

May 2020

**Economic Impact Statements for Proposed Rules**

The corresponding proposed rule to each of the statements below may be viewed in its entirety in the May 20, 2020 *Louisiana Register*. Each *Louisiana Register* edition is published on the 20<sup>th</sup> of each month and can be viewed here: <https://www.doa.la.gov/Pages/osr/reg/regs2020.aspx>

Promulgating Agency	Proposed Rule Title	Estimated Costs and/or Economic Benefits to Directly Affected Persons, Small Businesses or Nongovernmental Groups
<b>Board of Elementary and Secondary Education</b>	<b>Bulletin 741—Louisiana Handbook for School Administrators—Diploma Integrity Individual Graduation Plans and Credit Recovery Courses and Units</b>	There are no estimated costs and/or economic benefits to directly affected persons or non- governmental groups as a result of the proposed revisions.
<b>Board of Elementary and Secondary Education</b>	<b>Bulletin 741 (Nonpublic)—Louisiana Handbook for Nonpublic School Administrators Carnegie Credit and Credit Flexibility Health and Physical Education</b>	There may be costs associated with implementing the proposed rule to the extent nonpublic schools do not currently offer health education as a stand-alone course. Current graduation requirements are for students to complete two units of health and physical education. The proposed rule decouples health education, requiring one and one-half units of physical education and a one-half unit of health education for a combined total of two units. Nonpublic schools may incur costs to the extent they are required to hire additional staff to offer a stand-alone health education course. Proposed rule further retains instruction on CPR and adds additional components to health education in order to comply with existing state law (R.S. 17:81), including instruction on dating violence and instruction on automated external defibrillators.
<b>Board of Elementary and Secondary Education</b>	<b>Jump Start—Waiver Requests; Career Diploma; and Program Authorization</b>	There are no estimated costs and/or economic benefits to directly affected persons or non- governmental groups as a result of the proposed revisions.
<b>Tuition Trust Authority</b>	<b>START Saving Program</b>	The proposed rule changes will increase the earnings of START account holders by providing additional interest earnings. The proposed rule changes adopt interest rates for deposits and earnings enhancements for the year ending December 31, 2019 as a result of START account holders earning a higher interest rate than in the previous year. As determined by the State Treasurer, the interest rate earned for the 2019 calendar year by the Louisiana Education Tuition and Savings Fund was 2.19%, and by the Savings Enhancements Fund was 2.27%. These additional investment earnings are the property of the account owners. Additionally, account holders will benefit from a new definition of “Qualified Education Loan” which adds payments for certain education loans and certain expenses incurred for participation in an approved apprenticeship program for calendar year 2019 and beyond as qualified higher education expenses.

<b>Promulgating Agency</b>	<b>Proposed Rule Title</b>	<b>Estimated Costs and/or Economic Benefits to Directly Affected Persons, Small Businesses or Nongovernmental Groups</b>
<b>Department of Environmental Quality</b>	<b>Cross Lake and Cross Bayou Stream Descriptions</b>	There will be no significant costs and/or economic benefits to directly affected persons, small businesses, or non-governmental groups from the proposed rule.
<b>Board of Embalmers and Funeral Directors</b>	<b>Embalmers and Funeral Directors</b>	The proposed rule changes will benefit heirs of a deceased funeral establishment owner, as they provide a pathway for them to operate a funeral establishment after the owner's passing. Such heirs would have to seek an interim ownership change and remit the one-time \$500 inspection fee and and \$1,000 fee for a license to operate, but may realize economic benefits associated with operating the funeral establishment. Lastly, making the \$100 internship application fee non-refundable is not anticipated to affect persons seeking internships, as applicants rarely seek refunds.
<b>Office of Public Health</b>	<b>Certification of Laboratories Performing Drinking Water Analyses</b>	Currently, OPH provides TNI accreditation for eight drinking water laboratories. If the labs wish to maintain TNI accreditation, they will have to seek reaccreditation from a different TNI approved accreditor. There are twelve other TNI approved accreditors, all of which are located out of state.
<b>Department of Health</b>	<b>Inpatient Hospital Services Coverage of Donor Human Breast Milk</b>	This proposed Rule adopts provisions governing reimbursement outside of the inpatient hospital per diem for donor human breast milk provided to hospitalized premature newborns. Implementation of this proposed Rule will have a positive impact on recipients, as it will ensure access to an effective, evidence-based treatment to reduce the incidence of severe complications. Acute care hospitals will benefit from payment for these services outside of the inpatient hospital per diem, which will be off-set by the reduction in the level of care and length of stay required for these premature newborns. This proposed Rule will have no impact on small businesses. It is anticipated that implementation of this proposed rule will increase programmatic costs for inpatient hospital services by approximately \$240,372 for FY 20-21 and \$299,664 for FY 21-22; however, LDH's actuarial consultants have determined that the costs may be offset entirely by savings realized through reductions in expenditures related to neonatal complications.
<b>Department of Insurance</b>	<b>Regulation 45—Filing of Affirmative Action Plans</b>	There are no estimated costs and/or economic benefits to directly affected persons or non-governmental groups. The proposed rule change implements provisions of Act 274 of 2015, which reorganized and renamed several divisions within the LA Dept. of Insurance, including the Division of Minority Affairs, which was renamed the Division of Diversity and Opportunity.
<b>Office of Alcohol and Tobacco Control</b>	<b>Vapor Products Public Safety Regulations</b>	The proposed rules generally outline the requirements of retailers selling vapor products, but include annual permitting requirements for retailers with associated fees of \$25. Furthermore, the proposed rules outline prohibited acts and safety requirements, require open inspections of premises by ATC, require age verification of persons purchasing vapor products, and prohibit sales to minors.

<b>Promulgating Agency</b>	<b>Proposed Rule Title</b>	<b>Estimated Costs and/or Economic Benefits to Directly Affected Persons, Small Businesses or Nongovernmental Groups</b>
<b>Municipal Police Employees' Retirement System</b>	<b>Allow Group Trusts Investments</b>	This proposed rule amends the provisions governing the Board of Trustees' ability to enter into group trusts for investment purposes. It is anticipated that implementation of this proposed rule will not have economic cost or benefits to directly affected persons or non-governmental groups.
<b>Municipal Police Employees' Retirement System</b>	<b>Define True Annuity and Other Approved Methods Under New DROP Legislation</b>	This proposed rule defines the term True Annuity as it relates to a retiree's benefit payment. It is anticipated that implementation of this proposed rule may have tax implications for the retiree who chooses this plan.
<b>Municipal Police Employees' Retirement System</b>	<b>Military Service Purchases and Compliance with the Uniformed Services Employment and Reemployment Rights</b>	This proposed rule allows the purchase of former military time to be put towards a current member's years of services with MPERS. It is anticipated that implementation of this proposed rule will have a financial impact determined by an actuary for the member choosing to purchase past military time.
<b>Municipal Police Employees' Retirement System</b>	<b>Renunciation of Benefit</b>	This proposed rule allows any member of MPERS who is eligible to receive or is currently receiving a benefit to choose to renounce said benefit under terms and conditions. The only estimated impact to the affected persons would be their election to renounce their monthly retirement benefit indefinitely.
<b>Wildlife and Fisheries Commission</b>	<b>King and Spanish Mackerel and Cobia Size Limits</b>	The proposed increase in the minimum size limits for cobia is expected to reduce offshore recreational landings by approximately 0.3 to 0.4 percent and negatively affect between 1.4 and 2.0 percent of offshore recreational fishing trips. The proposed alterations in the commercial minimum size limits for cobia may reduce landings by approximately \$11,600 to \$15,000 per year.
<b>Office of Workers' Compensation Administration</b>	<b>Medical Treatment Guidelines</b>	The proposed rules update the medical guidelines for the treatment of injured workers. It is not anticipated that the proposed rules will result in a direct economic benefit. However, it is anticipated that the proposed rules will provide an indirect benefit to injured workers, employers, and insurers, by providing better medical treatment to injured workers, thus facilitating their recovery and return to work.