

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



Fiscal Note On: **HB 618** HLS 26RS 1168  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> March 10, 2026 2:35 PM	<b>Author:</b> MCMAKIN
<b>Dept./Agy.:</b> Louisiana Economic Development	<b>Analyst:</b> Noah O'Dell
<b>Subject:</b> Increases Fees Collected by Louisiana Economic Dev.	

ECONOMIC DEVELOP/DEPT OR +\$500,000 SG RV See Note Page 1 of 1  
 Increases certain fees assessed by Louisiana Economic Development

Current law authorizes the secretary of Louisiana Economic Development (LED) to impose fees and costs for certain purposes in amounts not to exceed specified levels.

Proposed law increases the specified levels of fees and costs imposed by LED by various amounts (ranging from 30% to 160%), establishes a new fee for any miscellaneous administrative documents with a maximum of \$350, authorizes the secretary of LED to exercise discretion in the collection of fees and reduce or waive fees for small businesses under certain circumstances, and provides for a mandatory inflation adjustment on fees collected by LED to take place on January 1, 2029, and every two years thereafter. The inflation adjustment is based on the cumulative percentage change in the annual average of the Consumer Price Index for all urban consumers as published by the US Dept. of Labor or its successor agency.

Effective January 1, 2027.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	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>

  

REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	<b>\$250,000</b>	<b>\$500,000</b>	<b>\$500,000</b>	<b>\$500,000</b>	<b>\$500,000</b>	<b>\$2,250,000</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>\$250,000</b>	<b>\$500,000</b>	<b>\$500,000</b>	<b>\$500,000</b>	<b>\$500,000</b>	<b>\$2,250,000</b>

**EXPENDITURE EXPLANATION**

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

**REVENUE EXPLANATION**

Proposed law is anticipated to increase self-generated fees collected by LED by approximately \$250,000 in FY 27 and \$500,000 each fiscal year thereafter. Implementation of the new fee schedule occurs halfway through FY 27. For purposes of this fiscal note, LFO assumes a half-year impact in FY 27, although the timing of collections may vary across LED programs. The full impact of the new fee schedule is expected to begin in FY 28.

Beginning in FY 29, the bill provides for a biennial inflation adjustment based on the cumulative percentage change in the annual average CPI for all urban consumers. The inflation adjustment mechanism is anticipated to further increase SGR within LED beginning in FY 29 by an amount dependent on inflation reported in future years.

LED constructed forecasts for the proposed fee increases, based on FY 25 and FY 26 SGR collections to date:

Fee Types	Estimated Increase in SGR
Application Fees	\$ 303,700
Contract Renewal Fee	\$ 42,000
Contract Change Cost	\$ 32,200
Annual Certification Report	\$ 20,240
Affidavit of Final Cost	\$ 18,000
Employee Certification Report	\$ 17,280
Project Completion Report	\$ 15,300
Advance Notification Fee	\$ 6,900
Annual Project Property Report	\$ 5,000
<b>Total Estimated SGR Increase</b>	<b>\$ 460,620</b>

Proposed legislation also creates a new fee (set at a maximum of \$350) for miscellaneous, unique administrative documents and increases the Loan Guarantee Fee (from 4% to 5.5%), for which LED was unable to provide a forecast. Due to these additional fee changes and uncertainty regarding the timing of collections within LED's sunseting programs, the LFO rounds the estimated SGR increase to \$500,000 annually.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}		<input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
<input checked="" type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

  
**Alan M. Boxberger**  
**Legislative Fiscal Officer**