

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 229** SLS 25RS 314
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 8, 2025	4:18 PM	Author: MIGUEZ
Dept./Agy.: Statewide		Analyst: Kimberly Fruge
Subject: Louisiana First Transparency, Investing, and Reporting Act		

INTERGOVERN RELATIONS OR INCREASE GF EX See Note Page 1 of 2
 Provides for for function of government. (2/3-CA7s2.1(A)) (8/1/25)

Proposed law provides for the Louisiana First Transparency, Investing, and Reporting Act of 2025; requires any individual in the state who represents a foreign government, foreign corporation, or foreign educational institution while interacting with any official or employee of the State of Louisiana, political subdivision, or public education institution located within the state, to register with the Secretary of State as a foreign agent; requires foreign agents to submit monthly reports to the Secretary of State; requires the Secretary of State to publish reports on its website; provides for fines for any individual who fails to register and properly report; requires the Secretary of State establish a whistleblower hotline; provides for disqualification from economic development incentives; provides for requirements for solar energy projects; provides for various reporting requirements for the Board of Regents; prohibits purchasing computer hardware or drones from the People's Republic of China.

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

Annual Total

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

Annual Total

EXPENDITURE EXPLANATION

Secretary of State

Proposed law will result in a significant increase in SGF expenditures for the Secretary of State to create and implement a new foreign agent registration system and whistleblower hotline. The department estimates a one-time cost of approximately \$297,068 for equipment and to develop a web interface. The Secretary of State also estimates a recurring cost of approximately \$232,498 for two positions (Commercial Specialists with a starting salary of \$63,627). The new positions are needed to process the filed registrations and reports and handle the increase in call volume. Lastly, the department anticipates an annual cost of \$2,784 for the whistleblower hotline. The increase is approximately \$532,350 in FY 26 to implement the program. For future fiscal years, the costs decrease to approximately \$240,337, with a slight increase for merit raises year over year.

Board of Regents

Proposed law will result in an increase in workload and professional services expenditures for the Board of Regents (BOR). Under current law, BOR's internal audit is only required to inspect a sample of 5% of disclosed gifts annually. Proposed law increases the audit of the random sample to be 10% of the reported gifts with a value of \$50,000 or more and requires the audit to be biannual. BOR indicates this will lead to an indeterminable, but likely not significant, increase in expenditures.

Department of Energy and Natural Resources

Proposed law may have an indeterminable impact on the Department of Energy and Natural Resources to ensure compliance with restrictions on solar panels. The department reports that it may be required to audit certain renewable energy projects to ensure they use solar panels made in the United States. Any such requirement or increase in expenditures is indeterminable at this time.

EXPENDITURE EXPLANATION CONTINUED ON PAGE TWO

REVENUE EXPLANATION

Proposed legislation implements a fine of not more than \$25,000 for failure to register within five business days, \$15,000 for failure to register after 10 days, and \$100,000 for falsifying or knowingly filing incomplete or inaccurate information. The LFO anticipates that failure to file fines will be remitted to the state general fund while fines for conviction of falsifying or knowingly filing inaccurate information will depend on the prosecuting authority. If the Attorney General prosecutes, fines will be remitted to the state. If the district attorney prosecutes, fines will be remitted to the locals. The annual amount of revenues received, if any, are indeterminable.

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:

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EXPENDITURE EXPLANATION CONTINUED:

Various Departments and Agencies

Proposed law may result in an increase in expenditures for various departments, agencies, and political subdivisions to acquire drones and/or computer hardware starting in FY 26. Proposed law states that no equipment can be acquired by the state or a political subdivision after July 1, 2025, if it was manufactured by a company headquartered, located in, or domiciled in the People’s Republic of China. Various agencies and departments report that it is common practice to purchase computer hardware and/or drones manufactured in China. To the extent that purchasing this equipment from a different source is more expensive, expenditures will increase accordingly. Any such increase is indeterminable at this time.

The Department of Public Safety and Corrections indicates that drones may cost 3 to 5 times more than what they are currently paying. In addition to these costs, the department indicates there may be additional costs for travel and training related to the purchase of new drones.

Senate Dual Referral Rules
 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