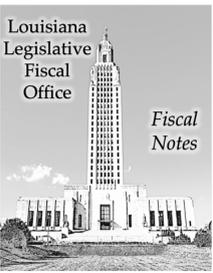


**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **SB 229** SLS 25RS 314  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.: **w/ PROP SEN COMM AMD**  
 Sub. Bill For.:

<b>Date:</b> May 8, 2025	4:25 PM	<b>Author:</b> MIGUEZ
<b>Dept./Agy.:</b> Statewide		
<b>Subject:</b> Louisiana First Transparency, Investing, and Reporting Act		<b>Analyst:</b> Kimberly Fruge

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; provides for various reporting requirements for the Board of Regents; 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 Board of Ethics as a foreign agent; requires foreign agents to submit monthly reports to the Board of Ethics; requires the Board of Ethics to publish reports on its website; provides for criminal penalties for any individual who fails to register and properly report; provides for disqualification from economic development incentives; provides for requirements for solar energy projects; provides for the prohibition on the purchase of goods from the People’s Republic of China.

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.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<b>SEE BELOW</b>					
<b>Annual Total</b>						
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.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

**Ethics Administration**

Proposed law will result in a significant increase in SGF expenditures for the Ethics Administration to create and implement a new system with a searchable electronic database, internal system, report repository, web page portal, and registration forms. The agency estimates a one-time cost of approximately \$450,000 for a professional services contract to develop and create the searchable database with paper filings and electronic filing capabilities, as well as creating the new forms and webpage. The Ethics Administration also estimates a recurring cost of approximately \$230,000 for a new position associated with the increased workload, ongoing costs for software, and annual maintenance of the filing system. The new position is needed to process the filed registrations and reports, handle the increase in call volume, and scan information pulled by the automated system for the paper and uploaded file reports.

**Board of Regents**

Proposed law will result in an increase in 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 \$25,000 or more. 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**

There is no anticipated direct material effect on governmental revenues as a result of this measure.

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**



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**CONTINUED EXPLANATION from page one:**

Page 2 of 2

**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 27. Proposed law states that no equipment can be acquired by the state or a political subdivision after August 1, 2026, if it was manufactured by a company headquartered 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.

**Department of Public Safety and Corrections – Corrections Services**

Proposed law may result in an indeterminable increase in SGF expenditures in the Department of Public Safety & Corrections - Corrections Services, to the extent that a person sustains a conviction for failure to register or properly report or is found to have falsified or knowingly filed incomplete or inaccurate information pursuant to proposed law. The exact fiscal impact of the passage of this legislation to state or local governing authorities is indeterminable, since it is not known how many people will be convicted nor the length of the sentences assessed as a result of its potential enactment. Proposed law is a relative felony with a maximum sentence of one year, and any impact on either state or local expenditures is contingent on whether offenders sustain either a misdemeanor or felony-grade conviction for its violation.

To the extent that offenders sustain a felony-grade conviction for violation of the proposed law, DPS&C-CS will sustain an indeterminable increase in SGF expenditures. For those convicted, sentenced, and then subsequently housed in a state facility, DPS&C-CS will sustain expenditures of \$107.60 per offender per day. For those housed in local facilities, DPS&C-CS will sustain expenditures of \$26.39 per offender per day. DPS&C-CS advises that impacts on offender populations are anticipated to impact the number of offenders held in local facilities, and that in managing its offender population, it seeks to fill all beds in state facilities first, then assigns overflow offenders to local facilities.

To the extent that offenders sustain a misdemeanor conviction for violation of the proposed law, local governing authorities will incur Local Funds expenditures. The exact fiscal impact of the passage of this legislation to local governing authorities is indeterminable, since it is not known how many people will be convicted and incarcerated in local facilities.

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**