



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 508** HLS 21RS 906
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 24, 2021	12:51 PM	Author: IVEY
Dept./Agy.: Treasury		
Subject: Dedicates funds to the State Cybersecurity and IT Fund		Analyst: Alan M. Boxberger

FUNDS/FUNDING OR NO IMPACT SD EX See Note Page 1 of 1
 Dedicates funds to the State Cybersecurity and Information Technology Fund

Present law creates the State Cybersecurity and Information Technology Fund and provides that monies in the fund may only be expended on direct, project-related expenses for projects reviewed by the Joint Legislative Committee on Technology and Cybersecurity. Proposed law directs the state treasurer to deposit \$250 million of federal monies allocated to Louisiana pursuant to the Coronavirus State Fiscal Recovery Fund of the American Rescue Plan Act of 2021 into the fund.

EXPENDITURES	2021-22	2022-23	2023-24	2024-25	2025-26	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$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>	\$0
Annual Total					\$0	\$0

REVENUES	2021-22	2022-23	2023-24	2024-25	2025-26	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$0	\$0
Federal Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total					\$0	\$0

EXPENDITURE EXPLANATION

Proposed law will transfer \$250 million from the state's allotment of the American Rescue Plan (ARP) Act of 2021 into the State Cybersecurity and Information Technology Fund. Monies in the State Cybersecurity and Information Technology Fund may be expended only on direct, project-related expenses for projects reviewed by the Joint Legislative Committee on Technology and Cybersecurity, or its successor.

Under the American Rescue Plan (ARP) Act of 2021, Louisiana will receive direct state aid in the amount of \$3.2 billion. The ARP Act provides for allowable uses of state aid as follows:


- 1) To respond to the COVID-19 public health emergency, or its negative economic impacts, including by providing assistance to households, small businesses, and nonprofits, or aid to impacted industries, such as tourism, travel, and hospitality;
- 2) Respond to workers performing essential work during the COVID-19 pandemic by providing premium pay to eligible workers of the State, territorial or Tribal government performing essential work or by providing grants to eligible employers that have eligible workers;
- 3) Provide government services, to the extent COVID-19 caused a reduction of revenues collected in the most recent full fiscal year of the State, territorial, or Tribal government
- 4) Make necessary investments in water, sewer, or broadband infrastructure.

States are still awaiting guidance from the U.S. Treasury for specifics regarding eligible uses of state aid appropriated through the ARP Act. Expenditure of state aid dollars from the ARP Act will remain available through 12/31/24.

REVENUE EXPLANATION

Proposed law will create no net change to revenue receipts for state or local governing entities. Proposed law directs the treasurer to deposit \$250 million of monies received from the Coronavirus State Fiscal Recovery Fund of the American Rescue Plan (ARP) Act of 2021 into the State Cybersecurity and Information Technology Fund. Absent proposed law these monies may have been appropriated as a Federal (Direct) revenue source. The monies will now be appropriated as a Statutorily Dedicated source.

<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 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}


Christopher A. Keaton
Legislative Fiscal Officer