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# Emergency Rule

## DECLARATION OF EMERGENCY

### Office of the Governor Tax Commission

In accordance with the emergency provisions of the Administrative Procedures Act (R.S. 49:953B), 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

## DECLARATION OF EMERGENCY

### Department of Health and Human Resources Board of Practical Nurse Examiners

The Louisiana State Board of Practical Nurse Examiners does hereby exercise the emergency provision of the Administrative Procedure Act (R.S. 49:953B) to amend Rule 7 of the Administrative Rules, Louisiana State Board of Practical Nurse Examiners as follows:

#### Section I

7. Rules for Adjudication and License Suspension and Revocation Proceedings

7-1 All adjudication proceedings (as defined in Louisiana Revised Statutes, Title 49, Section 951) and license suspension and/or license revocation or probation proceedings conducted by the Board shall be in accordance with the Administrative Procedure Act, Louisiana Revised Statutes, Title 49, Section 955 et seq.

7-2 All proceedings calling for a suspension, revocation or probation of a licensee, shall begin with the receipt of a complaint by the Board. This complaint shall be in writing and signed by the complainant.

7-3 This complaint shall be investigated by the Executive Director, his designee and/or staff.

7-4 The complaint against the licensee may be concluded at an informal proceeding without a hearing if the director does not feel that the complaint is sufficiently serious and the licensee does not request a formal hearing. The informal resolution of a complaint may be done by correspondence between the Executive Director and the licensee, by conference of the Executive Director with the licensee, by consent order between the Board and the licensee, or by a settlement between the complainant and the licensee.

7-5 If a complaint is concluded by this informal procedure, any result and/or recommendations shall be submitted by the Executive Director to the Board for approval.

7-6 If a matter is not concluded by informal procedure and a hearing is deemed necessary or requested by the licensee, a hearing shall be scheduled before the Hearing Officer designated by the Board.

7-7 Formal hearing procedures shall commence by a formal notice of complaint outlining the charges against the licensee sent to the licensee at his last known address. This notice shall require a response by the licensee within 21 days.

7-8 The licensee shall return his response to the complaint to the Board within 21 days or shall be deemed to have waived his right to hearing. In this response, the licensee shall either deny or admit the allegations of the complaint and shall either request a hearing before the Hearing Officer or waive his right to said hearing.

7-9 If the licensee waives his right to a hearing or does not respond in writing within the time allotted, the Hearing Officer shall decide the case forthwith. The Hearing Officer shall make specific findings of fact, conclusions of law and make recommendations to the Board.

7-10 If the licensee requests a hearing before the Hearing Officer, the licensee shall be afforded the opportunity to present evidence and cross-examine witnesses. The testimony of the witnesses shall be transcribed. The hearing shall be conducted according to the Administrative Procedure Act.

7-11 After the hearing is concluded, the Hearing Officer shall issue a report containing his findings of fact, conclusions of law and recommendations. This report shall be presented to the Board.

7-12 The Board shall make a decision based on the Hearing Officer's report and determine what sanctions if any should be imposed and issue an appropriate order with respect thereto.

7-13 This Order of the Board shall be sent to the licensee.

Helen W. Sheehan, R.N.  
Executive Director  
Board of Practical Nurse Examiners

## DECLARATION OF EMERGENCY

### Department of Health and Human Resources Office of Human Development

In accordance with the provisions of L.R.S. 40:29 the Department of Health and Human Resources adopts the Title XX Comprehensive Annual Services Program Plan (CASP) for the program year July 1, 1981 through June 30, 1982.

The CASP will offer the following services:

- Adoption (pre-placement to termination of parental rights)
- Counseling (assessment, evaluation and appropriate therapy)
- Day Care for Adults and Children (direct care for portion of the 24-hour day)
- Training and Treatment (evaluation, counseling, day development, training, referrals)
- Employment (assessment, placement, job development)
- Family Planning (counseling, education, medical care)
- Substitute Care (evaluation, placement, counseling)
- Health Related (assistance in obtaining and utilizing necessary health care)
- Home Delivered and Congregate Meals (preparation and delivery of meals)
- Home Management (instruction, training, counseling)
- Homemaker (direct personal in-home care)
- Housing Improvement (counseling, advocacy, minor home repairs)
- Information and Referral (assessment, information, referrals, follow-up)
- Protection for Adults and Children (investigation, assessment, evaluation, intervention, shelter care, counseling, referrals and follow-up)
- Recreation (opportunities for constructive leisure activities)
- Placement (direct care and treatment on a 24-hour basis)
- Transportation (travel to and from service resources)

Persons eligible for services are:

- (1) Recipients of Aid to Families with Dependent Children (AFDC) and those persons whose needs were taken into account in determining the needs of AFDC recipients.
- (2) Recipients of Supplemental Security Income payments or state supplemental payments, and individuals eligible for such payments except for their income.
- (3) Persons whose gross monthly income is not more than 57.8 percent of the state's median income for a family of four adjusted by family size. A family of four with a gross monthly income of not more than \$971.00 is eligible for services.

(4) Persons without regard to income, who are in need of Protection and Information and Referral Services.

(5) Persons who are members of groups identified in the proposed plan to receive certain services except child day care.

The proposed plan includes information on standards for non-medical and medical (other than those certified for Medicaid or Medicare) residential facilities for SSI recipients; a system for enforcing the standards; and the name and address of the standard-setting authority who will respond to requests for information on standards, their enforcement, waivers, and the identity of deficient facilities.

George A. Fischer,  
Secretary

# Rules

## RULE

### Department of Agriculture Family Farm Council

The Louisiana Department of Agriculture, Family Farm Council, pursuant to the authority granted in LSA 3:253-254 and in accordance with Notice of Intent published on April 20, 1981, adopted the following Rules and Regulations for the Administration of the Family Farm Security Loan Program at a public hearing on May 6, 1981:

1.0 — Definitions.

1.1 — "Applicant" means a natural person applying for a Family Farm Security Loan and/or a natural person seeking approval for a Family Farm Loan Guaranty or Interest Payment Adjustment.

1.2 — "Council" means the Family Farm Council.

1.3 — "Commissioner" means the Commissioner of Agriculture.

1.4 — "Family Farm Security Loan" means a loan which shall be used for acquisition of farmland and shall be approved by the Council. This loan shall be guaranteed and may qualify for a payment adjustment as defined in Rule 1.9 and may be a seller-sponsored loan as defined in Rule 1.7.

1.5 — "Farmland" means land in Louisiana that is capable of supporting the commercial production of agricultural crops, livestock or livestock products, poultry products, milk or dairy products, or fruit or other horticultural products.

1.6 — "Lender" means any bank, savings bank, mutual savings bank, building and loan association, and savings and loan association organized under the laws of Louisiana or the United States, trust companies, trust companies acting as fiduciaries, and other financial institutions subject to the supervision of the commissioner of financial institutions; and any foreign or domestic corporation engaged in the business of insurance which is subject to the supervision of the commissioner of insurance; and any financial institution operating under the supervision of the Farm Credit Administration. In the case of seller-sponsored loans, "lender" also means the seller of the property.

1.7 — "Seller-sponsored loan" means a loan in which part or all of the purchase price of the farm is financed by a loan from the seller of the property who is a natural person or a corporation, and the remainder of the loan, if any, is supplied by a lender as defined in Rule 1.6.

1.8 — “Family Farm Loan Guarantee” or “Family Farm Loan Guarantee Agreement” means an agreement that, in the event of default, the State shall pay the lender 90 percent of the sums due and payable under a first mortgage on immovable property.

1.9 — “Payment Adjustment” or “Interest Payment Adjustment” means an amount of money equal to one-half of the amount of the current interest rate on the principal balance of a Family Farm Security Loan.

1.10 — “Interest Payment Adjustment Agreement” means the agreement whereby the Council will pay the payment adjustment to the lender or seller-sponsor.

1.11 — “Prime rate” or “prime interest rate” means the interest rate applied to loans by the Federal Land Bank on the first day of the month in which a loan is approved, plus an additional number of percentage points, not to exceed four percentage points, above the interest rate applied by the Federal Land Bank.

1.12 — “Net Equity in Agricultural Land Holdings” shall mean the value of agricultural land holdings only, and shall exclude the value of personal residences, agricultural buildings, storage facilities and mineral rights.

2.0 — Applicant Eligibility Requirements.

2.1 — The applicant must be a resident of Louisiana.

2.2 — The applicant must have sufficient education, training, or experience in the type of farming for which he wishes the loan to indicate the probable success of the venture.

2.3 — The applicant must agree to continued participation in a farm management program, approved by the Council, for the duration of the Family Farm Security Loan. A farm management program shall include, but not be limited to, programs in farm record keeping or farm management offered by state universities, the Louisiana Cooperative Extension Service, or vocational agriculture programs.

2.4 — The net equity in agricultural land holdings of the applicant, his spouse and dependents must be less than \$100,000.00.

2.5 — The applicant must demonstrate a need for the loan.

2.6 — The applicant must purchase farmland which will be used by the applicant for agricultural purposes.

2.7 — The applicant must clearly demonstrate to the Council that he will farm the land purchased with the loan for as long as it is economically feasible to do so.

2.8 — The applicant must be credit worthy.

3.0 — Conditions for Approval of Loan Guarantee.

3.1 — The applicant must meet all criteria for eligibility set forth in Rule 2.0.

3.2 — The loan shall have a maximum term of 40 years.

3.3 — The purchase price of the property for which the loan is requested is equal to or less than the appraised value of the property.

3.4 — The guarantee is made on property secured by a first mortgage on immovable property.

3.5 — The guarantee shall not exceed 90 percent of the sums, in principal and interest, due and payable under the first mortgage securing the property.

3.6 — The maximum amount, in principal and interest, of the Council’s liability under the loan guarantee agreement shall not exceed \$250,000.00.

3.7 — The Council may, at its discretion, require additional endorsers, in addition to the applicant, on the note.

4.0 — Conditions for Approval of Interest Payment Adjustments.

4.1 — The applicant must meet all criteria for eligibility set forth in Rule 2.0.

4.2 — The applicant must meet all criteria of Rule 3.0 and be approved for a Family Farm Loan Guarantee.

4.3 — The loan for which the interest payment adjustment is requested must have a maximum term not to exceed 20 years.

4.4 — The loan shall provide for payments at least annually. At the option of the lender and the applicant, and with Council approval, payments may be made monthly, quarterly, or semi-annually, but no payment schedule providing for payments at periods longer than one year shall be approved by the Council.

4.5 — The loan shall be amortized over its term with equal annual payments of principal and interest.

4.6 — The interest payment adjustment to be paid by the Council shall not exceed one-half of the interest due.

4.7 — The lender must agree to notify the Council of all amounts of interest due prior to the due date.

4.8 — Applicant must execute a note, secured by a first or second mortgage, as required by Rule 12.0, payable to the Council, in an amount up to one-half of the maximum interest due during the term of the Interest Payment Adjustment Agreement. Both the note and the first or second mortgage shall provide, however, that the obligation of the applicant shall not exceed the amount actually paid by the Council under the Interest Adjustment Agreement.

5.0 — Time and Manner of Filing Application.

5.1 — Any person desiring to purchase farmland may apply for a Family Farm Loan Guarantee and/or an Interest Payment Adjustment at any time during the year.

5.2 — No application will be submitted for Council consideration until all information required by Rule 6.0 has been provided.

5.3 — A complete application must be on file for at least 20 working days prior to the Council meeting at which the application will be considered.

5.4 — Three complete copies of the application must be filed (Council, applicant and lender copies).

5.5 — The application shall be jointly executed by the applicant and the lender, on forms to be provided by the Council.

5.6 — The application shall be filed by the lender.

5.7 — In the case of seller-sponsored loans, the Council, upon request, shall provide forms and assistance in preparing the application to the applicant and the seller-sponsor. The application for a loan guarantee on a seller-sponsored loan shall be jointly executed by the applicant and the seller-sponsor and shall be filed by the seller-sponsor.

6.0 — Contents of the Application.

6.1 — Name and address of the applicant;

6.2 — Name, address and liaison official of the lender, or name and address of the seller-sponsor;

6.3 — Sworn statement of the relationship, if any, of the applicant with any state official and/or any employee of the State Department of Agriculture or any member of the Family Farm Council;

6.4 — In the case of seller-sponsored loans, sworn statement of the relationship, if any, of the seller-sponsor with any state official and/or any employee of the State Department of Agriculture or any member of the Family Farm Council;

6.5 — Location and legal description of the farmland to be purchased, including the number of acres;

6.6 — Evidence that title can be vested in the name of the applicant;

6.7 — A fully executed Purchase Agreement, legally binding on the seller as well as the buyer;

6.8 — Personal financial statement of the applicant, his spouse and dependents, prepared in accordance with generally accepted accounting principles;

6.9 — For experienced farmers, Profit and Loss Statements and Balance Sheets for the three years immediately preceding

date of application, prepared in accordance with generally accepted accounting principles;

6.10 — For new farmers, other evidence of financial experience, including, but not limited to, Federal income tax returns for the three years immediately preceding date of the application;

6.11 — A three-year projected cash flow statement, or pro forma budget, for income, operating expenses, and debt retirement;

6.12 — The existence of, or provisions for, financing of production expenses, equipment purchases, and family expenses for at least one year after the loan is approved;

6.13 — Written authorization for the Council to perform any credit check(s) which the Council may, in its discretion, deem advisable;

6.14 — Written statement reflecting the applicant's intended use of the land to be purchased;

6.15 — Written statement reflecting the degree to which the applicant intends to make farming the applicant's principal occupation;

6.16 — Written statement demonstrating the marketability of the product(s) to be produced;

6.17 — Such additional market data as will enable the Council to determine the advisability of loan approval;

6.18 — An evaluation of the farm management capability of the applicant, to be provided by an independent, reliable source;

6.19 — A letter of commitment from the lender setting forth the terms and conditions upon which the loan for which the guarantee is sought will be made;

6.20 — A property appraisal, prepared in accordance with Rule 7.0, of all property to be offered as security for the Family Farm Security Loan. The appraisal must include the market value and income potential of the farmland to be purchased.

#### 7.0 — Appraisal Requirements.

##### 7.1 — Listing of Approved Appraisers.

a. The Council shall develop and maintain for public examination at any time a listing of Approved Appraisers and a file of the credentials of such approved appraisers.

b. All applicants for a Council Listing of Approved Appraisers may make application at any time throughout the calendar year, and the names of approved applicants shall be added to the listing immediately upon approval by the Council.

c. In order to have his or her name included on the Council Listing of Approved Appraisers, an applicant shall submit the following information:

(1) At least three written statements of his or her competence as an appraiser of farmland from organizations such as banks or other financial institutions, real estate boards or licensed real estate brokers, mortgage loan institutions, and so forth;

(2) A written statement of his or her areas of experience in appraising farmland;

(3) A written statement of his or her years of experience as an appraiser, particularly in appraisal of farmland or rural properties;

(4) Evidence of inclusion on the approved appraisers listing of any state or federally chartered banks, or such public agencies as the Small Business Administration, the Farmers Home Administration, the Production Credit Association, the Federal Land Bank, or other similar institutions;

(5) A written statement containing any additional information which the applicant thinks would be beneficial to the Council's determinations of his or her qualifications.

d. Applicants for inclusion on the Council Listing of Approved Appraisers shall pay a fee of \$25.00 at the time of filing request for inclusion on the list, which fee shall be deposited in the

General Fund of the State of Louisiana and shall be non-refundable to the applicant regardless of the decision of the Council with respect to the listing.

e. Any applicant for listing on the Council Listing of Approved Appraisers who is denied a listing may appeal the decision of the Council under the general appeals procedures of the State Department of Agriculture.

f. Pending development of a comprehensive listing of Approved Appraisers, the Council may approve appraisers on an individual basis, but the Council shall not approve appraisers in the absence of all information required under Rule 7.1 after December 31, 1981.

g. The listing of any appraisers on the Council Listing of Approved Appraisers shall be valid for a period of two years from the date of the Council's approval and may be renewed as follows:

(1) Thirty days prior to the second anniversary of each listing, the Council staff shall notify the appraiser, at the last address furnished by the appraiser, of the date on which approval for listing will terminate.

(2) The appraiser so notified may renew his or her listing for an additional two-year period upon payment of a \$5.00 renewal fee, without the necessity for submission of the information required in Rule 7.1.

h. The Council staff may recommend to the Council at any time the removal from the Listing of Approved Appraisers the name of any appraiser who, in their judgment, should be removed.

i. Any appraiser so removed from the Listing of Approved Appraisers shall be immediately notified in writing of the removal and may appeal such removal under the general appeals procedures of the State Department of Agriculture.

j. Upon request, the Council shall furnish any applicant or interested citizen a copy of the Listing of Approved Appraisers.

#### 7.2 — Selection of Appraiser.

a. All applicants for a Family Farm Security Loan Guaranty must submit, as part of the application package, an appraisal performed by an appraiser selected as follows from the Council Listing of Approved Appraisers:

(1) The applicant may review the file of credentials of approved appraisers and shall select from the Listing of Approved Appraisers three appraisers who are acceptable to the applicant.

(2) The applicant shall notify the Council in writing of the names of the three appraisers selected by the applicant.

(3) The Council staff shall select one appraiser from the list of three appraisers submitted by the applicant and shall notify the applicant in writing of the appraiser selected to perform the appraisal.

(4) The applicant and the Council staff shall meet with the appraiser selected and negotiate a fee satisfactory to the appraiser and the applicant. The applicant shall be responsible for the payment of the appraisal fee.

(5) The agreement for performance of the appraisal shall be in writing for the protection of all parties, the agreement to be prepared by the Council staff unless the applicant wishes to secure private counsel.

(6) Failure to agree upon a fee shall result in selection of another appraiser. In such circumstances, the applicant shall be permitted to add one individual name, selected from the Listing of Approved Appraisers, to the list and the Council staff shall again select from the list and follow the procedures outlined in Rule 7.2.

b. The Council may, at its discretion, directly employ an appraiser listed on the Listing of Approved Appraisers to conduct an appraisal.

(1) When the Council directly employs an appraiser, such appraisal shall be performed at the cost of the Council.

(2) The applicant shall cooperate fully with an appraiser

employed directly by the Council.

(3) The Council shall give weight to the appraisal performed by the appraiser selected by the applicant as well as to the appraisal performed by the appraiser employed directly by the Council.

c. The Council may, at its discretion, accept any appraisal which has already been accepted by any other State or Federal lending agency, such as the Small Business Administration, the Federal Land Bank, the Farmers Home Administration, and so forth. In such event, however, the lending agency shall be required to attest in writing that the appraisal has been accepted by that agency for the purposes of the Family Farm Security Loan for which the guaranty is sought.

8.0 — Title Opinion Requirements.

8.1 — The Council staff shall develop and maintain for public examination at any time a listing of attorneys whose title opinions will be acceptable to the Council.

8.2 — In order to have his or her name included on the Council Listing of Approved Appraisers, an applicant shall submit the following information:

a. A resume' of his or her experience in the practice of real estate law;

b. A list of three or more attorneys who are familiar with his or her practice in real estate law who may be contacted for reference;

c. A list of three or more lending institutions, savings and loan associations, finance companies, the Small Business Administration, the Federal Land Bank, the Farmers Home Administration, the Production Credit Association, the Federal Housing Authority, and other similar organizations for which title opinions have been rendered by the applicant.

8.3 — The applicant may also provide evidence of prior approval to write title insurance for any title insurance company.

8.4 — Minimum requirements for approval of attorneys providing title opinions shall be as follows:

a. One or more years since admission to the Bar,

b. A minimum of 25 percent of attorney's practice devoted to real estate law,

c. At least 25 prior real estate closings and/or title opinions,

d. A favorable recommendation from the attorneys given as reference,

e. Favorable recommendation from three or more lending institutions, savings and loan associations, finance companies, the Small Business Administration, the Federal Land Bank, the Farmers Home Administration, the Production Credit Association, the Federal Housing Authority, and other similar organizations to whom the attorney has rendered title opinions on property.

8.5 — Applicants for inclusion on the Council Listing of Approved Attorneys shall pay a fee of \$25.00 at the time of filing request for inclusion on the listing, which fee shall be deposited in the General Fund of the State of Louisiana and shall be non-refundable to the applicant regardless of the decision of the Council with respect to the listing.

8.6 — Any applicant for listing on the Listing of Approved Attorneys who is denied a listing may appeal the decision of the Council under the general appeals procedures of the State Department of Agriculture.

8.7 — Pending development of a comprehensive Listing of Approved Attorneys, the Council may approve attorneys on an individual basis, but the Council shall not approve attorneys for title opinions in the absence of all information required under Rule 8.2 after December 31, 1981.

8.8 — Applicants for inclusion on the Council Listing of Approved Attorneys may make application at any time throughout the calendar year, and the names of approved applicants shall be

added to the listing immediately upon approval action by the Council.

8.9 — The applicant for a Family Farm Council loan guaranty or interest payment adjustment shall be responsible for the payment of any fee for the required title opinion.

8.10 — The listing of any attorney for the Council Listing of Approved Attorneys shall be valid for a period of two years from the date of the Council's approval.

a. Thirty days prior to the second anniversary of each listing, the Council staff shall notify the attorney, at the last address furnished by the attorney, of the date on which approval for the listing will terminate.

b. The attorney so notified may renew his or her listing for an additional two-year period upon payment of a five dollar renewal fee without the necessity for submission of the information required under Rule 8.2.

8.11 — The Council staff may recommend to the Council at any time the removal from the Listing of Approved Attorneys the name of any attorney who, in their judgment, should be removed.

8.12 — Any attorney so removed from the Council Listing of Approved Attorneys shall be immediately notified in writing of the removal and may appeal such removal under the general appeals procedures of the State Department of Agriculture.

8.13 — Upon request, the Family Farm Council shall furnish any applicant or interested citizen a copy of the Listing of Approved Attorneys.

8.14 — The Council may, at its discretion, accept the title opinion of any attorney whose title opinion has been accepted by any other State or Federal lending agency, such as the Small Business Administration, the Federal Land Bank, the Farmers Home Administration, and so forth. In such event, however, the lending agency shall be required to attest in writing that the title opinion has been accepted by that agency for the purposes of the Family Farm Security Loan for which the guaranty is sought.

9.0 — Council Procedures for Initial Approval/Denial of Application for Loan Guarantee/Interest Payment Adjustment; notification.

9.1 — An application for a Family Farm Loan Guarantee/Interest Payment Adjustment shall be submitted for Council consideration at the first Council meeting occurring at least 20 working days following submission of the complete application.

9.2 — The Council shall approve/deny such application in accordance with the eligibility criteria set forth in Rules 2.0, 3.0 and 4.0 and in accordance with this Rule.

a. In determining the applicant's need for a loan guarantee and/or an interest payment adjustment, the Council shall consider all relevant matters, including but not limited to the applicant's financial statements and the possible availability and terms of a non-guaranteed loan from any lender.

b. The Council may also consider the financial situation of the applicant's immediate family insofar as said financial situation indicates the ability of the applicant to obtain financial assistance from the applicant's immediate family for the purchase of farmland.

c. A determination of creditworthiness of the applicant shall be based upon all relevant considerations, including but not limited to the applicant's credit rating, spending habits, and reputation for honesty.

9.3 — Upon approval of an application for a Family Farm Loan Guarantee, the Council shall immediately notify the lender or seller-sponsor and the applicant of its approval, returning the original of the application to the lender or seller-sponsor and a copy of the application to the applicant.

9.4 — Upon denial of an application for a Family Farm Loan Guarantee, the Council shall immediately notify the lender

or seller-sponsor, giving written reasons for such denial, and shall return the original application to the lender or seller-sponsor. A copy of the application and a copy of the written reasons for denial shall be forwarded immediately to the applicant.

10.0 — Re-application; review of determination.

10.1 — An applicant whose application has been denied by the Council may re-apply whenever his circumstances change, provided that such re-application shall not be filed in less than 60 days from the date of denial.

10.2 — An applicant who believes the Council erred in denial of his application may, within 90 days of the applicant's receipt of notice of denial, request that the application be reconsidered. The applicant may also present in writing any additional facts relevant to the reasons given by the Council for the denial. Upon receipt of a request for reconsideration, the Council shall, at the next regularly scheduled meeting, review the application and make a determination with respect to the request for review of its determination.

11.0 — Conditions for Execution of Family Farm Loan Guarantee Agreement.

11.1 — Proceeds of the Family Farm Security Loan must be disbursed to the applicant and/or scheduled for disbursement immediately upon execution of the Family Farm Loan Guarantee Agreement.

11.2 — Copies of the mortgage and note must be submitted for the approval of the Council and/or the Council attorney prior to execution of the agreement.

11.3 — The applicant must provide a copy of a plat survey completed within the nine years immediately preceding the date of the Family Farm Loan Guarantee Agreement by a registered land surveyor or certified civil engineer, provided, however, that the Council is authorized to waive, in writing, provision of the survey, at its discretion.

11.4 — The applicant must carry and provide evidence of fire and extended coverage insurance for an amount equal to the value of the improvements naming the Council as additional insured. The applicant must also provide a certificate evidencing such insurance, which certificate must provide that the insurance cannot be cancelled without 30 days prior notice to the Council.

11.5 — The applicant must provide a title opinion by an attorney selected in accordance with Rule 8.0, which title opinion shall include but not be limited to the following:

- a. A legal description of the property;
- b. Identification of the property owner, with pertinent recodation data;
- c. Satisfactory evidence that all taxes due on the property have been paid;
- d. A full and complete list of all mortgages, liens, encumbrances, and/or servitudes on the property; and
- e. Such other information as may be necessary for a full recital of the facts surrounding such property.

11.6 — Applicant must provide evidence of adequate title insurance, unless waived by the Family Farm Council.

11.7 — At the time of execution of the agreement, the applicant and/or the lender or seller-sponsor must provide copies of the executed note and the first mortgage on immovable property securing the note, and a mortgage certificate from the Clerk of Court of the parish in which the property is located.

11.8 — Lender must hold a first mortgage on immovable property appraised at no less than the amount of the Family Farm Security Loan.

11.9 — Lender must agree in writing that upon written notification by the Council, the applicant is in default for failure to maintain the land in active agricultural production for a period of time longer than one year and the Council has not waived this

requirement as provided in Rule 15.3; that the lender will follow procedures established in Rule 16.0 upon default for non-payment.

11.10 — Lender must agree to notify Council within 90 days after any default in any payment due under the note.

11.11 — Title to property governed by a Family Farm-Loan Guarantee shall not be transferred without prior notification to the Council.

11.12 — The guarantee shall not exceed 90 percent of all sums, principal and interest, due under the first mortgage on immovable property.

11.13 — The maximum amount, in principal and interest, of the Council's obligation under the Family Farm Loan Guarantee Agreement shall not exceed \$250,000.00.

11.14 — The interest rate to be paid on the loan at any payment during the term of the loan shall not exceed the prime interest rate at the time the loan is made.

11.15 — The term of the loan shall not exceed 40 years.

11.16 — The Commissioner, as authorized by the Council, shall execute the agreement on behalf of the Council.

12.0 — Conditions for Execution of Interest Payment Adjustment Agreement.

12.1 — Prior to execution of the Interest Payment Adjustment Agreement, evidence of compliance with all applicable conditions of Rule 11.0 shall be submitted.

12.2 — Lender must submit an amortization schedule for the period of the agreement, and must agree to provide, annually, a schedule of all payments of principal and interest made by the applicant during the previous year.

12.3 — Applicant shall execute a note payable to the Council, secured by a first or second mortgage on immovable property or a first mortgage on movable property to secure the interest payments made by the Council during the period of the Interest Payment Adjustment Agreement.

12.4 — The Council shall not accept a second mortgage on movable property.

12.5 — The Commissioner, as authorized by the Council, shall execute the agreement on behalf of the Council.

13.0 — Annual Determination of Eligibility for Interest Payment Adjustment.

13.1 — No applicant shall be eligible for an interest payment adjustment in any year when the net equity of the agricultural land holdings of the applicant, his spouse, or his dependents exceeds the sum of \$200,000.00.

13.2 — The applicant, his spouse and dependents shall annually submit, on or before February 1 of each year, a current statement of their net worth as of December 31 of the preceding year, specifically identifying that portion of net worth represented by agricultural land holdings.

13.3 — Lender's schedule of payments made by the applicant during the previous year, as required by Rule 12.2, shall be submitted on or before February 1 of each year.

13.4 — All annual statements of net worth and lender's schedules of payments shall be submitted to the Council for a determination of continuing eligibility at the first Council meeting scheduled after February 1 of each year.

13.5 — A determination of continuing eligibility shall be valid for a full calendar year unless there is a decided change in the status of the applicant, his spouse or dependents.

13.6 — The Council shall immediately notify each applicant, in writing, of the status of his eligibility for interest payments in the year in question. The lender shall also be notified of the applicant's eligibility for interest payments for the year in question.

14.0 — Repayment of Interest Payment Adjustment; Renewal of Interest Payment Adjustment Agreement.

14.1 — The applicant shall reimburse the Council for all sums paid as interest payment adjustments during the initial ten years of the agreement within 30 days after the tenth anniversary of the execution of the Interest Payment Adjustment Agreement.

14.2 — An Interest Payment Adjustment Agreement may be renewed for one ten-year period only.

14.3 — Any applicant desiring a renewal of the Interest Payment Adjustment Agreement shall so notify the Council no later than 90 days prior to the tenth anniversary of the execution of the Interest Payment Adjustment Agreement, provided that the Council may, at its discretion, extend this due date for notification up to and including the tenth anniversary of the date of execution of the agreement but no later.

14.4 — Any renewal of an Interest Payment Adjustment Agreement shall be subject to the same requirements as set forth in Rules 4.0 and 12.0 hereof.

14.5 — When an Interest Payment Adjustment Agreement is renewed, the note required under Rule 12.3 for the sums paid during the initial ten-year period shall be cancelled and another note executed covering the twenty-year period, and the mortgage shall be reinscribed for an additional ten years.

14.6 — When an Interest Payment Adjustment Agreement is renewed for an additional ten-year period, the applicant shall reimburse the Council for all sums paid as Interest Payment Adjustments during the 20 years of the agreement within 30 days after the twentieth anniversary of the execution of the Interest Payment Adjustment Agreement.

14.7 — Interest Payment Adjustment accounts shall become delinquent on the sixtieth day following the tenth anniversary of the date of execution of the agreement if not renewed, and on the sixtieth day following the twentieth anniversary of the date of execution of the agreement if renewed.

14.8 — The Council may commence foreclosure proceedings on any Interest Payment Adjustment account which is not paid within 90 days of the due date.

14.9 — Any applicant may reimburse the Council for sums paid as Interest Payment Adjustments in his behalf prior to the expiration of the initial ten years or the renewal period, provided that in the event the applicant pays such sums prior to the due date, the note required under Rule 12.3 shall be cancelled and, if requested by the applicant, re-negotiated for the period remaining in the Interest Payment Adjustment Agreement. The mortgage securing the note shall be cancelled and/or re-executed for the balance of the period.

14.10 — Any applicant may repay the sums paid as Interest Payment Adjustments on his behalf and cancel the Interest Payment Adjustment Agreement at any time during the period of the agreement without penalty.

14.11 — Whenever the Council determines that an applicant has become ineligible for an Interest Payment Adjustment because his net equity in agricultural land holdings exceeds \$200,000.00, the Council shall, at the same meeting, establish a schedule for the repayment of all sums advanced as Interest Payment Adjustments during the period of eligibility.

15.0 — Default for Failure to Farm Lands Purchased with Family Farm Security Loan.

15.1 — Any applicant who fails to maintain the land covered by a Family Farm Credit Loan in active agricultural production for a period of time longer than one year shall be in default.

15.2 — Any applicant who wishes a waiver due to a physical disability or other extenuating circumstances shall request a waiver, in writing, no later than one year from the date when the land was initially taken out of agricultural production. Failure to submit a request for waiver shall result in the loan being placed in a default status.

15.3 — The Council shall establish the date of default under Rule 15.1 and notify the lender, in writing, as required under Rule 11.9 of this established date of default.

15.4 — The Council shall follow the procedures set forth in Rule 16.0 whenever any loan is in default for failure to maintain the land in agricultural production as well as for loans in default for non-payment.

16.0 — Procedure Upon Default for Non-Payment.

16.1 — Lender shall notify the applicant and the Council by registered letter, within 90 days after any default on any payment of principal and/or interest.

16.2 — If the default continues for 180 days, lender shall execute on the loan guaranty agreement, in which event lender must assign all its interests in the property to the Council in exchange for payment according to the terms of the Family Farm Loan Guaranty Agreement.

16.3 — The Council shall immediately notify the defaulting party whenever payment of state funds is made to the lender under the guaranty agreement.

16.4 — The Council may commence foreclosure proceedings immediately after lender assigns interests in the property to the Council.

16.5 — Within 15 days from the date of conveyance of title to the Council and expiration of the time specified by law for redemption, the Council shall publish a notice of impending sale, which notice shall meet all requirements of law.

16.6 — The Council shall sell the property to the highest bidder as determined by taking sealed bids or public auction, and shall notify the successful bidder within 15 days after the last published date of the sale.

16.7 — All bidders shall submit security in the form of a certified check or bid bond in the amount of two percent of their bid price.

16.8 — The successful bidder shall remit the balance of the purchase price to the Council within 90 days of the sale.

16.9 — In the event the purchaser (successful bidder) fails to remit the balance of the purchase price within 90 days of the date of sale, the purchaser shall forfeit all rights to the property and any moneys paid thereon; and the Council shall recommence the sale process as set forth in the Rule.

16.10 — Upon default under a seller-sponsor loan guarantee, the seller-sponsor, only, shall have the option of (a) accepting the Council's loan guarantee, or (b) reacquiring the property after repaying the Council for all sums advanced as interest payment adjustments.

16.11 — In the event that a seller-sponsor exercises the option of reacquiring the land as set forth in Rule 16.10, the Council shall terminate the Family Farm Loan Guarantee Agreement and the note securing the interest paid pursuant to any Interest Payment Adjustment Agreement after all sums advanced as interest payment adjustments are reimbursed to the Council.

17.0 — Transfer of Property Secured under a Family Farm Loan Guarantee Agreement.

17.1 — Title to property covered by a Family Farm Loan Guarantee Agreement shall not be transferred without prior notice to the Council.

17.2 — Any applicant who sells or conveys the property for which a Family Farm Loan Guarantee Agreement was issued shall immediately retire the entire indebtedness still owed to the lender and any indebtedness owed to the Council under a related Interest Payment Adjustment Agreement.

17.3 — No applicant who has been granted a guaranty on a Family Farm Security Loan shall be prohibited from granting a security interest for the purposes of securing an additional loan.

18.0 — Prohibitions.

18.1 — The Council shall not approve any loan for any applicant who fails to submit all information required under Rule 6.0.

18.2 — The Council shall not approve any loan for any person who is not a resident of Louisiana.

18.3 — The Council shall not approve any loan for any person with any pending or outstanding charge or liability relating to failure or inability to pay promissory notes or any other evidence of failure to satisfactorily meet all obligations of indebtedness.

18.4 — The Council shall not approve any loan for any person when the purchase price of the farmlands exceeds the appraised value of the farmlands.

18.5 — The Council shall not approve any loan for any person when the interest rate of the loan exceeds the prime rate at the time the loan is given.

18.6 — The terms and conditions imposed and made part of any Family Farm Loan Guarantee Agreement or any Interest Payment Adjustment Agreement shall not be amended or altered by any member of the Council or employee of the Department except by subsequent or prior vote of approval of the Council in open session with full explanation for such action.

The said Rules and Regulations for the Administration of the Family Farm Security Loan Program will become effective on July 1, 1981.

Bob Odom  
Commissioner of Agriculture

## **RULES**

### **Department of Agriculture Livestock Sanitary Board**

The Louisiana Department of Agriculture, Livestock Sanitary Board, pursuant to the authority granted by LSA 3:2223 and in accordance with Notices of Intent published on April 20, 1981, conducted a public hearing on May 7, 1981, at which public hearing the Board adopted the following amendments to its Rules and Regulations:

Section 6 of Regulation 8, Governing the Sale and Use of Brucella Abortus Vaccine, was amended to read as follows:

6. After January 1, 1982, all heifer calves in Louisiana must be calfhood vaccinated between four and twelve months of age with the reduced dose Brucella Strain 19 vaccine. All heifer calves must be permanently identified as vaccinates by tattoo and individually by eartag in right ear applied at the time of vaccination. The vaccination of heifer calves for brucellosis will make them eligible to be sold or moved from property that is owned or leased by the owner of the cattle.

Calfhood vaccination of heifers may be done on the farm or at an auction market. However, it must be done prior to the auction market sale. After January 1, 1983, any female cattle sold that are born after January 1, 1982, that are not calfhood vaccinates must be "S" branded and sold for slaughter.

Any calves or cows brought into Louisiana must meet the same calfhood vaccination requirements that apply to calves and cows raised in Louisiana. Health certificates will be issued only on calves and cows that meet the calfhood vaccination requirements.

Regulation 18, Governing Area Brucellosis Certification and Recertification, was amended by adding thereto a new Section 3, entitled "Procedures for Reinstatement of 'Modified Certified' Status", reading as follows:

A. Upon loss of modified certified status in any parish of the State, all cattle herds in the area must be blood-tested for brucellosis to achieve reinstatement of "modified certified" status.

Areas losing certification may be re-certified as "modified certified" upon compliance with the requirements set forth in Section 1 hereof.

B. In addition to the testing requirements, cattle producers may hold a referendum after the parish's loss of "modified certified" status:

(1) The referendum shall be conducted by the Livestock Sanitary Board in conjunction with the cattle producers organizations in the area. The referendum will be held within 90 days after the issuance of the call for the referendum. All producers of cattle in the affected area shall be eligible to participate in the referendum.

(2) At the referendum, the question of total mandatory vaccination for brucellosis of all adult cattle in the area, along with the brucellosis testing requirement of the cattle, shall be submitted to a vote of all producers of cattle in the area.

(3) If a majority of the eligible cattle producers vote in favor of mandatory brucellosis vaccination of all adult cattle in the area, all producers of cattle in the area will be required to vaccinate all adult cattle for brucellosis.

(4) The following herds may be exempt from adult vaccination requirements at the owner's request should the referendum be held and the cattle producers vote in favor of it:

- a) certified brucellosis-free herds;
- b) herds that test negative for brucellosis and all cows in the herd are official calfhood vaccinates;
- c) herds of registered cattle;
- d) dairy herds that are negative to the milk ring test.

A new Regulation 30, Payment of Indemnities, was adopted, reading as follows:

#### **Section 1: Eligibility for Payment**

Producers of registered and grade cattle found to be infected with brucellosis and dairymen whose herds are found to be infected with brucellosis shall be eligible for an indemnity payment for each infected animal slaughtered regardless of the point of concentration where the brucellosis is first identified.

#### **Section 2: Source and Amount of Indemnification**

Indemnities may be paid by either the state or federal government. When indemnities are paid by the State of Louisiana, the amount of the payments shall be set by motion of the Livestock Sanitary Board and information concerning the level of indemnification shall be made available to all producers of livestock and dairymen.

#### **Section 3: Cattle Owners Not Eligible for Indemnification**

No indemnity shall be paid to livestock owners who do not own the cattle 120 days prior to the testing. The owner must prove ownership of the cows tested.

Bob Odom  
Commissioner of Agriculture

## **RULES**

### **Department of Agriculture State Market Commission**

The Louisiana Department of Agriculture, State Market Commission, pursuant to the authority granted in LSA 3:404 and in accordance with Notice of Intent published on April 20, 1981, adopted the following amendments to its Rules and Regulations for Administration of State Market Commission Loans and Loan Guarantees at a public hearing on May 6, 1981:

Paragraph (a) of Rule 4.2 was deleted and the remaining paragraphs re-numbered to make Rule 4.2 read as follows:

4.2 In order to have his or her name included on the State Market Commission Listing of Approved Appraisers, an applicant shall submit the following information:

(a) At least three written statements of his or her competence as an appraiser from organizations such as banks or other financial institutions, real estate boards or licensed real estate brokers, mortgage loan institutions, and so forth.

(b) A written statement of his or her areas of expertise in appraising property.

(c) A written statement of his or her years of experience in appraising property.

(d) Evidence of inclusion on the approved appraisers listing of any state or federally chartered banks, or such public agencies as the Small Business Administration, the Farmers Home Administration, the Production Credit Association, the Federal Housing Authority, or other similar institutions.

(e) A written statement containing any additional information which the applicant thinks would be beneficial to the Market Commission's determination of qualifications.

Paragraph (b) of Rule 7.2 was deleted and the remaining paragraphs re-numbered to make Rule 7.2 read as follows:

7.2 In order to have his or her name included on the State Market Commission Listing of Approved Attorneys, an applicant shall submit the following information:

(a) A resume of his or her experience in the practice of real estate law.

(b) A list of three or more attorneys who are familiar with his or her practice in real estate law who may be contacted for reference.

Bob Odom  
Commissioner of Agriculture

## **RULE**

### **Department of Agriculture State Market Commission**

The Louisiana Department of Agriculture, State Market Commission, pursuant to the authority granted by LSA 3:405 and in accordance with Notice of Intent published on April 20, 1981, adopted the following Rules and Regulations for Certification of Official State Grades of Meat and Meat Products at a public hearing on May 6, 1981:

#### **State Market Commission Certification of Official State Grades of Meat and Meat Products**

In accordance with the authority contained in R. S. 3:405, the Louisiana Department of Agriculture, State Market Commission, hereby repeals its relative to official state grades of meat and meat products adopted on February 8, 1965, and enacts the following regulations governing the establishment and certification of official state grades of meat and meat products:

1.0 Establishment of Official State Grades for Meat and Meat Products

2.0 General Requirements for Certification of Meat and Meat Products

3.0 Requirements for Certification of State Grades of Specific Meats and Meat Products

4.0 Time Limitation for Issuance of Certificate

5.0 Waiver of Specification Requirements

6.0 Final Delivery of Product

7.0 Contractor's Obligation

\* \* \* \* \*

1.0 Establishment of Official State Grades for Meat and Meat Products

1.1 Standards established in "Official United States Standards for Grades of Carcass Beef", U. S. Department of Agriculture, Food Safety and Quality Service (CFR, Title 7, Chapter XXVIII, Pt. 2853, Sec. 2853.102 - 2853.107) shall apply to all Louisiana grades of beef.

1.2 Standards established in "Official United States Standards for Grades of Carcass Pork," USDA, FSQS (CFR, Title 7, Chapter XXVIII, Pt. 2853, Sec. 2853.132-2853.137) shall apply to all Louisiana grades of pork.

1.3 Standards established in "Official United States Standards for Grades of Lamb, Yearling Mutton, and Mutton Carcasses", USDA, FSQS (CFR, Title 7, Chapter XXVIII, Pt. 2853, Sec. 2853.122-2853.127) shall apply to all Louisiana grades of mutton and lamb.

1.4 Standards established in "Official United States Standards for Grades of Veal and Calf Carcasses", USDA, Agricultural Marketing Service (CFR, Title 7, Chapter I, Pt. 53, Sec. 53.107-53.111) shall apply to all Louisiana grades of veal and calf.

2.0 General Requirements for Certification of Meat and Meat Products

2.1 The examination, acceptance and certification of meat, prepared meat, meat food products, and edible meat by-products shall be in accordance with U. S. Department of Agriculture Meat Grading Requirements.

2.2 Packaging, packing, closure, sealing, and marking requirements for Louisiana grades of meat and meat products shall be the same as those established in "General Requirements for Institutional Meat Purchase Specifications", U. S. Department of Agriculture, Consumer and Marketing Service, Livestock Division.

2.3 All meats, prepared meats, meat food products and edible meat by-products must originate from animals which were slaughtered or from product items which were manufactured or processed in establishments regularly operated under the supervision of the USDA, Meat and Poultry Inspection Program, or the Louisiana Department of Agriculture Meat and Poultry Inspection Program.

3.0 Requirements for Certification of State Grades of Specific Meats and Meat Products

3.1 All beef products shall be certified in accordance with the standards established in "Institutional Meat Purchase Specifications for Fresh Beef", U. S. Department of Agriculture, Agricultural Marketing Service, Livestock Division.

3.2 All lamb and mutton products shall be certified in accordance with the standards established in "Institutional Meat Purchase Specifications for Fresh Lamb and Mutton", USDA, AMS, Livestock Division.

3.3 All veal and calf products shall be certified in accordance with the standards established in "Institutional Meat Purchase Specifications for Fresh Veal and Calf", USDA, AMS, Livestock Division.

3.4 All fresh pork products shall be certified in accordance with the standards established in "Institutional Meat Purchase Specifications for Fresh Pork", USDA, AMS, Livestock Division.

3.5 All cured, cured and smoked, and fully-cooked pork products shall be certified in accordance with the standards established in "Institutional Meat Purchase Specifications for Cured, Cured and Smoked, and Full-Cooked Pork Products," USDA, Food Safety and Quality Service, Meat Quality Division.

3.6 All cured, dried, and smoked beef products shall be certified in accordance with the standards established in "Institu-

tional Meat Purchase Specifications for Cured, Dried, and Smoked Beef Products”, USDA, AMS, Livestock Division.

3.7 All edible meat by-products shall be certified in accordance with the standards established in “Institutional Meat Purchase Specifications for Edible By-Products, Series 700”, USDA, Consumer and Marketing Service, Livestock Division.

3.8 All sausage products shall be certified in accordance with the standards established in “Institutional Meat Purchase Specifications for Sausage Products”, USDA, Agricultural and Marketing Service, Livestock Division.

#### 4.0 Time Limitation for Issuance of Certificate

4.1 Products prepared for delivery under a purchase order shall not be offered to the Department of Agriculture, Meat Grading and Certification Program, for examination, acceptance and certification more than 72 hours before shipment.

#### 5.0 Waiver of Specification Requirements

5.1 Waivers and amendments to specification requirements may be made only with concurrence of purchaser and contractor.

5.2 A written statement of the precise nature of the changes in the specifications must be provided to the Louisiana Department of Agriculture meat grader prior to grading, examination, acceptance and certification of the product.

#### 6.0 Final Delivery of Product

6.1 Final acceptance of the product will be the responsibility of the purchaser (consignee).

6.2 Products may be rejected for the following reasons:

a) No certification affixed;

b) Obvious deviations from specification requirements, without appropriate written notice of changes in specification requirements.

6.3 Purchaser (consignee) may accept product with minor deviations from specification requirements without written statement of agreed upon changes, but shall do so at purchaser’s risk.

#### 7.0 Contractor’s Obligation

7.1 Contractors furnishing products under these regulations must furnish such assistance as may be necessary to expedite the grading, examination, and acceptance of products.

7.2 Contractors desiring grading/certification services must notify the Department of Agriculture at least 24 hours in advance of need. Contractors who fail to give at least 24 hours notice in advance of need will be subject to a penalty of \$50.00, regardless of the time required for the service or the fee assessed on a poundage basis.

7.3 The costs of all grading, examination, acceptance, and certification of meat and meat products shall be paid by the contractor at the rate of two and one-half cents per pound of meat or meat products graded, examined, or certified, which amount shall be due and payable to the Department of Agriculture upon presentation of statement(s) for services rendered.

7.4 A minimum call-out fee of \$50.00 shall be levied upon the contractor for each time an inspector is required, regardless of the time required for the service or the total number of pounds graded, examined, or certified.

The prior regulations governing Official Grades for Beef, Lamb, Mutton, Veal, Calf, and Pork, adopted by the State Market Commission on February 8, 1965, were repealed.

Bob Odum  
Commissioner of Agriculture

### **RULES**

#### **Department of Commerce Racing Commission**

The Racing Commission formally adopted the following

rules at its meeting of Friday, April 24, 1981 in Lafayette, Louisiana.

LAC 11-6:53.17 is amended by adding the following thereto after the last sentence thereof: “In the event the horse is claimed in the race in which the horse ran allegedly with prohibited medication, the new owner may enter and race the horse, however should the horse be claimed thereafter by the same owner who raced the horse, allegedly with prohibited medication, in the previous race in question, the horse shall not enter a race during the investigation and hearing concerning the horse in the previous race in question.”

LAC 11-6: 1.50 is amended by adding the following thereto after the last word thereof: “officers, employees, agents and/or representatives of the state chemist.”

LAC 11-6: 1.77 is adopted as follows: “State Chemist: The chemical testing laboratory concern or business under contract with the Commission to engage in chemical testing for the Commission and sometimes referred to as the Commission chemist and/or testing laboratory.”

Albert M. Stall  
Racing Commission

### **RULE**

#### **Department of Culture, Recreation and Tourism Office of Tourism**

The Louisiana Office of Tourism, an office of the Department of Culture, Recreation and Tourism, has adopted and will develop guidelines for the funding and administration of the Act 455 Matching Funds program. These guidelines will be developed in accordance with sound fiscal management and aimed at the smooth and efficient management of this program.

#### **Guidelines**

##### **Act 455 Matching Funds Program Office of Tourism**

CONTACT: Mr. Bob Dudden, Assistant Director, Louisiana Office of Tourism, Box 44291, Baton Rouge, Louisiana 70804, Phone: (504) 342-4900.

1. Any non-profit organization desiring funds for a specific tourist promotion project must first be recognized by the local governing body as “a Tourist Promotion Agency or Agencies” in an area authorized to receive this money. For a city or town this would be done by ordinance; for a parish, by resolution of the governing police jury or city parish government.

2. A proposal known as a “letter of intent” shall be made. This letter will be prepared by the Tourist Promotion Agency giving basic details about the project and why it is needed.

3. The applicant must show “proof of local funds.” In doing so, a copy of a bank deposit slip must show: (a) the name of the applicant; (b) the amount of deposit equals the amount of request; (c) the name of the project for which the funds are dedicated. There will be no in-kind monies for projects. All money must be on a dollar-per-dollar basis for matching funds grants.

4. Parishes and municipalities situated within a designated Economic Development District shall first submit to that Economic Development District director their applications for participating in the Matching Funds Program provided under Act 455, passed by the Legislature of 1970. Said applications shall be drawn up according to the requirements of Act 455, and subsequently screened by the respective Economic Development District directors. The “deadline for submitting applications” for review is no later than April 1 each year. The staff of the various Economic

Development Districts shall assist local communities, parishes, or combinations of parishes in the development of their respective programs. After screening these applications, the Economic Development District directors will forward the applications, with proper recommendations, to the Matching Funds Committee of the Louisiana Tourist Commission, by May 1 of each year.

5. All geographic areas not within organized Economic Development Districts shall apply under the existing requirements of the act and guidelines, directly to the Louisiana Tourist Commission.

6. The Economic Development District will note in its recommendations that any expenditure of funds involving capital improvement or other developments on property, shall be on property which is not owned, controlled, or operated by private individuals, firms, associations, or corporations.

7. The Louisiana Tourist Commission, as provided in the Act creating the Matching Funds Program, shall have final decision in the approval of the application for funds for any and all programs submitted.

8. All requests for these Matching Funds will be studied and appraised by the Matching Funds Committee of the Louisiana Tourist Commission, who will make the final decision on the approval of applications. Following Commission approval, "notice to proceed" will be provided the Tourist Promotion Agency. Those projects disapproved will also be notified and reason for disapproval will be given.

9. Upon submission of evidence of expenditures, matching funds will be supplied by the Louisiana Tourist Commission to the applicant in the form of one-half payment on all valid expenditures submitted on their projects; i.e., if the Tourist Promotion Agency has expended \$2,000.00, the Commission will reimburse one-half that amount, \$1,000.00. Only expenditures incurred on or after the official "notice to proceed" date (as described in paragraph 8) will be accepted for reimbursement.

10. Ninety days prior to the end of the fiscal year (June 30) in which the Act 455 funds are awarded, all projects that have not made an appreciable expenditure on their project will have their project thoroughly reviewed by the Matching Funds Committee of the Louisiana Tourist Commission, with the purpose of reallocating the remaining funds to another project.

11. If the remaining funds are awarded to a new project, the new grantee must expend the funds within that remaining ninety day period. However, if the grantee can show reasonable cause, they may apply for a one-year extension to complete the project.

12. Applicants for matching funds should plan for monies to be spent by June 30 in the fiscal year that the monies are appropriated. If the project cannot be completed during the fiscal year of the appropriation, the applicant may request a one-year extension of time. This request for an extension of time must be in writing and in the hands of the Louisiana Tourist Commission by June 1. If the one-year extension is granted and the applicant fails to spend all monies by the end of the additional year, the grant will automatically be terminated and all monies remaining for that project will be returned to the general fund of the State of Louisiana. (Under no circumstances will more than one extension be granted).

13. Project proposals which will entail more than one year of work for completion should be submitted in phases. If your project will be longer than one year in scope, then your application should reflect the amount of work that can be done and the amount of monies that you will spend within the present fiscal year. The following year you may submit an application indicating this is a supplementary grant to continue work on an existing project, and

supplementary grant applications can be submitted yearly until the project is completed.

14. Quarterly Progress Reports must be submitted to the Louisiana Tourist Commission. Failure to do so will be in violation of these guidelines.

These guidelines will determine the review process, dates for submission of applications, eligibility of grantees, as well as outline the process of administering this Act 455 program. Copies of these guidelines will be available for public inspection at its offices at 666 North Foster Drive, Baton Rouge, Louisiana or will be mailed to interested parties.

Mrs. Lawrence H. Fox  
Secretary, Department of  
Culture, Recreation and Tourism

## **RULE**

### **Board of Elementary and Secondary Education**

Rule 7.02.04 - Amendment to Bulletin 1508, *Pupil Appraisal Handbook*. Amendment to proposed definition of "evaluation coordinator" to read as follows: "Evaluation Coordinator shall be certified as one of the following: psychologist, psychological assistant, speech pathologist, assessment teacher, educational consultant."

Rule 3.02.30 Louisiana School for the Visually Impaired

Rule 3.02.31 - The Board adopted the Statewide Evaluation Process for the Visually Impaired.

Rule 3.01.70u(3) - (replaces present requirement, effective September 1, 1981) The Board adopted Certification in School Psychology requirements.

These requirements become mandated September, 1981.

Certification in School Psychology

I. Standard Certificate (valid for five years, renewable).

A. Issued upon completion of an approved school psychology training program in Louisiana.

B. Issued to persons who have completed academic preparation in school psychology in another state whose academic preparation, as evaluated by the Division of Teacher Certification, is judged to meet the requirements of the Standards for the Approval of Training Programs in School Psychology.

C. Issued to persons who were certified according to criteria previously adopted by the Board of Elementary and Secondary Education and:

1. Were certified at Levels A or B, or

2. Show evidence of 30 additional hours (to Level E for 60 hours total) graduate semester hours in the areas specified under Level E from a regionally accredited college or university and who have been employed for at least two years under the supervision of a Licensed Psychologist.

D. There shall be two levels of certification issued as Standard Certificates in School Psychology.

1. Level A: Issued to applicants who meet the requirements for the Standard Certificate and who possess a doctoral degree (such as Ph.D., Ed.D., or Psy.D.) in psychology from a regionally accredited institution.

2. Level B: Issued to applicants who meet the requirements for the Standard Certificate and who possess a master's or specialist degree from a school psychology training program in a regionally accredited institution.

II. Provisional Certificate (valid for one year; renewable once)

A. Issued to those persons who have completed the required course work in an approved training program in school psychology in Louisiana, except for the internship.

B. Issued to persons who have completed academic preparation in school psychology in another state that meets the requirements of the Standards for the Approval of Training Programs in School Psychology, except for the internship. The internship shall be completed during the time of the provisional certificate in accordance with the internship requirements specified in the Standards for State Certification of School Personnel.

### III. Renewal Period

A. The Standard Certificate in School Psychology shall be issued initially for a period of five years and may be renewed for subsequent five year periods upon completion within each period of:

1. At least one year of full-time experience or the equivalent as a psychologist, and
2. Nine semester hours of additional graduate credit in one of the areas specified in the Standards for the Approval of Training Programs in School Psychology, or
3. The equivalent number of continuing Professional Development units currently awarded by the State Department of Education, the National Association of School Psychologists, or the American Psychological Association.

B. The Provisional Certificate may be renewed for one additional year when necessary to complete the internship and upon written request of the applicant and the Director of the Training Program or Intern Supervisor.

IV. A school psychologist or school psychological assistant certified according to criteria previously adopted by the Board of Elementary and Secondary Education shall have continuing approval for the provision of school psychological services so long as such certification is kept valid according to both the previous and current renewal criteria.

V. A person credentialed by the Board of Elementary and Secondary Education as a Competent Authority to assist in the delivery of psychological services shall apply for continuing certification according to either the current criteria or those previously adopted by the Board of Elementary and Secondary Education no later than June 30, 1982.

Applicants who seek certification according to the previous criteria shall be awarded certification at Level E, or at a higher level if qualified.

VI. Students formally enrolled in a program of graduate study in psychology in a regionally accredited institution in Louisiana during the 1981-82 school year may, upon graduation, apply for certification in school psychology according to either the current or previously adopted criteria.

Rule 3.01.70w(2) The Board adopted Standards for the Approval of Training Programs in School Psychology. These requirements become mandatory September 1, 1981.

#### Standards for the Approval of Training Programs in School Psychology

I. The program of preparation for the Standard Certificate in School Psychology shall consist of at least a 60 semester hour organized, sequential course of study in school psychology in a regionally accredited institution including the master's or higher degree plus the required supervised internship in school psychology. The program shall provide training in each knowledge or skill area within each foundation group.

A. Psychological Foundations — to include:

1. Knowledge of those factors which determine human development, and knowledge of the normal progress of such development from infancy through adolescence.
2. Knowledge of theoretical systems of learning, emotion and motivation.
3. Knowledge of the biological basis of behavior.
4. Knowledge of individual differences and atypical de-

velopment and behavior in cognitive, sensory, emotional, and motor areas.

5. Knowledge of the impact of social systems and cultural background on behavior and learning.

6. Knowledge of theoretical foundations and applications of statistical, measurement, and research techniques.

B. Educational Foundations — to include:

1. Knowledge of curriculum, administration, and organization of the school system.

2. Knowledge of the social, philosophical, historical, legal, and cultural issues in education.

3. Knowledge of current theories regarding the acquisition of reading skills which include familiarity with current techniques for the teaching of reading.

4. Knowledge of the etiology and instructional/treatment of exceptional children.

C. Psychoeducational Foundations — to include:

1. Skill in behavioral assessment techniques, including systematic behavioral observation.

2. Skill in the administration, scoring and interpretation of psychometric instruments designed for the assessment of children's social, psychomotor, emotional and cognitive functioning.

3. Skill in the administration, scoring, and interpretation of norm referenced, criterion referenced and informal instruments designed for assessing academic achievement, performance and mastery, which are used to diagnose specified educational deficiencies.

4. Skill in the integration of assessment information into a clear, descriptive report of services which includes the identification of strengths and weaknesses and the development of specific recommendations and intervention plans based on the assessment data.

5. Skill in the application of theories of learning to educational methods and techniques.

D. Intervention Foundations — to include:

1. Skill in providing short-term consultation to teachers and other school personnel for emerging or short-term problems before these problems become serious.

2. Skill as a psychological consultant in a variety of situations within the school system and the ability to bring knowledge of the principles and techniques of psychology to bear upon educational problems.

3. Skill in assisting parents and school staff in applying the recommendations and intervention plans that are developed for individual children by using accepted professional standards and principles of professional consultation.

4. Skill in providing short term counseling/behavior therapy to children experiencing specific school related problems.

5. Skill in behavior management techniques.

E. Professional School Psychology — to include:

1. An understanding of professional standards and ethics in school psychology.

2. An understanding of the profession or psychology as it relates to education.

3. Knowledge of federal and state rules, regulations, and statutes, and specific court cases that have bearing on the practice of school psychology.

4. An understanding of pupil appraisal services and student services, including the involvement and interaction of the various disciplines represented.

F. Practicum Experiences:

1. The program includes practicum experience which:

a. Are distinct from the internship,

b. Occur at times appropriate for the specific training objectives of the program,

c. Are of a sufficient length of time to be appropriate to the specific training objectives of the program, including settings, tasks and clients, and

d. Occur under conditions of supervision appropriate to the specific training objectives of the program.

G. Internship (maximum of 12 semester hours)

1. The internship shall be for a period of at least one school year (minimum of 1225 hours) or the equivalent, at least one-half of which shall occur in a public school setting.

2. The internship shall be supervised jointly by the training institution and/or a supervisor designated by the State Department of Education in cooperation with the internship site field supervisor.

3. The internship shall consist of experiences which:

a. Occur at times appropriate to the specific training objectives of the programs,

b. Are of a sufficient length of time to be appropriate to the specific training objectives of the program,

c. Occur under conditions appropriate to the specific training objectives of the program, including settings, tasks and clients,

d. Occur under conditions of supervision appropriate to the specific training objectives of the program, and

e. Shall include experience in the following broad areas:

(1) Developing and analyzing data relative to an individual student's problems. Skills required might apply to school records, teacher reports, classroom observation, student interview, parent interview, student history, family history, and psychoeducational assessment through group and individual assessment techniques.

(2) Developing appropriate intervention strategies. Such strategies might include classroom consultation, behavior modification, individual and group approaches, work with parents, and referral to community resources.

(3) Developing and analyzing data relevant to group-based problems. Such problems might include those of a given classroom, grade level, school or school system. The relevant skills might include those of (1) above, plus large-scale data gathering techniques and their analysis.

(4) Applying the knowledge and skills of psychology to the resolution of such programs and being willing to accept responsibility in an ethical manner.

James V. Soileau  
Executive Director

## **RULE**

### **Division of Administration Property Control Section**

The Property Control Section revised the State Property Control Regulations as follows:

#### Section I.

1.4 "Property" means all tangible non-consumable movable property owned by an agency with exception of property specifically exempted by the Commissioner. The Commission hereby designates that State-owned timber should be considered to be moveable and State-owned pecans shall be considered to be non-consumable for purposes of the Louisiana Property Control Law (LSA-R.S. 39:321 et seq.). Timber is considered movable for the purpose of sales and is not to be included in the agency's inventory of movable property.

#### Section II.

5.4 Property owned by the state for more than six months that is of no use to the state or agencies may be considered for disposition to the public.

5.5 The Commissioner may sell property "As is Where is" when it is determined to be in the best economical interest of the state.

Dan Pickens  
Inventory Control Manager

## **RULES**

### **Office of the Governor Division of Administration Office of Telecommunications Management**

The Office of Telecommunications Management has amended the following Subsections of its Administrative Rules and Regulations to read as follows:

Subsection 4.3.2 has been amended to read:

4.3.2 A state officer, or a member of those state boards and commissions meeting the standards set forth in LAC 1-10:4.3 and LAC 1-10:4.4.1, may be allowed at his residence an off-premise extension from the nearest electronically switched system. Detailed written justification for the residential line must be submitted to the Office of Telecommunications Management, and approval of the request will be granted by the Commissioner of Administration upon the recommendation of the Office of Telecommunications Management. All charges applicable to the residential telephone line must be billed to a state account number. It will be the responsibility of the applicable Telephone Systems Coordinator to notify the Office of Telecommunications Management if a state officer having a residence phone leaves state service or changes position in order that the Office of Telecommunications Management may effect termination of the telephone service.

Subsection 4.3.3 has been added to read:

4.3.3 Members of those state boards and commissions, meeting the standards set forth in LAC 1-10:4.3 and LAC 1-10:4.4.1, may be allowed at their respective office locations an off-premise extension from the nearest electronically switched system. Detailed written justification for the line must be submitted to the Office of Telecommunications Management, and approval of the request will be granted by the Commissioner of Administration upon the recommendation of the Office of Telecommunications Management. All charges applicable to the telephone line must be billed to a state account number. It will be the responsibility of the applicable Telephone Systems Coordinator to notify the Office of Telecommunications Management if a member of such board or commission having a state phone leaves state service or changes position in order that the Office of Telecommunications Management may effect termination of the telephone service.

Subsection 6.1.2 has been amended to read:

6.1.2 The telephone number or numbers to which service is being added, removed, or altered; the name of the person to which each number is assigned; and changes to listings in any public directory which may occur due to the work being requested.

Alexis M. Holstead, Director  
Office of Telecommunications Management

## **RULE**

### **Department of Health and Human Resources Office of Family Security**

The Department of Health and Human Resources, Office of Family Security, will adopt, effective June 1, 1981, new regulations concerning the requirement for verifying information in de-

termining household eligibility for food stamp benefits. These regulations are mandated by the Federal Register dated January 13, 1981, Volume 46, No. 8, Pages 3194-3202. Under these regulations the Office of Family Security shall require verification of residency requirements, the identity of the person making application and continuing shelter charges.

The Office of Family Security may, with prior Food and Nutrition Service approval, require additional verification of other eligibility factors as indicated by quality control reviews, audits, or other special reviews.

George A. Fischer, Secretary  
Department of Health and Human Resources

## **RULE**

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

The following revisions to the Air Quality Regulations were approved April 23, 1981, by the Environmental Control Commission. Copies of the revisions 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.

#### **Air Quality Regulation Revisions**

Proposed Modification to Section 22.10 of the Air Regulations:

22.10 Exemptions. The following compounds are considered exempt from the control requirements of Section 22.0 et al: methane, ethane, 1, 1, 1 trichloroethane (methyl chloroform), methylene chloride, trichlorofluoromethane, dichlorodifluoromethane, chlorodifluoromethane, trifluoromethane, dichlorotetrafluoroethane, trichlorotrifluoroethane, chloropentafluoroethane. Sources...

Revise Section 22.21.2(E) to read as follows:

E. Monitor with a VOC detection device any pressure relief valve within 24 hours after it has vented to the atmosphere. Add the following sentence to the end of Sections 22.3.1.1 and 22.3.1.2:

This control equipment shall not be permitted if the organic compounds have a vapor pressure of 11.0 pounds per square inch absolute or greater under actual storage conditions.

Revise Section 8.5.1 of the regulations to read as follows:

8.5.1 All owners or operators of stationary sources shall maintain records and annually report to the Department data on emissions (as required by Regulation 17.12) and any other information needed to determine compliance with these regulations.

These reports shall be submitted before March 1 of each year for the period of January 1 to December 31 of the previous year.

B. Jim Porter, Assistant Secretary  
Office of Environmental Affairs

## **RULE**

### **Secretary of State Board of Election Supervisors Rules for the Testing of Commissioners And Commissioners-in-Charge, as Provided In Revised Statutes 18:431.1**

**Approved by  
State Board of Election Supervisors  
April 15, 1981**

A. At the conclusion of each course of instruction for applicants for "commissioners" and "commissioners-in-charge," the

clerk of court shall administer the test which has been delivered to them by the State Board of Election Supervisors.

B. The test to be given to applicants for "commissioner" shall consist of 15 questions, all of which shall be taken from the panel of 25 questions as set out in Rule L.

C. Applicants for "commissioner" shall be allowed 45 minutes to complete the test. Unanswered questions shall be scored as wrong.

D. Applicants for "commissioner" must complete at least 10 answers correctly to be eligible for certification.

E. The test to be given to applicants for "commissioner-in-charge" shall consist of 20 questions, all of which shall be taken from the panel of questions set out in Rule M.

F. Applicants for "commissioner-in-charge" shall be allowed one hour to complete the test. Unanswered questions shall be scored as wrong.

G. Applicants for "commissioner-in-charge" must complete at least 15 questions correctly to be eligible for certification.

H. Applicants for "commissioner" and "commissioner-in-charge" may refer to the Election Code and informational pamphlet during the course of the examination, but they shall not receive assistance from any other source or individual.

I. The State Board of Election Supervisors shall vary some of the test questions on each succeeding examination, and the numbers and location of the questions shall be different from the preceding examination.

J. At the close of the allotted time for the examinations, the clerk of court shall collect and grade the test papers, using the answer sheet or template provided to them by the State Board of Election Supervisors.

K. The clerk of court shall then certify those applicants who received a passing grade as provided in Rules D. and G. The clerk of court shall keep the examination papers at least 30 days and any applicant may inspect his test paper during such time.

L. The examination for "commissioner" shall be taken from the following list of multiple choice questions:

1. All commissioners must be present at the precinct no later than:
  - A. 5:30 a.m.
  - B. 6:00 a.m.
  - C. 6:30 a.m.
2. If a commissioner-in-charge fails to appear at the polling place at least 30 minutes before the polls are to open, the commissioners in attendance shall immediately:
  - A. Notify the Parish Board of Election Supervisors.
  - B. Select a commissioner-in-charge from the commissioners present.
  - C. Notify the Clerk of Court.
3. If a commissioner fails to appear at the polling place at least 30 minutes before the time when the polls are to open, the commissioner-in-charge shall:
  - A. Call him on the telephone.
  - B. Notify the Clerk of Court.
  - C. Select an alternate commissioner to serve in his place.
4. A commissioner who fails to appear at the polling place at least 30 minutes before the time when the polls are to open is:
  - A. Disqualified for the remainder of his term.
  - B. Removed from the list of eligible commissioners.
  - C. Disqualified from serving as such in the next primary and general elections, unless he establishes to the satisfaction of the parish board of election supervisors that his absence was for just cause.
5. The commissioner-in-charge shall administer the oath to the commissioners:
  - A. At 5:30 a.m.
  - B. Before the first vote is cast.

- C. Prior to the opening of the polls.
6. Who compares the numbers on the seal and protective counter of each voting machine with the numbers on the envelope containing the keys to the voting machine?
- The commissioner-in-charge.
  - The commissioners.
  - The commissioners and watchers.
7. Who examines each counter on each machine to determine that it registers zero?
- The commissioner-in-charge.
  - The commissioners and watchers.
  - The commissioners.
8. If a counter other than the protective counter does not register zero, the commissioners shall immediately notify:
- The Parish Board of Election Supervisors.
  - The voting machine warehouse.
  - The parish custodian.
9. The card of instructions to voters and commissioners and a copy of the sample ballot shall be posted:
- In a conspicuous place at the principal entrance to the polling place.
  - On the wall inside the polling place.
  - On the front of each machine.
10. When the voting machines are unlocked for voting, the commissioners shall:
- Place the keys in the back of the voting machine.
  - Place the keys to the voting machines in the envelopes provided for that purpose.
  - Return them to the parish custodian.
11. The keys to the voting machines shall not be used during the election except by mechanics or experts repairing or adjusting the machine under the supervision and control of:
- The parish custodian.
  - The commissioner-in-charge.
  - The watchers.
12. Any person who voted by absentee ballot:
- Must vote in person if he is within the parish on election day.
  - Shall not vote in person at the polls on election day.
  - Can vote in person if he desires to do so, and his absentee ballot will not be counted.
13. The name of every person who votes at the polling place shall be entered on the poll list:
- By the voter.
  - By the commissioner.
  - By the watchers.
14. If the name of a qualified voter was omitted from the precinct register or computer voting list, the commissioner shall:
- Not allow him to vote.
  - Take his word that he is a registered voter and allow him to vote.
  - Contact the registrar of voters to ascertain whether or not the person applying to vote is registered to vote in that precinct.
15. If the applicant to vote is unable to sign his name on the registration certificate or computer voting list:
- The applicant shall make his mark in ink in the proper space.
  - The person assisting him in casting his vote shall sign his name for him in the proper space.
  - The commissioner shall write his name in the proper space.
16. A voter shall not remain in the voting machine:
- Longer than five minutes.
  - Longer than three minutes.
  - Longer than four minutes.
17. A voter who because of blindness or physical handicap is unable to cast his vote without assistance may receive assistance from:
- His spouse or a blood relative or a commissioner only.
  - A commissioner other than the commissioner-in-charge only.
  - Any person of his choice except the commissioner-in-charge or a candidate to be voted on in that election.
18. A voter who because of inability to read is unable to cast his vote without assistance may receive assistance from:
- His spouse or a blood relative or a commissioner of his choice other than the commissioner-in-charge.
  - His spouse or a blood relative or a commissioner of his choice other than the commissioner-in-charge, and a second commissioner chosen at random by the commissioner-in-charge or any other person of his selection.
  - His spouse or a blood relative or a commissioner other than the commissioner-in-charge or any other person of his choice.
19. Other than a blood relative or a commissioner, how many voters needing assistance because they cannot read can the same individual assist in voting at the same election?
- Only three.
  - As many as he chooses.
  - Only one person.
20. One of the three grounds for challenging a person applying to vote is:
- The applicant is not listed on the precinct register or computer voting list.
  - The applicant has not voted in the last four elections.
  - The applicant is not qualified to vote in the precinct.
21. Who may challenge a voter?
- Any qualified voter.
  - Only a commissioner or commissioner-in-charge.
  - A candidate or his watcher.
22. What disposition is made of the written record of the challenge on election day?
- It is sent immediately to the parish board of election supervisors.
  - It shall be placed in the envelope marked "Put in Voting Machine."
  - Turned over to the district attorney.
23. As the number of votes for each candidate are called off from the voting machines, they shall be:
- Entered on the "Tabulation Blank and Compiled Statement" form by one of the commissioners in duplicate.
  - Entered by two commissioners on "Tabulation Blank and Compiled Statement" forms which shall be executed on two original forms, each with a duplicate.
  - Recorded on a "Tabulation Blank and Compiled Statement" form by the commissioner-in-charge.
24. The Combined Tabulation Blank and Compiled Statement forms shall be certified as correct and signed by the:
- Commissioners.
  - Commissioner-in-charge only.
  - Commissioners and watchers.
25. Generally speaking, no political activity is allowed between the hours of 6:00 a.m. and 9:00 p.m. on election day within:
- 300 feet of the entrance to any polling place.
  - 600 feet of the entrance to any polling place.
  - Inside the polling place.
- M. The examination for "commissioner-in-charge" shall be taken from the following list of multiple choice questions:
- Who receives the sealed envelope containing the keys to the voting machines?

- A. The first commissioner to arrive at the voting precinct.
  - B. The commissioner designated by the commissioner-in-charge.
  - C. The commissioner-in-charge.
2. All commissioners must be present at the precinct no later than:
    - A. 5:30 a.m.
    - B. 6:00 a.m.
    - C. 6:30 a.m.
  3. If a commissioner-in-charge fails to appear at the polling place at least 30 minutes before the polls are to open, the commissioners in attendance shall immediately:
    - A. Notify the Parish Board of Election Supervisors.
    - B. Select a commissioner-in-charge from the commissioners present.
    - C. Notify the Clerk of Court.
  4. If a commissioner fails to appear at the polling place at least 30 minutes before the time when the polls are to open, the commissioner-in-charge shall:
    - A. Call him on the telephone.
    - B. Notify the Clerk of Court.
    - C. Select an alternate commissioner to serve in his place.
  5. The commissioner-in-charge shall administer the oath to the commissioners:
    - A. At 5:30 a.m.
    - B. Before the first vote is cast.
    - C. Prior to the opening of the polls.
  6. Who compares the numbers on the seal and protective counter of each voting machine with the numbers on the envelope containing the keys to the voting machine?
    - A. The commissioner-in-charge.
    - B. The commissioners.
    - C. The commissioners and watchers.
  7. Who examines each counter on each machine to determine that it registers zero?
    - A. The commissioner-in-charge.
    - B. The commissioners and watchers.
    - C. The commissioners.
  8. If a counter other than the protective counter does not register zero, the commissioners shall immediately notify:
    - A. The Parish Board of Election Supervisors
    - B. The voting machine warehouse.
    - C. The parish custodian.
  9. The card of instructions to voters and commissioners and a copy of the sample ballot shall be posted:
    - A. In a conspicuous place at the principal entrance to the polling place.
    - B. On the wall inside the polling place.
    - C. On the front of each machine.
  10. When do the commissioners and watchers complete the "Machine Certificates No. 1."?
    - A. Before the polls close.
    - B. Before the polls open.
    - C. As soon as the polls close.
  11. When the voting machines are unlocked for voting, the commissioners shall:
    - A. Place the keys in the back of the voting machine.
    - B. Place the keys to the voting machines in the envelopes provided for that purpose.
    - C. Return them to the parish custodian.
  12. The keys to the voting machines shall not be used during the election except by mechanics or experts repairing or adjusting the machine under the supervision and control of:
    - A. The parish custodian.
    - B. The commissioner-in-charge.
    - C. The watchers.
  13. Any person who voted by absentee ballot:
    - A. Must vote in person if he is within the parish on election day.
    - B. Shall not vote in person at the polls on election day.
    - C. Can vote in person if he desires to do so, and his absentee ballot will not be counted.
  14. The name of every person who votes at the polling place shall be entered on the poll list:
    - A. By the voter.
    - B. By the commissioners.
    - C. By the watchers.
  15. If the name of a qualified voter was omitted from the precinct register or computer voting list, the commissioner shall:
    - A. Not allow him to vote.
    - B. Take his word that he is a registered voter and allow him to vote.
    - C. Contact the registrar of voters to ascertain whether or not the person applying to vote is registered to vote in that precinct.
  16. If the applicant to vote is unable to sign his name on the registration certificate or computer voting list:
    - A. The applicant shall make his mark in ink in the proper space.
    - B. The person assisting him in casting his vote shall sign his name for him in the proper space.
    - C. The commissioner shall write his name in the proper space.
  17. A voter shall not remain in the voting machine:
    - A. Longer than five minutes.
    - B. Longer than three minutes.
    - C. Longer than four minutes.
  18. A voter who because of blindness or physical handicap is unable to cast his vote without assistance may receive assistance from:
    - A. His spouse or a blood relative or a commissioner only.
    - B. A commissioner other than the commissioner-in-charge only.
    - C. Any person of his choice except the commissioner-in-charge or a candidate to be voted on in that election.
  19. A voter who because of inability to read is unable to cast his vote without assistance may receive assistance from:
    - A. His spouse or a blood relative or a commissioner of his choice other than the commissioner-in-charge.
    - B. His spouse or a blood relative or a commissioner of his choice other than the commissioner-in-charge, and a second commissioner chosen at random by the commissioner-in-charge or any other person of his selection.
    - C. His spouse or a blood relative or a commissioner other than the commissioner-in-charge or any other person of his choice.
  20. Other than a blood relative or a commissioner, how many voters needing assistance because they cannot read can the same individual assist in voting at the same election?
    - A. Only three.
    - B. As many as he chooses.
    - C. Only one person.
  21. One of the three grounds for challenging a person applying to vote is:
    - A. The applicant is not listed on the precinct register or computer voting list.
    - B. The applicant has not voted in the last four elections.
    - C. The applicant is not qualified to vote in the precinct.
  22. Who may challenge a voter?
    - A. Any qualified voter.
    - B. Only a commissioner or commissioner-in-charge.
    - C. A candidate or his watcher.

23. What disposition is made of the written record of the challenge on election day?

A. It is sent immediately to the parish board of election supervisors.

B. It shall be placed in the envelope marked "Put in Voting Machine."

C. Turned over to the district attorney.

24. As the number of votes for each candidate are called off from the voting machines, they shall be:

A. Entered on the "Tabulation Blank and Compiled Statement" form by one of the commissioners in duplicate.

B. Entered by two commissioners on "Tabulation Blank and Compiled Statement" forms which shall be executed on two original forms, each with a duplicate.

C. Recorded on a "Tabulation Blank and Compiled Statement" form by the commissioner-in-charge.

25. Generally speaking, no political activity is allowed between the hours of 6:00 a.m. and 9:00 p.m. on election day within:

A. 300 feet of the entrance to any polling place.

B. 600 feet of the entrance to any polling place.

C. Inside the polling place.

The Following Questions May Be Included On Examinations Administered to Applicants for "Commissioners-in-Charge" in Those Parishes Using the 2.5 Voting Machine:

26. The officer's control latch must be pulled out:

A. Before the polls open.

B. Before each voter votes.

C. At the close of voting.

27. To lower the ballots on the machine, you must use keys number:

A. 2 and 5.

B. 3 and 4.

C. 2 and 3.

28. After the polls are closed, how do you get the vote count off of the voting machine?

A. Insert number 2 key in lock number 2 and number 3 key in lock number 3 and turn. Break the seal on the knurl knob and turn knob until you hear a distinct click. Take the vise handle and turn counter clockwise as far as it will go. This will raise ballots and count will be showing.

B. Open the back door with key number 1.

C. Insert number 3 key in lock number 3 and turn. Take the vise handle and turn counter clockwise as far as it will go. This will raise the ballots and expose the count.

The Following Questions May be Included on Examinations Administered to Applicants for "Commissioner-in-Charge" in Those Parishes Using the Automatic Voting Machine:

29. Commissioner is unable to unlock top rear door to open counter compartment door to check if all counters are at zero. Why?

A. Number 2 lock is turned up.

B. Seal has not been cut.

C. The front door is not locked.

30. Commissioner is unable to turn lock number 2 up. Why?

A. Seal has not been cut.

B. The machine is too unlevel.

C. The counter door latch is not turned horizontal.

31. After the machine is sealed, commissioner is unable to unlock top rear door to open counter compartment to tabulate votes. Why?

A. Front doors are closed.

B. Light cord is not plugged in.

C. Number 2 lock is turned up.

The Following Questions May be Included on Examinations Administered to Applicants for "Commissioner-in-Charge" in those Parishes Using the 10-25 Voting Machine:

32. Where do you find supplies for the election?

A. Locked in the back of voting machine.

B. At Clerk of Court's office.

C. In the envelope with keys to voting machine.

33. To put voting machine in operation, you should:

A. Call Registrar of Voters.

B. Close and lock all doors.

C. Follow instructions step by step on left front door when facing the voting machine.

34. What key, if any, do you use to raise the ballots?

A. Front and rear door key.

B. Machine key.

C. None.

James H. "Jim" Brown, Chairman  
State Board of Election  
Supervisors

## RULE

### Department of Transportation and Development Office of the General Counsel

EDSM No. IV.2.1.6

Outdoor Advertising Visibility Maintenance

1. PURPOSE. To establish policy and procedures relating to location of trees, shrubs or other vegetation and traffic signs that impair the visibility of outdoor advertising display or on-premise business identification signs or devices adjacent to highway right-of-way.

2. POLICY. Traffic signs as determined by the Department shall be placed so as to avoid obscuring existing off-premise or on-premise advertising displays, provided the traffic sign can be legally, safely and effectively erected in an adjacent location which does not obscure such displays.

Trees, shrubs or other vegetation plantings shall not be placed so as to purposely obscure existing off-premise or on-premise outdoor advertising displays. Where existing plantings do obscure displays that were in place prior to the planting, judicious trimming, relocation, removal or replacement will be considered as warranted by local conditions. It is emphasized that this policy relating to plantings will not apply to landscaped segments of highway, or to illegally placed signs.

3. PROCEDURE. The Right-of-Way Permits Engineer will be responsible for the implementation and coordination of these procedures.

a. Any request for visibility improvement for an off-premise or on-premise advertising display will be made using the attached supplement and application for Project Permit Form Nos. DOTD 03-41-3035 or DOTD 03-41-0593, copies of which will be maintained in each District Office.

b. The application for permit with request form shall be sent to the Right-of-Way Permits Unit in Baton Rouge for further handling and in sequence as per the following:

1. Headquarters Traffic and Planning Section for verification, location and legal status.

2. Right-of-Way Permits Unit for transmittal to and review by the District Administrator.

3. Review by Roadside Development Specialist.

(a) To determine if area affected in a designated landscaped portion of the Right-of-Way or under vegetation management by maintenance forces.

(b) Protect the aesthetic value of right-of-way vegetation and determine what the permittee intends to do.

4. Transmittal to Headquarters Right-of-Way Permits Unit by District Administrator for final processing.

c. The Traffic Operations Engineer will verify the location of the display and will forward the request to the Right-of-Way Permits Unit with information about the display's legal status.

Legal status will include any available and pertinent information that should be considered by the District Administrator.

Legal information could include:

- (1) Is this display under active citation?
- (2) Is the display subject to imminent removal?
- (3) Is the sign illegally placed?
- (4) Is the display nonconforming to State beautification criteria?

d. The Traffic Operations Engineer will determine whether or not the display is currently under contract with the State to be removed or is required to be removed within one year.

e. The cost of all work to be performed will be borne by the applicant and the necessary trimming, relocation, removal or replacement will be performed by a bonafide, bonded tree care service. The Department will then, through the Right-of-Way Permits Unit, review the permit, and if satisfactory, issue same to the service for it to enter upon the highway right-of-way and do the work in accordance with the preapproved plan.

f. Prior to issuance of the permit, the tree care service shall furnish bond or deposit in the amount of \$2,500 as security.

g. The permit shall contain:

(1) Language requiring the permittee to have said permit in its possession at all times at the work site.

(2) A "hold-harmless" clause wherein the permittee agrees to hold the Department harmless for any damage to person or property arising out of its operation under the permit.

h. In the following situations, visibility improvement will not be undertaken:

(1) The request will involve highway landscaping in a designated landscape section of the highway.

(2) The display is illegally placed.

(3) The display is currently under contract with the State to be removed.

(4) The display is required to be removed within one year.

(5) The display is on State property.

(6) A right-of-way take is imminent within one year.

(7) The trees or shrubs to be trimmed, relocated or removed are over 500 feet measured along the highway from the display or business.

(8) The trimming, relocation or removal will affect the purpose of the plantings.

(9) The trimming, relocation or removal will result in permanent damage to the structure or character of the plant.

4. OTHER ISSUANCES AFFECTED. This directive supersedes EDSM NO. IV.2.1.6 issued September 26, 1980. All directives, memorandums or instructions issued heretofore in conflict with this directive are hereby rescinded.

5. IMPLEMENTATION. This directive will become effective immediately upon receipt.

Dempsey D. White  
Chief Engineer

## RULES

### Department of the Treasury Board of Trustees State Employees Group Benefit Program

In accordance with the provisions of R.S. 49:951, et. seq., notice is hereby given that the Board of Trustees of the State Employees Group Benefits Program intends to adjust the premium rates for health benefit coverage as follows:

Sheriffs and Their Employees - Without Medicare	
Class	Proposed Rate
Employee only	\$ 75.34
Employee and one dependent	131.60
Employee and family	170.88

Medicare Rates (Applicable to all Plan Members)	
Employee only	\$ 21.36
Employee and one dependent	
One with Medicare	69.48
Two with Medicare	58.12
Employee and family	
One with Medicare	91.88
Two with Medicare	69.76

James D. McElveen  
Executive

## RULE

### Department of Wildlife and Fisheries Wildlife and Fisheries Commission

The Louisiana Wildlife and Fisheries Commission at its regular public meeting held in Kenner, Louisiana on April 28, 1981, adopted, via resolution the following:

WHEREAS, the Louisiana Wildlife and Fisheries Commission has reviewed the requests of the fishermen, industry and sportsmen, as well as the biological predictions and recommendations of the biologists of the Seafood Division, and

WHEREAS, this consensus supports the view that this year the brown shrimp have the same pattern of growth all along the coastline and inside waters, and

WHEREAS, the zone concept for Louisiana will not be used for the brown shrimp season this year,

THEREFORE BE IT RESOLVED, that the brown shrimp season will open coastwide on May 18, 1981 at 6:00 a.m. for a minimum of 50 days, and

BE IT FURTHER RESOLVED that a special two-day white shrimp season be held beginning 12:01 a.m., May 4, 1981 and closing 11:59 p.m. May 5 in Zone 3, which is that area of the Louisiana coast from the western shore of Vermilion Bay and down through Freshwater Bayou to Louisiana-Texas State line.

BE IT FURTHER RESOLVED that the Secretary be and is hereby authorized to extend and to close the brown shrimp season after the 50 day minimum period.

BE IT FURTHER RESOLVED that the season be either extended or closed depending upon available technical data concerning the presence or absence of small white shrimp.

Jesse J. Guidry, Secretary  
Department of Wildlife and Fisheries

# Notices of Intent

## NOTICE OF INTENT

### Department of Agriculture Seed Commission

In accordance with the provisions of LSA 49:951, et seq., the Administrative Procedure Act, and LSA 3:1433, relative to the powers and duties of the Seed Commission, notice is hereby given that the Louisiana Department of Agriculture, Seed Commission, will conduct a public hearing on Tuesday, June 9, 1981, at 10:00 a.m. in the State Capitol, Baton Rouge, Louisiana, to consider designation of a noxious weed, as follows:

#### PROPOSED RULE

Amending Section VI of the Rules and Regulations of the Seed Law by adding thereto a new Paragraph 28, as follows:

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

Written comments will be accepted by Mr. Kenneth McClain, Box 16390-A, University Station, Baton Rouge, LA 70803, up to and including June 5, 1981, or may be presented in person at the hearing.

All interested persons will be afforded a reasonable opportunity to submit data, views, or arguments, orally or in writing, at the public hearing, as provided by LSA 49:953.

Bob Odom  
Commissioner of Agriculture

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

- I. ESTIMATED IMPLEMENTATION COSTS (Savings) TO AGENCY - (Summary)  
No additional costs and no anticipated savings to the agency as a result of enactment of the rule.
- II. ESTIMATED EFFECT ON REVENUE COLLECTIONS - (Summary)  
No effect on revenue collections.
- III. ESTIMATED COSTS AND BENEFITS TO AFFECTED GROUPS - (Summary)  
No anticipated costs to any affected group. Benefit to be realized by affected groups will be a more accurate statement of the content of any given seed lot.
- IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT - (Summary)  
No anticipated effect on competition or employment in affected groups and no anticipated effect on employment in the state agency.

John Compton, Jr.                      Mark C. Drennen  
Deputy Commissioner of Agriculture      Legislative Fiscal Officer

## NOTICE OF INTENT

### Department of Commerce Office of Financial Institutions

Under authority granted by R.S. 6:237-B, the Commissioner of Financial Institutions intends to adopt 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.

#### Proposed 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 predetermined 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.

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

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

Hunter O. Wagner, Jr.  
Commissioner of Financial  
Institutions

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.



**NOTICE OF INTENT**  
**Office of the Governor**  
**Tax Commission**

In accordance with the provisions of the Administrative Procedures Act (R.S. 49:953), notice is hereby given that the Louisiana Tax Commission intends to hold a public hearing on Wednesday, June 10, 1981 at 10:00 a.m. in Room 215, Capitol Annex Building, Baton Rouge, Louisiana.

The purpose of the hearing is to adopt permanent guidelines for the disbursement of reappraisal funds, and to conduct any further business of the Commission.

Those desiring to be heard will be given reasonable opportunity to make their presentations.

J. Reginald Coco, Jr.  
Chairman

**Fiscal and Economic Impact Statement**  
**For Administrative Rules**  
**Rule Title: Funds Disbursement**

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

The implementation of this rule will require approximately 20 percent of the man hours of one employee. Estimated agency cost, including associated operating expenses (postage and supplies), is about \$5,700.

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

The rules relate to the allocation and use of funds provided as assistance to the assessors in their appraisal of all property in the State. The rules simply provide for the means by which assistance will be provided to the assessors; thus, the rules themselves do not provide for any revenue impact. It is possible that by appropriately allocating the assistance funds on the basis of need (as the rules provide for) the equity of assessments throughout the State for property tax revenue purposes could be enhanced.

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

No cost to assessors. These funds will benefit the assessors by allowing them to perform their duties more efficiently.

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

There should be no effect on competition and employment resulting from these rules.

J. Reginald Coco, Jr.  
Chairman

Mark C. Drennen  
Legislative Fiscal Officer

**NOTICE OF INTENT**

**Department of Health and Human Resources**  
**Board of Examiners for Nursing Home Administrators**

The State Board of Examiners for Nursing Home Administrators proposes the following changes in its Rules and Regulations:

1. Preceptors shall apply on forms supplied by the Board for approval of the Board prior to beginning any A.I.T. program.
2. A fee up to \$25.00 per request will be charged for review of requests to approve Continuing Education Seminars.
3. A copy of certificate(s) of attendance for the required 20 hours of approved continuing education is to be attached to the Re-registration Application.

Interested persons may comment in writing on these proposed changes through June 5, 1981, at the following address: State Board of Examiners for Nursing Home Administrators, 3535 Government St., Suite D, Baton Rouge, Louisiana 70806.

Winborn E. Davis,  
Executive Secretary

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

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

There will be no added costs to implement changes. Estimated savings will be approximately \$200 per year in secretarial service.

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

The fee for requests will generate approximately \$1,125 per year that goes into the Board's operating budget (a Non-FACS agency).

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

A savings of time and mailing costs will incur to preceptors and licensed Nursing Home Administrators. Agencies and individuals requesting approval of Continuing Education seminars will pay up to \$25.00 per request.

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

There will be no effect on competition and employment.

Winborn E. Davis,  
Executive Secretary

Mark C. Drennen  
Legislative Fiscal Officer

**NOTICE OF INTENT**

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

The Department of Health and Human Resources proposes to adopt 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. The rules are being amended under the authority granted to the Department by R.S. 46:1757(6), La. R.S. 40:2125, and La. R.S. 15:1084. These revisions to the manual are necessary to provide for the determination of cost of service and care.

Proposed 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 purch-