LEGISLATIVE FISCAL OFFICE Fiscal Note



Fiscal Note On: **HB 654** HLS 23RS 2432

Analyst: Garrett Ordner

Bill Text Version: ENROLLED

Opp. Chamb. Action: Proposed Amd.:

Sub. Bill For.: HB 530

Date: June 8, 2023

2:40 PM

Author: MCKNIGHT

Dept./Agy.: Division of Administration

Subject: Electronic Signature and Authorization Fees

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STATE AGENCIES EN SEE FISC NOTE SG RV See Note
Provides for the collection of fees associated with facilitating an electronic signature or authorization

<u>Proposed law</u> allows any state department, agency, board, commission or other state entity to charge a convenience fee for the use of electronic signatures in connection with official documents. <u>Proposed law</u> provides that the amount of the fee shall first be reviewed and recommended by the treasurer and then must be approved by the Senate Committee on Revenue and Fiscal Affairs and the House Committee on Ways and Means. <u>Proposed law</u> provides that the amount of the convenience fee shall be disclosed to the signatory before the transaction is completed and the signatory shall be given the option of proceeding without the electronic signature at that time.

EXPENDITURES	2023-24	2024-25	<u> 2025-26</u>	2026-27	<u>2027-28</u>	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW					
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>
Annual Total						
REVENUES	2023-24	2024-25	2025-26	2026-27	2027-28	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
State Gen. Fd. Agy. Self-Gen.	\$0 SEE BELOW	\$0				
					•	\$0 \$0
Agy. Self-Gen.	SEE BELOW	·				
Agy. Self-Gen. Ded./Other	SEE BELOW \$0	\$0				

EXPENDITURE EXPLANATION

Proposed law may result in an increase in costs to state entities in order to upgrade their website with the functionality required to collect the convenience fee allowed by proposed law. The total amount of such costs will depend upon the number of state entities which elect to charge the convenience fee and the cost to develop the website functionality in order to accept the fee. Therefore, the total cost to implement proposed law is indeterminable.

REVENUE EXPLANATION

Proposed law will result in increased self-generated revenues to the extent that state entities elect to charge a convenience fee for the use of electronic signatures. The amount of this fee must be reviewed and recommended by the treasurer as well as approved by the Senate Committee on Revenue and Fiscal Affairs and the House Committee on Ways and Means. The total amount of fee revenue will depend upon the number of state entities which elect to charge the convenience fee as well as the number of electronic signatures processed by those entities. Therefore, the total amount of revenues that will be collected through this fee is indeterminable.

<u>Senate</u> 13.5.1 >=	<u>Dual Referral Rules</u> \$100,000 Annual Fiscal Cost {S & H}	House	Evan	Brasseaux
13.5.2 >=	\$500,000 Annual Tax or Fee Change {S & H}	6.8(G) >= \$500,000 Tax or Fee Increase	Evan Brasseaux Interim Deputy Fiscal Officer	