

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 260** SLS 18RS 351

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 23, 2018	3:28 PM	Author: MILKOVICH
Dept./Agy.: Division of Administrative Law		Analyst: Colleen Gil
Subject: Licensing Disciplinary Actions		

STATE AGENCIES RE SEE FISC NOTE SG RV Page 1 of 1
Provides relative to disciplinary hearings by professional and occupational licensing boards and commissions. (8/1/18)

Present law provides relative to powers and duties of professional licensing boards and commissions as well as disciplinary actions. Proposed law allows a person who has a disciplinary action brought against him by a professional licensing board or commission may elect to have the matter moved to the division of administrative law (DAL) for a disciplinary adjudication by an administrative law judge. Proposed law requires that the notification to a person by a board or commission of pending disciplinary action against him shall include language advising him that he may elect to have the matter heard by and administrative law judge, and that the notice shall also advise the person that he has 30 days from receipt of the notice to advise the board, in writing, whether or not he elects to have the matter heard by an administrative law judge. Proposed law provides that professional licensing boards and commissions and the DAL may promulgate rules in accordance with the Administrative Procedure Act to implement proposed law. Present law provides that state professional and occupational licensing boards shall be exempt from laws relating to the DAL. Proposed law provides that if a person elects to have his disciplinary hearing before an administrative law judge, he will be subject to the provisions of law pertaining to administrative law judge proceedings. Proposed law provides that a board or commission within Title 37 of the La. Revised Statutes may develop a process to issue a license, permit, or certificate outside the national examination for those individuals with an Americans with Disabilities Act recognized disorder. Proposed law provides that provisions of this act shall not apply to the LA State Bar Association, its members, or any matter initiated by the LA Attorney Disciplinary Board.

EXPENDITURES	2018-19	2019-20	2020-21	2021-22	2022-23	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW					
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

REVENUES	2018-19	2019-20	2020-21	2021-22	2022-23	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW					
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

EXPENDITURE EXPLANATION

The Division of Administrative Law (DAL) does not anticipate an increase in expenditures, however in future years it may be determined that additional staff is needed to handle the increased workload. The number of additional cases DAL may hear as a result of the proposed legislation is indeterminable. It would be optional for the individual who has a disciplinary action brought against him, and the number of hearings conducted annually varies by board and year.

To the extent individuals elect to utilize the division of administrative law for disciplinary adjudication, there may be an increase in expenditures to the professional or occupational licensing boards or commissions, not including the LA State Bar Association. Costs incurred will be associated with the hearing rates charged by the DAL, potential expenses related to providing expert witnesses, and travel costs. However, the costs incurred by the boards and commissions are indeterminable, and will vary by board and by case. The proposed legislation gives boards and commissions the authority to promulgate rules in accordance with the administrative procedures act which may determine whether the individual charged or the board is responsible for the associated legal costs.

REVENUE EXPLANATION

There may be an increase in self-generated revenue to the DAL the extent individuals elect to utilize the Division of Administrative Law for disciplinary adjudication, however the amount of potential revenue generated is indeterminable. Currently, agencies that use DAL pay through an approved statewide cost allocation plan (SWCAP). The DAL anticipates charging boards on a "pay as you go" basis due to the uncertainty of the number of cases heard on an annual basis in the beginning years, however boards may be included in future SWCAP formulas. Based on a 4-year average, the average hourly rate charged by DAL is approximately \$117.61 for judiciary services and \$65.20 for clerical services. The boards and commissions will be responsible for paying the associated judicial and clerical rates to DAL. Dependent upon individual boards' rules and procedures the costs incurred may be passed down to the individual.

Boards have the potential to collect additional self-generated revenue to the extent DAL determines the individuals charged are guilty and assessed a fine.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

Evan Brasseaux
Staff Director