

the 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 on the proposed Rule. Such comments must be received no later than Tuesday, October 25, 2022 at COB, 4:30 p.m., and should be addressed to Michael Vidrine, Director, Sanitarian Services, P.O. Box 4489, Baton Rouge, LA 70821.

#### Public Hearing

Interested persons may submit a written request to conduct a public hearing either by U.S. mail to the Office of the Secretary ATTN: LDH Rulemaking Coordinator, Post Office Box 629, Baton Rouge, LA 70821-0629; however, such request must be received no later than 4:30 p.m. on Monday, October 10, 2022. If the criteria set forth in R.S. 49:961(B)(1) are satisfied, LDH will conduct a public hearing at 9:00 a.m. on October 25, 2022 in Room 118 of the Bienville Building, which is located at 628 North Fourth Street, Baton Rouge, LA. To confirm whether or not a public hearing will be held, interested persons should first call Allen Enger at (225) 342-1342 after October 10, 2022. If a public hearing is to be held, all interested persons are invited to attend and present data, views, comments, or arguments, orally or in writing. In the event of a hearing, parking is available to the public in the Galvez Parking Garage which is located between North Sixth and North Fifth/North and Main Streets (cater-corner from the Bienville Building). Validated parking for the Galvez Garage may be available to public hearing attendees when the parking ticket is presented to LDH staff at the hearing.

Dr. Courtney N. Phillips  
Secretary

### FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

#### RULE TITLE: Registration of Foods, Drugs, Cosmetics and Prophylactic Devices—Hemp Products

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

The Office of Public Health (OPH) will incur \$905 SGF in expenses associated with the publication of this proposed rule change.

This proposed rule amends Chapter 5 Registration of Foods, Drugs, Cosmetics and Prophylactic Devices of Title 49, PUBLIC HEALTH—FOOD, DRUGS, AND COSMETICS, in accordance with Act 498 of the 2022 RLS. Specifically, the rule:

- adds definitions for Adult-Use Consumable Hemp Product, Package and Serving,
- updates the documentation needed to register consumable hemp products to include the laboratory accreditation verification documentation and a copy of the current grower or processor's license,
- provides an exception that specifies when hemp can be distributed without a Certificate of consumable hemp product registration from the department,

- provides terms under which a firm may apply for the "Louisiana Hemp Products" designation,
- updates the labeling requirements for consumable hemp products; and
- updates the permissible amounts of pesticide residues, microbiological contaminants, and residual solvents that may be present in consumable hemp products.

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

The proposed rule change will not affect revenue collections for state or local governmental units.

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

It is anticipated that this proposed rule may have an economic cost to businesses associated with growing, processing, or selling consumable hemp products. To the extent that a business' existing product contains above the permissible amount of pesticide residues, microbiological contaminants, and residual solvent for consumable hemp products, then the product cannot be sold in Louisiana. Additionally, there may be costs associated with updating product labels to meet the revised labeling requirements.

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

The proposed rule will not impact competition or employment.

Doris Gray Brown  
Assistant Secretary  
2209#039

Alan M. Boxberger  
Interim Legislative Fiscal Officer  
Legislative Fiscal Office

### NOTICE OF INTENT

#### Department of Revenue Policy Services Division

#### Election of Pass-Through Entities (LAC:61.I.1001)

Under the authority of R.S. 47:1511 and 287.732.2 and in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the Department of Revenue, Policy Services Division, proposes to amend LAC 61:I.1001.

The primary purpose of the proposed regulation is to implement Act 396 of the 2021 regular session of the Louisiana Legislature as it concerns the repeal of the deduction for federal taxes paid and the amendment of rates for taxpayers making a pass-through entity election pursuant to R.S. 47:287.732.2.

#### Title 61

#### REVENUE AND TAXATION

#### Part I. Taxes Collected and Administered by the Secretary of the Department of Revenue

#### Chapter 10. Income: Pass-Through Entities §1001. Election of Pass-Through Entities

##### A. ...

1. For taxable periods beginning on or before December 31, 2021, the income of entities that make the election under R.S. 47:287.732.2 shall be taxed at the following rates:

- a. 2 percent upon the first \$25,000 of Louisiana taxable income;

b. 4 percent upon the amount of Louisiana taxable income above \$25,000 but not in excess of \$100,000; and

c. 6 percent upon the amount of Louisiana taxable income above \$100,000.

2. For taxable periods beginning on or after January 1, 2022, the income of entities that make the election under LA R.S. 47:287.732.2 shall be taxed at the following rates:

a. 1.85 percent upon the first \$25,000 of Louisiana taxable income;

b. 3.5 percent upon the amount of Louisiana taxable income above \$25,000 but not in excess of \$100,000; and

c. 4.25 percent upon the amount of Louisiana taxable income above \$100,000.

B. - C.3. ...

a. A *pro forma* Federal Form 1120 completed as if the entity had filed as a C corporation for federal income tax purposes;

C.3.b. - D.3. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 47:287.732.2 and 1511.

HISTORICAL NOTE: Promulgated by the Department of Revenue, Policy Services Division, LR 46:43 (January 2020), amended by the Department of Revenue, Policy Services Division, LR 48:

#### Family Impact Statement

The proposed amendment of LAC 61:I1123, regarding the repeal of the deduction for federal income taxes paid, should not have any known or foreseeable impact on any family as defined by R.S. 49:972(D) or on family formation, stability and autonomy. Specifically, the implementation of this proposed Rule will have no known or foreseeable effect on:

1. The stability of the family.
2. The authority and rights of parents regarding the education and supervision of their children.
3. The functioning of the family.
4. Family earnings and family budget.
5. The behavior and personal responsibility of children.
6. The ability of the family or a local government to perform this function.

#### Poverty Impact Statement

The proposed amendments and proposed regulation will have no impact on poverty as described in R.S. 49:973.

#### Small Business Analysis

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

#### Provider Impact Statement

The proposed amendments and proposed regulation will have no known or foreseeable effect on:

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

#### Public Comments

Any interested person may submit written data, views, arguments or comments regarding the proposed amendments and/or regulation to Brad Blanchard, Attorney, Policy Services Division, Office of Legal Affairs by mail to P.O. Box 44098, Baton Rouge, LA 70804-4098. All comments must be received no later than 4:00 p.m., Wednesday, October 26, 2022.

#### Public Hearing

A public hearing will be held on Thursday, October 27, at 10 a.m. in the River Room, on the seventh floor of the LaSalle Building, 617 North Third Street, Baton Rouge, LA 70802.

Kevin J. Richard, CPA  
Secretary

### FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES RULE TITLE: Election of Pass-Through Entities

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

The purpose of this proposed amendment is to amend LAC 61:I.1001 to implement the portion of Act 396 of the 2021 Regular Session related to personal income tax of pass-through entities. Act 396 repeals the deduction of federal income taxes ("FIT") paid and reduces income tax rates for personal income taxpayers, including those making a pass-through entity election as provided in R.S. 47:287.732.2. The proposed rule amendment standardizes the tax rates in the Administrative Code with those enacted into the Revised Statutes by Act 396. No material impacts on expenditures are anticipated due to this proposed rule change.

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

Act 396 reduces income tax rates for certain pass-through entities while removing a major deduction for federal income tax (FIT). The rate reduction would serve to reduce tax liabilities, and the repeal of the FIT deduction would serve to increase the tax base and thus liabilities. The effects of these provisions would offset to a varying extent for each entity, resulting in a net tax liability change that would also vary by entity.

The net state revenue impact of these changes for certain pass-through entities in particular is negligible. However, the aggregate effects of the 2021RS income tax reforms were designed to approximately be revenue neutral in the aggregate. The rule addressing pass-through entities are thus a component of a larger set of reforms that are approximately revenue-neutral as a whole, though may or may not be revenue neutral as a standalone. For informational purposes, at the end of FY 21, 202 eligible entities had made the election to file at the entity level, and 140 tax returns were filed by such entities for a total tax liability of \$6.6 million. As of August 18, 2022, 458 eligible entities had made the election. Personal income tax collections in FY 21 were \$4 billion. No impact on revenue collections of local governmental units is anticipated.

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

No material aggregate impacts on costs or economic benefits are anticipated for affected personal, small business or non-governmental groups due to this proposed rule change. The rate reductions and federal income tax (FIT) deduction would be in effect even in the absence of this proposed rule but are

considered in conjunction with Act 396 for purposes of this impact statement.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

No material impact on competition or employment is anticipated.

Kevin J. Richard  
Secretary  
2209#065

Alan M. Boxberger  
Interim Legislative Fiscal Officer  
Legislative Fiscal Office

**NOTICE OF INTENT**

**Department of Transportation and Development  
Office of Operations**

Weights and Standards (LAC 73:I.Chapters 1-30)

Notice is hereby given in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., and through the authority granted in R.S. 32:380 through 388.1, R.S. 32:390, and R.S. 47:718, that the Department of Transportation and Development, Office of Operations, Weights and Standards Section, proposes to amend the Weights and Standards Part.

23 C.F.R. §657.5 requires the State to enforce vehicle size and weight laws. Pursuant to 23 C.F.R. §657.19, if such laws are not enforced, the state risks losing 10 percent of its federal transportation funding apportionment. This responsibility for enforcement at stationary scales was transferred to DOTD on July 1, 2022. This proposed Rule provides updated procedures for enforcement of vehicle size and weight laws, and provides for compliance with federal laws regarding vehicle size and weight laws. Consequently, there will be no significant adverse impact to the public, businesses, local or state governmental entities.

**Title 73**

**WEIGHTS, MEASURES AND STANDARDS**

**Part I. Weights and Standards**

**Chapter 1. Policy and Procedures for Weight Enforcement Field Personnel**

**§101. Field Procedures for Enforcing Weight and Size Limitations  
[Formerly §103]**

**A. Procedures for Enforcing the Weight Law**

1. Shifting the Load. Loads may be required to be shifted by Weights and Standards Stationary Scale Police Officer after weighing and before proceeding. Except as directed by a Weights and Standards Stationary Scale Police Officer, drivers will not be allowed to shift the loads carried by their vehicles after being weighed in order to qualify for a second weighing and a lesser fine amount.

2. Vehicles in violation of weight, size or permit regulations shall be cited for the violation(s). The report will be transmitted on completion for review by the Supervisor for accuracy and fines attached and a notice of violation shall be sent to the violating party.

3. All loads that are not indivisible, perishable, or dangerous will be ticketed as required and may be permitted to proceed without reducing the load as stipulated herein.

4. All indivisible loads and all perishable products will be ticketed in accordance with R.S. 32:388, et seq., and permitted to proceed to a suitable place to reduce the load.

a. Perishable Products. Include the following, but may not be limited to these: All agricultural products; hot mix asphalt; concrete; all seafood; products requiring refrigeration or those transported in insulated vehicles; dairy products or poultry and associated products, meat, pork, livestock, live animals; and all other loads that would lose their value or be damaged to such a degree that they would not be suitable for their intended use in commerce if delayed in transit.

b. Indivisible Loads. Indivisible loads are those that cannot, without undue expense or risk of damage, be divided into two or more loads for the purpose of conveyance on a road. Indivisible loads include, but are not limited to, the following:

- i. all forest products;
- ii. flammable, dangerous or toxic liquids, solids and gases such as gasoline, naphtha, kerosene, acids, liquefied petroleum gas, containerized cargo; pipe;
- iii. prestressed or steel girders or large structural components or fabricated or unfabricated materials of indivisible nature that would require specialized equipment to unload or shift; or
- iv. any load that would create a traffic hazard or danger to either the motoring public or the surrounding area if unloaded adjacent to the highway.

5. Checking Tandem, Tridem, Quadrum and Quint Axles. The following criteria shall be used to determine uniform distribution.

a. Tandem Axles. Each individual axle of a tandem axle shall be considered compliant if the load on both axles does not exceed 34,000 pounds and neither individual axle carries more than 20,000 pounds on the interstate. On non-interstate highways a tandem axle may not exceed 37,000 pounds, and neither individual axle may carry more than 21,500 pounds. On permit loads neither axle shall carry more than 60 percent nor less than 40 percent of the load shown on the approved permit.

b. Tridum Axles. Each individual axle of a tridum axle shall be considered acceptable if the load on all three axles does not exceed 42,000 pounds and none of the axles carries more than 16,000 pounds on interstate highways. On non-interstate highways a tridum axle may not exceed 45,000 pounds, and neither individual axle may carry more than 17,000 pounds. On permit loads no axle shall carry more than 40 percent nor less than 25 percent of the load shown on the approved permit.

c. Quadrem Axles. Each individual axle of a quadrum axle shall be considered acceptable if the load on all four axles does not exceed 50,000 pounds and none of the axles carries more than 14,500 pounds on interstate highways. On non-interstate highways a quadrum axle may not exceed 53,000 pounds, and neither individual axle may carry more than 30 percent or less than 20 percent of the load shown on the approved permit.

d. Quint Axles. Each individual axle of a Five Axle Group shall be considered acceptable if the load on all five axles does not exceed 58,000 pounds and none of the axles carries more than 13,600 pounds on interstate highways. On non-interstate highways a Five Axle Group may not exceed 61,000 pounds, and neither individual axle may carry more than 25 percent or less than 15 percent of the load shown on the approved permit.