



LOUISIANA DEPARTMENT OF INSURANCE  
TIMOTHY J. TEMPLE  
COMMISSIONER

March 18, 2024

The Honorable Cameron Henry  
President, Louisiana State Senate  
P.O. Box 94183  
Baton Rouge, LA 70804

**ELECTRONIC TRANSMISSION**  
[apa.senatepresident@legis.la.gov](mailto:apa.senatepresident@legis.la.gov)

The Honorable Phillip DeVillier  
Speaker, Louisiana House of Representatives  
P.O. Box 94062  
Baton Rouge, LA 70804

**ELECTRONIC TRANSMISSION**  
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The Honorable Kirk Talbot  
Chairman of the Senate Insurance Committee  
P.O. Box 94183  
Baton Rouge, LA 70804

**ELECTRONIC TRANSMISSION**  
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The Honorable Michael "Gabe" Firmant  
Chairman of the House Insurance Committee  
P.O. Box 94062  
Baton Rouge, LA 70804

**ELECTRONIC TRANSMISSION**  
[apa.h-ins@legis.la.gov](mailto:apa.h-ins@legis.la.gov)

RE: Notice of Intent to Promulgate Regulation 129 - Surplus Lines Insurance Refund or Credit of Gross Premium Taxes

Dear President Henry, Speaker DeVillier, Senator Talbot, and Representative Firmant:

The Department of Insurance, pursuant to the authority of the Louisiana Insurance Code, [R.S. 22:1 et seq.](#), and in accordance with the Administrative Procedure Act, [R.S. 49:950 et seq.](#), hereby gives notice of its intent to promulgate Regulation 129 — Surplus Lines Insurance Refund or Credit of Gross Premium Taxes. Regulation 129 defines the requirements to receive a surplus lines insurance refund or credit for taxes paid on gross premium received by the Louisiana Department of Insurance.

Enclosure: Notice of Intent to Amend Regulation 129 – Surplus Lines Insurance Refund or Credit of Gross Premium Taxes

administrative expense for promulgation of this proposed Rule and the final Rule.

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

It is anticipated that the implementation of this proposed Rule will not affect federal revenue collections as this measure has no impact on licensing or Facility Need Review (FNR) fees.

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

This proposed Rule amends and also adopts provisions governing FNR in order to ensure that the FNR process for nursing facilities coincides with the current statute requiring FNR approval by the Department of Health (the department). It is anticipated that implementation of this proposed Rule will not result in costs to nursing facilities in FY 23-24, FY 24-25, and FY 25-26.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

This Rule has no known effect on competition and employment.

Tasheka Dukes, RN  
Deputy Assistant Secretary  
2404#052

Patrice Thomas  
Deputy Fiscal Officer  
Legislative Fiscal Office

**NOTICE OF INTENT**

**Department of Insurance  
Office of the Commissioner**

**Regulation 129—Surplus Lines Insurance Refund or Credit  
of Gross Premium Taxes (LAC 37:XIII.Chapter 197)**

The Department of Insurance, pursuant to the authority of the Louisiana Insurance Code, R.S. 22:1 et seq., and in accordance with the Administrative Procedure Act, R.S. 49:950 et seq., hereby gives notice of its intent to promulgate Regulation 129—Surplus Lines Insurance Refund or Credit of Gross Premium Taxes. Regulation 129 defines the requirements to receive a surplus lines insurance refund or credit for taxes paid on gross premium received by the Louisiana Department of Insurance.

**Title 37**

**INSURANCE**

**Part XIII. Regulations**

**Chapter 197. Regulation Number 129—Surplus Lines  
Insurance Refund or Credit of Gross  
Premium Taxes**

**§19701. Purpose**

A. The purpose of this regulation is to define the requirements to receive a surplus line insurance refund for taxes paid on gross premium received by the Louisiana Department of Insurance.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, the Administrative Procedure Act, R.S. 49:950 et seq., and R.S. 22:439.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 50:

**§19703. Applicability and Scope**

A. Regulation 129 shall apply to impositions of a tax of four and eighty-five one hundredths of one percent per annum on the gross premium without regard to the location of the covered property, risk, or exposure for all insurance placed through a Louisiana licensed surplus lines broker

with a surplus lines insurer or other unauthorized insurer and for which Louisiana is the home state of the policyholder as defined in R.S. 22:46.

B. The refund or credit shall only apply to Louisiana licensed surplus lines brokers.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, the Administrative Procedure Act, R.S. 49:950 et seq., and R.S. 22:439.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 50:

**§19707. Authorization of Refunds or Credit**

A. For the purpose of this Chapter, a refund or credit of gross premium taxes is authorized when there is a payment of tax when none was due.

B. The commissioner may make a refund or credit of each payment where it is determined that the payment was the result of an error, omission, or a mistake of fact of consequence to the determination of the tax liability, whether on the part of the taxpayer or the commissioner.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, the Administrative Procedure Act, R.S. 49:950 et seq., and R.S. 22:439.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 50:

**§19709. Prescription Period of Refund or Credits**

A. After three years from the 31st day of December of the year in which the tax became due or after one year from the date the tax was paid, whichever is the later, no refund or credit for a payment shall be made unless the commissioner has been notified of a claim for credit or refund by the taxpayer claiming such credit or refund before the expiration of said three-year or one-year period. The maximum amount which shall be refunded or credited shall be the amount paid within said three-year or one-year period.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, the Administrative Procedure Act, R.S. 49:950 et seq., and R.S. 22:439.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR

**§19711. Effective Date**

A. This regulation shall become effective upon final publication in the Louisiana Register.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:11, the Administrative Procedure Act, R.S. 49:950 et seq., and R.S. 22:439.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 50:

**Family Impact Statement**

1. Describe the Effect of the Proposed Regulation on the Stability of the Family. The proposed amended and repealed regulation should have no measurable impact upon the stability of the family.

2. Describe the Effect of the Proposed Regulation on the Authority and Rights of Parents Regarding the Education and Supervision of their Children. The proposed amended and repealed regulation should have no impact upon the rights and authority of parents regarding the education and supervision of their children.

3. Describe the Effect of the Proposed Regulation on the Functioning of the Family. The proposed amended and repealed regulation should have no direct impact upon the functioning of the family.

4. Describe the Effect of the Proposed Regulation on Family Earnings and Budget. The proposed amended and

repealed regulation should have no direct impact upon family earnings and budget.

5. Describe the Effect of the Proposed Regulation on the Behavior and Personal Responsibility of Children. The proposed amended and repealed regulation should have no impact upon the behavior and personal responsibility of children.

6. Describe the Effect of the Proposed Regulation on the Ability of the Family or a Local Government to Perform the Function as Contained in the Rule. The proposed amended and repealed regulation should have no impact upon the ability of the family or a local governmental unit to perform the function as contained in the rule.

#### **Poverty Impact Statement**

1. Describe the Effect on Household Income, Assets, and Financial Security. The proposed amended and repealed regulation should have no effect on household income assets and financial security.

2. Describe the Effect on Early Childhood Development and Preschool through Postsecondary Education Development. The proposed amended and repealed regulation should have no effect on early childhood development and preschool through postsecondary education development.

3. Describe the Effect on Employment and Workforce Development. The proposed amended and repealed regulation should have no effect on employment and workforce development.

4. Describe the Effect on Taxes and Tax Credits. The proposed amended and repealed regulation should have no effect on taxes and tax credits.

5. Describe the Effect on Child and Dependent Care, Housing, Health Care, Nutrition, Transportation and Utilities Assistance. The proposed amended and repealed regulation should have no effect on child and dependent care, housing, health care, nutrition, transportation, and utilities assistance.

#### **Small Business Analysis**

The impact of the proposed amended and repealed regulation on small businesses as defined in the Regulatory Flexibility Act has been considered. It is estimated that the proposed amended and repealed regulation is not expected to have a significant adverse impact on small businesses. The agency, consistent with health, safety, environmental and economic welfare factors has considered and, where possible, utilized regulatory methods in the drafting of the proposed amended and repealed regulation that will accomplish the objectives of applicable statutes while minimizing the adverse impact of the proposed regulation on small businesses.

1. Identification and Estimate of the Number of the Small Businesses Subject to the Proposed Rule. The proposed amended and repealed regulation should have no measurable impact upon small businesses.

2. The Projected Reporting, Record Keeping, and Other Administrative Costs Required for Compliance with the Proposed Rule, Including the Type of Professional Skills Necessary for Preparation of the Report or Record. The proposed amended and repealed regulation should have no measurable impact upon small businesses.

3. A Statement of the Probable Effect on Impacted Small Businesses. The proposed amended and repealed regulation should have no measurable impact upon small businesses.

4. Describe any Less Intrusive or Less Costly Alternative Methods of Achieving the Purpose of the Proposed Rule. The proposed amended and repealed regulation should have no measurable impact on small businesses; therefore, there is no less intrusive or less costly alternative method of achieving the purpose of the proposed regulation.

#### **Provider Impact Statement**

1. Describe the Effect on the Staffing Level Requirements or Qualifications Required to Provide the Same Level of Service. The proposed amended and repealed regulation will have no effect.

2. The Total Direct and Indirect Effect on the Cost to the Provider to Provide the Same Level of Service. The proposed amended and repealed regulation will have no effect.

3. The Overall Effect on the Ability of the Provider to Provide the Same Level of Service. The proposed amended and repealed regulation will have no effect.

#### **Public Comments**

Interested persons who wish to make comments may do so by writing to Evelyn Danielle Linkford, Staff Attorney, Louisiana Department of Insurance, P.O. Box 94214, Baton Rouge, LA 70804-9214, by faxing comments to (225) 342-7851, or electronically at [regulations@ldi.la.gov](mailto:regulations@ldi.la.gov). Comments will be accepted through the close of business, 4:30 p.m., April 20, 2024.

Timothy J. Temple  
Commissioner

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

#### **RULE TITLE: Regulation 129—Surplus Lines Insurance Refund or Credit of Gross Premium Taxes**

#### **I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)**

The proposed rule changes will not result in additional costs or savings for state or local governmental units. The proposed rule changes incorporate and reference the current editions of handbooks, guidelines, forms, and instructions adopted by the National Association of Insurance Commissioners (NAIC) and referenced in the Louisiana Insurance Code. The current editions of these publications serve as the most current professional guidance for entities regulated by the LA Dept. of Insurance (LDI).

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

The proposed rule changes will have no impact on state or local governmental revenues.

#### **III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NONGOVERNMENTAL GROUPS (Summary)**

The proposed rule changes will benefit persons and entities seeking to identify which handbooks or guidelines are currently being incorporated by reference that serve as professional

guidance for entities under the purview of LDI. These handbooks and guidelines will be available for public viewing in hardcopy form at the offices of the LDI and Office of State Register and online at the NAIC website.

#### IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

The proposed rule changes will have no impact upon competition and employment in the state.

Chris Cerniauskas  
Chief of Staff  
2404#003

Patrice Thomas  
Deputy Fiscal Officer  
Legislative Fiscal Office

### NOTICE OF INTENT

#### Department of Public Safety and Corrections Corrections Services

##### Inmate Incentive Pay and Other Wage Compensation (LAC 22:I.331)

In accordance with the provisions of the Administrative Procedure Act (R.S. 49:950), the Department of Public Safety and Corrections, Corrections Services, hereby gives notice of its intent to amend the contents of §331, Inmate Incentive Pay and Other Wage Compensation.

The Department of Public Safety and Corrections, Corrections Services, proposes changing offender to inmate throughout, update terminology to include the use of facilitators and remove peer ministers, add incentive pay rates for ASL interpreters and remove references to BEI as BEI is no longer used.

#### Title 22

### CORRECTIONS, CRIMINAL JUSTICE AND LAW ENFORCEMENT

#### Part I. Corrections

#### Chapter 3. Adult Services

#### Subchapter A. General

#### §331. Inmate Incentive Pay and Other Wage Compensation

A. Purpose. This department regulation governs payment of incentive pay and other wage compensation to inmates.

B. Applicability—deputy secretary, undersecretary, chief of operations, director of prison enterprises, regional wardens, and wardens. Each warden and the director of prison enterprises shall ensure appropriate facility written policies and procedures are in place to comply with the provisions of this department regulation.

C. Policy. Compensation shall be paid, in accordance with the provisions of this department regulation and the applicable and governing laws, to inmates who have performed satisfactory work in the job assignment in which they have been classified, except for those inmates who opt to receive good time in lieu of incentive pay pursuant to R.S. 15:571.3.

#### D. Eligibility

1. An inmate sentenced or resentenced or who is returning to the physical custody of the department on or after September 20, 2008, who is not eligible to earn good time at any rate shall serve three years from the date of reception prior to becoming eligible to earn incentive pay.

a. Grandfather Clause: Offenders received at a reception and diagnostic center prior to September 20, 2008

i. The provisions of Paragraph D.1 above shall apply to inmates received at a reception and diagnostic center on or after September 20, 2008. Inmates received at a reception and diagnostic center prior to September 20, 2008 shall be subject to the waiting period previously in effect for this regulation. Inmates who are currently receiving incentive pay shall not be affected and shall continue to be eligible to receive incentive pay as they did on the effective date of this regulation, but shall be subject to the provisions of Subparagraph E.2.a as it applies to job changes.

b. Exception. Inmates participating in a certified apprenticeship program.

i. Inmates in the physical custody of the department who are participating in a certified apprenticeship program shall not be required to serve three years from the date of reception prior to becoming eligible to earn incentive pay. These inmates shall be eligible to earn incentive pay while participating in the certified apprenticeship program.

2. An inmate sentenced or re-sentenced or who is returning to the physical custody of the department on or after September 20, 2008, who is eligible to earn good time at any rate shall not be eligible to earn incentive pay.

a. Grandfather Clause: Inmates earning good time pursuant to Act 1099 of the 1995 Regular Session

i. Inmates currently earning good time at a rate of three days for every 17 days served pursuant to Act 1099 of the 1995 Regular Session who are also earning incentive pay shall be allowed to continue to earn incentive pay at authorized rates.

#### E. Procedures

#### 1. Pay Rules

#### a. 80 hours in a Two-Week Period

i. No inmate shall earn incentive pay for more than 80 hours in a two-week period, unless specifically authorized by mutual agreement of the director of prison enterprises and the warden of the respective institution.

#### ii. Exception: Governor's mansion

(a). Inmates assigned to job duties at the governor's mansion shall not be limited to 80 hours in a two-week period.

#### b. Actual Hours Worked

i. Inmates who are eligible to earn incentive pay shall be paid only for actual hours worked in their job assignment. Inmates shall not be paid for time spent away from their job assignment due to circumstances such as holidays, callouts, duty status, weather, illness, etc.

#### c. Extra Duty Assignments

i. Incentive pay shall not be paid for extra duty assignments that are imposed as sanctions through the inmate disciplinary process.

#### d. Forfeiture Due to Disciplinary Sanction

i. Any inmate whose incentive pay is forfeited as a disciplinary sanction shall return to the "introductory pay level" of \$0.02 per hour for a six-month period if his eligibility to earn incentive pay is reinstated. At the end of the six-month period, the inmate's pay shall be automatically adjusted to the lowest pay rate for the assigned job.

#### e. Professional Inmate Job Classifications

i. Inmates who were previously incarcerated and working in a professional inmate job classification who