

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



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

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> May 22, 2018	1:34 PM	<b>Author:</b> MILKOVICH
<b>Dept./Agy.:</b> Division of Administrative Law		<b>Analyst:</b> Colleen Gil
<b>Subject:</b> Licensing Disciplinary Actions		

STATE AGENCIES EN SEE FISC NOTE SG RV See Note 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 the LA State Board of Dentistry or the LA Auctioneers Licensing Board may elect to have the matter moved to the division of administrative law (DAL) for a disciplinary adjudication by an administrative law judge (ALJ). Proposed law provides for the notification process for the person who has pending disciplinary action against him. Proposed law provides that the aforementioned boards 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 ALJ, he will be subject to the provisions of law pertaining to ALJ proceedings. Proposed law requires that all boards and commissions authorized to issue license, permits, or certificates to submit quarterly reports to the appropriate legislative oversight committee regarding the hearings conducted, and outlines what the report shall contain. Requires the oversight committees for the aforementioned boards to meet regularly and submit a report of findings and recommendations to the legislature no later than January 1, 2021. Further provides that the provisions regarding disciplinary adjudications shall terminate August 1, 2021. 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.

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

  

REVENUES	2018-19	2019-20	2020-21	2021-22	2022-23	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
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Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
<b>Annual Total</b>					<b>\$0</b>	<b>\$0</b>

**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 Louisiana State Board of Dentistry or the Louisiana Auctioneers Licensing Board. 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 aforementioned boards are indeterminable, and will vary by board and by case. The proposed legislation gives the aforementioned boards 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.

Additionally, to the extent the legislative oversight committees associated with the licensing boards and the DAL are required to hold meetings to review the quarterly reports outside of normal meeting days, there will be additional costs associated with the per diem received by committee members. The current legislative per diem rate is \$177/day.

**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 the 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 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.

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

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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