

NOTICE OF INTENT

Board of Elementary and Secondary Education

Bulletin 137—Louisiana Early Learning Center Licensing Regulations
(LAC 28:CLXI.1805, 1806, 1819, and 1823)

In accordance with the provisions of R.S. 17:6(A)(10) and the Administrative Procedure Act (APA), R.S. 49:953(B)(1) et seq., the Board of Elementary and Secondary Education has amended LAC 28:CLXI.Chapter 18 in Bulletin 137—*Louisiana Early Learning Center Licensing Regulations*: §1805. Persons Ineligible for Child Care Purposes; §1806. Types of CCCBC-based Determinations of Eligibility for Child Care Purposes; §1819. Termination of Employment and Removal from Center and Premises; and §1823. Review of Determinations of Ineligibility for Owners, Directors, or Director Designees of Type III Centers. The proposed revisions pertain to owners, directors and director-designees of Type III early learning centers.

Title 28 EDUCATION

Part CLXI. Bulletin 137—Louisiana Early Learning Center Licensing Regulations

Chapter 18. Child Care Criminal Background Checks (CCCBC)

§1805. Persons Ineligible for Child Care Purposes

A. - C. ...

D. In addition, for type III centers an owner, director, or director designee shall not have been convicted of, or pled guilty or *nolo contendere* to a felony, within the past 10 years, for any of the following crimes of fraud:

1. 18 U.S.C. 287 and 1341 and R.S. 14:67.11, 14:68.2, 14:70.1, 14:70.4, 14:70.5, 14:70.7, 14:70.8, 14:71, 14:71.1, 14:71.3, 14:72, 14:72.1.1, 14:72.4, 14:73.5, and 14:133.

AUTHORITY NOTE: Promulgated in accordance with 45 CFR 98.43 and R.S. 15:587.1 and 407.42.

HISTORICAL NOTE: Promulgated by the Board of Elementary and Secondary Education, LR 44:252 (February 2018), effective March 1, 2018, amended LR 44:

§1806. Types of CCCBC-based Determinations of Eligibility for Child Care Purposes

A. There are two types of CCCBC-based determinations of eligibility for child care purposes:

1. “owner/director/director designee of type III centers” determinations of eligibility are required for owners, directors and director designees of type III centers; and

2. “child care staff member” determinations of eligibility are required for owners, directors and director designees of type I and type II centers and volunteers, staff, visitors, contractors and other persons providing services in any type of child care centers when children are present.

B. A person with an “owner/director/director designee of type III centers” determination of eligibility also has a “child care staff member” determination of eligibility.

C. A person with a “child care staff member” determination of eligibility does not have an “owner/director/director designee of type III centers” determination of eligibility.

1. For a person with a “child care staff member” determination of eligibility, a type III center must obtain an “owner/director/director designee of type III centers” determination of eligibility before that person can become an owner, director or director designee of the type III center.

2. To obtain an “owner/director/director designee of type III centers” determination of eligibility for a person with a valid “child care staff member” determination of eligibility, the type III center must request the subsequent determination from the department.

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:6.

HISTORICAL NOTE: Promulgated by the Board of Elementary and Secondary Education, LR 44:

§1819. Termination of Employment and Removal from Center and Premises

A. - C. ...

D. Exception for Owners, Directors and Director Designees of Type III Centers with Notices of Ineligibility

1. Upon receipt of notice from the department that an owner, director or director designee of a type III center is ineligible for child care purposes based solely on a crime of fraud listed in §1805.D of this Chapter, the owner, director or director designee of the type III center may remain on the premises pending a review of the determination of ineligibility by BESE, provided the owner, director or director designee of the type III center timely submits the following:

a. a written request to BESE staff for a review of the determination of ineligibility pursuant to §1823 of this Chapter within 15 business days of receipt of the notice of ineligibility from the department; and

b. documentation listed in §1823.D and E.2 of this Chapter to BESE staff within 30 business days of receipt of the notice of ineligibility from the department.

2. If the owner, director or director designee of the type III center:

a. fails to timely comply with Paragraph 1 of this Subsection;

b. chooses not to request a records review for the notice of ineligibility; or

c. remains ineligible because BESE declines to conduct a review of the determination, or BESE determines that the owner, director or director designee of the type III center shall remain ineligible, then the requirements in:

i. Subsection A of this Section shall apply to directors and director designees of the type III center who are not also owners, or the director or director designee of the type III center may continue to work as a staff member at the type III center other than the director or director designee, or as any type of staff member at a type I or type II center, including the director or the director designee of the type I or type II center; and

ii. Subsection B of this Section shall apply to all owners of type III centers, whether or not they are directors or director designees of type III centers in that such owners must:

(a). divest ownership of the type III center within 30 calendar days of receipt of the original notice of ineligibility from the department if no records review is requested, or within 30 calendar days of receipt of notice of continuing ineligibility from BESE if a records review is requested. The owner may continue to work at the center as a staff member other than the director or director designee, but may not continue to own the center; or

(b). change license types for the center from a type III to a type I or type II license within 30 calendar days of receipt of the original notice of ineligibility from the department if no records review is requested, or within 30 calendar days of receipt of notice of continuing ineligibility from BESE if a records review is requested and then may continue to own the center.

AUTHORITY NOTE: Promulgated in accordance with 45 CFR 98.43 and R.S. 15:587.1 and 407.42.

HISTORICAL NOTE: Promulgated by the Board of Elementary and Secondary Education, LR 44:255 (February 2018), effective March 1, 2018, amended LR 44:

§1823. Review of Determinations of Ineligibility for Owners, Directors, or Director Designees of Type III Centers

A. A review of a determination of ineligibility for owners, directors or director designees of type III centers shall not be considered if it is based in part on any crime or event listed in §1805.A through C of this Chapter.

B. A review of a determination of ineligibility may only be considered for owners, directors or director designees of type III centers if the determination is based solely on a crime of fraud listed in §1805.D of this Chapter.

C. A review of a determination of ineligibility based solely on a crime of fraud listed in §1805.D of this Chapter shall not be considered until at least five years have lapsed from the date of entry of the final conviction or plea which resulted in the determination of ineligibility.

D. An applicant may apply to the Board of Elementary and Secondary Education (BESE) for a review of his/her determination of ineligibility based solely on a crime of fraud listed in §1805.D of this Chapter after the lapse of time indicated above and under the following conditions:

1. There are no other crimes or events that would render the applicant ineligible to be an owner, director, or director designee of a type III center pursuant to §1805 of this Chapter other than a crime of fraud listed in §1805.D of this Chapter; and

2. There has been successful completion of all conditions/requirements of any parole or probation.

E. The applicant must provide relevant documentation, including:

1. documentation from the department that the determination of ineligibility is based solely on a crime of fraud listed in §1805.D of this Chapter and there are no other crimes or events that would prohibit the applicant from being eligible to be an owner, director, or director designee of a type III center; and

2. relevant documentation of all conditions and requirements of any parole and/or probation.

F. Applicant's responsibilities are as follows:

1. contact the BESE office and submit a written request for a review of records for a determination of ineligibility as an owner, director or director designee of a type III center based on a crime of fraud listed in §1805.D of this Chapter; and

2. provide each applicable item identified in Subsection D of this Section and any evidence of rehabilitation. It is recommended that the applicant provide letters of support from past/present employers, law enforcement officials or other community leaders.

G. BESE's Responsibilities

1. BESE or its designees will consider the request for a review of the determination of ineligibility and the documentation provided. BESE is not required to conduct a review of the determination and may summarily deny a request for review.

2. If BESE or its designees decide to conduct a records review of the determination, BESE staff shall notify the applicant of a date, time, and place when a BESE committee shall consider the applicant's request. Only written documentation provided prior to the records review will be considered.

3. BESE reserves the right to accept or reject any document as evidence of rehabilitation and the right to determine if adequate rehabilitation has occurred and will itself determine if and when an applicant is eligible to be an owner, director or director designee of a type III center pursuant to §1805.D of this Chapter.

4. The BESE committee shall make a recommendation to the full board regarding whether the determination of ineligibility shall be changed to a determination of eligibility. Board staff shall notify the applicant of BESE's action.

5. BESE's action is a final decision and can only be appealed to a court of proper jurisdiction in accordance with law.

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:6.

HISTORICAL NOTE: Promulgated by the Board of Elementary and Secondary Education, LR 44:

COMPARISON DOCUMENT

Title 28 EDUCATION

Part CLXI. Bulletin 137—Louisiana Early Learning Center Licensing Regulations

Chapter 18. Child Care Criminal Background Checks (CCCBC)

§1805. Persons Ineligible for Child Care Purposes

A. - C. ...

D. In addition, for type III centers neither an owner, director, or director designee shall not have been convicted of, or pled guilty or *nolo contendere* to a felony, within the past 10 years, for any of the following crimes of fraud:

1. 18 U.S.C. 287, ~~18 U.S.C.~~ and 1341 and R.S. 14:67.11, 14:68.2, ~~R.S. 14:70,~~ 14:70.1, 14:70.4, 14:70.5, 14:70.7, 14:70.8, 14:71, 14:71.1, 14:71.3, 14:72, ~~R.S. 14:72.1,~~ 14:72.1.1, 14:72.4, ~~R.S. 14:72.5,~~ 14:73.5, and 14:133.

AUTHORITY NOTE: Promulgated in accordance with 45 CFR 98.43 and R.S. 15:587.1 and 407.42.

HISTORICAL NOTE: Promulgated by the Board of Elementary and Secondary Education, LR 44:252 (February 2018), effective March 1, 2018, amended LR 44:

§1806. Types of CCCBC-based Determinations of Eligibility for Child Care Purposes

A. There are two types of CCCBC-based determinations of eligibility for child care purposes:

1. “owner/director/director designee of type III centers” determinations of eligibility are required for owners, directors and director designees of type III centers; and

2. “child care staff member” determinations of eligibility are required for owners, directors and director designees of type I and type II centers and volunteers, staff, visitors, contractors and other persons providing services in any type of child care centers when children are present.

B. A person with an “owner/director/director designee of type III centers” determination of eligibility also has a “child care staff member” determination of eligibility.

C. A person with a “child care staff member” determination of eligibility does not have an “owner/director/director designee of type III centers” determination of eligibility.

1. For a person with a “child care staff member” determination of eligibility, a type III center must obtain an “owner/director/director designee of type III centers” determination of eligibility before that person can become an owner, director or director designee of the type III center.

2. To obtain an “owner/director/director designee of type III centers” determination of eligibility for a person with a valid “child care staff member” determination of eligibility, the type III center must request the subsequent determination from the department.

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:6.

HISTORICAL NOTE: Promulgated by the Board of Elementary and Secondary Education, LR 44:

§1819. Termination of Employment and Removal from Center and Premises

A. - C. ...

D. Exception for Owners, Directors and Director Designees of Type III Centers with Notices of Ineligibility Based Solely on a Crime of Fraud listed in §1805.D of this Chapter

1. Upon receipt of notice from the department that an owner, director or director designee of a type III center is ineligible for child care purposes based solely on a crime of fraud listed in §1805.D of this Chapter, the owner, director or director designee of the type III center may remain on the premises pending a review of the determination of ineligibility by BESE, provided the owner, director or director designee of the type III center timely ~~completes~~ submits the following:

a. ~~submits~~ a written request to BESE staff for a review of the determination of ineligibility pursuant to §1823 of this Chapter within 15 business days of receipt of the notice of ineligibility from the department; and

b. ~~submits~~ documentation listed in §1823.D and E.2 of this Chapter to BESE staff within 30 business days of receipt of the notice of ineligibility from the department.

2. If the owner, director or director designee of the type III center:

a. fails to timely comply with Paragraph 1 of this Subsection; or

b. chooses not to request a records review for the notice of ineligibility; or

c. remains ineligible because BESE declines to conduct a review of the determination, or BESE determines that the owner, director or director designee of the type III center shall remain ineligible, then the requirements in:

a-i. Subsection A of this Section shall apply to directors and director designees of the type III center who are not also owners, or the director or director designee of the type III center may continue to work as a staff member at the type III center other than the director or director designee, or as any type of staff member at a type I or type II center, including the director or the director designee of the type I or type II center; and

bii. Subsection B of this Section shall apply to all owners of type III centers, whether or not they are directors or director designees of type III centers in that such owners must:

i(a). divest ownership of the type III center within 30 calendar days of receipt of the original notice of ineligibility from the department if no records review is requested, or within 30 calendar days of receipt of notice of continuing ineligibility from BESE if a records review is requested. The owner may continue to work at the center as a staff member other than the director or director designee, but may not continue to own the center; or

ii(b). must change license types for the center from a type III to a type I or type II license within 30 calendar days of receipt of the original notice of ineligibility from the department if no records review is requested, or within 30 calendar days of receipt of notice of continuing ineligibility from BESE if a records review is requested and then may continue to own the center.

AUTHORITY NOTE: Promulgated in accordance with 45 CFR 98.43 and R.S. 15:587.1 and 407.42.

HISTORICAL NOTE: Promulgated by the Board of Elementary and Secondary Education, LR 44:255 (February 2018), effective March 1, 2018, amended LR 44:

§1823. Review of Determinations of Ineligibility for Owners, Directors, or Director Designees of Type III Centers

A. A review of a determination of ineligibility for owners, directors or director designees of type III centers shall not be considered if it is based in part on any crime or event listed in §1805.A through C of this Chapter.

B. A review of a determination of ineligibility may only be considered for owners, directors or director designees of type III centers if the determination is based solely on a crime of fraud listed in §1805.D of this Chapter.

C. A review of a determination of ineligibility based solely on a crime of fraud listed in §1805.D of this Chapter shall not be considered until at least five years have lapsed from the date of entry of the final conviction or plea which resulted in the determination of ineligibility.

D. An applicant may apply to the Board of Elementary and Secondary Education (BESE) for a review of his/her determination of ineligibility based solely on a crime of fraud listed in §1805.D of this Chapter after the lapse of time indicated above and under the following conditions:

1. There are no other crimes or events that would render the applicant ineligible to be an owner, director, or director designee of a type III center pursuant to §1805 of this Chapter other than a crime of fraud listed in §1805.D of this Chapter; and

2. There has been successful completion of all conditions/requirements of any parole or probation.

E. The applicant must provide relevant documentation, including:

1. documentation from the department that the determination of ineligibility is based solely on a crime of fraud listed in §1805.D of this Chapter and there are no other crimes or events that would prohibit the applicant from being eligible to be an owner, director, or director designee of a type III center; and

2. relevant documentation of all conditions/ and-requirements of any parole and/or probation.

F. Applicant's responsibilities are as follows:

1. contact the BESE office and submit a written request for a review of records for a determination of ineligibility as an owner, director or director designee of a type III center based on a crime of fraud listed in §1805.D of this Chapter; and

2. provide each applicable item identified in Subsection D of this Section and any evidence of rehabilitation. It is recommended that the applicant provide letters of support from past/present employers, law enforcement officials or other community leaders.

G. BESE's Responsibilities

1. BESE or its designees will consider the request for a review of the determination of ineligibility and the documentation provided. BESE is not required to conduct a review of the determination and may summarily deny a request for review.

2. If BESE or its designees decide to conduct a records review of the determination, BESE staff shall notify the applicant of a date, time, and place when a BESE committee shall consider the applicant's request. Only written documentation provided prior to the records review will be considered.

3. BESE reserves the right to accept or reject any document as evidence of rehabilitation and the right to determine if adequate rehabilitation has occurred and will itself determine if and when an applicant is eligible to be an owner, director or director designee of a type III center pursuant to §1805.D of this Chapter.

4. The BESE committee shall make a recommendation to the full board regarding whether the determination of ineligibility shall be changed to a determination of eligibility. BESE Board staff shall notify the applicant of BESE's action.

5. BESE's action is a final decision and can only be appealed to a court of proper jurisdiction in accordance with law.

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:6.

HISTORICAL NOTE: Promulgated by the Board of Elementary and Secondary Education, LR 44:

STATE BOARD OF ELEMENTARY AND SECONDARY EDUCATION
FAMILY IMPACT STATEMENT
(LA R.S. 49:953 and 972)

Person Preparing Statement: Ryan Gremillion
Phone: 225-342-1501
Division: Policy Office
Rule Title: Part CLXI. Bulletin 137—Louisiana Early Learning Center Licensing Regulations

In accordance with Section 953 and 974 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a Family Impact Statement on the rule proposed for adoption, repeal or amendment. All Family Impact Statements shall be kept on file in the State Board Office which has adopted, amended, or repealed a rule in accordance with the applicable provisions of the law relating to public records.

PLEASE RESPOND TO THE FOLLOWING:

1. WILL THE PROPOSED RULE AFFECT THE STABILITY OF THE FAMILY?
 No
 Yes
 Lacks sufficient information to determine
2. WILL THE PROPOSED RULE AFFECT THE AUTHORITY AND RIGHTS OF PARENTS REGARDING THE EDUCATION AND SUPERVISION OF THEIR CHILDREN?
 No
 Yes
 Lacks sufficient information to determine.
3. WILL THE PROPOSED RULE AFFECT THE FUNCTIONING OF THE FAMILY?
 No
 Yes
 Lacks sufficient information to determine
4. WILL THE PROPOSED RULE AFFECT FAMILY EARNINGS AND FAMILY BUDGET?
 No
 Yes
 Lacks sufficient information to determine
5. WILL THE PROPOSED RULE AFFECT THE BEHAVIOR AND PERSONAL RESPONSIBILITY OF CHILDREN?
 No
 Yes
 Lacks sufficient information to determine
6. IS THE FAMILY OR A LOCAL GOVERNMENT ABLE TO PERFORM THE FUNCTION AS CONTAINED IN THE PROPOSED RULE?
 No
 Yes
 Lacks sufficient information to determine

Signature of Contact Person: Ryan Gremillion
Date Submitted: November 5, 2018

STATE BOARD OF ELEMENTARY AND SECONDARY EDUCATION
POVERTY IMPACT STATEMENT
(LA R.S. 49:973)

Person Preparing Statement: Ryan Gremillion

Phone: 225-342-1501

Division: Policy Office

Rule Title: Part CLXI. Bulletin 137—Louisiana Early Learning Center Licensing Regulations

In accordance with Section 973 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a Poverty Impact Statement on the rule proposed for adoption, amendment, or repeal. All Poverty Impact Statements shall be in writing and kept on file in the state agency which has adopted, amended, or repealed a rule in accordance with the applicable provisions of the law relating to public records. For the purposes of this Section, the word "poverty" means living at or below one hundred percent of the federal poverty line.

PLEASE RESPOND TO THE FOLLOWING:

1. WILL THE PROPOSED RULE AFFECT THE HOUSEHOLD INCOME, ASSETS, AND FINANCIAL SECURITY?
 No
 Yes
 Lacks sufficient information to determine
2. WILL THE PROPOSED RULE AFFECT EARLY CHILDHOOD DEVELOPMENT AND PRESCHOOL THROUGH POSTSECONDARY EDUCATION DEVELOPMENT?
 No
 Yes
 Lacks sufficient information to determine
3. WILL THE PROPOSED RULE AFFECT EMPLOYMENT AND WORKFORCE DEVELOPMENT?
 No
 Yes
 Lacks sufficient information to determine
4. WILL THE PROPOSED RULE AFFECT TAXES AND TAX CREDITS?
 No
 Yes
 Lacks sufficient information to determine
5. WILL THE PROPOSED RULE AFFECT CHILD AND DEPENDENT CARE, HOUSING, HEALTH CARE, NUTRITION, TRANSPORTATION, AND UTILITIES ASSISTANCE?
 No
 Yes
 Lacks sufficient information to determine

Signature of Contact Person: Ryan Gremillion

Date Submitted: NOVEMBER 5, 2018

Small Business Statement

The impact of the proposed Rule on small businesses as defined in the Regulatory Flexibility Act has been considered. It is estimated that the proposed action 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 rule that will accomplish the objectives of applicable statutes while minimizing the adverse impact of the proposed rule on small businesses.

Provider Impact Statement

The proposed Rule should not have any known or foreseeable impact on providers as defined by HCR 170 of 2014 Regular Legislative Session. In particular, there should be no known or foreseeable effect on:

1. the effect on the staffing level requirements or qualifications required to provide the same level of service;
2. the total direct and indirect effect on the cost to the providers to provide the same level of service; or
3. the overall effect on the ability of the provider to provide the same level of service.

Public Comments

Interested persons may submit written comments via the U.S. Mail until noon, December 9, 2018, to Shan N. Davis, Executive Director, Board of Elementary and Secondary Education, Box 94064, Capitol Station, Baton Rouge, LA 70804-9064. Written comments may also be hand delivered to Shan Davis, Executive Director, Board of Elementary and Secondary Education, Suite 5-190, 1201 North Third Street, Baton Rouge, LA 70802 and must be date stamped by the BESE office on the date received. Public comments must be dated and include the original signature of the person submitting the comments.

Shan N. Davis
Executive Director

FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES

Person Preparing Statement: Ryan Gremillion Dept.: LA Department of Education
Board of Elementary & Secondary Education

Phone: (225) 342-1501 Office: Policy

Return Address: P. O. Box 94064 Rule Title: Part CLXI. Bulletin 137—Louisiana
Baton Rouge, LA Early Learning Center Licensing Regulations

Date Rule Takes Effect: Upon final promulgation

SUMMARY

In accordance with Section 953 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)

There are no estimated costs or savings to state or local governmental units as a result of the proposed revisions which address eligibility determinations for certain child care center staff.

The proposed changes provide relative to owners, directors and director-designees of Type III centers, by reducing the number of crimes of fraud and limiting such felonies to those occurring within the past 10 years; provides for termination of employment, removal from the centers, as well as BESE review of such determinations.

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


The proposed policy revisions will have no effect on revenue collections of state or local governmental units.

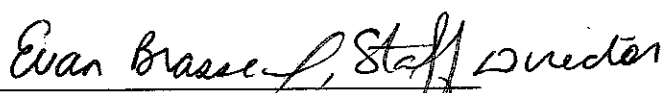
III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS (Summary)

Owners, Directors and Director designees could benefit from the time limitations on fraud convictions; the ability to request a review of determinations of ineligibility; and the ability to continue working at the center as a staff member, (other than director or designee) if the determination is upheld. To the extent owners opt to convert the center to a Type I or Type II center, they will no longer be eligible to participate in the Child Care Assistance Program and receive state and federal funding. Furthermore, impacted individuals would no longer benefit from tax credits under the state School Readiness Tax Credit program.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There could be increased demand for placement at other Type III centers if owners determined to be ineligible to operate Type III centers convert existing operations to a Type I or Type II center. Furthermore, the changes may affect individuals' ability to serve as child care center directors and director designees for certain centers, however, the extent of such impacts is indeterminable at this time.


Signature of Agency Head or Designee


Legislative Fiscal Officer or Designee

Beth Scioneaux, Deputy Superintendent for Management and Finance
Typed Name and Title of Agency Head or Designee

11/5/18
Date of Signature

11/7/18
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 proposed changes provide relative to owners, directors and director-designees of Type III centers, by limiting crimes of fraud to felonies within the past 10 years. The proposed changes also provide for a BESE review for these crimes as well if the conviction was less than 10 years ago.

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

According to RS 17:407.40, the State Board of Elementary and Secondary Education shall conduct a comprehensive review of all standards, rules, and regulations for licenses every three years.

- 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

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.

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	FY18-19	FY19-20	FY20-21
PERSONAL SERVICES			
OPERATING EXPENSES	-0-	-0-	-0-
PROFESSIONAL SERVICES			
OTHER CHARGES			
EQUIPMENT			
<u>MAJOR REPAIR & CONSTR.</u>			
<u>POSITIONS (#)</u>			
TOTAL	-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 revisions also limit crimes of fraud to felonies within the past 10 years for owners, directors and director-designees of Type III centers. The revisions also provide for a BESE review for these crimes if the conviction was less than 10 years ago.

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

SOURCE	FY18-19	FY19-20	FY20-21
STATE GENERAL FUND	-0-	-0-	-0-
AGENCY SELF-GENERATED	-0-	-0-	-0-
DEDICATED			
FEDERAL FUNDS	-0-	-0-	-0-
OTHER (Specify)			
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.

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 costs or savings to local governmental units resulting from the proposed action.

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

N/A

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?

N/A

REVENUE INCREASE/DECREASE	FY18-19	FY19-20	FY20-21
STATE GENERAL FUND	-0-	-0-	-0-
AGENCY SELF GENERATED			
RESTRICTED FUNDS*			
FEDERAL FUNDS			
LOCAL FUNDS			
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.

N/A

FISCAL AND ECONOMIC IMPACT STATEMENT

WORKSHEET

III. COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS

- A. What persons 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.

Owners, Directors and Director designees could benefit from the time limitations on fraud convictions; the ability to request a review of determinations of ineligibility; and the ability to continue working at the center as a staff member, (other than director or designee) if the determination is upheld.

To the extent owners opt to convert the center to a Type I or Type II center, they will no longer be eligible to participate in the Child Care Assistance Program and receive state and federal funding.

Furthermore, these individuals would no longer be eligible for tax credits under the state School Readiness Tax Credit program.

- 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.

The proposed revisions will not have any impact on receipts and/or income resulting from this rule.

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.

There could be increased demand for placement at other Type III centers if owners determined to be ineligible to operate Type III centers convert existing operations to a Type I or Type II center. Furthermore, the changes may affect individuals' ability to serve as child care center directors and director designees for certain centers, however, the extent of such impacts is indeterminable at this time.