

## CONTENTS

### I. EMERGENCY RULES

Education Department:	
Board of Elementary and Secondary Education — Bulletin 1525; Noncertified Personnel; Word change .....	283
Educational Employees Professional Improvement Program .....	283
Health and Human Resources Department:	
Office of Health Services and Environmental Quality — Oyster closure .....	283 ✓

### II. RULES

Agriculture Department:	
Seed Commission — Itchgrass prohibited .....	285
Commerce Department:	
Office of Financial Institutions — Adjustable-rate mortgages .....	285
Education Department:	
Board of Elementary and Secondary Education — Bulletin 1134; High School credit; Procedure Manual; Bulletin 741 .....	287
Board of Trustees for State Colleges and Universities — Policy and procedures manual .....	288
Search committee .....	288
Governor's Office:	
Division of Administration — Procuring leased space .....	289 ✓
Tax Commission — Funds disbursement .....	309
Health and Human Resources Department:	
Office of the Secretary — Rate determination manual .....	309 ✓
Natural Resources Department:	
Office of Environmental Affairs — Revision to regulations .....	310
Treasury Department:	
Board of Trustees, State Employees Group Benefits Program — New rates .....	310 ✓

### III. NOTICES OF INTENT

Commerce Department:	
Office of Financial Institutions — Adjustable Mortgage Loan Instruments .....	310
Applications for new banks .....	313
Education Department:	
Board of Elementary and Secondary Education — Amend Bulletin 1525 and others .....	313
Educational Employees Professional Improvement Program — Bulletin 1619 .....	315
Southern University Board of Supervisors — Yearbook, Student Center fees .....	316
Governor's Office:	
Office of Elderly Affairs — Policy Manual .....	316 ✓
Health and Human Resources Department:	
Board of Examiners for Nursing Home Administrators — Regulations .....	321 ✓
Office of Family Security — Energy assistance .....	321 ✓
Office of Human Development — Title XX Plan .....	322 ✓
Insurance Department:	
Division of Property and Casualty — Breakdown insurers .....	323
Natural Resources Department:	
Office of Environmental Affairs — Air Quality regulation revision .....	324
Radiation regulations .....	325
Resource Recovery and Development Authority .....	325
Urban and Community Affairs Department:	
Office of Consumer Protection — CPR 3:5012 .....	331
Wildlife and Fisheries Department:	
Wildlife and Fisheries Commission — Toledo Bend netting prohibited .....	331

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**IV. POTPOURRI**

Education Department:  
Workshop on Standards for Evaluation ..... 332

Governor's Office:  
Tax Commission — Appraisal levels ..... 332  
Protest hearing ..... 332

Natural Resources Department:  
Fishermen's Gear Compensation Fund claims ..... 333

**V. ERRATA**

Education Department:  
Board of Elementary and Secondary Education — Corrections to rules ..... 333

Natural Resources Department:  
Office of Environmental Affairs — Section 22.10 clarification ..... 334

# Emergency Rules

## DECLARATION OF EMERGENCY

### Board of Elementary and Secondary Education

The State Board of Elementary and Secondary Education at its meeting on May 28, 1981, exercised those powers conferred by the emergency provisions of the Administrative Procedure Act, R.S. 49:953B, and adopted the following emergency rules:

1. The Board adopted as an emergency rule, the 1981 Revised Edition of Bulletin 1525, Personnel Evaluation as submitted by the State Department of Education.

This emergency request was made because LEAs are requested to submit by July 15, their personnel evaluation plans in compliance with Bulletin 1525. The State Department of Education was cognizant of time constraints and needed this item to be placed as an emergency item.

2. The Board adopted an emergency rule, the Interim Emergency Policy for Hiring Fulltime/Parttime Noncertified Personnel.

School systems in Louisiana suffered a shortage of classroom teachers in the 1980-81 school year. The State Board allowed the systems to employ noncertified personnel to man the classes when fully certified teachers were not available for 1980-81 only. It is anticipated that the shortage in certain geographic areas and certain academic areas will continue this fall. Since systems are presently hiring personnel for the fall semester, the policy must be approved to allow them this option or schools will open in August with classes taught by substitute teachers.

### Interim Emergency Policy for Hiring Fulltime/Parttime Noncertified School Personnel

In an effort to assist Local Education Agencies experiencing extreme difficulty in providing certified personnel for the classroom, the following interim emergency policy is proposed.

Fulltime/parttime noncertified school personnel may be employed by parishes having difficulty in employing certified persons in certain positions provided that proper documentation be submitted to the Department of Education. This documentation shall include:

1. A signed affidavit by the local school superintendent that the position could not be filled by a certified teacher;

2. Documentation that efforts for recruitment for certified teachers have been made (i.e. newspaper advertisements, letters, contacts with colleges, etc.)

3. Submission of names, educational background, subject matter and grade level being taught as an addendum to the Annual School Report.

4. It is required that these teachers take the NTE at the earliest date that it is offered in their geographical area.

These individuals shall be employed at the same salary on an hourly basis based on the effective state salary schedule for a beginning teacher with a baccalaureate degree and a certificate.

Fulltime/parttime noncertified school personnel shall be considered part of the regular teacher allotment and local systems shall be reimbursed in the same manner as regular teachers.

This Interim Emergency Policy will remain in effect until July 1, 1983.

3. The Board adopted as an emergency, a word change in the *Interim Requirements for Special Education Certification*, on Page 5, under Paragraph 2, Line 9, to change the word "and" to "or."

James V. Soileau  
Executive Director

## DECLARATION OF EMERGENCY

### Department of Education Educational Employees Professional Improvement Program

The State Committee for the Louisiana Educational Employees Professional Improvement Program (Act 207) at its June 2, 1981 meeting exercised those powers conferred by the emergency provisions of the Administrative Procedure Act, R.S. 49:953B, and adopted the following emergency rule:

Dr. Kenneth Brown moved that the Committee instruct the staff to promulgate the Guidelines for local PIPS committees in keeping with the Administrative Procedure Act, R.S. 49:951, *et seq.*, and also instruct the staff to advise the Governor, the Attorney General, and the Department of the State Register that under the provisions of Louisiana Revised Statutes 49:953B that these guidelines were being adopted on an emergency basis. The committee is of the opinion that if the guidelines are not adopted on an emergency basis, there will be a significant risk that the PIPS program, along with a significant amount of state money which is being appropriated for the PIPS program, cannot be administered properly nor can the public fisc be protected to ensure that the monies appropriated for the PIPS program are used in a manner consistent with the legislative intent and, furthermore, that the program is administered in a manner consistent with the legislative intent. Dr. Helen Brown seconded, and the motion passed with seven yeas, zero nays, and one abstention.

Robert C. Rice, Chairman  
State Committee for the Louisiana  
Educational Employees Professional  
Improvement Program

## DECLARATION OF EMERGENCY

### Department of Health and Human Resources Office of Health Services and Environmental Quality

The Department of Health and Human Resources, Office of Health Services and Environmental Quality hereby orders that the area described below is closed to oyster harvesting immediately as of May 19, 1981.

1981 - Cocodrie Line Extension

Moss Bay, Bay Tambour and Bay Welsh

A line beginning at the 1973 Cocodrie Closure at the intersection of Moss Bay and Bay Couteau; thence along the western shoreline of Moss Bay in its entirety to the junction of Moss Bay at the southeastern portion and the pass to Moss Bay and Bayou Petit Caillou; thence southeasterly along the western shore line of Bayou Petit Caillou and Tambour Bay; thence east-northeast to a point (29° 11' 33" North latitude and 90° 40' 17" West longitude); thence easterly through the landmass across Bay Tambour through Tambour Cutoff to the Intersection of the 1973 Closure Line at a point (29° 12' 30" North latitude and 90° 39' 24" West longitude) [Map Reference: U.S. Dept. Commerce, N.O.A.A. #11357 - formerly C&GS #1274].

From a point 29° 13' 0" North latitude and 90° 39' 15" West longitude [Map Reference: U.S. Dept. Commerce, N.O.A.A. #11357 formerly C&GS #1274] at the intersection of the Houma Navigational Canal and the 1973 Cocodrie Oyster Closure Line in West Bay Welsh; thence in a southeasterly direction along the southernmost edge of the Houma Navigational Canal to a point located at 29° 12' 53" North latitude and 90° 38' 45" West longitude; thence in a southerly trend along the landmass in the westernmost part of Bay Welsh; thence easterly to Cooke Point; thence northeast to the landmass in eastern Bay Welsh to a point located at 29° 12' 20" North latitude and 90° 37'



58" West longitude; thence along the easternmost edge of the landmass: thence in a northerly direction to the intersection of the 1973 Cocodrie Closure line located at a point 29° 14' 13" North latitude and 90° 38' 38" West longitude.

All areas within the described closure line and/or shown on the enclosed map are closed for oyster harvesting.

The statistical evaluation of the bacteriological analyses of a recent sanitary survey conducted in the Cocodrie area - Terrebonne Parish, Louisiana has indicated that the water quality of the area is substandard in the respect that fecal coliform limits were in excess of the standards prescribed by State and Federal guidelines regulating oyster waters.

Specifically, these standards require that all oyster growing waters whose bacteriological quality has exceeded the fecal coliform median of 14 fecal coliforms per 100 ml. and more than 10 percent of the samples ordinarily exceed a median of 43 fecal coliforms per 100 ml. be closed to oyster harvesting. Additionally, the area may be so contaminated with fecal material that consumption of the oysters might be hazardous.

So ordered this date May 19, 1981.

Sarah M. Braud, M.D.  
Acting State Health Officer  
George A. Fischer, Secretary  
Department of Health and Human Resources

# Rules

## **RULE** **Department of Agriculture** **Seed Commission**

The Louisiana Department of Agriculture, Seed Commission, pursuant to the authority contained in LSA 3:1433 and in accordance with Notice of Intent published April 20, 1981, adopted the following amendment to Section VI of the Rules and Regulations of the Seed Law at a public hearing on June 9, 1981:

28. Itchgrass (Raoulgrass) (*Rottboellia exaltata*) Prohibited.

Bob Odum  
Commissioner of Agriculture

## **RULE** **Department of Commerce** **Office of Financial Institutions**

Under the authority granted by R.S. 6:237-B, the Commissioner of Financial Institutions is adopting the following rule for the purpose of providing a means by which State-Chartered Banks may have authority consistent with that granted National Banks by the Comptroller of the Currency Rules and Regulations 12 CFR, Part 29, which was published on Page 18932, Volume 46, No. 59 of the Federal Register, dated March 27, 1981.

### **RULE**

Notwithstanding any limitations imposed by R.S. 6:237 and 322, State-Chartered Banks are hereby authorized to make, purchase, and participate in adjustable rate mortgage instruments authorized for National Banks by the Comptroller of the Currency Regulation 12 CFR, Part 29. For the information and guidance of

State-Chartered banks, the Comptroller of the Currency Regulation is outlined below. The words "national" and "Comptroller of the Currency" have been changed to "state" and "Commissioner of Financial Institutions."

## **Adjustable-Rate Mortgage Instruments**

### 1. Purpose

This regulation is issued by the Office of Financial Institutions to establish rules for state banks making or purchasing adjustable-rate loans secured by liens on one-to-four family dwellings.

### 2. Definitions

An adjustable-rate mortgage loan is any loan made to finance or refinance the purchase of and secured by a lien on a one-to-four family dwelling, including a condominium unit, cooperative housing unit, or a mobile home, where such loan is made pursuant to an agreement intended to enable the lender to adjust the rate of interest from time to time. Adjustable-rate mortgage loans include loan agreements where the note and/or other loan documents expressly provide for adjusting the rate at periodic intervals. They also include fixed-rate loan agreements that implicitly permit rate adjustment by having the note mature on demand or at the end of an interval shorter than the term of the amortization schedule unless the state bank has clearly made no promise to refinance the loan (when demand is made or at maturity) and has made the disclosure specified in 8 (c).

### 3. General Rule

State banks may make or purchase adjustable-rate mortgage loans only if they conform to the conditions and limitations contained in this Part.

### 4. Index

Changes in the interest rate charged on an adjustable-rate mortgage loan must be linked to changes in an index specified in the loan documents, *i.e.*, a one basis point (one basis point = .01 percentage point) change in the index must be translated into a one basis point change of the same direction in the contract interest rate, except as otherwise provided in 5. The index values used for the purpose of determining changes shall be either (1) the most recently available values on the date of loan origination and on subsequent dates for notifying borrowers of impending rate changes or (2) the moving averages on such dates of all values of an index over the interval from the prior rate-change notification date to the current rate-change notification date, using as the starting index value the moving average of index values over an equivalent interval ending with the date of loan origination. The index must be one of the following:

(a) The monthly average contract interest rate charged by all lenders on mortgage loans for previously occupied homes, as published by the Federal Home Loan Bank Board in its "Journal" and made available by the Federal Home Loan Bank Board in news releases on about the twelfth day of each month.

(b) The monthly average yield on United States Treasury securities adjusted to a constant maturity of three years, as published in the "Federal Reserve Bulletin" and made available by the Federal Reserve Board in Statistical Release G.13(415) during the first week of each month.

(c) The monthly average of weekly average auction rates on United States Treasury bills with a maturity of six months, as published in the "Federal Reserve Bulletin" and made available by the Federal Reserve Board in Statistical Release G.13(415) during the first week of each month.

If a state bank uses the six-month Treasury bill rate index and adjusts interest rates less frequently than once every six months, then the bank must use the moving average, as described above, of the index values to measure interest rate changes.

## 5. Rate Changes

(a) *Frequency of Changes.* Interest rate changes on adjustable-rate mortgage loans may occur only at regular intervals of not less than six months, as specified in the loan documents. Notwithstanding the foregoing, a state bank may extend the length of the interval before the first potential interest rate change by any pre-terminated period.

(b) *Magnitude of Changes.* Interest rate adjustments to adjustable-rate mortgage loans may not exceed 100 basis points each six months. If the interval between interest rate changes exceeds six months, then the limitation on interest rate changes shall be 100 basis points multiplied by the number of whole consecutive six-month periods in the interval between interest rate changes. In no event may any one interest rate change exceed 500 basis points. Notwithstanding the rules contained in this subsection, a state bank may decrease the contract rate of interest on an adjustable-rate mortgage loan at any time and by any amount beyond decreases required by the rules contained in this Regulation.

(c) *Required and Permitted Rate Changes.* Interest rate changes on adjustable-rate mortgage loans made or purchased by state banks shall be subject to the following additional restrictions:

(1) Interest rate increases permitted in accordance with the provisions of this Rule shall be at the option of the bank.

(2) Interest bank decreases warranted by decreases in the index shall be mandatory except to the extent that rate increases fully reflecting increases in the index have not been implemented by the bank, either at its option or because of the limitation on increases specified in paragraph (b) of this section. If the bank agrees to impose a periodic or aggregate limitation on interest rate changes that is more restrictive than the limitation specified in paragraph (b) of this section, the same limitation shall apply to both increases and decreases.

(3) Banks offering adjustable-rate mortgage loans may establish in the loan documents any minimum interest rate change limitations and minimum increments of interest rate changes.

(4) Changes in the index not translated into changes in the interest rate because of the limitations contained in this Rule or, consistent with this Rule, at the discretion of the bank shall, to the extent not offset by subsequent movements of the index, be carried over and be available at succeeding rate-change dates.

(5) There shall be no charge by the state bank to the borrower, in the form of new closing cost, new processing fees, new finance charges, or similar fees, for any changes in the interest rate on an adjustable-rate mortgage loan.

(d) *Method of Rate Changes.* (1) Interest rate changes to an adjustable-rate mortgage loan may be implemented through changes in the amount of the installment payment or the rate of amortization (i.e., the amount, if any, of each installment payment allocated to repayment of principal) or any combination of these two methods, according to any schedule agreed upon by the borrower and the bank in the loan documents or as agreed upon by the parties at the time of any interest rate change.

(2) Changing the rate of amortization, including utilization of a period or periods of negative amortization, is permissible only if (1) the payment is adjusted at least every five years to a level sufficient to amortize the outstanding principal at the interest rate then in effect over the remainder of the original loan term, which may not exceed 30 years; and (2) the amount of negative amortization, if any, permitted during any such period does not exceed 1.0 percent of the principal outstanding at the beginning of that period multiplied by the number of whole consecutive six-month periods included in the interval between payment changes. In no event may the amount of negative amortization allowed under the

preceding sentence exceed 10.0 percent of the principal outstanding at the beginning of the period.

## 6. Prepayment Fees

State banks offering or purchasing adjustable-rate mortgage loans must allow the borrowers to prepay in whole or in part without penalty at any time beginning 30 days before the first scheduled interest rate adjustment date. State banks offering or purchasing adjustable-rate mortgage loans may impose penalties for prepayments made prior to the date specified in the preceding sentence of this paragraph.

## 7. Assumption

State banks offering or purchasing adjustable-rate mortgage loans are not required to allow those loans to be assumed by new purchasers of the mortgaged property, or to allow new purchasers to take title to such property subject to the lien of an adjustable-rate mortgage loan made pursuant to this rule. If a state bank does allow such a loan to be assumed or a purchaser to take title to property subject to the lien of an adjustable-rate mortgage loan made pursuant to this rule, the interest rate and any other loan terms may be reset as of the date of assumption. In order for an adjustable-rate mortgage loan to qualify for the benefits of this section, the loan note must contain a clause stating that the loan is due on sale or must contain some other provision indicating that the loan may be assumed or the property purchased subject to the bank's mortgage lien only at the bank's discretion.

## 8. Disclosure

(a) State banks offering adjustable-rate mortgage loans shall disclose in writing to a prospective borrower on the earlier of the date on which the bank first provides written information concerning residential mortgage loans available from the bank or provides a loan application form to the prospective borrower, the following items:

1) The fact that the interest rate may change and a brief description of the general nature of an adjustable-rate mortgage loan;

2) The index used, including the name of at least one readily available source in which it is published;

3) A 10-year series updated at least annually showing the values of the index on at least a semi-annual basis, presented in tabular form;

4) The frequency with which the interest rate and payment levels will be adjusted, including provision for any extended interval before the first interest rate adjustment;

5) Any rules relating to changes in the interest rate and/or installment payment amount;

6) A description of the method by which interest rate changes will be implemented, including an explanation of negative amortization if it may occur in connection with the loan;

7) The rules or conditions relating to refinancing of short-term and demand mortgage loans, prepayment, and assumption;

8) A statement, if appropriate, that other fees will be charged by the bank and/or any other persons in connection with the adjustable-rate mortgage loan, including fees due at loan closing; and

9) A schedule of the dollar amounts of the installment payments (principal and interest) on a \$10,000 loan at a commitment rate offered by the bank within the preceding 12-month period if the mortgage interest rate were to increase as rapidly as possible, consistent with the interest rate limitations of the loan, by 10 percentage points (or by such lower aggregate interest rate limit as the bank may impose on its adjustable-rate mortgage loans).

Use of the optional model disclosure form provided in the Appendix to this rule, amended where necessary to describe accurately permissible variations found in the bank's adjustable-

rate mortgage loans, will constitute compliance with this Subsection.

(b) At least 30 days and no more than 45 days before any interest rate change may take effect, the bank must notify the borrower in writing of the following items:

- 1) The current and proposed new interest rate;
- 2) The base and current index values;
- 3) The extent to which the bank has forgone any increase in the mortgage interest rate;
- 4) The new monthly payment and/or other contractual effects of the rate change;
- 5) The amount of the monthly payment, if different from that given in response to item 4, that would be required to fully amortize the loan at the new interest rate over the remainder of the loan term; and
- 6) The fact that the loan may be prepaid at any time without penalty.

Use of the optional notification form provided in the Appendix to this rule will constitute compliance with this Subsection.

(c) A state bank making any loan to finance or refinance the purchase of, and secured by a lien on, a one-to-four family dwelling which is payable either on demand or at the end of a term which, including any terms for which the bank has promised to refinance the loan, is shorter than the term of the amortization schedule must include the following notice, displayed prominently and in capital letters, in or affixed to the loan application form and in or affixed to the loan note:

*This loan is payable in full (at the end of \_\_\_\_\_ years or on demand). (At maturity or if the bank demands payment) you must repay the entire principal balance of the loan and unpaid interest then due. The bank is under no obligation to refinance the loan at that time. You will therefore be required to make payment out of other assets you may own, or you will have to find a lender willing to lend you the money at prevailing market rates, which may be considerably higher than the interest rate on this loan.*

Fixed-rate short-term or demand loans for which this notice has been properly given will not be characterized as adjustable-rate mortgage loans.

(d) No later than the date on which an adjustable-rate mortgage loan is made by a state bank, the bank must inform the borrower of the base index value against which interest rate changes will be measured. This base value must be included in the note the borrower signs, and the borrower must be given a copy of this note no later than at loan closing.

9. Certain Payment-Capped Mortgages

(a) *Authority to Lend, Subject to Review by the Commissioner of Financial Institutions.* The limitations imposed by this Rule shall not apply to adjustable-rate mortgage loans which contain meaningful limitations on the magnitude of permissible changes in the amount of installment payments that offer borrowers sufficient protection against payment volatility. The Office of Financial Institutions may at any time require a state bank to modify or terminate a loan program qualifying under this Subsection if it is determined that the program does not adequately provide for repayment of the loans in a timely manner or that the program does not sufficiently protect borrowers against payment volatility.

10. Transition Rule

If on the effective date of this Rule a state bank has already made a loan or a binding commitment to lend under an adjustable-rate mortgage loan program which would violate any of the provisions of this rule, the state bank may continue to make loans or binding commitments to lend under the program for 120 days

from the effective date of this Rule before the program must be brought into conformity with all the provisions of this Rule.

Appendix to Rule

A. Model Form for Initial Adjustable-Rate Mortgage Disclosure Important Mortgage Loan Information - Please Read Carefully

If you wish to apply for an Adjustable-Rate Mortgage (ARM) loan with \_\_\_\_\_, you should read the information below concerning the difference between this mortgage and other mortgages with which you may be familiar.

General Description of Adjustable-rate Mortgage Loan

The loan offered by \_\_\_\_\_ is an adjustable-rate mortgage. Its interest rate will change (fill in frequency) based on movements of an interest rate index. Your monthly payments will increase if the interest rate rises or decrease if the interest rate falls. Because future movements of the index are related to market conditions that cannot be predicted, it is impossible to know in advance how much you will have to pay, either each month or over the life of the loan. Interest rate and payment changes will be made according to certain rules that are explained below.

Key Terms of \_\_\_\_\_ State Bank's Adjustable Rate Mortgage

The following outline of the terms on ARM's offered by — State Bank is intended for easy reference only. You will find other essential information in this disclosure statement and in the loan note itself.

- Loan term .....
- Frequency of rate changes .....
- \*(Grace period before first rate change .....
- Interest rate index .....
- Maximum rate change at one time .....
- Maximum rate change over life of loan .....
- \*(Minimum rate change at one time .....
- \*(Minimum increments of rate change .....
- \*(Prepayment fee .....
- Assumability (assumable, not assumable or at lender's discretion) .....
- Possibility of increasing loan balance (yes or no) .....

\*Bracketed items and footnotes are instructions to State banks or contain optional language to be selected as appropriate.

Hunter O. Wagner, Jr.  
Commissioner of Financial Institutions

**RULES**

**Board of Elementary and Secondary Education**

Rule 4.00.74a

Amend Bulletin 1134, *Standards and Guidelines for Library Media* to delete Item 8 on the censorship form on page 13, and that Paragraph 5, page 11 of Chapter VI relative to censorship procedures be amended to read as follows: "Any censorship of media shall be challenged in order to maintain the local system's responsibility to provide information and enrichment. The local school board of education is legally responsible for all matters relating to the operation of its library media centers. The local school board is

responsible for adopting a written statement of procedures for meeting the challenge of censorship. The attached form may be used as a guide for challenged materials.”

Rule 3.01.51z

Amendment to Bulletin 741 to add Page 35A: High School Credit for College Courses for Evaluated Gifted Students as follows:

High School Credit for College Courses  
For Evaluated Gifted Students

1. College courses for credit in regard to this Section shall be limited to gifted students who have met the evaluation criteria established in Bulletin 1508 (Pupil Appraisal Handbook).
2. An elementary or secondary student must have at least a 3.0 cumulative average on a 4.0 scale for all subjects taken during the previous two years.
3. Entry into a college course for credit must be stated in the student’s Individualized Education Program, (I.E.P.).
4. The student must earn at least two or three college hours of credit per semester. (The two or three hour course per semester shall be counted as one unit of credit toward high school graduation.)
5. The school administrator must establish a procedure with the college to receive reports of the students’ class attendance and performance at six or nine week intervals.
6. College courses shall be counted as high school subjects for students to meet eligibility requirements in order to participate in extracurricular activities governed by voluntary state organizations.

Amendment to Louisiana State Board of Elementary and Secondary Education Policy and Procedure Manual to:

- a. Delete Board Policy 3.07.11.b
- b. Amend language in Board Policy 3.07.11.c to read:  
“Any request for a waiver of the age requirement for taking the General Education Test (GED) shall be made directly to the Board.”

Rule 3.01.51.aa

Amendment to Bulletin 741, *Handbook for School Administrators*, pages 8 and 16, to substitute the minimum attendance requirement for elementary and secondary students as follows:

“Each parish school board will have the option of establishing attendance requirements for elementary (grades one through eight) and secondary (grades nine through twelve) students, providing the limit for elementary students is not less than 140 days of attendance per year and secondary students not less than 70 days per semester. Credit will not be given if attendance goes below parish-set limits. Exception can be made only in the event of extended personal illness, verified by a physician, or other extenuating circumstances approved in accordance with procedures established by the local school systems.”

James V. Soileau  
Executive Director

**RULES**

**Board of Trustees for State Colleges and Universities**

The following is added to the Policies and Procedures Manual of the Board of Trustees for State Colleges and Universities as paragraph 18 of Part IX, Section 9.5A:

“18. All students, prior to participating in any intercollegiate athletic activity, must sign a statement allowing the Coordinator of Athletics to examine the student’s entire academic record at his discretion.”

Part IX, Section 9.7D is deleted and the following is substituted for that paragraph:

“D. The number of coaches permitted at each institution shall be that number allowed under the guidelines of the NCAA (Article Six, Personnel and Squad Limitation, Bylaw 6-1 of the Bylaws and Interpretations of the National Collegiate Athletic Association.”

Bill Junkin  
Executive Director

**RULE**

**Board of Trustees for State Colleges and Universities**

The following is added to the Policies and Procedures Manual of the Board of Trustees for State Colleges and Universities as Part VII, Section 7.4C:

“C. Chief Executive Search Procedures

1. Constitution of Search Committee

According to Board Policy (Section 7.4B above) an incumbent president shall announce a decision to retire or resign at least six months prior to the effective date of the decision. Upon receipt of such notice, the President of the Board of Trustees for State Colleges and Universities shall within 15 calendar days appoint five members of the Board to serve, with the Board’s President as its Chairperson, on a Search Committee. The President’s selection of five members shall be such that a majority of that number be those Board members having the strongest ties with the institution in question. Other members of the Board may attend meetings of the Search Committee; however, only those appointed to that Committee shall vote, as it exercises its function of preparing its recommendation for the Board.

2. Search Procedure

The detailed procedure to be employed and the timetable to be followed in carrying out the search shall be designed by the Search Committee (SC) as its first order of business. The SC shall present the aforesaid procedure and timetable to the Board at that body’s first regular meeting after the appointment of the SC.

3. Advisory Committees to Search Committee

Upon appointment, the SC shall invite the student body of the institution involved, its faculty, and its alumni each to institute, through their respective recognized organization or association, an Advisory Committee (AC) selected from their respected memberships.

The AC shall assist the SC in a consultative and an advisory role and in such fashion as the SC shall stipulate.

The selection of the individual to fill a presidential vacancy is and shall be the responsibility solely of the Board of Trustees of State Colleges and Universities. By inviting the advisory assistance of the AC’s above described, it is not the intent of the Board to shirk or to share its constitutionally mandated duty to so select.

4. Eligibility of Candidates

No individual who has accepted appointment to membership on the Board of Trustees for State Colleges and Universities shall be eligible for consideration as a presidential candidate until two calendar years shall have elapsed since the individual ceased to serve as a member of the Board of Trustees for State Colleges and Universities.

5. Lack of Requisite Notice

If, for whatever reason, the incumbent president of an institution governed by the Board of Trustees does not give the mandated minimum notice at least six months prior to the date the position is to be, or has been, relinquished (Section 7.4B above), the Board shall, upon receipt of notice of a present, or projected, presidential vacancy, call a special meeting and at that meeting name an Acting President.

The effective date of the appointment of an Acting President shall be the date on which the office of president came, or shall come, to be vacant."

Bill Junkin  
Executive Director

## RULE

### Office of the Governor Division of Administration

The Commissioner of Administration has adopted regulations and procedures for the procurement of rented or leased space by state agencies.

#### Rental and Lease Procedure and Regulations (For distribution to user agencies)

##### I.

##### Authority, Policy and Purpose

##### A. The Statutes

Louisiana Revised Statutes provide that all agreements for the lease or rental of space shall be made by the agency whose offices and/or activities are to be housed, but shall be made and entered into only with the approval of the Commissioner of Administration. Louisiana Revised Statutes, Chapter 17 of Title 39 (R.S. 39:1551-1736) with particular reference to 39:1641-1643. The Commissioner has designated the Office of Rentals and Leases to administer this function.

It is the policy of the Division of Administration to acquire for State agencies the best rental or lease space for the least dollar amount with the greatest amount of competition between and among lessors of privately-owned facilities.

Agency is as defined in R. S. 39: 2 (1) and the fact that an agency is a non-budget agency shall not be a test as to whether this Section shall be applicable.

##### C. Purposes

The purposes of this state of Procedure and Regulations are to simplify and clarify the procurement practices for the renting and leasing of space for State agencies, to provide increased economy and efficiency in procurement activities, to foster more effective competition for bid space and ensure fair and equitable treatment of all persons involved, to enable greater public confidence in the lease procurement process, and to maintain a procurement system of quality and integrity.

##### D. Exceptions

These provisions do not apply to:

Exempt Agencies.

- (1) Colleges, Universities and Trade Schools.
- (2) The Department of Transportation and Development.
- (3) The Military Department.
- (4) Any agency which is established as a corporate entity and enjoying corporate status.

(5) Any agency or office exempted by executive order of the governor.

Exempt types of space.

- (1) Space for the storage of voting machines.
- (2) Institutional buildings such as hospitals, clinics, and buildings at educational, penal, and correctional institutions.

##### II.

##### Space Acquisition Method

The Rental and Lease Section will retain the originals of the pertinent leases and will notify the affected User Agency, reminding them when their lease is about to expire.

Every lease for the use of 2500 square feet or more of space in a privately owned building entered into by a State agency as lessee shall be competitively bid and awarded, pursuant to R.S. 39:1594-1595.

Any lease for the use of less than 2500 square feet may be negotiated by the User Agency, subject to approval by the Division of Administration.

##### A. Request for Approval

All leases and lease amendments, including amendments both for space of less than 2500 square feet which is to be negotiated, and for 2500 square feet or more which is to be bid, must be preceded by a Request For Approval Form RL-2. The User Agency prepares and forwards to the Rental and Lease Section a Request For Approval Form RL-2 on which agency requests for space, location and terms of lease are detailed. The RL-2A Form gives guidelines to assist the agency in completing RL-2.

In preparing Request For Approval Form RL-2 the User Agency checks its request for space against the "Standards for Capital Projects, Section III B. Net Space Requirement," a copy of which is given in the Appendix.

The Budget Office of the Division of Administration will examine the request in relation to authorized programs, funds, and personnel, and the Rental and Lease Section will approve, take under advisement, or disapprove, the User Agency request, taking into consideration the existing or offered price per square foot of rental space, which is deemed comparable by the Rental and Lease Section.

##### B. Space Less Than 2500 Square Feet

After approval by the Rental and Lease Section of the requested space of less than 2500 square feet, the User Agency negotiates for the desired space, and submits an RL-1 Form to the Rental and Lease Section. The Rental and Lease Section will submit the RL-1 Form to the Budget Office for approval of the lease expenditure.

The Rental and Lease Section will request the Fire Marshal to make his inspection and report; the Rental and Lease Section will also request liability insurance for the user space. The lease is executed, first by the lessor, then by the lessee, who is the User Agency or Department. Then the lease package, containing four copies of the executed lease, the purchase order, the RL-1, and the Fire Marshal's report is approved or disapproved by the Rental and Lease Section. Should a lease be disapproved it is returned to the Requisitioning Agency. Copies of executed leases are distributed, two copies to the User Agency, and one copy each to the lessor and the Legislative Fiscal Office and the original retained by the Rental and Lease Section. Copies of the Standard State Lease, the RL-2 and RL-2A Forms are given in the Appendix.

##### C. Space 2500 Square Feet or Greater

##### 1. Advertisement and Notice

As required by R.S. 39:1643, leases for the use of 2500 square feet or more of space are to be awarded pursuant to R.S. 39:1594 which requires adequate public notice of the invitation for bids to be given at least ten days prior to bid opening date. This notice is by written notice to bidders on a bid list maintained by Rentals and Leases and by advertising in the official journal of the state and in a newspaper of general circulation in the parish where the property is to be leased. The requirement of R.S. 39:1643 is implemented in the following manner.

##### 2. The Bid Package

The Rental and Lease Section receives the RL-2 Form from the User Agency and prepares the bid package, which includes: RL-3 Invitation to Bid,

*La. Register of 6-20-81*

RL-4 Bid Proposal Form,  
RL-5 Specifications for Lease,  
RL-6 Sample Lease.

The Rental and Lease Section forwards the bid package to the User Agency for its final opportunity to review and comment prior to distribution to prospective bidders. Any reservations or objections to the bid package must be submitted to the Rental and Lease Section within five days, and the decision of the Rental and Lease Section as to the reflection of any requested changes is final. Copies of RL-3, RL-4, RL-5 and RL-6, which constitute the bid package, are given in the Appendix.

### 3. Bid Opening

The bid package is then advertised and transmitted to prospective bidders. Bids are opened by the Rental and Lease Section on the specified date. The Rental and Lease Section evaluates the bids and sends a tabulation to the Assistant Commissioner with a copy to the Legislative Fiscal Officer.

### 4. Agency Notification and Report

On receipt of bids, the User Agency is notified and has a representative visit all bid premises and the agency reports to the Rental and Lease Section concerning conformity with advertised specifications. The apparent successful bidder is notified of the intent to award and the agency is notified.

### 5. RL-1 Form and Lease Completion.

Just as for space less than 2500 square feet, the User Agency requesting space of 2500 square feet or more must submit a Space Rental Requisition RL-1 Form to the Rental and Lease Section. The Rental and Lease Section will transmit this form to the State Budget Office to ascertain that the required funds are budgeted.

The lease completion procedure is also the same as for space less than 2500 square feet. The Rental and Lease Section requests the Fire Marshal to make his inspection and report; the Rental and Lease Section also requests liability insurance for the user space. The lease is executed, first by the lessor, then by the lessee. The lessor must furnish evidence of acceptable financial resources to the Rental and Lease Section as provided in Section V below. The lease package, containing four copies of the executed lease, the purchase order, the RL-1, the Fire Marshal's report and a copy of the advertisement of the bid, is approved by the Rental and Lease Section. Following this approval, copies of the executed and approved lease are distributed, two copies to the User Agency, and one copy each to the lessor, the Legislative Fiscal Office and the original retained by the Rental and Lease Section.

## III.

### Renovation and New Construction

Space requirements of the state may be met by lessors utilizing any of the following:

Owned or leased space ready for occupancy.

Owned or leased space renovatable for occupancy on or before the proposed or required due date.

Owned or leased new construction to be completed on or before the proposed or required due date.

Bidders or prospective lessors shall indicate which type space is being offered, the specific space to be confirmed in an affidavit by the successful lessor at the time he executed his lease.

Offerors of space not ready for occupancy shall provide sketch plans and outline specifications, or such equivalent representations of the planned renovations or remodeling, or the building to be constructed, so as to demonstrate suitability of the space offered for the use intended.

If such an offeror is the apparent successful offeror or bidder, he must submit suitable evidence of his financial responsibility. Such suitable evidence is described below in Section V. He

must also submit preliminary plans and outline specifications of the space which he will provide.

## IV.

### Additional Requirements of Lessor

Any lessor of space, either less than 2500 square feet or 2500 square feet or greater, must return a signed lease, and the accompanying affidavit, within ten days after receipt of same for his execution.

## V.

### Determination of Responsibility

A. In addition to providing preliminary plans, outline specifications, or equivalent satisfactory representations of planned renovations or building construction, to qualify as responsible a prospective lessor must:

1. Have adequate financial resources for performance, or have the ability to obtain such resources as required during performance;

2. Have the necessary experience, organization, technical qualifications, skills, and facilities, or have the ability to obtain them (this may include subcontractor arrangements);

3. Be able to comply with the proposed or required occupancy date;

4. Have a satisfactory record of contract performance.

B. In order to make a determination of responsibility on the part of the lessor and to assist him in determining that the lessor meets the standards in Section A, the Rental and Lease Administrator may request information as follows:

1. A letter of commitment from the bank or other institution financing the project and addressed to the Rental and Lease Administrator stating the amount and terms of commitment to the lessor;

2. Information from the prospective lessor, including representations and other data contained in proposals, or other written statements or commitments, such as financial assistance and subcontracting arrangements;

3. Other existing information within the agency or another State department, including financial data, the list of debarred and ineligible bidders and records concerning lessor performance;

4. Publications, including credit ratings and trade and financial journals;

5. Information from other sources, including banks, other financial companies, State departments and agencies, and courts.

## VI.

### Resolution of Controversies

#### A. Right to Protest

Any prospective lessor who is aggrieved in connection with the solicitation or award of a contract may protest to the Rental and Lease Administrator. Protests with respect to a solicitation shall be submitted in writing prior to the opening of bids. If a person protests a solicitation, an award cannot be made until said protest is resolved. Protests with respect to the award of a contract shall be submitted in writing within sixty days after bid opening or fourteen days after contract award, whichever is later. Said protest shall state fully and in particularity the reason for protest. If a protest is made with respect to the award of a contract, work on the contract cannot be commenced until it is resolved administratively.

#### B. Decision

The Rental and Lease Administrator must notify the protesting party in writing and the Legal Counsel of the Division of Administration within fourteen days after receipt of said protest whether or not the protest is denied or granted. If the protest with reference to the solicitation is granted the solicitation will be canceled and reissued. If the protest with reference to the award is granted, then the lease will be voided and the remaining solicitations may be re-evaluated for another selection. If another selec-

tion cannot be made or if it appears to be in the best interest of the State, a new solicitation will be issued.

#### C. Appeal

If an aggrieved party is not satisfied with the Rental and Lease Administrator's decision then that party may appeal said decision in writing to the Commissioner of Administration within seven days of the decision. The protesting party should fully explain the basis of his appeal. The Commissioner then must render a decision in writing within fourteen days of receipt of the appeal. The Commissioner's decision is final and an aggrieved party may bring judicial action within six months from receipt of said decision; but, the Rental and Lease Administrator may proceed with an award after the Commissioner so decides.

#### VII.

##### Emergency Procurement

The Rental and Lease Administrator may make emergency procurements when there exists an imminent threat to the public health, welfare, safety or public property. The declaration of an emergency must be made in writing fully documenting the nature of the emergency, the circumstances leading up to the emergency and a description of the threat to public health, welfare, safety or public property.

#### VIII.

##### Alterations, Modifications, and Additional Space Requirements

In the event alterations or modifications of space currently under lease are required to meet changed operating requirements (e.g., a change in functional usage such as from business office to clinic or clinic to computer room), and the provisions of Section II,

Subsection A of these Regulations have been complied with, a lease may be amended. Such lease amendment may provide an adjustment in monthly lease payments sufficient to reimburse the lessor paying for the leasehold improvements, but must be approved by the Division of Administration.

The Division will consider the length of time remaining on the lease and its options, favorability of the lease rental rate, and such other factors as may be presented with the agency-approved rental requisition (RL-1) proposing the lease amendment.

Alterations for the sake of aesthetics alone, or repairs which are properly the responsibility of the lessor under the existing lease, will not be approved.

In the even a lessee agency requires additional adjacent space and it is available at the same price as that now occupied, the agency may contract for up to 2500 additional square feet, in accordance with Section II, Subsection A and B. Additions of 2500 square feet or more are to be bid in accordance with Section II, Subsection C.

The additional space added is to be only that for which the requirement could not reasonably have been foreseen at the time of execution of the lease or at option renewal; the additional adjacent space provision is not to be used to circumvent the bid law.

#### IX.

##### Revised Statutes

These regulations shall be read and interpreted jointly with Chapter 17 of Title 39.

Exhibit "A"

RL-2

REQUEST FOR APPROVAL

TO: Rental and Lease Section  
Division of Administration  
P. O. Box 44095, Capitol Station  
Baton Rouge, Louisiana 70804

LEASE BID PROPOSAL

PROPOSAL TO NEGOTIATE LEASE

(Check Applicable Proposal)

FROM: \_\_\_\_\_

(Department, Office, Division, Board, Commission, etc.)

Currently located at \_\_\_\_\_

1. Date Submitted: \_\_\_\_\_

Prepared By: \_\_\_\_\_

(Name, Title): \_\_\_\_\_

Address, Telephone No.: \_\_\_\_\_

2. Space Required For: \_\_\_\_\_

3. Anticipated Occupancy Date: \_\_\_\_\_

Property

Present  
(If Applicable)

Requested

4. Total Number of Square Feet \_\_\_\_\_

5. Administrative Area (Sq. Ft.) \_\_\_\_\_

Rooms \_\_\_\_\_

Rooms \_\_\_\_\_

Rooms \_\_\_\_\_

Rooms \_\_\_\_\_

Rooms \_\_\_\_\_

Rooms \_\_\_\_\_

Rooms \_\_\_\_\_

Present

Requested

6. Common Function Areas

Reception (Waiting) Area  
(Sq. Ft.)

\_\_\_\_\_

\_\_\_\_\_

Conference Rooms (Sq. Ft.)

\_\_\_\_\_

\_\_\_\_\_

Kitchen (Sq. Ft.)

\_\_\_\_\_

\_\_\_\_\_

Storage (Sq. Ft.)

\_\_\_\_\_

\_\_\_\_\_

Other (Sq. Ft.)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

7. Total Area with  
Specialized Functions

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

8. Number of Staff Housed

\_\_\_\_\_

\_\_\_\_\_

9. Request for Special Lease Term (If Applicable)

From:

\_\_\_\_\_

To:

\_\_\_\_\_

Option to Renew (Years)

\_\_\_\_\_

Justify:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Present

Requested

10. Rental Rate (\$/sq. ft.)	<input type="text"/> *	<input type="text"/> *
Rent per month (\$)	<input type="text"/> *	<input type="text"/> *

\*To be filled in by Rentals & Leases

11. Other Specifications: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

12. If a specific geographic area is requested, identify and state justification: \_\_\_\_\_  
\_\_\_\_\_

(a) Operational Cost Considerations: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(b) Client Service Area Considerations: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

13. By: \_\_\_\_\_

Title:

(Undersecretary for Management & Finance,  
or Head of Management & Finance Section)

Exhibit "B"

RL-2A

(2/19/81)

Guidelines for Agency  
Completion of RL - 2 Form

TO: Agencies Requesting Approval of Lease

FROM: Rental and Lease Section, Louisiana Division of Administration

All items except Item #10 are to be completed by requesting agency.

- Item #2. Give type of occupancy, such as Family Security Office, clinic, warehouse, etc.
- Item #3. Give the expiration date of your agency's lease, or other anticipated occupancy date.
- Item #4. Give the total square footage Administrative Area, total Common Function Areas, and total area with Special Functions; both present (if applicable) and requested.
- Item #5. Give the total square foot area of each office room, for example: 4 rooms @ 450 square feet each.
- Item #6. Give the total square footage of areas such as those listed; the listed rooms are examples only. They should not be requested unless needed. Add any other areas requested.
- Item #7. List any areas needed for specialized functions such as data processing, printing, or other specialized equipment. Where indicated, use the space requirements which are recommended by the manufacturer of the equipment.
- Item #8. Give number of staff to occupy the space.
- Item #9. A five (5) year lease, with option to renew for three (3) years is standard. If a different duration or other special terms are requested, give details and justify.

- Item #10. Do not fill in these blanks. Item #10 will be completed by the Rental and Lease Section.
- Item #11. Add any other specifications requested, such as additional wiring, special air conditioning, or greater load-bearing capacity for special equipment.
- Item #12. If a specific geographic area is requested, identify this area and give justification, primarily in terms of savings in operational time and cost, and of more effective service to the client service area. If other considerations further justify the request, give these.
- Item #13. Please have the request signed by the Department Undersecretary for Management and Finance, or the Head of the Management and Finance Section of the requesting agency.

Please call the Rental and Lease Section if we may assist you or if you have questions, (504) 342-6835, LINC 421-6835.

## Exhibit "C"

### STANDARDS FOR CAPITAL PROJECTS

#### Section III B.

#### Net Space Requirement

The net space requirement represents in total the agency's space requirement based upon administrative space standards and administrative space allowances plus an additional twenty percent for circulation and traffic flow. The amount of space needed for an agency to function in an efficient manner will be derived from application of standards for administrative space, detailed listings of furniture and/or equipment for each employee, detailed listings of furniture, equipment, and supplementary common space used by various employees, and other requirements for which there are no existing standards and that are unique to the agency. The net space requirement represents that amount of space the agency would occupy under ideal circumstances where no portions would be wasted due to structural irregularities of a building, leftover corners of a floor, columns, pilasters or the like. Therefore, the space occupied by the agency would rarely exactly equal the net space requirement. The standards are used to quantify the total space and are not intended to be literally applied for each employee's individual work station or for a specific area such as a conference room.

## 1. Administrative Space Standards

The administrative space standards represent the area in square feet which should normally be sufficient to accommodate typical office space. The standards provide the occupant of each work station with space sufficient to conduct his business in an efficient manner and with a reasonable degree of dignity.

### (a) Administrative Work Station Standards

The allowable area for administrative work stations shall be 150 square feet for each person occupying the area including management personnel. The apportionment of the total area by individual function is the responsibility of the agency head and careful thought should be given to this apportionment.

### (b) Common Function Standards

#### (1) Conference and Meeting Rooms

20 square feet per person for first ten (10) persons and 15 square feet for each additional person based on average number of persons in attendance.

#### (2) Classrooms and Training Rooms

Desk/arm chair at 10 square feet per person.  
Desk and chair at 40 square feet per person.

#### (3) Reception Areas

Based on average visitor load at 10 square feet per person.

#### (4) Exhibit Areas, Internal Duplicating Libraries, Mailrooms, Supply Rooms

Actual measurements of equipment plus circulation.

(2) Administrative Space Allowance

It is recognized that agency functions and needs do vary and cannot always conform to the administrative space standards; therefore, space allowances are derived by DOA from direct input of the agency and from specific studies of the operations of the agency in order to provide that agency with sufficient space to function efficiently. Space allowances are usually applied to the following:

- (a) Individual work stations when standards afford too little or too much space for the best utilization of space.
- (b) Common office functions such as conference rooms, storage rooms, training rooms, etc., when standards are not applicable or there is no standard.
- (c) Areas with specialized functions such as laboratories, printing facilities, warehouses, etc.

(3) Appeals

The quantity of space needed as determined by DOA may be appealed by the affected agency as provided in Section III. A. 3.

**(Editor's Note: Exhibit D, RL1, is the Rentals and Leases Space Rental Requisition, and is not shown.)**

Bidders Initials \_\_\_\_\_

Page \_\_\_\_\_

INVITATION TO BID

STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION  
BATON ROUGE, LOUISIANA

LEASE PROPOSAL NO. \_\_\_\_\_

(To be sent by Purchasing or Rentals & Leases)

In accordance with the provisions of R.S. 39:1643, the Division of Administration, State of Louisiana invites bid proposals for the lease of office space for the \_\_\_\_\_, in the City/Parish of \_\_\_\_\_, Louisiana, usable office space requirement of \_\_\_\_\_ square feet. The terms of the lease shall be for \_\_\_\_\_ years, with the option to renew for \_\_\_\_\_ additional years. The occupancy date shall be no later than \_\_\_\_\_.

NOTICE TO BIDDERS

Sealed bids for the lease of office space as described below will be received by the State of Louisiana, Division of Administration, Office of Rentals and Leases, P. O. Box 44095, Baton Rouge, Louisiana 70804, situated in the Parish of East Baton Rouge, State of Louisiana. Bids will be opened on \_\_\_\_\_, 1981, at 10:00 a.m. in the Conference Room on the 4th Floor of the Capitol Annex, North Riverside Mall, Baton Rouge, Louisiana.

Successful offeror must enter into lease as per attached sample form.

No part of this bid may be altered or any requirement removed. Any alteration of this bid form will constitute no bid.

"Usable space" is defined as the total square foot area of the interior building space being or to be rented or leased, i.e. the total square foot building area less all walls and partitions, including offices, hallways, restrooms, utility rooms, conference rooms, computer facility rooms, etc.

Invitation to Bid (cont.)

Bidders Initials \_\_\_\_\_

Page \_\_\_\_\_

Bidder must return all pages of this bid packet. Each page must be initialed in ink by the bidder. Bidder must place initials in the upper left corner of each page in space provided indicating acceptance of all conditions on that page. Any bid received not complying with this provision shall be rejected by the Division of Administration.

The sealed bid will remain firm for a period of 30 days from date of Bid Opening.

Failure of the successful bidder to return a signed lease with affidavit within ten (10) days after the receipt of the lease and affidavit shall cause the bidder to be determined an unresponsive bidder and to be disqualified as a bidder in accordance with the provisions of LSA-R.S. 39:1601.

The Division of Administration reserves the right to reject any and all bid proposals upon determination in writing that such action is taken in the best interest of the State. Consideration will be given to both bid price and suitability of space for the user agency.

If new space is to be constructed, or if space is to be structurally altered, this must be indicated in the bid proposal; satisfactory evidence of financial responsibility must be attached to the bid proposal; and sketch plans and outline specifications or equivalent representations must be submitted to the Louisiana Office of Rentals and Leases

Further information concerning this request for bid proposals may be obtained from Administrator, Rental and Lease Section, Division of Administration, State of Louisiana, P. O. Box 44095, Baton Rouge, Louisiana 70804, telephone number (504) 342-5835.

E. L. Henry  
Commissioner of Administration

Bidders Initials \_\_\_\_\_

Page \_\_\_\_\_

BID PROPOSAL

BID OPENING DATE \_\_\_\_\_ PROPOSAL NO. \_\_\_\_\_

ADMINISTRATOR: \_\_\_\_\_ DATE: \_\_\_\_\_

I, \_\_\_\_\_, herewith offer to lease to the State of Louisiana, \_\_\_\_\_, in the City/Parish of \_\_\_\_\_, Louisiana, office space as described below. My offer includes the following items:

ITEM #1: Usable space of \_\_\_\_\_ square feet, usable space being as defined in the "Invitation to Bid".

ITEM #2: The Lessor to be responsible for providing janitorial services and supplies and to bear the cost of maintenance of light fixtures on the leased premises and the replacement of bulbs or globes.

LOCATION (Street Address): \_\_\_\_\_

\_\_\_\_\_ square feet of the space offered is existing space; \_\_\_\_\_ square feet of the space offered is to be constructed. If space is to be constructed, or if space is to be structurally altered, evidence of financial responsibility is attached, and sketch plans and outline specifications will be submitted to the Louisiana Office of Rentals and Leases as soon as possible after bid award.

Price of the space offered will be \$ \_\_\_\_\_ per square foot, per year, for a period of \_\_\_\_\_ ( ) years, and the Lessor will grant to the Lessee the option to renew the lease from the end of its term for an additional period of \_\_\_\_\_ ( ) years, on the same terms and conditions as specified in the primary lease.

SIGNATURE \_\_\_\_\_

ADDRESS \_\_\_\_\_

NAME (Printed or Typed) \_\_\_\_\_

CITY & STATE \_\_\_\_\_

PARTY REPRESENTED \_\_\_\_\_

TELEPHONE NO. \_\_\_\_\_

Bidders Initials \_\_\_\_\_

Page \_\_\_\_\_

SPECIFICATIONS FOR

LEASE PROPOSAL NO. \_\_\_\_\_

The lease of office space in a building within the (City, Parish) of \_\_\_\_\_,  
Louisiana, and located \_\_\_\_\_

\_\_\_\_\_

for the housing of the \_\_\_\_\_, State of Louisiana.

The space offered must meet the following specifications:

1. Contain \_\_\_\_\_ square feet of usable space as defined in the "Invitation to Bid."
2. Be in a state of good repair at bid opening date. A building in such state of disrepair that inadequate building maintenance is evident will not be considered.
3. Comply with all Federal, State and local codes, ordinances, and regulations.
4. STRUCTURAL REQUIREMENTS: Building must meet all current Life Safety Code Standards, subject to the approval of the State Fire Marshal.
5. PARKING: Provide concrete or asphalt off-street parking for \_\_\_\_\_ vehicles, 300 square feet per vehicle. Parking for the physically handicapped shall be provided, accessible, 12 feet in width and near an entrance to the building.
6. DRIVEWAYS: Concrete or asphalt.

7. USABILITY BY THE PHYSICALLY HANDICAPPED: The building must be accessible to the physically handicapped at habitable grade levels meeting the specifications adopted by the American National Standards Institute in its publication "Making Buildings and Facilities Accessible to and Usable by Physically Handicapped People" in the most current edition. The exceptions to this requirement are those specifically enumerated in R.S. 40:1734 B.
8. HEATING, VENTILATING, AND AIR CONDITIONING:
  - A. Capacity. Air conditioning shall be capable of maintaining a temperature of 78°F. Heating shall be capable of maintaining a temperature of 65°F. Factors considered in determining acceptable standards are those published in the Federal Register, Vol. 44, No. 130.
  - B. Controls. Provide temperature control for multi-zone systems.
  - C. Regulations. Entire HVAC System shall meet recommendations of the latest edition of ASHRAE.
9. WINDOWS: Glazed with SSB type glaze or equivalent with either venetian blinds or drapes. Draperies shall be fire resistant and labeled as such. Draperies or venetian blinds may not be required if window-glazing provides adequate filtering of sunlight.
10. DOORS: Doors shall meet ANSI requirements per the 32" requirement in the ANSI publication referred to in Item #7.

11. ILLUMINATION: Interior illumination shall conform to the Illumination Engineering Society recommended foot-candle values for the various types of facility areas, latest edition.
  - A. Convenience Outlets. Provide one duplex outlet per eight (8) linear feet of interior partition and exterior wall.
  - B. Wall Switches. Provide separate switching for each office and separate space as required by partition arrangement.
12. WATER COOLERS: An electric water cooler shall be installed in an area easily accessible both to the staff, general public, and physically handicapped.
13. REST ROOMS: Two (2) restrooms are required. At least one water closet enclosure in each of the two rest rooms shall meet the following specifications:
  - A. Enclosure 36" width by 60" depth.
  - B. Door width - 32" outward swing door.
  - C. Handrails on each side, 33" high and parallel to the floor, 1½" clearance between the rail and the wall, and securely anchored at ends and the center.
  - D. Equipped with a water closet with the seat 20" from the floor.

14. OTHER COMMON FUNCTION AREA REQUIREMENTS: Contain or be renovatable to the following approximate dimensions:

15. ADMINISTRATIVE AREA REQUIREMENTS:

Room

Rooms

Rooms

Rooms

Rooms

Rooms

Rooms

16. AREAS OF SPECIALIZED FUNCTIONS:

17. TELEPHONES: Have capacity to accommodate \_\_\_\_\_ telephone lines.

18. SPECIAL EQUIPMENT:

Should the Lessee be unable to obtain possession of the leased premises on \_\_\_\_\_, whether or not said delay is caused by the Lessor, the Lessee shall be entitled to the remission of rent for such term during which the Lessee is deprived of possession, and to reimbursement for any damages which the Lessee may suffer as a result of said deprivation of possession. In addition, should the Lessee be deprived of possession of the leased premises for a period of more than sixty (60) days then the lease may be cancelled at the option of the Lessee. The lease shall be for a primary term of \_\_\_\_\_ years; the Lessor to grant to the Lessee an option to renew on the same terms and conditions as specified in the primary lease, provided that the Lessee shall give to Lessor ninety (90) days written notice prior to the expiration date of the primary lease of its election to exercise this option. The option, if exercised shall be for a term of \_\_\_\_\_ years.

E. L. Henry  
Commissioner of Administration

## RULE

### Office of the Governor Tax Commission

In accordance with the Administrative Procedure Act (R.S. 49:953), the Tax Commission has adopted the following guidelines for the receipt and expenditure of funds to be appropriated by the 1981 Legislature in connection with the implementation of the constitutional mandate in Article VII, Section 18 of the Louisiana Constitution of 1974, relative to the assessment of property for ad valorem property tax purposes.

Of the amount to be made available to and used solely by parish assessors for property reassessment, the assessors shall use the funds they receive in accordance with the following rules and guidelines:

1. Funds shall be allocated to the assessors based upon need after each assessor has submitted a proposal to the Tax Commission setting forth needs and projected expenses.
2. When assessors submit a proposal, consideration shall be given to funds remaining from previous reappraisal period in determining need.
3. After need has been determined, each parish assessor shall receive an amount based upon \$3.00 per assessment listing as contained on the 1980 assessment roll.
4. Payment shall be made by the Tax Commission on a quarterly basis. The first payment shall be made after the assessor submits a statement of the anticipated expenses necessary to complete the reappraisal as referred to in item one. Subsequent payments will be made after the reappraisal program has been in progress for a period of three months, and quarterly thereafter, and verification by the Tax Commission that the allocations have been properly utilized. This may be amended during the quarter if the work is behind or ahead of the assessor's projected schedule in order to assure a smooth flow of work and production.
5. Upon receipt by the assessor, the funds shall be deposited in a separate bank account (i.e., separate and apart from the Assessor's Salary and Expense Fund), to be designated as the "Assessment Fund".
6. Expenditures from the separate Assessment Fund shall be made only in connection with the performance of duties required by Article VII, Section 18 of the Louisiana Constitution of 1974. These funds shall be used in the assembly of data, extensions of value, classification, entry of information and clerical help in the revaluation program. Funds shall not be used to pay those salaries or other expenses normally paid by the Assessor's Salary and Expense Fund for regular employees, nor shall any such funds be used for investment purposes, the purchase of office furniture or automobiles. Upon the approval by the Tax Commission, certain specialized equipment may be purchased.
7. Expenditures from the Assessment Fund shall be accounted for in the same manner as expenditures from the Assessor's Salary and Expense Fund.
8. The assessors shall report to the Tax Commission each quarter, the total amount of expenditures, proof of production and the outstanding balance on a form provided by the Tax Commission.
9. Reimbursements from the Assessment Fund to the Assessor's Salary and Expense Fund for expenses already incurred, and attributable to the assessment procedure, shall reflect the particular item of expense and the specific check number for which reimbursement is made.
10. The funds shall be subject to audit by the Legislative Auditor in the same manner as other public funds.

J. Reginald Coco, Jr.  
Chairman

## RULE

### Department of Health and Human Resources Office of the Secretary

#### Amendments to the Rate Determination Manual for Non-state Operated Residential Facilities Where Office of Human Development Funds are Used to Care for Children, Youth, and Handicapped Persons

1. Under the Introduction, change the third paragraph to read:  
"The determination of appropriate placement for any client in any of these broad categories is made by the placing agency within the Department of Health and Human Resources, and all referrals for placement must originate and/or be approved through the placing agency of the Department before OHD funding will be committed for a particular client. It is the policy of this Department to place clients so as to achieve comparable services for the lowest available cost; thus the Department of Health and Human Resources will in no way guarantee placement to any particular facility. Private facilities from which placement services are purchased retain the right of acceptance or rejection of the clients referred by the Department's supervising agencies with the exception of emergency shelter-care facilities which do not have the right of rejection."

2. Under the Section entitled, "Cost-Related Reimbursement," add No. 5 to read:

"Upward change in the level of care provided."

3. Also, under the Section entitled, "Cost-Related Reimbursement," change the seventh and eighth paragraph to read:

"Such adjustments to the determined rates, if approved by DHHR and the Legislature, would not go into effect until the first day of the succeeding state fiscal year, as mandated by Act 786. These adjustments should be recorded in the regular accounting books. During the initial year, these adjustments must also be recorded separately, and quarterly reports on the utilization of these funds must be submitted to the DHHR Rate Coordinator for the purpose of accountability. If these expenses are not incurred as stated and approved, the facility will be required to reimburse DHHR for the adjustments.

A facility, administrator, board, or other governing body may appeal the rate determined for the facility by submitting, within 30 days of the receipt of the rate determined, specific grievances in writing to the DHHR Rate Coordinator. The decision of the Secretary shall address each specific grievance and be provided in writing to the appealing party within 30 days of the receipt of the written appeal, or shall notify the appealing party of the reasons why a decision cannot be made within that time period.

4. Under the Sub-Section entitled, "General Instructions for Cost Reporting," change No. 3 to read as follows:

"Cost reports will be sent to: DHHR Rate Coordinator, Box 3776, Baton Rouge, LA 70821.

5. Under the Sub-Section entitled, "Clothing and Other Personal Need Cost," change the first and fifth paragraphs to read:

"A. Client's personal wardrobe, when necessary, not to exceed \$450.00 per client annually, including initial and replacement clothing; such items will be the client's personal property which they may take with them upon discharge."

"E. Client's personal allowance must be provided by the facility for all residents. For clients ages 13 and up, \$5.00 per week, and \$2.50 per week for clients below age 13. This allowance is above and beyond work payments.

Emergency care facilities are not required to give an allowance, but allowances are reimbursable under the same requirements as stated above."

6. Under the Sub-Section entitled, "Administrative Cost," delete No. 8 in item "D" and change item "J" to read:

"Attorneys' fees. Only actual and reasonable attorney fees incurred for nonlitigation legal services which are directly related to child care will be allowed."

7. Under the Sub-Section entitled, "In-Kind Contributions," change the first paragraph to read:

"In-kind contributions represent the value of non-cost contributions related to the direct care of clients provided by (1) the facility, (2) other public agencies and institutions, and (3) private organizations and individuals. In-kind contributions may consist of charges for real property and equipment and value goods and services directly benefiting and specifically identifiable to all clients in the approved program."

8. Under the Sub-Section entitled, "Unallowable Cost for Services Provided," add No. 5 to read:

"5. Fines, penalties, judgments or settlements of any kind."

9. Under the Sub-Section entitled, "Limits of Reimbursement," change No. 4, "Occupancy Limits," to read:

"Those facilities which operate at less than 50 percent capacity will be penalized by using the 50 percent occupancy level. New facilities and/or newly established levels within existing facilities will be allowed one full fiscal year from opening date before the 50 percent occupancy penalty is enforced."

10. Under the definition of "New Facility," delete in its entirety, item "D."

George A. Fischer  
Secretary

#### RULE

**Department of Natural Resources  
Office of Environmental Affairs  
Environmental Control Commission**

The following revision to the Air Quality Regulations was approved May 28, 1981 by the Environmental Control Commission. Copies of the revision are available from the Department of Natural Resources, (Natural Resources Building - Sixth Floor), Office of Environmental Affairs, Air Quality Division, Box 44066, Baton Rouge, Louisiana 70804.

Revision to Section 22.9.3(a) of the Air Quality Regulations:  
In Section 22.9.3(a) delete the last sentence, i.e. the example.

B. Jim Porter  
Assistant Secretary  
Office of Environmental Affairs

#### RULE

**Department of The Treasury  
Board of Trustees  
State Employees Group Benefits Program**

At its meeting of May 27, 1981, the Board of Trustees of the State Employees Group Benefits Program adopted the following new rates for participants in the program with Medicare coverage to become effective July 1, 1981:

Class	Employee Share	State Share	Total Premium Due
Employee Only	\$10.68	10.68	\$21.36
Employee and One Dependent			
One with Medicare	34.74	34.74	69.48
Two with Medicare	29.06	29.06	58.12
Employee and Family			
One with Medicare	45.94	45.94	91.88
Two with Medicare	34.88	34.88	69.76

James D. McElveen  
Executive Director

## Notices of Intent

### NOTICE OF INTENT

**Department of Commerce  
Office of Financial Institutions**

Under authority granted by R.S. 6:902 B, the Commissioner of Financial Institutions intends to adopt the following rule for the purpose of providing a means by which State Chartered Savings and Loan Associations may have authority consistent with that granted Federal Associations by Federal Home Loan Bank Board Rules and Regulation 545.6-4a, which was published on page 24148, Volume 46 of the Federal Register dated April 30, 1981.

#### Proposed Rule

Notwithstanding any limitations imposed by Chapter 9, Title 6, Louisiana Revised Statutes, State Chartered Savings and Loan Associations are hereby authorized to make, purchase and participate in adjustable mortgage loan instruments authorized Federal Associations by Federal Home Loan Bank Regulation 545.6-4a. For the information and guidance of State Chartered Associations, the Federal Home Loan Bank Board Regulation is outlined below:

#### I. Adjustable Mortgage Loan Instruments

(a) **Authorization.** (1) Associations making, purchasing, participating or otherwise dealing in loans pursuant to § 545.6-2(a) of this Part may use adjustable mortgage loan instruments as described in this Section. (2) This regulation is promulgated pursuant to the plenary and exclusive authority of the Board to regulate all aspects of the operations of Federal associations, as set forth in § 5(a) of the Home Owners' Loan Act of 1933, as amended. This exercise of the Board's authority is preemptive of any state law purporting to address the subject of a Federal association's ability or right to make, purchase, participate, or otherwise deal in adjustable mortgage loans, or to directly or indirectly restrict such ability or right.

(b) **Description.** (1) An adjustable mortgage loan is a loan that permits adjustment of the interest rate. Adjustments to the interest rate may be implemented through changes in the payment amount and/or through adjustments to the outstanding principal loan balance or the loan term, provided that the total loan term may not exceed 40 years, and shall reflect the movement of one of the indices authorized by paragraph (c) of this Section. (2) Adjustments to the principal loan balance are permissible only if the initial

payment amount is sufficient to fully amortize the loan and if the payment amount is adjusted at least every five years to a level sufficient to amortize the loan at the then-existing interest rate and principal loan balance over the remaining term of the loan. (3) For purposes of determining compliance with the loan-to-value limitations set out in § 545.6-2(a) of this Part, the Board will assume continued compliance where the original loan-to-value ratio met the requirements of § 545.6-2(a). (4) Prepayment in full or in part of the outstanding principal loan balance may be made without penalty at any time.

(c) **Index.** (1) Adjustments to the interest rate of an adjustable mortgage loan shall correspond directly to the movement of an index authorized by subparagraph (2) of this paragraph, subject to such rate-adjustment limitations, if any, as an association may provide. The amount of a rate adjustment shall reflect the difference between the initial index value and either the index value most recently available as of the date of rate adjustment, if the payment is not simultaneously adjusted, or the index value most recently available as of the date of notification of a payment adjustment. Where the movement of the index permits an interest-rate increase, the association may decline to increase the interest rate by the indicated amount, and the association may decrease the interest rate at any time.

(2) For the purpose of adjusting the interest rate, an association may use any interest-rate index that is readily verifiable by the borrower and is beyond the control of the association. An association may use:

(i) The national average mortgage contract rate for major lenders on the purchase of previously-occupied homes, as computed monthly by the Board, published in the Board's *Journal*, and made available in news releases;

(ii) The average cost of funds to FSLIC-insured savings and loan associations, either for all Federal Home Loan Bank Districts or for a particular District or Districts, as computed semi-annually by the Board, published in the Board's *Journal*, and made available in news releases;

(iii) The monthly average of weekly auction rates on United States Treasury bills with a maturity of three months or six months, as published in the *Federal Reserve Bulletin* and made available by the Federal Reserve Board in Statistical Release G.13(415) during the first week of each month;

(iv) The monthly average yield on United States Treasury Securities adjusted to a constant maturity of one, two, three, or five years, as published in the *Federal Reserve Bulletin* and made available by the Federal Reserve Board in Statistical Release B.13(415) during the first week of each month; or

(v) Any other interest-rate index that meets the requirements of this subparagraph (c) (2).

(d) **Costs or fees.** The borrower may not be charged any costs or fees in connection with regularly-scheduled adjustments to the interest rate, the payment, the outstanding principal loan balance, or the loan term.

(e) **Notice to borrower of payment adjustment.** At least 30 but not more than 45 days before adjustment of the payment, the association shall send written notification to the borrower containing the following information:

(1) The fact that the payment on the loan with the association, secured by a mortgage or deed of trust on property located at the appropriate address, is scheduled to be adjusted on a particular date;

(2) The outstanding balance of the loan on the adjustment date, assuming timely payment of the remaining payments due by that date;

(3) The interest rate on the loan as of the adjustment date, the index value on which that rate is based, the period of time for

which that interest rate will be in effect, the next following payment adjustment date, and the rate adjustment dates, if any, between the upcoming payment adjustment date and the next following payment adjustment date;

(4) The payment amount as of the payment adjustment date;

(5) The date(s), if any, on which the rate was adjusted since the last payment adjustment, the rates on each such rate adjustment date, and the index values corresponding to each such date;

(6) The dates, if any, on which the outstanding principal loan balance was adjusted since the last payment adjustment, and the net change in the outstanding principal loan balance since the last payment adjustment;

(7) The fact that the borrower may pay off the entire loan or a part of it without penalty at any time; and

(8) The title and telephone number of an association employee who can answer questions about the notice.

(f) **Disclosure.** An applicant must be given, at the time of receipt of an application, or upon request, a disclosure notice in the following form:

#### IMPORTANT INFORMATION ABOUT THE ADJUSTABLE MORTGAGE LOAN - PLEASE READ CAREFULLY

You have received an application form for an adjustable mortgage loan ("AML"). The AML may differ from other mortgages with which you are familiar.

#### GENERAL DESCRIPTION OF ADJUSTABLE MORTGAGE LOAN

The adjustable mortgage loan is a flexible loan instrument. Its interest rate may be adjusted by the lender from time to time. Such adjustments will result in increases or decreases in your payment amount, in the outstanding principal loan balance, in the loan term, or in all three (see discussion below relating to these types of adjustments). Federal regulations place no limit on the amount by which the interest rate may be adjusted either at any one time or over the life of the loan, or on the frequency with which it may be adjusted. Adjustments to the interest rate must reflect the movement of a single, specified index (see discussion below). This does not mean that the particular loan agreement you sign must, by law, permit unlimited interest rate changes. It merely means that, if you desire to have certain rate adjustment limitations placed in your loan agreement, that is a matter you should negotiate with the lender. You may also want to make inquiries concerning the loan terms offered by other lenders on AMLs to compare the terms and conditions.

Another flexible feature of the AML is that the regular payment amount may be increased or decreased by the lender from time to time to reflect changes in the interest rate. Again, Federal regulations place no limitations on the amount by which the lender may adjust payments at any one time, or on the frequency of payment adjustments. If you wish to have particular provisions in your loan agreement regarding adjustments to the payment amount, you should negotiate such terms with the lender.

A third flexible feature of the AML is that the outstanding principal loan balance (the total amount you owe) may be increased or decreased from time to time when, because of adjustments to the interest rate, the payment amount is either too small to cover interest due on the loan, or larger than is necessary to pay off the loan over the remaining term of the loan.

The final flexible feature of the AML is that the loan term may be lengthened or shortened from time to time, corresponding to an increase or decrease in the interest rate. When the term is

extended in connection with a rate increase, the payment amount does not have to be increased to the same extent as if the term had not been lengthened. In no case may the total term of the loan exceed 40 years.

The combination of these four basic features allows an association to offer a variety of mortgage loans. For example, one type of loan could permit rate adjustments with corresponding changes in the payment amount. Alternatively, a loan could permit rate adjustments to occur more frequently than payment adjustments, limit the amount by which the payment could be adjusted, and/or provide for corresponding adjustments to the principal loan balance.

**INDEX**

Adjustments to the interest rate of an AML must correspond directly to the movement of an index, subject to such rate-adjustment limitations as may be contained in the loan contract. If the index has moved down, the lender must reduce the interest rate by at least the decrease in the index. If the index has moved up, the lender has the right to increase the interest rate by that amount. Although taking such an increase is optional by the lender, you should be aware that the lender has this right and may become contractually obligated to exercise it.

(Name and description of index to be used for applicant's loan, initial index value (if known) or date of initial index value, a source or sources where the index may be readily obtained by the borrower, and the high and low index rates during the previous calendar year.)

Key terms of \_\_\_\_\_ Federal Savings and Loan Association's adjustable mortgage loan

Following is a summary of the basic terms on the type of AML to be offered to you. This summary is intended for reference purposes only. Important information relating specifically to your loan will be contained in the loan agreement.

(Provide summary of basic terms of the loan, including the loan term, the frequency of rate changes, the frequency of payment changes, the maximum rate change, if any, at one time, the maximum rate change, if any, over the life of the loan, the maximum payment change, if any, at one time, minimum increments, if any, of rate changes, and whether there will be adjustments to the principal loan balance, in the following format:

- Loan Term . . . . .
- Frequency of rate changes . . . . .
- Frequency of payment changes . . . . .

**HOW YOUR ADJUSTABLE MORTGAGE LOAN WOULD WORK**

**Initial interest rate**

The initial interest rate offered by \_\_\_\_\_ Federal Savings and Loan Association on your AML will be established and disclosed to you on (commitment date, etc.) based on market conditions at the time.

(Insert a short description of each of the key terms of the type of AML to be offered to the borrower, using headings where appropriate.)

**Notice of payment adjustments**

\_\_\_\_\_ Federal Savings and Loan Association will send you notice of an adjustment to the payment amount at least 30 but not more than 45 days before it becomes effective. (Describe what information the notice will contain.)

**Prepayment penalty**

You may prepay an AML in whole or in part *without penalty at any time* during the term of the loan.

**Fees**

You will be charged fees by \_\_\_\_\_ Federal Savings and Loan Association and by other persons in connection with the origination of your AML. The association will give you an estimate of these fees after receiving your loan application. However, you will not be charged any costs or fees in connection with any regularly-scheduled adjustment to the interest rate, the payment, the outstanding principal loan balance, or the loan term initiated by the lender.

**EXAMPLE OF OPERATION OF YOUR TYPE OF AML**

(Set out an example of the operation of the type of AML to be offered to the borrower, including, where appropriate, the use of the table)

(g) Transition period. Until July 31, 1981, associations may continue to make, purchase, participate or otherwise deal in variable-rate mortgage loans pursuant to § 545.6-4(c) of this Part or in renegotiable rate mortgage loans pursuant to § 545.6-4(a) of this Part, as those Sections were constituted prior to April 30, 1981.

**II. Rescission**

(a) This rule rescinds rules published in Volume 6, Number 12, *Louisiana Register*, dated December 20, 1980 and Volume 7, Number 4, *Louisiana Register*, dated April 20, 1981, pertaining to Renegotiable Rate Mortgages (RRM's), effective July 31, 1981.

(b) Until July 31, 1981, State Chartered Savings and Loan Associations may continue to make, purchase, participate or otherwise deal in Renegotiable Rate Mortgages as outlined in the rules referred to in Section II (a) above.

Interested persons may submit written comments on the proposed rule through July 5, 1981, 4:30 p.m., to the following address: Hunter O. Wagner, Jr., Commissioner, Office of Financial Institutions, Box 44095-Capitol Station, Baton Rouge, Louisiana 70804.

Mr. Wagner is the person responsible for responding to inquiries about the proposed rule.

Hunter O. Wagner, Jr.  
Commissioner of Financial Institutions

**Fiscal and Economic Impact Statement  
For Administrative Rules**

**Rule Title: Adjustable Mortgage Loan Instruments**

**I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO AGENCY - (Summary)**

The implementation of this rule will not increase or decrease the operating budget of this office in any manner.

**II. ESTIMATED EFFECT ON REVENUE COLLECTIONS - (Summary)**

The adoption of this rule should allow state chartered savings and loan associations to make more residential loans thereby stimulating the industry which in turn would increase our revenue which is calculated on the size of the institution.

**III. ESTIMATED COSTS AND BENEFITS TO AFFECTED GROUPS - (Summary)**

The interest rates permitted on an adjustable mortgage loan (AML) is pegged to some national index the lender is unable to control and is readily verifiable by the borrower. Adjustments to the interest rate must be based upon the movement of the index after due notice to the borrower. Increases in rates could result in an increase in the borrower's payment, or extend the term of the loan, or negatively amortize the interest or com-

mination of the above. This rule should encourage S and L's to make home loans remain profitable during periods of time when the cost of funds and interest rates are extremely volatile.

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

This rule enables state chartered S and L's to operate on an equal parity basis with federal S and L's. There should be no effect on industry employment, but could increase building starts and stimulate that industry.

Hunter O. Wagner, Jr.  
Commissioner of  
Financial Institutions

Mark C. Drennen  
Legislative Fiscal Officer

**NOTICE OF INTENT**  
**Department of Commerce**  
**Office of Financial Institutions**

The Commissioner of Financial Institutions hereby issues the following intent of a change in the Rule which contains instructions for completing an application for permission to establish a new State-chartered bank or a branch office by an existing State-chartered bank.

The following entire paragraph, under the General Provisions section, is to be eliminated:

"Evidence of publication in an area news media must be furnished the Commissioner prior to the acceptance of the application. Upon receiving proof of publication, and after the application is completed to the satisfaction of the Commissioner, the application may be accepted for filing."

The following corrected paragraph is to replace the original paragraph stated above:

"After the application is completed to the satisfaction of the Commissioner, the application may be accepted for filing. Evidence of proof of publication in an area news media must be furnished the Commissioner after acceptance and prior to the investigation of the application."

Interested persons may submit written comments on the proposed Rule until 4:30 p.m., July 6, at the following address: Mr. Hunter O. Wagner, Jr., Commissioner, Office of Financial Institutions, Box 44095, Baton Rouge, Louisiana 70804.

Hunter O. Wagner, Jr.  
Commissioner of Financial Institutions

**Fiscal and Economic Impact Statement**  
**For Administrative Rules**  
**Rule Title: Applications for new banks**  
**and bank branches**

- I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO AGENCY - (Summary)  
None.
- II. ESTIMATED EFFECT ON REVENUE COLLECTIONS - (Summary)  
None.
- III. ESTIMATED COSTS AND BENEFITS TO AFFECTED GROUPS - (Summary)  
None.
- IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)  
None.

Hunter O. Wagner, Jr.  
Commissioner

Mark C. Drennen  
Legislative Fiscal Officer

**NOTICE OF INTENT**

**Board of Elementary and Secondary Education**

The State Board of Elementary and Secondary Education intends to adopt the following as policy at its July meeting:

- 1. Amend Bulletin 1525 to remove all references to categories (probationary or permanent) and provide that any certified and/or professional employee shall be evaluated annually for three years and, thereafter, at least triennially or as the need dictates or arises, provided, however, that whenever an employee is promoted, the process shall begin anew.
- 2. Proposed Revisions of Act 754 Regulations.
- 3. Amend Policy 3.01.84 to read as follows:  
"Textbooks shall not promote discrimination on the basis of sex, race, color, creed, national origin, or against the handicapped."
- 4. The Board adopted as policy, "A document is considered to be "filed" on the date it is received in the offices of the State Board."
- 5. Amend Bulletin 746 to include certification requirements for teachers of preschool handicapped as follows:

a. For institutions offering graduate programs for certification in the area of noncategorical preschool handicapped, the Board shall allow a six semester hour graduate level practicum to be accepted in lieu of the twelve semester hour student teaching requirement specified for the undergraduate program, provided that students in the graduate program are degreed teachers and have had student teaching. For persons in the program who do not hold kindergarten certification, an additional three hour kindergarten practicum shall be required.

b. For institutions offering graduate level programs for certification in the area of noncategorical preschool handicapped, the Board shall allow a two hour nutrition course in lieu of the three semester hours of nutrition required in the undergraduate program.

6. The Board approved the Proposed Implementation Guidelines for Training in the Standards for Evaluation of Educational Programs, Projects and Materials with the exclusion of the "exit exercise" and with the proviso that the wording "printed certificate" on Page 5 be amended to read "ancillary certificate". The Board directed the Board staff to delete Rule 4.01.70 from the Policy and Procedure Manual.

7. Amend Bulletin 741, Page 73, Item 14, with the proposed new policy to read: "The maximum enrollment allowed in any class or section in grades K-3 is 30 students and in grades 4-12, 33 students, except in certain activity type classes such as physical education, music, art, etc. It is recommended that this policy become effective with the 1982-83 school year."

8. The Board approved the Home Study Guidelines as presented by the State Department of Education.

Interested persons may comment on the proposed policy changes and/or additions, in writing, until 4:30 p.m. July 6, 1981, at the following address: State Board of Elementary and Secondary Education, Box 44064, Baton Rouge, Louisiana 70804.

James V. Soileau  
Executive Director

**Fiscal and Economic Impact Statement**  
**For Administrative Rules**  
**Rule Title: Bulletin 1525**

- I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO AGENCY - (Summary)  
80-81 \$500.00  
81-82 \$4,250.00  
82.83 \$500.00



**Fiscal and Economic Impact Statement  
For Administrative Rules**

**Rule Title: Evaluation**

- I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO AGENCY - (Summary)  
The anticipated cost to the Department of Education for implementing the proposed rule is \$20,000.
- II. ESTIMATED EFFECT ON REVENUE COLLECTIONS - (Summary)  
The proposed rule will have no effect on revenue collections.
- III. ESTIMATED COSTS AND BENEFITS TO AFFECTED GROUPS - (Summary)  
The only costs to affected groups are one-time-only expenses incurred for the required training in the interpretation and application of the *Standards for Evaluations of Educational Programs, Projects and Materials*. The major benefit is certification of program evaluators which will provide assurance to employing state and local boards of education that potential evaluators have met minimum education, experience and training requirements.
- IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)  
Adoption of the proposed rule will effect competition and employment among educational evaluators to the extent that programs, projects and materials approved by the BESE which have evaluation requirements must be evaluated by an evaluator with a valid Louisiana certificate. The rule does not threaten the employment of currently employed or contracted evaluators who will be certified upon recommendation of the state or a local superintendent and successful completion of the required training. And, the rule does not impose additional evaluation requirements on educational programs, projects or materials in Louisiana.

George B. Benton, Jr.  
Deputy Superintendent

Mark C. Drennen  
Legislative Fiscal Officer

**Fiscal and Economic Impact Statement  
For Administrative Rules**

**Rule Title: Bulletin 741**

- I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO AGENCY - (Summary)  
The proposed amendment will cost approximately \$700.00 to the Department of Education for printing 3,000 copies of page 71 for Bulletin 741.
- II. ESTIMATED EFFECT ON REVENUE COLLECTIONS - (Summary)  
The proposed amendment will have no effect on revenue collections.
- III. ESTIMATED COSTS AND BENEFITS TO AFFECTED GROUPS - (Summary)  
The Superintendents' Association has indicated that no additional funds will be required by local school systems to implement this policy, however, school superintendents feel strongly that at least one year is necessary to gear up for implementation.
- IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)  
The rule would provide for the employment of additional teachers if necessary to meet the reduction for maximum class size.

George B. Benton, Jr.  
Deputy Superintendent

Mark C. Drennen  
Legislative Fiscal Officer

**Fiscal and Economic Impact Statement  
For Administrative Rules**

**Rule Title: Home Study Guidelines**

- I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO AGENCY - (Summary)  
There is no estimated implementation of costs (savings) to agency.
- II. ESTIMATED EFFECT ON REVENUE COLLECTIONS - (Summary)  
There is no estimated effect on revenue collections.
- III. ESTIMATED COSTS AND BENEFITS TO AFFECTED GROUPS - (Summary)  
All reasonable costs directly attributable to the home study program shall be borne by the parents.
- IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)  
It is assumed that with the implementation of the home study program several parents will take advantage of the option to educate their children at home if they are dissatisfied with local school conditions. Some certified teachers may choose to become tutors rather than work in adverse school situations.

George B. Benton, Jr.  
Deputy Superintendent

Mark C. Drennen  
Legislative Fiscal Officer

**NOTICE OF INTENT**

**Department of Education  
Educational Employees Professional Improvement  
Program**

Notice is hereby given that the State Committee for the Louisiana Educational Employees Professional Improvement Program intends to adopt at its July 6, 1981 meeting Bulletin 1619 which contains the guidelines and the criteria for the implementation and the administration of this program. This document is in accordance with the mandates of Act 207 of the 1980 Regular Session.

The State Committee for the Louisiana Educational Employees Professional Improvement Program will accept written comments until 4:30 p.m., July 6, 1981 at the following address: State Department of Education, Box 44064, Baton Rouge, Louisiana 70804.

Robert C. Rice, Chairman  
State Committee for the  
Louisiana Educational Employees  
Professional Improvement Program

**Fiscal and Economic Impact Statement  
For Administrative Rules  
Rule Title: Bulletin 1619**

- I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO AGENCY - (Summary)  
In order to implement the Professional Improvement Program, a budget of approximately \$65,000,000.00 will be needed to provide for full funding. Of this amount, approximately \$64,500,000.00 will be needed to provide for the salary increments, which are figured upon an average of \$2,000.00 per participant (over 32,000 educators have applied for the program). The remaining \$500,000.00 will be used for the administration of the program; this figure includes expenses for clerical and professional personnel, for equipment, for printing and postage, and for personal ex-

penses incurred by both the State Committee and all local committees who administer the program.

- II. ESTIMATED EFFECT ON REVENUE COLLECTIONS - (Summary)  
No impact.
- III. ESTIMATED COSTS AND BENEFITS TO AFFECTED GROUPS - (Summary)  
The benefits to educators who participate in the Professional Improvement Program and who successfully complete a year's program include a salary increase of from \$1,100 to \$3,700; in addition, educators stand to gain added professional growth as well as advanced degrees by participating. As far as costs are concerned for participants, there will be slight fees assessed for most of the inservice projects included in the program. In the academic area, participants may utilize Act 379, the Tuition Exemption Program, for Louisiana institutions of higher education. For academic pursuits at other such institutions, participants must pay the tuition rates for said colleges and universities.
- IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)  
It is assumed that with the implementation of the Professional Improvement Program that many educators will remain in the profession longer with the incentive of salary inducement that increases with added tenure. Also, it is readily assumed that with such a program more young people will be attracted to the education profession, thus making competition for positions more stringent.

George B. Benton, Jr.  
Deputy Superintendent

Mark C. Drennen  
Legislative Fiscal Officer

#### NOTICE OF INTENT

##### Southern University Board of Supervisors

The Southern University Board of Supervisors does hereby give notice in accordance with law that it intends to consider for adoption an increase in student fees for Southern University at Shreveport-Bossier City at its meeting on July 25, 1981 at 10:00 a.m. in the Science Lecture Room on the Southern University at Shreveport-Bossier City Campus, 3050 Cooper Road, Shreveport, Louisiana.

The proposed increases include an assessment of \$8.00 per semester and \$4.00 per Summer Session to cover the costs of services, operations and activities in the Student Center and an increase of \$2.75 per semester in the assessment of the Yearbook.

A copy of the proposed increases may be reviewed at the Office of the Board of Supervisors, Administration Building, Southern University at Baton Rouge. The Office of the Board will be open from 8:00 a.m. to 5:00 p.m., Monday through Friday.

The Board of Supervisors of Southern University shall accept written comments until 5:00 p.m. July 6, 1981 at the following address: Mrs. Henrietta Vessel, Administrative Secretary, Southern University Board of Supervisors, Box 10870, Baton Rouge, Louisiana 70813.

Jesse N. Stone, Jr.  
President, Southern University System

##### Fiscal and Economic Impact Statement For Administrative Rules

###### Rule Title: Yearbook Assessment

- I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO AGENCY - (Summary)  
No implementation cost or savings are involved.

- II. ESTIMATED EFFECT ON REVENUE COLLECTIONS - (Summary)  
The rule will become effective in 1981-82. It is anticipated that income for production of the yearbook will increase by \$4,180 in 1981-82 and \$4,400 in 1982-83.
- III. ESTIMATED COSTS AND BENEFITS TO AFFECTED GROUPS - (Summary)  
Students will be affected by having to pay an additional \$2.75 per semester. No other persons or groups are affected.
- IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)  
None.

Jesse N. Stone, Jr.  
President

Mark C. Drennen  
Legislative Fiscal Officer

##### Fiscal and Economic Impact Statement For Administrative Rules

###### Rule Title: Student Center Fee

- I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO AGENCY - (Summary)  
No implementation cost or savings are involved.
- II. ESTIMATED EFFECT ON REVENUE COLLECTIONS - (Summary)  
The rule will become effective as of the Fall Semester 1981. It is expected that income from the assessment will be \$12,160 in 1981-82 and \$14,800 in 1982-83.
- III. ESTIMATED COSTS AND BENEFITS TO AFFECTED GROUPS - (Summary)  
Students will be affected by having to pay an additional \$8.00 per semester and \$4.00 in the Summer Session.
- IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)  
None.

Jesse N. Stone, Jr.  
President

Mark C. Drennen  
Legislative Fiscal Officer

#### NOTICE OF INTENT

##### Office of the Governor Office of Elderly Affairs

The Office of the Governor proposes to adopt rules and regulations which amend the Older Americans Act of 1965. These rules are being enacted under the authority granted to the Governor by the Department of Health and Human Services, Administration on Aging, in Public Law 95-478.

The rules and regulations are being enacted pursuant to the requirements of the Administrative Procedure Act of Louisiana as amended.

The following is an excerpt from the complete text of the proposed rules of the Office of Elderly Affairs.

###### Section 1000 Hearing Procedures

###### Section 1001 General Hearing Provisions

The Governor's Office of Elderly Affairs proposes to adopt Rules to be codified which establish procedures for hearings pursuant to the federal regulations applicable to grants for state and community programs on aging.

###### 1001.1 Purpose

The Governor's Office of Elderly Affairs is required to provide an opportunity for a hearing to area agencies on aging, applicants for designation as a planning and service area, nutrition projects, and service providers when particular types of action have been taken or proposed.