

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 77** HLS 23RS 227

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 19, 2023	8:05 AM	Author: SCHLEGEL
Dept./Agy.: Attorney General		Analyst: Daniel Druilhet
Subject: Attorney General Investigation - Material Harmful to Minors		

ATTORNEY GENERAL

RE SEE FISC NOTE GF EX See Note

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Provides for attorney general investigation for publishers and distributors of material harmful to minors

Proposed law allows a court to assess civil fines of no more than \$5,000 for each day of violation for any commercial entities that knowingly and intentionally publish or distribute material harmful to minors and allows the Louisiana Department of Justice (Attorney General) to conduct an investigation of the alleged violations. Proposed law assesses liability to commercial entities for all attorney fees, costs, expenses, and fees related to investigations and proceedings associated with these violations. Proposed law permits the Louisiana Department of Justice (Attorney General) to conduct an investigation of any alleged violations and seek legal interest from commercial entities assessed a civil penalty for these violations from the date of imposition of the civil penalty until paid in full. Proposed law requires commercial entities to perform reasonable age verification methods to verify the age of individuals attempting to access material harmful to minors. Proposed law also allows the attorney general to request (and the courts to assess) civil fines of no more than \$10,000 for their failure to do so.

EXPENDITURES	2023-24	2024-25	2025-26	2026-27	2027-28	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

REVENUES	2023-24	2024-25	2025-26	2026-27	2027-28	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
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Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

EXPENDITURE EXPLANATION

Proposed law may result in an indeterminable increase in SGF expenditures to the Louisiana Department of Justice (LADOJ) as it provides discretion to the LADOJ to conduct investigations. While expenses for filing fees (estimated to be, at most, \$500 per case) are expected, the LADOJ does not anticipate a need for additional personnel, as it anticipates only a handful of investigations would escalate to an appearance in court. Assuming no enforcement is needed or completed, the LADOJ estimates that the bulk of costs will be comprised of postage expenses to provide notice to entities included in the proposed law. While the likelihood of SGF expenditure impact is small, the exact impact is indeterminable because the proposed law allows the LADOJ to choose whether or not to pursue an investigation, and there is no way to determine the exact number of investigations that the LADOJ will pursue as a result of the proposed law's enactment.

REVENUE EXPLANATION

Proposed law allows the court to assess fines of not more than \$5,000 for each day that a commercial entity is in violation, along with a civil penalty of no more than \$10,000 per violation. Proposed law may result in an indeterminable increase in SGR to the Louisiana Department of Justice because it creates new civil fines and the agency is unable to determine the number and amount of civil penalties that will be assessed by the court in each investigation of alleged violations.

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

Evan Brasseaux
Interim Deputy Fiscal Officer