

NOTICE OF INTENT

Department of Revenue Policy Services Division

Criminal History Record Checks for Access to Federal Tax Information (LAC 61:I.103)

Under the authority of R.S. 15:587.5, 47:1504.1, 47:1511, 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.103(D)(3).

The primary purpose of the proposed amendment is to change the timeframe in which criminal history record checks for access to federal tax information must be done. This change is being made to reflect the Internal Revenue Service's updated requirement that criminal history record checks are to be conducted every five years. Fingerprinting and criminal history record checks are mandated by R.S. 15:587.5.

Title 61 REVENUE AND TAXATION

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

Chapter 1. Office of the Secretary

§103. Criminal History Records Checks for Access to Federal Tax Information

A. Introduction and Purpose

1. Safeguarding federal tax information (FTI) is critically important to the continuous protection of taxpayer confidentiality as required by ~~the IRS statute found at 26 USCS U.S.C. 6103(p)(4) of the Internal Revenue Code and its supplemental p~~Publication 1075. . . .

B.1 - C. ...

D. General Provisions for Criminal History Record Checks

D.1. - 2. ...

3. Criminal history record checks will be completed, at minimum, every ~~10~~ five years.

D. 4. – G. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 15:587.5, R.S. 47:1504.1 and R.S. 47:1511.

HISTORICAL NOTE: Promulgated by the Department of Revenue, Policy Services Division, LR 44:98 (January 2018), amended LR 48: (April 2022).

Family Impact Statement

The proposed amendment of LAC 61:I.103 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 should have no impact 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 the function as contained in the Rule.

Poverty Impact Statement

The proposed Rule will have no effect on poverty as described in R.S. 49:973.

Small Business Analysis

The impact of the proposed Rule on small businesses as defined in the Regulatory Flexibility Act has been considered. This proposed Rule does not have any known or foreseeable adverse impact on small businesses. Therefore, a Small Business Economic Impact Statement has not been prepared.

Provider Impact Statement

1. Describe the Effect on the Staffing Level Requirements or Qualifications Required to Provide the Same Level of Service. The proposed Rule may require the department to hire two additional “When Actually Employed” (WAE) human resource analysts for approximately three months in order to process the high volume of criminal history record checks that will need to be conducted on current and prospective employees, contractors and subcontractors. The proposed Rule does not have any known or foreseeable impact on the department 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. The proposed Rule does not have any known or foreseeable impact on the department to provide the same level of service.

3. The Overall Effect on the Ability of the Provider to Provide the Same Level of Service. The proposed Rule does not have any known or foreseeable impact on the department to provide the same level of service.

Public Comments

All interested persons may submit written data, views, arguments, or comments regarding this proposed Rule to Shone T. Pierre, General Counsel, Louisiana Department of Revenue, P.O. Box 66258, Baton Rouge, LA 70896 or by fax to (225) 219-2708. All comments must be received no later than 4:30 p.m., Friday, June 24, 2022.

Public Hearing

A public hearing will be held on Monday, June 27, 2022 at 9:00 a.m. in the LaBelle Room, located on the first floor of the LaSalle Building, 617 North Third Street, Baton Rouge, LA 70802.

Kevin J. Richard
Secretary, Department of Revenue

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6. The ability of the family or a local government to perform the function as contained in the Rule.

Poverty Impact Statement

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Small Business Analysis

The impact of the proposed Rule on small businesses as defined in the Regulatory Flexibility Act has been considered. This proposed Rule does not have any known or foreseeable adverse impact on small businesses. Therefore, a Small Business Economic Impact Statement has not been prepared.

Provider Impact Statement

The proposed Rule will impact the department in the following manner:

1. Describe the Effect on the Staffing Level Requirements or Qualifications Required to Provide the Same Level of Service. The proposed Rule may require the department to hire two additional “When Actually Employed” (WAE) human resource analysts for approximately three months in order to process the high volume of criminal history record checks that will need to be conducted on current and prospective employees, contractors and subcontractors. The proposed Rule does not have any known or foreseeable impact on the department 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. The proposed Rule does not have any known or foreseeable impact on the department to provide the same level of service.
3. The Overall Effect on the Ability of the Provider to Provide the Same Level of Service. The proposed Rule does not have any known or foreseeable impact on the department to provide the same level of service.

Public Comments

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Kevin J. Richard
Secretary, Department of Revenue

Fiscal and Economic Impact Statement For Administrative Rules

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|-----------------------------|-------------------------------|-------------------------|---------------------------------|
| Person preparing statement: | <u>Benjamin Vincent</u> | Department: | <u>Revenue</u> |
| Phone: | <u>(225) 219-4007</u> | Office: | <u>Policy Services Division</u> |
| Return Address: | <u>617 North Third Street</u> | Rule Title: | <u>LAC 61:I.103</u> |
| | <u>Baton Rouge, LA 70802</u> | Date Rule Takes Effect: | <u>August 20, 2022</u> |

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 summary statements, based on the attached worksheets, 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 purpose of this proposed amendment to LAC 61:I.103 is to change the timeframe in which criminal history record checks for access to federal tax information must be completed. This change is being made to reflect the Internal Revenue Service’s updated requirement that criminal history record checks are to be conducted every five years. Previously, criminal background checks were required every ten years. Fingerprinting and criminal history record checks are mandated by R.S. 15:587.5.

Minor implementation costs to Louisiana Department of Revenue (LDR) are anticipated. LDR will incur one-time costs to conduct updated background checks for existing employees who were not previously due for updates, and will incur ongoing additional costs as the frequency of background checks is increased.

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

No material impacts on revenue collections of state or local governmental units are anticipated due to this proposed rule change.

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

No material impacts on costs or economic benefits are anticipated for affected personal or non-governmental groups due to this proposed rule change.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

No material impact on competition or employment is anticipated due to this proposed rule change.

Signature of Agency Head or Designee
Kevin J. Richard, Secretary
Typed Name and Title of Agency Head or Designee

Legislative Fiscal Officer Designee
Deborah Vivien, Chief Economist
Typed Name of Legislative Fiscal Officer Designee

Date of Signature

Date of Signature