

FISCAL AND ECONOMIC IMPACT STATEMENT  
FOR ADMINISTRATIVE RULES

Person

Preparing

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Rule Title: LAC 7:XXVII.103, 141 (Agricultural Commodities  
Commission - Number of Commission Meetings  
and Recordkeeping for Excessive Deduction)

Date Rule Takes Effect: upon promulgation

SUMMARY  
(Use complete sentences)

In accordance with Section 953 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a fiscal and economic impact statement on the rule proposed for adoption, repeal or amendment. THE FOLLOWING STATEMENTS SUMMARIZE ATTACHED WORKSHEETS, I THROUGH IV AND WILL BE PUBLISHED IN THE LOUISIANA REGISTER WITH THE PROPOSED AGENCY RULE.

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

The proposed rule changes will not result in implementation costs to state or local governmental units. The proposed action will amend LAC 7:XXVII.103 to eliminate language that is presently inconsistent with current law, as R.S. 3:4721 was recently amended to require only three meetings of the Agricultural Commodities Commission per year. The reduction of the number of meetings from four per year to three per year will result in estimated savings to LDAF in the amount of \$489.25 in mileage reimbursements that would have been paid out to Commission members.

The proposed change to Section 141 will not result in costs or savings as it merely clarifies language regarding one category of records that licensees must maintain, modifying it from, "excessive damage of 7.5%," to language that more closely tracks the federal guidelines set forth in the U.S. Department of Agriculture's Grain Inspection Handbook.

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

The proposed rule changes will not effect revenue collections of state or local governmental units.

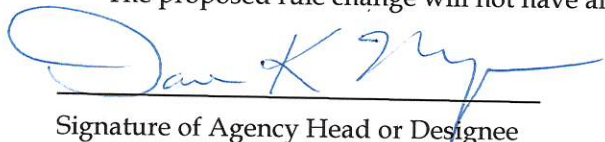
III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS (Summary)

There will be no costs and/or economic benefits to directly affected persons or non-governmental groups. The proposed change to §103 codifies current law. Specifically, R.S. 3:4721 was recently amended to require that the commission meet three times per calendar year, but may meet more frequently upon the call of the chairman. The proposed rule change simply eliminates language that is inconsistent with current law and has no bearing on costs or economic benefits to directly affected persons.

The proposed change to §141 clarifies language regarding one category of records that licensees must maintain, modifying it from, "excessive damage of 7.5%," to language that more closely tracks the federal guidelines set forth in the U.S. Department of Agriculture's Grain Inspection Handbook. The exact level for excessive damage specific to each type of grain is expressly set forth in the federal guidelines. The proposed rule change incorporates the federal guideline language by reference, as if expressly stated herein. This change has no financial effects as it merely modifies one of 15 categories of records that licensees are required to maintain and therefore has no impact on costs/benefits to directly affected persons.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

The proposed rule change will not have an effect on competition and employment.



Signature of Agency Head or Designee

Dane K Morgan

Typed Name & Title of Agency Head or Designee

9/9/19

Date of Signature



Legislative Fiscal Officer or Designee

9/9/19

Date of Signature

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

The following information is required in order to assist the Legislative Fiscal Office in its review of the fiscal and economic impact statement and to assist the appropriate legislative oversight subcommittee in its deliberation on the proposed rule.

- A. Provide a brief summary of the content of the rule (if proposed for adoption, or repeal) or a brief summary of the change in the rule (if proposed for amendment). Attach a copy of the notice of intent and a copy of the rule proposed for initial adoption or repeal (or, in the case of a rule change, copies of both the current and proposed rules with amended portions indicated).

The proposed change to §103 codifies current law. Specifically, R.S. 3:4721 was recently amended to require that the commission meet three times per calendar year, but may meet more frequently upon the call of the chairman. The proposed rule change simply eliminates language that is inconsistent with current law.

The proposed change to §141 clarifies language regarding one category of records that licensees must maintain, modifying it from, "excessive damage of 7.5%," to language that more closely tracks the federal guidelines set forth in the U.S. Department of Agriculture's Grain Inspection Handbook. The exact level for excessive damage specific to each type of grain is expressly set forth in the federal guidelines. The proposed rule change incorporates the federal guideline language by reference, as if expressly stated herein.

- B. Summarize the circumstances, which require this action. If the Action is required by federal regulation, attach a copy of the applicable regulation.

The proposed rule change to §103 is required to order bring this rule into compliance with the present statutory language which requires that the Louisiana Agricultural Commodities Commission to meet three times per year, while the current rule requires four meetings per year. The proposed rule eliminates language that is inconsistent with current law.

The proposed rule change to §141 was brought to the attention of the Louisiana Agricultural Commodities Commission by the grain industry, indicating that there was a need for clarification and proper citing of the U.S. Department of Agriculture's Grain Inspection Handbook and its requirements as they pertain to grade factors equal to the level set forth for U.S. Sample Grade for each grain published.

- C. Compliance with Act 11 of the 1986 First Extraordinary Session

- (1) Will the proposed rule change result in any increase in the expenditure of funds? If so, specify amount and source of funding.

The proposed rule change will not result in any increase in the expenditure of funds.

- (2) If the answer to (1) above is yes, has the Legislature specifically appropriated the funds necessary for the associated expenditure increase?

(a) \_\_\_\_\_ Yes. If yes, attach documentation.

(b) \_\_\_\_\_ NO. If no, provide justification as to why this rule change should be published at this time

**FISCAL AND ECONOMIC IMPACT STATEMENT  
WORKSHEET**

**I. A. COSTS OR SAVINGS TO STATE AGENCIES RESULTING FROM THE ACTION PROPOSED**

1. What is the anticipated increase (decrease) in costs to implement the proposed action?

<b>COSTS</b>	<b>FY 20</b>	<b>FY 21</b>	<b>FY 22</b>
Personal Services	0	0	0
Operating Expenses	(\$489.25)	(\$489.25)	(\$489.25)
Professional Services	0	0	0
Other Charges	0	0	0
Equipment	0	0	0
Major Repairs & Constr.	0	0	0
<b>TOTAL</b>	<b>(\$489.25)</b>	<b>(\$489.25)</b>	<b>(\$489.25)</b>
<b>POSITIONS (#)</b>	<b>0</b>	<b>0</b>	<b>0</b>

2. Provide a narrative explanation of the costs or savings shown in "A. 1.", including the increase or reduction in workload or additional paperwork (number of new forms, additional documentation, etc.) anticipated as a result of the implementation of the proposed action. Describe all data, assumptions, and methods used in calculating these costs.

The proposed rule change will result in a nominal expenditure savings. Since the amendment to §103 changes the number of meetings of the Louisiana Agricultural Commodities Commission from four per year to three per year, there will be a de minimis savings to the state in the amount of \$489.25 per year. That amount represents the mileage reimbursements that would have been paid to commission members for mileage associated with the one meeting per year that has been eliminated by the rule change.

The rule also changes the recordkeeping requirement for licensees, modifying the description of only one of 15 categories of records in order to reflect federal regulatory language. The proposed rule changes to §141 will not require any additional expenditure of funds or additional revenue to LDAF, nor will it result in any savings or decrease in costs.

The proposed rule changes will be implemented by existing LDAF staff at no additional cost.

3. Sources of funding for implementing the proposed rule or rule change.

<b>SOURCE</b>	<b>FY 20</b>	<b>FY 21</b>	<b>FY 22</b>
State General Fund	0	0	0
Agency Self-Generated	(\$489.25)	(\$489.25)	(\$489.25)
Dedicated	0	0	0
Federal Funds	0	0	0
Other (Specify)	0	0	0
<b>TOTAL</b>	<b>(\$489.25)</b>	<b>(\$489.25)</b>	<b>(\$489.25)</b>

4. Does your agency currently have sufficient funds to implement the proposed action? If not, how and when do you anticipate obtaining such funds?

The Department has sufficient funds to implement the proposed action, as the proposed rule change will result in a nominal cost savings beginning in FY 21.

**B. COST OR SAVINGS TO LOCAL GOVERNMENTAL UNITS RESULTING FROM THE ACTION PROPOSED.**

1. Provide an estimate of the anticipated impact of the proposed action on local governmental units, including adjustments in workload and paperwork requirements. Describe all data, assumptions and methods used in calculating this impact.

The proposed rule changes will not impact costs or savings to local governmental.

2. Indicate the sources of funding of the local governmental unit, which will be affected by these costs or savings.

The proposed rule changes will not have any effect on local government.

**FISCAL AND ECONOMIC IMPACT STATEMENT  
WORKSHEET**

**II. EFFECT ON REVENUE COLLECTIONS OF STATE AND LOCAL GOVERNMENTAL UNITS**

A. What increase (decrease) in revenues can be anticipated from the proposed action?

<b>REVENUE INCREASE/DECREASE</b>	<b>FY 20</b>	<b>FY 21</b>	<b>FY 22</b>
State General Fund	0	0	0
Agency Self-Generated	0	0	0
Dedicated Funds*	0	0	0
Federal Funds	0	0	0
Local Funds	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>

\*Specify the particular fund being impacted.

B. Provide a narrative explanation of each increase or decrease in revenues shown in "A." Describe all data, assumptions, and methods used in calculating these increases or decreases.

There will be no increase or decrease in revenues.

**III. COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS**

A. What persons or non-governmental groups would be directly affected by the proposed action? For each, provide an estimate and a narrative description of any effect on costs, including workload adjustments and additional paperwork (number of new forms, additional documentation, etc.), they may have to incur as a result of the proposed action.

There will be no economic costs or benefits to directly affected persons or non-governmental groups. Changes to §141 amend the recordkeeping requirement for licensees, modifying the description of only one of 15 categories of records in order to reflect federal regulatory language.

B. Also provide an estimate and a narrative description of any impact on receipts and/or income resulting from this rule or rule change to these groups.

The proposed rule changes will not impact receipts or income to these groups.

**IV. EFFECTS ON COMPETITION AND EMPLOYMENT**

Identify and provide estimates of the impact of the proposed action on competition and employment in the public and private sectors. Include a summary of any data, assumptions and methods used in making these estimates.

The proposed rule changes will not impact competition or employment in the public and private sectors.