

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 388** SLS 26RS 641

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 7, 2026	8:50 AM	Author: HODGES
Dept./Agy.: Procurement		Analyst: Julie Silva
Subject: Protection of state contracts from foreign adversaries		

HOMELAND SECURITY EG NO IMPACT See Note Page 1 of 1
 Protects state agencies from contracts with foreign adversaries and foreign terrorist organizations and authorizes the governor to use emergency powers to assist state agencies to cancel any such contract for cause. (gov sig)
 Proposed legislation authorizes the Division of Administration to review state contracts to determine whether they are held by a foreign adversary, a foreign terrorist organization, or agents of such entities. Repeals Section 4 of Act 670 of the 2024 RS and provides for an effective date of 8/01/26.

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	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$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

There is no anticipated direct material effect on governmental expenditures as a result of the proposed legislation.

Proposed legislation authorizes the Division of Administration to review state contracts to determine whether they are held by foreign adversaries, foreign terrorist organizations, or their agents. Any additional workload associated with contract review or compliance activities is anticipated to be absorbed within existing resources.

Proposed legislation also repeals the contingent effective date provisions enacted in Act 670 of the 2024 RS and instead provides that the relevant provisions of law shall become effective on 8/01/26. Any fiscal impact associated with the implementation of those provisions was contemplated in the fiscal note prepared for Act 670 of the 2024 RS. Proposed legislation modifies the timing and mechanism by which the previously enacted law becomes operative.

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