reduce the incidence of out-of-wedlock births by providing counseling to children and family members designed to assure regular school attendance and improved academic and behavioral outcomes.

C. Eligibility for services is not limited to needy families.

D. Services are considered non-assistance by the agency.

AUTHORITY NOTE: Promulgated in accordance with 42 U.S.C. 601 et seq.; R.S. 46:231 and R.S. 36:474; Act 16, 2005 Reg. Session.

HISTORICAL NOTE: Promulgated by the Department of Social Services, Office of Family Support, LR 32:

**Family Impact Statement**

1. What effect will this Rule have on the stability of the family? The stability of the family will be unaffected by this Rule.

2. What effect will this Rule have on the authority and rights of persons regarding the education and supervision of

their children? The Rule will have no effect on the authority and rights of persons regarding the education and supervision of their children.

3. What effect will this Rule have on the functioning of the family? The Rule will have no effect on the functioning of the family.

4. What effect will this Rule have on family earnings and family budget? The Rule will have no effect on family earnings and budget.

5. What effect will this Rule have on the behavior and personal responsibility of children? This Rule could have a positive impact, as the main objective of the program is to ensure that children in kindergarten through sixth grade attend school regularly.

6. Is the family or local government able to perform the function as contained in this proposed Rule? No, this program is strictly an agency function.

All interested persons may submit written comments through December 22, 2005, to Adren O. Wilson, Assistant Secretary, Office of Family Support, and P.O. Box 94065, Baton Rouge, LA, 70804-9065.

A public hearing on the proposed Rule will be held on December 22, 2005, at the Department of Social Services, A.Z. Young Building, Second Floor Auditorium, 755 Third Street, Baton Rouge, LA, beginning at 9 a.m. All interested persons will be afforded an opportunity to submit data, views, or arguments, orally or in writing, at said hearing. Individuals with disabilities who require special services should contact the Bureau of Appeals at least seven working days in advance of the hearing. For assistance, call 225-342-4120 (Voice and TDD).

Ann S. Williamson  
Secretary

**FISCAL AND ECONOMIC IMPACT STATEMENT  
FOR ADMINISTRATIVE RULES  
RULE TITLE: Truancy Assessment  
and Service Centers**

**I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)**

The proposed rule will result in a \$700,000 increase in expenditures for fiscal year 05/06. In the current year, \$700,000 in TANF funds have been allocated for the implementation and administration of the Truancy Assessment and Service Centers Program which is being adopted to identify, assess, and intervene to ensure that children in kindergarten through sixth grade attend school regularly. The program is expected to serve approximately 2,650 children. The cost of publishing rulemaking is approximately \$544. The total estimated implementation cost is approximately \$700,544.

There are no savings to state or local governmental units.

**II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)**

Implementation of this rule will have no effect on state or local revenue collections.

**III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)**

There are no anticipated costs or economic benefits to any person or non-governmental groups as a result of this rule.

**IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)**

The proposed rule will have no impact on competition and employment.

Adren O. Wilson  
Assistant Secretary  
0511#073

H. Gordon Monk  
Legislative Fiscal Officer  
Legislative Fiscal Office

**NOTICE OF INTENT**

**Department of Treasury  
Board of Trustees of the Louisiana State  
Employees' Retirement System**

Actuarial Calculations  
(LAC 58.I.703, 1501, and 4301)

The Department of the Treasury, Board of Trustees of the Louisiana State Employees' Retirement System ("LASERS") proposes to amend LAC 58.I.703, LAC 58.I.1501 and adopt LAC 58.I.4301. The new Rule will set out the manner and cost to LASERS members for actuarial calculations made at the request of the member. This Rule complies with and are enabled by R.S. 11:424, 11:446 and 11:515. No preamble for these Rules is necessary.

**Title 58  
RETIREMENT**

**Part I. State Employees' Retirement**

**Chapter 7. Purchase of Military Service  
§703. Requirements for Application to Purchase  
Military Service**

A. In order to apply for purchase of the service, an active member shall:

1. make application to LASERS;
2. provide a copy of military form DD 214;
3. certify that he is not drawing a regular retirement benefit based on the military service calculated on the basis of age and service (This restriction does not apply to disability benefits based on 25 percent or less disability received as a result of military service); and
4. certify that he has not received credit for the service in any other public retirement system;
5. pay for the calculation of the actuarial calculation to determine the cost to purchase the service.

B. - E. ...  
AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515 and R.S. 11:153.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 32:

**Chapter 15. Purchases and Transfers of Service  
§1501. Purchases and Transfers of Service;  
Calculations; Costs**

A. The purchase of service on an actuarial basis and the transfer of service from other public retirement systems into LASERS requires an actuarial calculation by the system actuary.

B. The cost of this calculation shall be paid by the member requesting the calculation. Payment must be made before the request for the calculation will be forwarded to the actuary.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:424, 11:446 & 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 32:

**Chapter 43. Actuarial Calculations**

**§4301. Charges for Actuarial Calculations**

A. The system shall collect a fee of \$150 from those persons requesting certain actuarial calculations which must be obtained from the actuarial firm with whom LASERS contracts actuarial services. Except as otherwise provided in R.S. 11:446.E, the fee must be payable to LASERS and will be forwarded to the actuarial firm.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 32:

**Family Impact Statement**

The proposed amendments of LAC 58.I.703, LAC 58.I.1501 and adoption of LAC 58.I.4301 concern the payment by LASERS members for certain actuarial calculations made at the member's request. These regulations should not have any known or foreseeable impact on any family as defined by R.S. 49:972.D or on family formation, stability and autonomy. Specifically there should be no known or foreseeable effect on:

1. the stability of the family;
2. the authority and rights of parents regarding the education and supervision of their children;
3. the functioning of the family;
4. family earnings and family budget;
5. the behavior and personal responsibility of children;
6. the ability of the family or a local government to perform the function as contained in the proposed Rule.

Interested persons may submit written comments on the proposed changes until 4:30 p.m., December 26, 2005, to Steve Stark, Board of Trustees for the Louisiana State Employees' Retirement, P.O. Box 44213, Baton Rouge, LA 70804.

Robert L. Borden  
Executive Director

**FISCAL AND ECONOMIC IMPACT STATEMENT  
FOR ADMINISTRATIVE RULES**

**RULE TITLE: Actuarial Calculations**

**I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)**

No implementation costs to state or local governmental units are anticipated to result from the implementation of this rule.

**II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)**

No effect on revenue collections to state or local governmental units is expected to result from the implementation of this rule. The entire amount of actuarial fees collected by LASERS are forwarded to the actuary with whom the system has a contract.

**III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)**

Persons requesting actuarial calculations from LASERS will be affected. The current rules set a minimum fee of \$75 on initial calculations but allow charging larger fees. The second and succeeding are set at a cost less than \$75.00. The proposed rules will fix the fee at \$150. No impact on workload or paperwork to affected persons is anticipated to result from the proposed rules.

**IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)**

No effect on competition and employment is expected to result from the implementation of these rules.

Robert L. Borden  
Executive Director  
0511#085

Robert E. Hosse  
Staff Director  
Legislative Fiscal Office

**NOTICE OF INTENT**

**Department of Treasury  
Board of Trustees of the Louisiana State  
Employees' Retirement System**

**Certification of Continuing Eligibility  
(LAC 58.I.2511)**

Under the authority of R.S. 11:220, R.S. 11:515 and in accordance with R.S. 49:951 et seq., the Department of the Treasury, Board of Trustees of the Louisiana State Employees' Retirement System ("LASERS") advertises its intent to amend LAC 58.I.2511, which sets out the requirement that certain disability retirees obtain an annual attending physician's statement certifying their continued eligibility for disability retirement. No preamble for this Rule is necessary.

**Title 58  
RETIREMENT**

**Part I. Louisiana State Employees' Retirement  
Chapter 25. Procedures for Processing Disability  
Applications**

**§2511. Certification of Continuing Eligibility**

A. LASERS may require a disability retiree to complete an Annual Attending Physician Statement (AAPS) once each year during the first five years following the disability retirement and once in every three years thereafter until the retiree has reached the equivalent age of regular retirement unless the medical evidence shows conclusively that the disability retiree cannot recover from the disability. The AAPS needs to be returned within 10 business days of receipt by the disability retiree. Depending on the results of the AAPS LASERS may require a disability retiree to undergo a medical examination.

B. - D. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515 and R.S. 11:220.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 24:1959 (October 1998), LR 26:1490 (July 2000), LR 27:1581 (September 2001), LR 32:

### Family Impact Statement

The proposed amendment of LAC 58.I.2511 deals with the requirement that certain disability retirees obtain an annual attending physician's statement certifying their continued eligibility for disability retirement. This regulation should not have any known or foreseeable impact on any family as defined by R.S. 49:972.D or on family formation, stability and autonomy. Specifically there should be no known or foreseeable effect on:

1. the stability of the family;
2. the authority and rights of parents regarding the education and supervision of their children;
3. the functioning of the family;
4. family earnings and family budget;
5. the behavior and personal responsibility of children;
6. the ability of the family or a local government to perform the function as contained in the proposed Rules.

Interested persons may submit written comments on the proposed changes until 4:30 p.m., December 26, 2005, to Steve Stark, Board of Trustees for the Louisiana State Employees' Retirement, P.O. Box 44213, Baton Rouge, LA 70804.

Robert L. Borden  
Executive Director

### FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

#### RULE TITLE: Certification of Continuing Eligibility

- I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)  
No implementation costs to state or local governmental units are anticipated to result from the implementation of this rule.
- II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)  
No effect on revenue collections to state or local governmental units is expected to result from the implementation of this rule.
- III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)  
LASERS disability retirees who would otherwise be required by rule to obtain an annual statement from their attending physician certifying that they remain eligible for disability retirement will be affected. In instances where a waiver is implemented, such as times of natural disaster or emergency, these retirees would benefit by avoiding the expense of obtaining the certification.
- IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)  
No effect on competition and employment is expected to result from the implementation of these rules.

Robert L. Borden  
Executive Director  
0511#084

Robert E. Hosse  
Staff Director  
Legislative Fiscal Office

### NOTICE OF INTENT

#### Department of Treasury Teachers' Retirement System

Deferred Retirement Option Plan—Distributions Provided  
for by the Hurricane Katrina Tax Relief Act of 2005  
(LAC 58:III.510)

In accordance with R.S. 49:950 et seq., the Administrative Procedure Act, the Board of Trustees of the Teachers' Retirement System of Louisiana hereby advertises its intention to amend policies governing the withdrawal of funds from Deferred Retirement Option Plan (DROP) accounts in accordance with certain provisions of the United States Hurricane Katrina Tax Relief Act of 2005 and the corresponding revisions to the Internal Revenue Code (IRS Announcement 2005-70). This Act allows for distributions, from a public pension plan qualified under the provisions of the Internal Revenue Code, Section 401(a), to be made by retirees residing in the Hurricane Katrina Disaster Area. These distributions will be allowed through December 31, 2006 without penalty.

#### Title 58

#### RETIREMENT

#### Part III. Teachers' Retirement System of Louisiana Chapter 5. Deferred Retirement Option Plan §510. Distributions Provided for by the Hurricane Katrina Tax Relief Act of 2005

A. If a participant's principal residence was located in the Hurricane Katrina disaster area on August 28, 2005, as provided by said Act and they sustained an economic loss as a result of Hurricane Katrina, they may be able to withdraw funds from their DROP/ILSB account in addition to those normally allowed under §509. In order to receive an additional distribution, the participant must have retired prior to the special withdrawal request.

B. Hurricane Katrina distributions must be made between August 25, 2005 and December 31, 2006. Additional distributions are limited to \$100,000, and possibly less if the participant received Hurricane Katrina distributions from any other retirement accounts; however, no distribution is allowable greater than the participant's account balance. A qualified distribution is not subject to any penalty that would normally be imposed because of the participant's age, and the distribution is not subject to any mandatory federal income tax withholding.

C. Participants eligible to receive funds under this provision must complete a notarized Hurricane Katrina Affidavit attesting to their eligibility.

D. If the participant is married, consent of the participant's spouse is required to receive a Hurricane Katrina distribution.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:786-791 and the U. S. Hurricane Katrina Tax Relief Act of 2005.

HISTORICAL NOTE: Promulgated by the Department of the Treasury, Board of Trustees of the Teachers' Retirement System, LR 32:

### Family Impact Statement

The proposed amendment of LAC 58.III.510 concerns the amending of policies governing the withdrawal of funds from Deferred Retirement Option Plan (DROP) accounts in accordance with certain provisions of the United States Hurricane Katrina Tax Relief Act of 2005 and corresponding revision to the Internal Revenue Code (IRS Announcement 2005-70). This regulation should not have any known or foreseeable impact on any family as defined by R.S. 49:972.D or on family formation, stability and autonomy. Specifically there should be no known or foreseeable effect on:

1. the stability of the family;
2. the authority and rights of parents regarding the education and supervision of their children;
3. the functioning of the family;
4. family earnings and family budget;
5. the behavior and personal responsibility of children;
6. the ability of the family or a local government to perform the function as contained in the proposed Rules.

Interested persons may comment on the proposed Rule in writing by January 27, 2006, to Dana L. Vicknair, Assistant Director, Teachers' Retirement System of Louisiana, P.O. Box 94123, Baton Rouge, LA 70804-9123.

Maureen H. Westgard  
Director

### FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

#### RULE TITLE: **Deferred Retirement Option Plan—Distributions Provided for by the Hurricane Katrina Tax Relief Act of 2005**

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

There are no implementation costs to state or local government units. This amended rule allows Deferred Retirement Option Plan (DROP) retirees to withdraw part of their DROP account in addition to the available options currently available with no early withdrawal penalty and to defer federal income taxes for up to 3 years as provided for under the United States Hurricane Katrina Tax Relief Act of 2005.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There is no effect on revenue collection of state or local government units. No revenue is currently being collected.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

No change is being made to the method by which DROP account balances and interest payments are being calculated. The withdrawal schedule is being made more flexible in accordance with the United States Hurricane Katrina Tax Relief Act of 2005.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There will be no effect on competition or employment because no changes are being made in the compensation or fringe benefits being paid to DROP participants/retirees.

Maureen H. Westgard  
Director  
0511#042

Robert E. Hosse  
Staff Director  
Legislative Fiscal Office