

## August 2019

### Economic Impact Statements for Proposed Rules

The corresponding proposed rule to each of the statements below may be viewed in its entirety in the August 20, 2019 *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/regs2019.aspx>

Promulgating Agency	Proposed Rule Title	Estimated Costs and/or Economic Benefits to Directly Affected Persons, Small Businesses or Nongovernmental Groups
<b>Office of Student Financial Assistance</b>	<b>Scholarship/Grant Programs Go Youth Challenge Legislation</b>	The proposed rule changes will benefit students eligible for a Go Youth Challenge Program award by increasing the number of eligible courses and schools they may select and increasing their initial enrollment deadlines giving them additional time to prepare for a postsecondary education program.
<b>Capital Area Ground Water Conservation Commission</b>	<b>Pumpage Fees</b>	The proposed rule change results in an additional charge of \$10 per million gallons of groundwater pumped for the 58 users, including municipalities and industries in Ascension, East Baton Rouge, East Feliciana, Pointe Coupee, West Baton Rouge and West Feliciana.
<b>Department of Veterans Affairs</b>	<b>Commission; Educational Aid; Veterans Homes; Assistance Fund</b>	Changes reflect economic benefits for certain veterans or their families as a result of the revisions to certain fees and the ability to claim hardship waivers as well as to the Military Family Assistance Program. However, these benefits are already reflected in current practice.
<b>Division of Administration</b>	<b>Rulemaking Petitions</b>	The proposed Rule is not expected to create costs or economic benefits for directly affected persons or non-governmental groups.
<b>Department of Health</b>	<b>Applied Behavior Analysis-Based Therapy Services—Reimbursement Methodology</b>	This proposed Rule amends the provisions governing applied behavior analysis-based (ABA) therapy services in order to clarify the requirements relative to the appropriate current procedural terminology (CPT) codes utilized for reimbursement for these services. Implementation of this proposed Rule will not reduce or increase payments to providers of ABA therapy services since this is an administrative change which does not change the current reimbursement rates or methodology. Condensing the temporary codes to the new permanent codes is not anticipated to result in any additional costs to the program. It is anticipated that implementation of this proposed Rule will not result in costs in FY 19-20, FY 20-21 and FY 21-22, but will benefit providers of ABA therapy services by clarifying existing procedures and ensuring use of the appropriate CPT codes for billing.

<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 Health</b>	<b>Ground Ambulance Provider Fees and Enhanced Reimbursements for Qualifying Ground Ambulance Service Providers</b>	This proposed Rule, in compliance with Act 299 of the 2019 Regular Session of the Louisiana legislature, continues the provisions of the July 1, 2019 Emergency Rule which amended the provisions governing ambulance provider fees and reimbursements to implement a provider fee assessment and to provide enhanced reimbursement for non-emergency ground ambulance transportation service providers. Providers of non-emergency ground ambulance transportation services will benefit from implementation of this proposed Rule as it increases payments for services they already provide. It is anticipated that implementation of this proposed Rule will increase programmatic expenditures for medical transportation services by approximately \$13,310,860 for FY 19-20, \$13,310,860 for FY 20-21 and \$13,310,860 for FY 21-22.
<b>Department of Health</b>	<b>Inpatient Hospital Services Reimbursement Methodology Outlier Pool Rate Increase</b>	This proposed Rule continues the provisions of the July 1, 2019 Emergency Rule which, in compliance with House Concurrent Resolution 5 of the 2019 Regular Session of the Louisiana Legislature, amended the provisions governing thereimbursement methodology for inpatient hospital services to increase outlier pool payments. Inpatient hospital providers will benefit from implementation of this proposed Rule as it increases outlier pool payments to hospitals. It is anticipated that implementation of this Rule will increase Medicaid programmatic expenditures by approximately \$11,092,719 for FY 19-20 \$11,092,179 for FY 20-21 and \$11,092,179 for FY 21-22.
<b>Department of Health</b>	<b>Community and Family Support System Flexible Family Fund</b>	The proposed Rule changes will not have an economic cost or benefit to certain families with children with severe developmental disabilities.
<b>Department of Insurance</b>	<b>Regulation 70—Replacement of Life Insurance and Annuities</b>	There are no estimated costs and/or economic benefits to directly affected persons or non-governmental groups as a result of the proposed rule changes. The proposed revisions align the administrative rules with present practice and statute by removing the exemption from Regulation 70 for any insurer that markets under the Home Service Marketing Distribution System. The rule revisions are necessary because R.S. 22:1553(C), which defined the Home Service Marketing Distribution System, was repealed by Act 485 of 2009.
<b>Department of Insurance</b>	<b>Regulation 72—Commercial Lines Insurance Policy—Form Deregulation</b>	The proposed rule changes will not result in economic costs or benefits to directly affected persons or non-governmental groups, as it aligns the administrative rules with present practice and statute.
<b>Department of Insurance</b>	<b>Regulation 80—Commercial Lines Insurance Rate Deregulation</b>	The proposed rule changes will not result in any costs and/or economic benefits to directly affected persons or non-governmental groups. The rule revisions repeal Regulation 80, which was implemented under the provisions of Act 878 of 2004. This regulation exempted commercial property and casualty insurers from the rate approval process unless the commissioner determines that the market for a line of insurance is noncompetitive. LDI is repealing Regulation 80 to comply with Act 459 of 2007, which repealed the provisions of Act 878 of 2004 and no longer aligns with present statute and practice.

<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 Natural Resources</b>	<b>Fees</b>	Surface Mining operators will experience an increase in fees assessed. Initial increases are projected at \$226,000 for the first year with declining costs in the future as a result of anticipated reduction in total acreage assessed.
<b>Department of Public Safety and Corrections</b>	<b>Driving Schools</b>	There is no anticipated effect on revenue or economic benefit to persons or non-governmental groups as a result of the proposed rule changes.
<b>Department of Public Safety and Corrections</b>	<b>Fireworks</b>	The proposed rule changes will allow an individual to acquire a Class C Pyrotechnic Operator License to conduct 1.4G public fireworks displays on behalf of public entities. The cost of the Class C Pyrotechnic Operator license is \$50 per year. Individuals may realize economic benefits in the form of compensation for operating public fireworks displays, but the impact is undeterminable.
<b>Department of Public Safety and Corrections</b>	<b>Breath and Blood Alcohol Analysis Methods and Techniques</b>	The proposed rule changes will not result in any cost or economic benefit to directly affected persons or non-governmental groups.
<b>Department of Public Safety and Corrections</b>	<b>Towing, Recovery, and Storage</b>	The proposed rule change will have a minimal effect on costs or economic benefits incurred by directly affected persons or non-governmental groups. The fine schedule will remain the same. The proposed conditions for suspension and revocation of a storage license will have an indeterminate effect on towing and storage facilities depending on those entities' compliance or noncompliance with relevant administrative rules and regulations. The department does not anticipate a significant change in suspensions or revocations as a result of the proposed rule changes.

<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 Revenue</b>	<b>Prescription of Refunds Claimed Pursuant to the Federal Combat-Injured Veterans Tax Fairness Act of 2016</b>	<p>The taxpayer will incur the cost of completing a claim form and providing copies of documentation, but the costs are estimated to be minimal.</p> <p>The taxpayer will receive the economic benefit of the refund received, which can range from \$326 to \$637.</p>
<b>Department of Revenue</b>	<b>Validation and Notice of Local Taxing Authority Sales and Use Tax Exemptions and Exclusions</b>	<p>There are no estimated costs to the taxpayers responsible for paying the local sales and use tax imposed by the local taxing authorities. Taxpayers affected by the proposed rule may benefit by an indeterminable amount because of receiving accurate information pertaining to all applicable sales and use tax exemptions and exclusions applied on the local level.</p>
<b>Department of Wildlife and Fisheries</b>	<b>Removal of Abandoned Crab Traps</b>	<p>Crab fishermen who utilize the areas proposed for closure will experience lost fishing time during the designated period and encounter additional costs to temporarily remove their traps. These crab fishermen must either move their traps to open fishing areas or remove their traps from the water for the duration of the closure. Traps that are not removed from waters in the closed areas within the allotted time will be destroyed, potentially creating an additional cost to replace the traps for noncompliant fishermen.</p> <p>Local seafood dealers, processors and consumers may experience a slight decrease in the availability of fresh crabs during the closures, resulting in a slightly higher price for fresh crabs in the short term. However, the crab resource will not be lost or harmed in any way and will be available for harvest when the closed area is reopened.</p> <p>The removal of abandoned crab traps should provide improved fishing and reduced fishing costs for recreational saltwater fishermen, commercial fishermen and individuals who operate vessels within the designated areas by reducing encounters with abandoned traps that often result in lost fishing time and damage to the vessel's lower unit or fishing gear. The removal of abandoned crab traps will reduce the mortality of and injuries to crabs and by-catch that become ensnared and die in these traps, benefiting crab harvesters.</p> <p>The overall impact of the proposed area closure is anticipated to be minimal because the closure would occur during the time of the year with lowest harvests and adjacent waters will remain open for crab fishermen to continue to fish.</p>