Bobby Jindal
Governor

ATC

Troy Hebert
Commissioner

Alcohol & Tobacco Control

September 1, 2015

Catherine Brindley
Office of the State Register
P.O. Box 94095
Baton Rouge, Louisiana 70804-9095

RE: LAC 55:VII.317

Enclosed is the FEIS and *Notice of Intent* to amend LAC 55:VII.317 in accordance with R.S. 26:150 relative to unfair business practices to provide for regulations for the use of social media advertisements, retailer trade associations, third party promotional companies, reasonable retail entertainment, sponsorships, product samplings and events at unlicensed venues.

R.S. 26:150A mandates that "[t]he commissioner shall adopt and promulgate rules and regulations to prevent any unfair practices in the sale of any regulated beverages." ATC seeks to adopt the enclosed amendments to comply with the will of the Legislature.

If adopted, this amendment will become effective upon publication in the *Louisiana Register* on December 20, 2015.

Please direct any inquiries regarding the enclosed FEIS to Jessica Starns at (225)925-4607 or by email at Jessica.starns@atc.la.gov.

Sincerely,

Troy Hebert

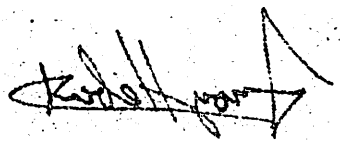
Troy M. Hebert, Commissioner

Enclosures

CC:

The Honorable John Alario, President, Louisiana State Senate
The Honorable Chuck Kleckley, Speaker, Louisiana House of Representatives
The Honorable Neil Riser, Chairman, Revenue & Fiscal Affairs Committee
The Honorable Joel Robideaux, Chairman, Ways and Means Committee

Louisiana Office of Alcohol and Tobacco Control
8585 Archives Avenue, Suite 305; Baton Rouge, LA 70809 / P.O. Box 66404; Baton Rouge, LA 70896-6404
Telephone: (225) 925-4041 & Fax: (225) 925-3975
www.atc.la.gov



Print Form

OFFICE OF THE STATE REGISTER INSERTION ORDER (eff.08/02)

Claiborne Building 1201 North Third Street Suite 3-220 Post Office Box 94095
Baton Rouge, LA 70804-9095 (225)342-5015 FAX (225)342-0284

(SUBMIT A SEPARATE INSERTION ORDER PER DOCUMENT)

☐ **EMERGENCY RULE** ☒ **NOTICE OF INTENT** ☐ **RULE** ☐ **POTPOURRI**

REFER TO INSTRUCTIONS ON REVERSE SIDE

This is your authority to publish in the (month) September, 20 15 *Louisiana Register* the document indicated above.

Alcohol and Tobacco Control
Office/Board/Commission promulgating this document

Department of Revenue
Department under which office/board/commission is classified

Troy Hebert (name) Commissioner (title)
Name and title of person whose signature will appear in the publication (at the end of the document)

Jessica Starns (name) 225-925-4607 (phone) 225-925-3975 (fax)
Name, phone number, and FAX number of person to contact regarding this document

jessica.starns@atc.la.gov
E-mail address of contact person

Provide a short descriptive listing for this document to be used in the *Louisiana Register's* TABLE OF CONTENTS/INDEX (note: this description should match the fiscal statement title, if sending a Notice of Intent:

Prohibition of Certain Unfair Business Practices

*If sending a diskette, indicate the name of the file on diskette:

Signature of Agency Head or Designee

Troy Hebert, Commissioner
Print Name and Title of Agency Head or Designee

Important: If submitting both an Emergency Rule (ER) and a Notice of Intent (NOI) to be published this month, **AND** if the rule text in the ER is identical to the rule text in the NOI, check here: ☐

CERTIFICATION OF AVAILABLE FUNDS **DOCUMENT #**_____

☒ **ISIS AGENCY:** I certify the availability of fiscal year 16 appropriated funds for the payment of the above referenced publication and authorize the processing of an Interagency Billing with the following coding on the 30th of the month of the publication. Attach supplemental sheet for additional lines of coding.

440	3010	5100	8V	9315
AGENCY	ORGANIZATION #	OBJECT	SUB-OBJECT	REPORTING CATEGORY

☐ **NON-ISIS AGENCY:** I certify the availability of fiscal year _____ appropriated funds for the payment of the above referenced publication and agree to place corresponding invoice in line for payment upon receipt.

Signature of Agency Head or Designee - Phone #

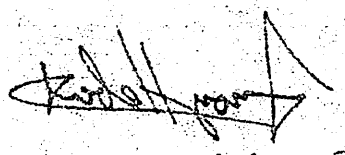
Billing Address for Agencies:

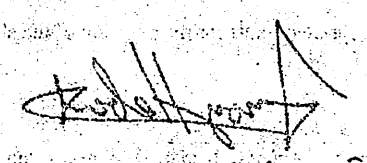
Alcohol and Tobacco Control
Agency Name

8585 Archives Avenue, Suite 305
Street Address or Post Office Box

Baton Rouge LA 70809
City State Zip Code

Lines/Other Charges_____ Typesetting $_____ TOTAL $_____





NOTICE OF INTENT
Department of Revenue
Office of Alcohol and Tobacco Control

Regulation IX – Prohibition of Certain Unfair Business Practices
(LAC 55:VII.317)

Under the authority of R.S. 26:150 and in accordance with the provisions of the Administrative Procedures Act, R.S. 49:950, et seq., the Department of Revenue, Office of Alcohol and Tobacco Control, proposes to amend LAC 55:VII.317 relative to unfair business practices.

This proposed amendment to the above-referenced rule is offered under authority of R.S. 26:150 to promulgate rules relative to unfair business practices to provide for regulations for the use of advertisements (including social media advertisements), sponsorships, retailer trade associations, third party promotional companies, reasonable retail entertainment and events at unlicensed venues.

Title 55
PUBLIC SAFETY
Part VII. Alcohol and Tobacco Control

Chapter 3. Liquor Credit Regulations

§ 317. Regulation IX — Prohibition of Certain Unfair Business Practices

A. Definitions

Advertisement – includes any written or verbal statement, illustrations, or depiction which is in, or calculated to induce sales in, interstate or foreign commerce, or is disseminated by mail, whether it appears in a newspaper, magazine, trade booklet, menu, wine card, leaflet, circular, mailer, book insert, catalog, promotional material, sales pamphlet, or in any written, printed, graphic, or other matter accompanying the bottle, representations made on cases or in any billboard, sign, other outdoor display, public transit card, other periodical literature, publication, or in a radio or television broadcast, or in any other media; except that such term shall not include: (a) Any label affixed to any bottle of distilled spirits or container or wine or malt beverages; or any individual covering carton, or other container of the bottle or container which constitute a part of the labeling under federal law and regulations; or (b) Any editorial or other reading material (*i.e.* news release) in any periodical or publication or newspaper for the publication of which no money or valuable consideration is paid or promised, directly or indirectly, by any permittee, and which is not written by or at the direction of the permittee.

* * *

Retailer Trade Association – an association or similar designation with a majority of its members holding a state retail alcoholic beverage permit that is registered and in good standing with the Louisiana Secretary of State as a non-profit entity who has applied with and received approval from the Internal Revenue Service as a 501(c)(6) tax exempt organization in good standing.

Social Media Advertisement – any advertisement disseminated by social network services, video sharing sites, blogs, microblogs, links and Quick Response Codes.

* * *

B. ...

C.1. – C.2.b.iii ...

c. Outside Signs. The furnishing of outside signs by an industry member to licensed retail dealers is prohibited. It is unlawful for an industry member to, directly or indirectly, give, rent, loan, sell or in any other manner provide a retail dealer with any form of outside signage except as expressly allowed by the alcoholic beverage control laws and regulations.

i. This prohibition shall not be construed to apply to any advertising, branding or labeling artwork that is smaller than, proportionate in size and affixed to any equipment supplied to the holder of a Type A, B, or C special event permit holder in accordance with Subsection F of Section 323 of this Chapter.

C.2.d. – e.vi. ...

vii. In conjunction with events held on regular licensed retail premises, all restrictions on advertising and signage will remain in full force and effect, except that temporary paper singes and posters may be used inside the premises to advertise the event for not more than 31 days prior to the event. A wholesaler or manufacturer may list the name and address of one or more retail dealers and the date and time of one or more events in a social media advertisement for not more than 31 days prior to the event provided that (a) the social media advertisement does not also contain the retail price for any product; (b) the retail dealer shall not provide the industry member with anything of value as a condition to having its business listed in the social media advertisement; and (c) the wholesaler or manufacturer does not directly or indirectly, incur any cost or expend anything of value in connection with the social media advertisement.

C.2.f. – h.v. ...

vi. A wholesaler or manufacturer may promote a sampling event by listing the name and address of one or more retail dealers and the date and time of one or more sampling events in a social media advertisement for not more than 31 days prior to the sampling provided that (a) the social media advertisement does not also contain the retail price for any product; (b) the retail dealer shall not provide the industry member with anything of value as a condition to having its business listed in the social media advertisement; and (c) the wholesaler or manufacturer does not directly or indirectly, incur any cost or expend anything of value in connection with the social media advertisement.

vii. Industry members may use a third-party promotional company to conduct product samplings under the following conditions:

(a). the industry member has a written contractual agreement with the third party promotional company that clearly defines the scope of the activities to be conducted by the promotional company on behalf of the industry member and the contractual agreement is provided to the office of alcohol and tobacco control prior to any representation by the third party promotional company on behalf of the licensed industry member;

(b.) the third party promotional company shall comply with all provisions of the alcoholic beverage control laws and regulations including, but not limited to, the provisions of this Section;

(c.) violations of the alcoholic beverage control laws or regulations by a third party promotional company or any of its representatives shall be considered the industry member's act for purposes of penalties or suspension or revocation of the industry member's alcoholic beverage permit;

(d). the third party promotional company shall not be directly or indirectly owned, created, operated, inappropriately influenced, or controlled by an alcoholic beverage retail dealer licensed by the state of Louisiana or any person holding an interest therein;

(e). the industry member or third party promotional company shall not give the retail dealer anything of value, unless otherwise allowed in the alcoholic beverage control laws and regulations;

(f). the name and permit number of the industry member and the name of the third party promotional company shall be provided on all documents required to be submitted to the office of alcohol and tobacco control by this Section;

(g). the industry member shall ensure that all agents of the third party promotional company possess valid Louisiana responsible vendor certifications prior to conducting any samplings of alcoholic beverages on the industry member's behalf;

(h). the third party promotional company shall not offer for sale or solicit any orders for the sale of any alcoholic beverages produced or supplied by the industry member; and

(i). any sampling conducted by a third party promotional company on behalf of an industry member shall count as a sampling conducted by the industry member.

C.2.i. – n.viii ...

o. Retail Trade Associations. Industry members may participate in the activities of a retailer-affiliated trade association, as defined in this Section, only in the following ways:

i. by advertising in convention publications and/or programs, if the advertising fees are the same rate offered to all other participants at the event;

ii. by being an associate member;

iii. by renting display booth space if the rental fee is the same as paid by all exhibitors at the event;

iv. by purchasing tickets to functions and paying registration fees if the payments or fees are the same as paid by all attendees, participants or exhibitors at the event;

v. by exhibiting their products and offering single serve portions of their products at no cost for immediate consumption on the premises of the exhibition without having to obtain a special event permit;

vi. all state and parish or municipal excise taxes due shall be paid prior to the provision of any products for consumption at exhibition events;

vii. the industry member shall provide the office of alcohol and tobacco control with written notice of the location, date(s) and time(s) it intends to exhibit any product no less than five (5) business days prior to the exhibition; and

viii. the industry member's participation with a retailer trade association shall not benefit one or more of the trade association's members to the exclusion, in whole or in part, of the other retail members.

p. Reasonable Retail Entertainment. The furnishing of food and beverages, entertainment and recreation by an industry member to a retail dealer or its owners, officers, members, directors, stockholders, employees, agents, managers, or subsidiaries is prohibited except under all of the following conditions:

i. the value of food, beverages, entertainment and recreation shall not exceed $500.00 per person on only one occasion per week;

ii. the providing industry member must accompany the receiving retail member to the event at which the food, beverages, entertainment and/or recreation are provided;

iii. in the course of providing food, beverages, entertainment or recreation under this rule, upper tier industry members may only furnish local transportation;

iv. food, beverages, recreation and entertainment may also be provided during attendance at a convention, conference, or similar event so long as the primary purpose for the attendance of the retailer at such event is not to receive benefits under this regulation; and

v. each industry member shall keep complete and accurate business records and/or other documents reflecting all expenses incurred for retailer entertainment for two years.

q. Events at Unlicensed Venues. The provisions of R.S. 26:287 and this Section shall not be construed to prohibit an alcoholic beverage manufacturer, wholesale dealer or retail dealer from sponsoring, providing sponsorship signs, promoting or advertising an alcoholic beverage brand or product, or purchasing, displaying, and/or transmitting indoor or outdoor signs or other advertising and marketing products at a premises that does not hold a retail alcoholic beverage permit, or for any event at such premises, by agreement with the owner, operator, promoter, lessee, a party with a right of use, or management company of the unlicensed venue if all alcoholic beverages are sold and/or served at the premises by a person holding a Class A –Caterer's permit issued in accordance with these regulations and all of the following conditions apply:

i. the caterer is engaged to provide food and beverage concession services pursuant to a written agreement with the owner, operator, promoter, lessee or management company of the premises where alcoholic beverages are sold and/or served;

ii. the caterer receives no monetary benefit, directly or indirectly by any scheme or device or in any form or degree from the manufacturer, wholesaler, or retailer in connection with the provision or purchase of sponsorship, signs, advertising or marketing products from the owner, operator, promoter, lessee, party with a right of use, or management company of the premises. The provision of indoor or outdoor signs or other advertising or marketing products, including mobile dispensing equipment which display the name, logo, or other branding of an alcoholic beverage manufacturer, or wholesaler pursuant to an advertising or sponsorship agreement with the owner, operator promoter, lessee, a party with a right of use or management company of the premises, and the use of proceeds of a manufacturer's, or wholesaler's, purchase of indoor or outdoor signs or other advertising and marketing products from the owner, operator, promoter, lessee, a party with a right of use or management company of the premises conducting events to enhance or otherwise benefit an event or the venue conducting events shall not be construed to be a direct or indirect monetary benefit to the caterer or any retail dealer located on or around the premises of the event or venue;

iii. the caterer is not owned, in whole or in part, by the owner, operator, promoter, lessee or management company of the premises, or a subsidiary, agent or manager of the event or premises that is a direct recipient of such monetary benefit as defined in this subparagraph;

iv. the owner, operator, promoter, lessee or management company of the premises shall not directly or indirectly control or otherwise influence the quantity or brand of alcoholic beverages bought or sold by the caterer unless the caterer is owned, in whole or in part, by the owner of the premises who is not the direct recipient of such monetary benefit as defined in this subparagraph; and

v. no part of the cost of an advertisement, sponsorship or promotion authorized by this subparagraph may be charged to or paid by a wholesale dealer unless the wholesaler either contracts directly with the owner, operator, promoter, lessee or management company of the unlicensed premises for the advertisement, sponsorship, or promotion or the wholesaler is a party to the advertising, sponsorship or promotion agreement between the manufacturer and the owner, operator, promoter, lessee or management company of the unlicensed premises.

D. - E. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 26:150.

HISTORICAL NOTE: Promulgated by the Department of Public Safety, Office of Alcoholic Beverage Control, LR 4:463 (November 1978), amended LR 5:11 (January 1979), amended by the Department of Public Safety and Corrections, Office of Alcoholic Beverage Control, LR 17:607 (June 1991), LR 20:671 (June 1994), amended by the Department of Revenue and Taxation, Office of Alcoholic Beverage Control, LR 22:116 (February 1996), LR 26:2631 (November 2000), LR 28:1484 (June 2002), LR 31:1344 (June 2005), amended by the Department of Revenue, Office of Alcohol and Tobacco Control, LR 35:89 (January, 2009), LR 38:1286 (May 2012), LR 38:2938 (November 2012)

Family Impact Statement

The proposed rulemaking has no known impact on family formation, stability, or autonomy, as described in LSA-R.S. 49:972.

Poverty Statement

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

Small Business Statement

The proposed rulemaking will have no adverse impact on small businesses as described in LSA-R.S.49:965.2 *et seq.*

Provider Impact Statement

The proposed rulemaking has no known or foreseeable impact on providers as defined by HCR 170 of 2014 Regular Legislative Session.

Public Comments

Interested persons may submit written comments until 4:00pm on October 30, 2015 to Commissioner Troy M. Hebert, Office of Alcohol and Tobacco Control, P.O. Box 66404, Baton Rouge, LA 70896 or by email to troy.hebert@atc.la.gov.

Public Hearing

A public hearing will be held on Friday, October 30, 2015 at 4:00 p.m. in the Office of Alcohol and Tobacco Control at 8585 Archives Avenue, Ste. 305 Floor in Baton Rouge, Louisiana.

Troy Hebert
Commissioner

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Department of Revenue
Office of Alcohol and Tobacco Control

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* * *

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* * *

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(b.) the third party promotional company shall comply with all provisions of the alcoholic beverage control laws and regulations including, but not limited to, the provisions of this Section;

(c.) violations of the alcoholic beverage control laws or regulations by a third party promotional company or any of its representatives shall be considered the industry member's act for purposes of penalties or suspension or revocation of the industry member's alcoholic beverage permit;

(d). the third party promotional company shall not be directly or indirectly owned, created, operated, inappropriately influenced, or controlled by an alcoholic beverage retail dealer licensed by the state of Louisiana or any person holding an interest therein;

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v. by exhibiting their products and offering single serve portions of their products at no cost for immediate consumption on the premises of the exhibition without having to obtain a special event permit;

vi. all state and parish or municipal excise taxes due shall be paid prior to the provision of any products for consumption at exhibition events;

vii. the industry member shall provide the office of alcohol and tobacco control with written notice of the location, date(s) and time(s) it intends to exhibit any product no less than five (5) business days prior to the exhibition; and

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p. Reasonable Retail Entertainment. The furnishing of food and beverages, entertainment and recreation by an industry member to a retail dealer or its owners, officers, members, directors, stockholders, employees, agents, managers, or subsidiaries is prohibited except under all of the following conditions:

i. the value of food, beverages, entertainment and recreation shall not exceed $500.00 per person on only one occasion per week;

ii. the providing industry member must accompany the receiving retail member to the event at which the food, beverages, entertainment and/or recreation are provided;

iii. in the course of providing food, beverages, entertainment or recreation under this rule, upper tier industry members may only furnish local transportation;

iv. food, beverages, recreation and entertainment may also be provided during attendance at a convention, conference, or similar event so long as the primary purpose for the attendance of the retailer at such event is not to receive benefits under this regulation; and

v. each industry member shall keep complete and accurate business records and/or other documents reflecting all expenses incurred for retailer entertainment for two years.

q. Events at Unlicensed Venues. The provisions of R.S. 26:287 and this Section shall not be construed to prohibit an alcoholic beverage manufacturer, wholesale dealer or retail dealer from sponsoring, providing sponsorship signs, promoting or advertising an alcoholic beverage brand or product, or purchasing, displaying, and/or transmitting indoor or outdoor signs or other advertising and marketing products at a premises that does not hold a retail alcoholic beverage permit, or for any event at such premises, by agreement with the owner, operator, promoter, lessee, a party with a right of use, or management company of the unlicensed venue if all alcoholic beverages are sold and/or served at the premises by a person holding a Class A –Caterer's permit issued in accordance with these regulations and all of the following conditions apply:

i. the caterer is engaged to provide food and beverage concession services pursuant to a written agreement with the owner, operator, promoter, lessee or management company of the premises where alcoholic beverages are sold and/or served;

ii. the caterer receives no monetary benefit, directly or indirectly by any scheme or device or in any form or degree from the manufacturer, wholesaler, or retailer in connection with the provision or purchase of sponsorship, signs, advertising or marketing products from the owner, operator, promoter, lessee, party with a right of use, or management company of the premises. The provision of indoor or outdoor signs or other advertising or marketing products, including mobile dispensing equipment which display the name, logo, or other branding of an alcoholic beverage manufacturer, or wholesaler pursuant to an advertising or sponsorship agreement with the owner, operator promoter, lessee, a party with a right of use or management company of the premises, and the use of proceeds of a manufacturer's, or wholesaler's, purchase of indoor or outdoor signs or other advertising and marketing products from the owner, operator, promoter, lessee, a party with a right of use or management company of the premises conducting events to enhance or otherwise benefit an event or the venue conducting events shall not be construed to be a direct or indirect monetary benefit to the caterer or any retail dealer located on or around the premises of the event or venue;

iii. the caterer is not owned, in whole or in part, by the owner, operator, promoter, lessee or management company of the premises, or a subsidiary, agent or manager of the event or premises that is a direct recipient of such monetary benefit as defined in this subparagraph;

iv. the owner, operator, promoter, lessee or management company of the premises shall not directly or indirectly control or otherwise influence the quantity or brand of alcoholic beverages bought or sold by the caterer unless the caterer is owned, in whole or in part, by the owner of the premises who is not the direct recipient of such monetary benefit as defined in this subparagraph; and

v. no part of the cost of an advertisement, sponsorship or promotion authorized by this subparagraph may be charged to or paid by a wholesale dealer unless the wholesaler either contracts directly with the owner, operator, promoter, lessee or management company of the unlicensed premises for the advertisement, sponsorship, or promotion or the wholesaler is a party to the advertising, sponsorship or promotion agreement between the manufacturer and the owner, operator, promoter, lessee or management company of the unlicensed premises.

D. - E. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 26:150.

HISTORICAL NOTE: Promulgated by the Department of Public Safety, Office of Alcoholic Beverage Control, LR 4:463 (November 1978), amended LR 5:11 (January 1979), amended by the Department of Public Safety and Corrections, Office of Alcoholic Beverage Control, LR 17:607 (June 1991), LR 20:671 (June 1994), amended by the Department of Revenue and Taxation, Office of Alcoholic Beverage Control, LR 22:116 (February 1996), LR 26:2631 (November 2000), LR 28:1484 (June 2002), LR 31:1344 (June 2005), amended by the Department of Revenue, Office of Alcohol and Tobacco Control, LR 35:89 (January, 2009), LR 38:1286 (May 2012), LR 38:2938 (November 2012)

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The proposed rulemaking has no known impact on family formation, stability, or autonomy, as described in LSA-R.S. 49:972.

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

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The proposed rulemaking will have no adverse impact on small businesses as described in LSA-R.S.49:965.2 *et seq.*

Provider Impact Statement

The proposed rulemaking has no known or foreseeable impact on providers as defined by HCR 170 of 2014 Regular Legislative Session.

Public Comments

Interested persons may submit written comments until 4:00pm on October 30, 2015 to Commissioner Troy M. Hebert, Office of Alcohol and Tobacco Control, P.O. Box 66404, Baton Rouge, LA 70896 or by email to troy.hebert@atc.la.gov.

Public Hearing

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Troy Hebert
Commissioner

Fiscal and Economic Impact Statement
For Administrative Rules

Person preparing statement:	Jessica Starns	Department:	Revenue
Phone:	(225) 925-4041	Office:	Alcohol and Tobacco Control
Return Address:	P.O. Box 66404 Baton Rouge, LA 70896-6404	Rule Title:	LAC 55: VII. 317
		Date Rule Takes Effect:	December 20, 2015

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)

This proposed amendment to the above-referenced rule provides for regulations for the use of social media advertisements, retailer trade associations, third party promotional companies, reasonable retail entertainment, sponsorship, outside signage, samplings and events at unlicensed venues. It also defines Advertisement, Retailer Trade Association and a Social Media Advertisement.

The proposed rule does not materially impact enforcement or accounting duties to the extent that departmental resources will be impacted. Thus, promulgation of this proposed rule and/or amendment will not result in any costs to state or local governmental units. Nor is it likely to result in any savings to any such units.

II. Estimated effect on revenue collections of state or local governmental units (Summary)

There are no additional fees or new permitting practices included in the proposed rule. Promulgation of this proposed rule and/or amendment will not affect revenue collections of state or local governmental units.

III. Estimated costs and/or economic benefits to directly affected persons or non-governmental groups (Summary)

Promulgation of this proposed rule and/or amendment will not result in any costs and/or economic benefits to directly affected persons or non-governmental groups.

IV. Estimated effect on competition and employment (Summary)

This proposed rule and/or amendment will not effect competition and employment.

Troy Hebert

Signature of Agency Head or Designee

Troy M. Hebert, Commissioner

Printed or Typed Name and Title of Agency Head or Designee

8/10/15

Date of Signature

Gregory V. Albrecht

Legislative Fiscal Officer or Designee

Gregory V. Albrecht, Chief Economist

Printed or Typed Name and Title of Legislative Fiscal Officer or Designee

8/10/2015

Date of Signature

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Fiscal and Economic Impact Statement
Worksheet

The following information is required in order to assist the Legislative Fiscal Office in the 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).

This proposed amendment to the above-referenced rule provides for regulations for the use of social media advertisements, retailer trade associations, third party promotional companies, reasonable retail entertainment and events at unlicensed venues. It also defines a Retailer Trade Association and a Social Media Advertisement as well as addressing certain issues related to outside signs and product sampling.

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

This proposed amendment to the above-referenced rule is offered under authority of R.S. 26:150 to promulgate rules relative to unfair business practices. These rules clarify issues within the law that will allow for a more consistent interpretation.

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.

This proposed amendment will not 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.

This question is not applicable to the proposed amendment.

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 13-14	FY 14-15	FY 15-16
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 Repairs & 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.

   Implementation of this proposed amendment will have no effect on costs or savings.

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

   This question is not applicable to the proposed amendment.

4. Does your agency currently have sufficient funds to implement the proposed action? If not, how and when do you anticipate obtaining such funds?

   ATC currently has sufficient funds to implement the proposed amendment.

B. Cost/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/methods used in calculating this impact.

   There will be no appreciable economic effect on local governmental units as a result of this proposed amendment.

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

   This question is not applicable to the proposed amendment.

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 2014-2015	FY 2015-2016	FY 2016-2017
State General Fund	$0	$0	$0
Agency Self-Generated	$0	$0	$0
Restricted Funds*	$0	$0	$0
Federal Funds	$0	$0	$0
Local Funds	$0	$0	$0
Total	$0	$0	$0

*Conservation Fund

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.

This question is not applicable to the proposed amendment.

III. Costs and/or economic benefits to directly affected persons or nongovernmental groups.

A. What persons or nongovernmental 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.

This question is not applicable to the proposed amendment.

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.

This proposed rule and/or amendment will have no appreciable effect on taxpayer receipts or income.

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.

This proposed rule and/or amendment will have no effect on competition and employment.

Troy Hebert

Signature of Agency Head or Designee

Legislative Fiscal Officer or Designee

Troy Hebert, Commissioner

Typed Name & Title of Agency Head or Designee

Typed Name & Title of Legislative Fiscal Officer or Designee

8/10/15

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