

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 75** SLS 26RS 212

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: March 16, 2026 10:50 AM	Author: HODGES
Dept./Agy.: GOHSEP	Analyst: Kimberly Fruge
Subject: Cybersecurity Reinforcement Support	

INFORMATION TECHNOLOGY OR SEE FISC NOTE SG RV Page 1 of 1
Provides for reimbursement to the state for cyber reinforcement support provided to noncompliant recipients. (8/1/26)

Proposed law requires the Governor’s Office of Homeland Security and Emergency Preparedness (GOHSEP) to promulgate rules establishing cybersecurity standards applicable to local government subdivisions and political subdivisions that seek state assistance in response to a cybersecurity incident. Proposed law requires that the rules should at a minimum establish standards for technical management practices that assure cybersecurity compliance with national cybersecurity standards and set forth eligibility requirements for receiving state assistance in response to a cybersecurity incident.

Proposed law allows GOHSEP to enter into a contract to provide services to local governmental subdivisions or political subdivisions that are not in compliance with the cybersecurity standards it establishes. When noncompliant, local governmental subdivisions or political subdivisions will be required to reimburse GOHSEP for the costs associated with assisting in response to a cybersecurity incident.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
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	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						
REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						

EXPENDITURE EXPLANATION

Proposed law may result in an increase of Local Fund expenditures, to the extent political subdivisions are not in compliance with the eligibility standards established by the Governor’s Office of Homeland Security and Emergency Preparedness (GOHSEP) and are required to reimburse GOHSEP or contract with a third-party for assistance in responding to a cybersecurity incident. The exact fiscal impact is indeterminable, as it is unknown how many entities will be out of compliance with eligibility standards established by GOHSEP in accordance with the proposed law. If the political subdivision meets the eligibility standards, GOHSEP will continue to cover the costs of responding to the cybersecurity incident.

Proposed law requires GOHSEP to promulgate rules establishing cybersecurity standards applicable to local government subdivisions and political subdivisions that seek state assistance in response to a cybersecurity incident. Under current law, GOHSEP covers the cost when providing assistance with cybersecurity incidents. Under proposed law, if a political subdivision is not in compliance with the eligibility standards, the political subdivision will be responsible for the cost of assistance following a cybersecurity incident. The political subdivision may contract with GOHSEP (estimated cost of \$526,639 per incident) or contract with a third-party (estimated cost unknown).

REVENUE EXPLANATION

Proposed law may result in an increase in SGR, to the extent a political subdivision is not in compliance with the eligibility standards established by the Governor’s Office of Homeland Security and Emergency Preparedness (GOHSEP) and contracts with GOHSEP for assistance in responding to a cybersecurity incident. The exact fiscal impact is indeterminable, but GOHSEP anticipates that political subdivisions will either meet all eligibility standards, thereby not be required to reimburse the agency, or opt-out of the services provided by GOHSEP and contract with a third-party. Therefore, GOHSEP anticipates no increase in revenue as a result of proposed law. To the extent a political subdivision is not in compliance and opts to contract with GOHSEP, SGR revenues for the agency will increase.

For informational purposes, GOHSEP reports that the average annual number of incidents from FY 24 to FY 26 is 12. The total cost per incident is estimated to be \$526,639. If the average number of incidents remains unchanged and all entities are not in compliance, the proposed law would increase SGR revenues by approximately \$6.4 M. However, this impact is very unlikely, as GOHSEP anticipates at least some entities being in compliance with the standard, and those entities not in compliance are likely to opt out of the services provided by GOHSEP.

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