



**OFFICE OF LEGISLATIVE AUDITOR  
Fiscal Note**

Fiscal Note On: **HB 224** HLS 23RS 130  
 Bill Text Version: **ENROLLED**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> June 5, 2023	1:00 PM	<b>Author:</b> BOYD
<b>Dept./Agy.:</b> City of New Orleans		
<b>Subject:</b> Contracts and procurement		<b>Analyst:</b> Courtney Stevenson

PROCUREMENT Page 1 of 1  
 EN SEE FISC NOTE LF EX See Note  
 Provides relative to contracts awarded to socially and economically disadvantaged businesses in the city of New Orleans

**Purpose of bill:** This bill allows the City of New Orleans and any board, agency, or commission of the City to set aside between 10% and 25% of local procurement contracts for socially and economically disadvantaged businesses, including construction and repairs. The bill further provides for set asides related to primary contractors and mandates that the City establish rules and regulations to implement the bill's requirements.

EXPENDITURES	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>5 -YEAR TOTAL</u>
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	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
<b>Annual Total</b>						

  

REVENUES	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>5 -YEAR TOTAL</u>
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

**This bill may impact City expenditures, but the impact, if any, is likely to be minimal.**

We were unable to obtain fiscal impact information from the City despite making multiple attempts to obtain this information. However, based on information available on the City's website, it appears that the City already has a similar program in place. While we were unable to determine the fiscal impact of this bill due to the lack of information, it is likely that any impact on City expenditures will be minimal considering the permissive nature of the bill and the existence of processes that are likely already in place to administer the requirements of this bill.

Note: The Equitable Business Opportunities Program, through which the City of New Orleans provides businesses owned and controlled by socially and economically disadvantaged people with opportunities to participate in the City's contracting activities, has an overall goal of awarding 35 percent of all public spending or private projects that utilize public funding or incentives to disadvantaged business enterprises (DBEs). According to the program's 2020-21 performance report, the City awarded approximately 33.4% of the total value of contracts to DBEs between 1/1/2020 and 12/31/2021.

**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}

*M. G. Battle*  
**Michael G. Battle**  
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