

# LEGISLATIVE FISCAL OFFICE

## Fiscal Note



Fiscal Note On: **SB 91** SLS 25RS 356

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> April 25, 2025	6:03 PM	<b>Author:</b> BARROW
<b>Dept./Agy.:</b> 19th Judicial District Court/Attorney General		<b>Analyst:</b> Daniel Druilhet
<b>Subject:</b> Court Costs in Suits Involving the States and State Agencies		

COURTS OR INCREASE GF EX See Note Page 1 of 2  
 Provides relative to court costs in suits involving the state and state agencies in the Nineteenth Judicial District Court. (2/3-CA7s2.1(A)) (8/1/25)

Proposed law removes the ability for local entities and certain state agencies to defer court costs in the 19th Judicial District Court (JDC). Certain state agencies, as specified in R.S. 36:4 (A), retain the ability to defer some court costs in the 19th JDC, but will require the deposit of a \$200 advance deposit.

Proposed law authorizes the clerk of court to utilize the Office of Debt Recovery (ODR) to collect deferred court costs that are unpaid after thirty (30) days after final judgment.

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	
Agy. Self-Gen.	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	
Ded./Other	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	

**Annual Total**

REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	
Ded./Other	<b>SEE BELOW</b>					
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<b>SEE BELOW</b>					

**Annual Total**

**EXPENDITURE EXPLANATION**

Proposed law will likely result in an indeterminable increase in SGF expenditures for state agencies listed under R.S. 36:4(A), the Louisiana Department of Justice (Attorney General), and all state and local governmental entities (not included within R.S. 36:4(A)) filing with the Nineteenth Judicial District Court (19th JDC) by either prohibiting the deferral of court costs or requiring a \$200 advanced filing fee. Additionally, there will likely be an indeterminable increase in workload and expenditures associated with accounting requirements for processing payments to the 19th JDC.

**State Agencies [R.S. 36:4(A)] Advance Filing Fee**

Proposed law requires state agencies specified in R.S. 36:4(A) (all 20 executive branch departments except the Executive Department and the Office of the Lieutenant Governor) to pay a \$200 advance filing fee in the 19th JDC. Under current law, these state agencies are allowed to temporarily defer court costs, though not all agencies elect to defer these costs. For state agencies that currently choose to temporarily defer these court costs, expenditures will increase by \$200 per filing. The number of cases filed in the 19th JDC by these state agencies varies and are overall indeterminable.

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**REVENUE EXPLANATION**

Proposed law will result in an indeterminable increase in SGR to the 19th JDC. The 19th JDC advises that for the past ten years, it has on record over \$7 M in unpaid filing costs (an annual average of \$700,000) related to litigation involving state agencies included within R.S. 36:4(A) and those not included within R.S. 36:4(A) to which the Attorney General has represented in litigation. With enactment of the proposed law, the 19th Judicial District Court estimates that it will generate an average of nearly \$725,000 to address expenditures related to its operations.

There may also be an indeterminable increase in SGR for the Office of Debt Recovery (ODR) to the extent the 19th JDC Clerk of Court chooses to use ODR to collect outstanding court costs. ODR collects a 25% fee on collected debts. There may also be an indeterminable increase in statutorily dedicated revenues and local fund revenues as court costs and filing fees are collected. These payments are collected by the Clerk's office, which will allow the Clerk to keep 50% of court costs collected and disperse the remaining 50% to recipient governmental entities as provided in state law. The 50% remaining is dispersed to the 19th Judicial District Expense Fund (22%); the 19th Judicial District Court Building Fund (18%); the Sheriff Fees in Civil Matters (6%); Judge's Supplemental Compensation Fund (2%); Judicial College (0.75%); State Fiscal (0.5%); Civil Case Reporting Form (0.25%); Pro Bono Fund (0.05%); Commissioner of Insurance (0.025%); and other disbursements required by other various statutes (0.425%), including revenue paid to the Clerk of Court (49%), 19th JDC (36%), East Baton Rouge Parish Sheriff (8%), State Treasury (2%), foreign sheriffs (2%), Secretary of State (1%), Commissioner of Insurance, Court of Appeals, Baton Rouge Bar Association, private attorneys, the Louisiana Supreme Court, East Baton Rouge City-Parish, and the Louisiana Clerks Remote Access Authority.

Senate  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

  
**Patrice Thomas**  
 Deputy Fiscal Officer

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**CONTINUED EXPLANATION from page one:**

**[CONTINUED FROM PAGE 1 - EXPENDITURE EXPLANATION]**

**Attorney General**

The proposed law will result in an indeterminable increase in SGF expenditures in the Louisiana Department of Justice (Attorney General). In 2024, the Office of the Attorney General (AG) filed 3,397 cases in the 19th JDC, of which 149 were suits involving the state or state agencies listed in 36:4(A).

The Attorney General reports that over the past five years in the 19th JDC, there have been an average of 3,045 cases where the Attorney General or the state was named party plaintiff. The average rate of change (or increase) in the number of cases year to year has been approximately 3.86%, and the Attorney General assumes future growth in the number of cases at 2.5%. Considering this information, the Attorney General estimates that, notwithstanding any additional filing fees that would be incurred after litigation commences, the agency would assume no less than an average of \$761,360 in costs (from an average of 3,807 suits filed annually) related to filing fees in the 19th JDC, with the enactment of the proposed law, for the next five years.

Year	#Suits	Filing Fee	Total
2026	3,621	\$200	\$724,200
2027	3,712	\$200	\$742,400
2028	3,804	\$200	\$760,800
2029	3,900	\$200	\$780,000
2030	3,997	\$200	<u>\$799,400</u>
			\$3,806,800

19,034/5 = 3,807

\$3,806,800/5 = \$761,360

The Attorney General advises that the bulk of litigation that has been filed by the Attorney General in the 19th JDC has been within its Collection Division (or approximately 88% of cases filed within the 19th JDC on an annual basis) in representing entities not listed in R.S. 36:4(A). These suits are filed by the Attorney General on behalf of the Louisiana State University System, the University of Louisiana System, the Louisiana Community and Technical College System, and Southern University System offices, community colleges, and technical schools. On average, the Attorney General assumes a total of approximately \$1,000 associated with each of these suits (inclusive of the \$200 suit filing fee the proposed law seeks to transfer to the 19th JDC). Using the above figures, the minimum cost of litigation that the Attorney General would incur would be as follows:

Year	#Suits	x 88%	Filing Fees	Total
2026	3,621	3,187	\$800	\$2,549,600
2027	3,712	3,266	\$800	\$2,612,800
2028	3,804	3,348	\$800	\$2,678,400
2029	3,900	3,432	\$800	\$2,745,600
2030	3,997	3,517	\$800	<u>\$2,813,600</u>
				\$13,400,000

Note: While the proposed law only seeks to collect a filing fee of \$200 for each of these cases, the above illustration has been included to reflect an additional increase of 20% in costs that the Attorney General would incur with the proposed law's enactment for each case in which it is required to submit a \$200 filing fee, along with having to assume an additional \$800 in costs for each of the suits comprising the 88% of suits filed in the 19th JDC within its Collections Division).

Considering the above costs, the estimate in SGF expenditures that the AG will incur for suits it files in the 19th JDC is as follows:

FY	Combined Costs
26	\$3,273,800
27	\$3,355,200
28	\$3,439,200
29	\$3,525,600
30	\$3,613,000

Senate  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

  
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**Deputy Fiscal Officer**