

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 764** HLS 26RS 1281

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: March 19, 2026	5:38 PM	Author: JORDAN
Dept./Agy.: Procurement		Analyst: Julie Silva
Subject: Louisiana State Contract Minority Business Opportunity Act		

PUBLIC CONTRACTS OR INCREASE GF EX See Note Page 1 of 1
Establishes the La. State Contract Minority Business Opportunity Act to increase minority-owned and disadvantaged business participation in state contracting

Proposed legislation establishes the Louisiana State Contract Minority Business Opportunity Act to increase participation by minority-owned and disadvantaged businesses (MBE/DBEs) in state contracting. The bill sets participation goals, requires state agencies to designate compliance officers, maintain a certified MBE/DBE database, conduct outreach for contracts over \$50,000, and use MBE/DBE utilization in bid evaluations. Prime contractors must make good faith efforts to meet goals, submit utilization plans and monthly reports, and obtain agency approval before terminating a certified MBE/DBE. The Division of Administration (DOA) is required to commission a disparity study every five years, with the first report due by 7/01/27. The bill also provides sanctions for noncompliance by agencies and prime contractors.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	\$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	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total		\$0	\$0	\$0	\$0	\$0

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.	\$0	\$0	\$0	\$0	\$0	\$0
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	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed legislation is anticipated to result in significant but indeterminable expenditures for the Division of Administration (DOA) associated with the commission of an independent disparity study, to be conducted once every five years beginning in FY 27.

The study will assess whether minority-owned and disadvantaged businesses (MBE/DBEs) have equal access to state contracting opportunities. Costs will depend on the methodology, scope, and vendor selected. For informational purposes, a similar disparity study was conducted in 2021 by the Texas Department of Transportation at a cost of \$428,150, and a 2022 study approved by the Delaware General Assembly totaled \$899,830. Both examined the participation of minority-owned and disadvantaged businesses in state contracting.

Additional requirements of the proposed legislation, including oversight of agency contracting activities and annual reporting on MBE/DBE participation, are expected to be absorbed by existing DOA staff at no additional cost.

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