

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

Person Preparing Statement:	Fran Falke	Dept.:	Environmental Quality
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Return Address:	602 N. 5th St. Baton Rouge, La. 70802	Rule Title:	Late Fee Update (LAC 33:I.1413, 407, and 7013; III.217; V.5129; VII.1509; IX.1309 and 7315; XI.307; XV.2510
		Date Rule Takes Effect:	Upon promulgation

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 Department of Environmental Quality (DEQ) does not anticipate any implementation costs or savings associated with the proposed rule change as it will align the administrative code with current practice concerning the assessment of late payment penalties.

The proposed rule change removes 15-day and 30-day late payment penalties. Currently, if payment is received less than 15 days after the invoice is due, there is no penalty; if received 15 days to 29 days after the due date, the penalty is 5%; if received 30 days to 59 days after payment is due, the penalty is 10%; and if payment is received 60 days or later after payment is due then the penalty is 15%, payable to the department. The proposed rule change removes this tiered fee schedule and replaces it with a late fee of 15%, assessed 60 days after payment is due.

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

The proposed rule change removes the assessment of the 15-day and 30-day late fees. However, the department reports it has not collected the 15-day late fee since 2016 and the 30-day late fee since 2020. Based on this and data showing the department typically receives payment from entities within 60 days following the due date, DEQ does not anticipate any impact on revenue collections as a result of the proposed rule change.

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

The proposed rule change is anticipated to economically benefit businesses working within the industries regulated by DEQ. Currently, these businesses are required to pay invoices within 15 days. The removal of any late fees charged prior to the 60th day following a due date will provide more time for businesses to process invoices without penalties.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

The proposed rule change is not anticipated to impact competition or employment in either the public or private sector.



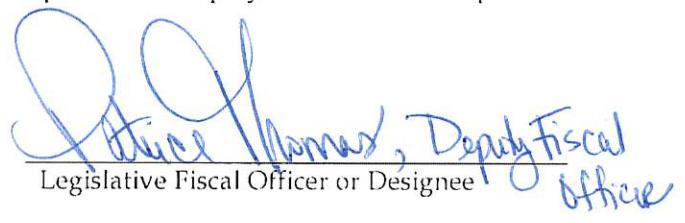
Signature of Head or Designee

Jill C. Clark, General Counsel

Typed Name & Title of Agency Head or Designee

1-7-2024

Date of Signature



Bruce Horwitz, Deputy Fiscal Officer

Legislative Fiscal Officer or Designee



1/8/2024
2025 (all)

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 Department of Environmental Quality (DEQ) does not anticipate any implementation costs or savings associated with the proposed rule change as it will align the administrative code with current practice concerning the assessment of late payment penalties.

The proposed rule change removes 15-day and 30-day late payment penalties. Currently, if payment is received less than 15 days after the invoice is due, there is no penalty; if received 15 days to 29 days after the due date, the penalty is 5%; if received 30 days to 59 days after payment is due, the penalty is 10%; and if payment is received 60 days or later after payment is due then the penalty is 15%, payable to the department. The proposed rule change removes this tiered fee schedule and replaces it with a late fee of 15%, assessed 60 days after payment is due.

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 will simplify the late fee for invoices to be paid, which will allow the industries that DEQ regulates to follow industry standards for compliance.

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.

D. Compliance with Act 98 of the 2025 Regular Session

(1) Will the proposed rule change result in either the expenditure of state funds or an economic impact involving costs to regulated entities estimated at \$200,000 or more per year or \$600,000 or more over three years?

(a) _____ YES. (proceed to question D.2 on this page)

(b) NO.

(2) If the answer to (1) above is yes, was there a fiscal note for the enacted legislation that required this action (attach documentation)?

(a) _____ YES, and all cost impacts were contemplated in the Fiscal Note.

(b) _____ YES, but cost impacts exceed those contemplated in the Fiscal Note.

(c) _____ NO.

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.

The Department of Environmental Quality (DEQ) does not anticipate any implementation costs or savings associated with the proposed rule change as it will align the administrative code with current practice concerning the assessment of late payment penalties.

The proposed rule change removes 15-day and 30-day late payment penalties. Currently, if payment is received less than 15 days after the invoice is due, there is no penalty; if received 15 days to 29 days after the due date, the penalty is 5%; if received 30 days to 59 days after payment is due, the penalty is 10%; and if payment is received 60 days or later after payment is due then the penalty is 15%, payable to the department. The proposed rule change removes this tiered fee schedule and replaces it with a late fee of 15%, assessed 60 days after payment is due.

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?

The proposed rule change is not anticipated to require any expenditure of funds. The proposed rule change removes a tiered fee schedule and replaces it with a single late fee of 15%, assessed after a period of 60 days after payment is due.

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 are no anticipated impacts on local governmental units, including adjustments in workload and paperwork requirements, 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.

Not applicable.

**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?

REVENUE INCREASE/DECREASE	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
LOCAL FUNDS	\$0	\$0	\$0
TOTAL	\$0	\$0	\$0

*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.

The proposed rule change removing the assessment of the 15-day and 30-day late fees is expected to decrease revenues for DEQ. However, the department reports it has not collected the 15-day late fee since 2016 and the 30-day late fee since 2020. Based on this and data showing the department typically receives payment from entities within 60 days following the due date, DEQ does not anticipate any impact on revenue collections as a result of the proposed rule change.

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.

The proposed rule change is anticipated to economically benefit businesses working within the industries regulated by DEQ. Currently, these businesses are required to pay invoices within 15 days. The removal of any late fees charged prior to the 60th day following a due date will provide more time for businesses to process invoices without penalties.

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.

There is no anticipated change in receipts or income for directly affected persons, small businesses, or nongovernmental groups, 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.

The proposed rule change is not anticipated to impact competition or employment in either the public or private sector.