

FISCAL AND ECONOMIC IMPACT STATEMENT  
FOR ADMINISTRATIVE RULES

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Phone:	<u>225-219-3408</u>	Office:	<u>Environmental Assessment</u>
Return Address:	<u>602 N 5th Street</u>	Rule Title:	<u>Termination of Stage II Program</u>
	<u>Baton Rouge, LA 70802</u>		<u>LAC 33:III.2132.J.3</u>
		Date Rule Takes Effect:	<u>Upon Promulgation</u>

SUMMARY  
(Use complete sentences)

In accordance with Section 961 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 Louisiana Department of Environmental Quality (LDEQ) does not anticipate any costs or savings resulting from the proposed rule change. The department reports that the tasks necessary to accomplish this rulemaking can be undertaken within the LDEQ employees' normal scope of work and during regular working hours.

Under current law, a gasoline dispensing facility must decommission its stage II vapor recovery equipment no later than 18 months after Environmental Protection Agency (EPA) approval of the State Implementation Plan (SIP) revision that terminated the stage II program. The proposed rule change will remove the 18-month timeframe requirement, which will allow facilities to decommission the equipment at any time after EPA's approval of the SIP revision. Additionally, the proposed rule change replaces the consequences of non-compliance, which currently is a prohibition on selling or dispensing gasoline, with the enforcement actions listed in LAC 33:III.2132.H.1.

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

Current rules allow LDEQ to prohibit the sale or dispensing of gasoline for violations. The proposed rule change will allow LDEQ to issue cease and desist orders, suspend or revoke licensure, or issue monetary fines. LDEQ is unable to quantify the amount of monetary fines that will be issued, making the revenue increase indeterminable.

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

Decommissioning activities have far exceeded the 18 months from EPA's approval of the SIP revision that allowed for termination of the Stage II program. The proposed rule change will reduce the financial impact on the regulated community by providing more time to comply ahead of enforcement actions.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There are no anticipated effects on competition and employment as a result of this proposed rule change.

Jill C. Clark  
Signature of Head or Designee

Jill C. Clark, General Counsel  
Typed Name & Title of Agency Head or Designee

9-9-2025  
Date of Signature

Patrice Thomas, Deputy Fiscal Officer  
Legislative Fiscal Officer or Designee

9/10/2025  
Date of Signature

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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).

Under current law, a gasoline dispensing facility must decommission its stage II vapor recovery equipment no later than 18 months after Environmental Protection Agency (EPA) approval of the State Implementation Plan (SIP) revision that terminated the stage II program. The proposed rule change will remove the 18-month timeframe requirement, which will allow facilities to decommission the equipment at any time after EPA's approval of the SIP revision. Additionally, the proposed rule change replaces the consequences of non-compliance, which currently is a prohibition on selling or dispensing gasoline, with the enforcement actions listed in LAC 33:III.2132.H.1.

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

Decommissioning activities have far exceeded the 18 months from EPA's approval of the SIP revision that allowed for termination of the Stage II program. The proposed rule change will reduce the financial impact on the regulated community by providing more time to comply ahead of enforcement actions. Consequently, enforcement actions against stations that show progress in decommissioning their Stage II equipment can be delayed.

- 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.

No, the proposed rule change is not anticipated to 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

Not applicable.

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?

COSTS	FY 26	FY 27	FY 28
PERSONAL SERVICES	\$0	\$0	\$0
OPERATING EXPENSES	\$0	\$0	\$0
PROFESSIONAL SERVICES	\$0	\$0	\$0
OTHER CHARGES	\$0	\$0	\$0
EQUIPMENT	\$0	\$0	\$0
MAJOR REPAIR & CONSTR.	\$0	\$0	\$0
TOTAL	\$0	\$0	\$0
POSITIONS (#)	0	0	0

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.

There are no anticipated costs or savings to the department to implement the proposed rule changes.

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

SOURCE	FY 26	FY 27	FY 28
STATE GENERAL FUND	\$0	\$0	\$0
AGENCY SELF-GENERATED	\$0	\$0	\$0
DEDICATED	\$0	\$0	\$0
FEDERAL FUNDS	\$0	\$0	\$0
OTHER (Specify)	\$0	\$0	\$0
TOTAL	\$0	\$0	\$0

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

Yes, LDEQ currently has sufficient funds to implement the proposed action.

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.

There is no anticipated impact to the local governmental units as a result of the proposed rule change.

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

This is not applicable.

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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?

REVENUE INCREASE/DECREASE	FY 26	FY 27	FY 28
STATE GENERAL FUND	\$0	\$0	\$0
AGENCY SELF-GENERATED	Increase	Increase	Increase
DEDICATED	\$0	\$0	\$0
FEDERAL FUNDS	\$0	\$0	\$0
LOCAL FUNDS	\$0	\$0	\$0
TOTAL	Increase	Increase	Increase

\*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.

Current rules allow LDEQ to prohibit the sale or dispensing of gasoline for violations. The proposed rule change will allow LDEQ to issue cease and desist orders, suspend or revoke licensure, or issue monetary fines. LDEQ is unable to quantify the amount of monetary fines that will be issued, making the revenue increase indeterminable.

III. COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NONGOVERNMENTAL GROUPS

A. What persons, small businesses, 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.

Decommissioning activities have far exceeded the 18 months from EPA's approval of the SIP revision that allowed for termination of the Stage II program. The proposed rule change will reduce the financial impact on the regulated community by providing more time to comply ahead of enforcement actions.

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.

LDEQ does not anticipate any impact on receipts or income as a result of the proposed rule change.

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.

LDEQ does not anticipate any impact on competition in the public and private sectors as a result of the proposed rule change.