



**OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note**

Fiscal Note On: **SB 240** SLS 24RS 410
 Bill Text Version: **ENROLLED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 24, 2024	4:06 PM	Author: COUSSAN
Dept./Agy.: Louisiana Manufactured Housing Commission		Analyst: Alison Butts
Subject: Licensure Requirements		

COMMERCIAL REGULATIONS EN SEE FISC NOTE GF EX See Note Page 1 of 1
 Provides for licensure requirements relative to manufactured housing. (8/1/24)

Purpose of Bill: This bill requires manufactured housing retailers, developers, installers, and transporters to provide the Louisiana Manufactured Housing Commission (Commission) with a surety bond or an irrevocable letter of credit annually with their license application. In addition, this bill increases the net worth requirement for retailers and developers applying for an original license.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.		\$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						
REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	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

This measure may increase annual expenditures for the Commission.

Based on information from the Louisiana Department of Public Safety (DPS), including the Office of State Fire Marshal:

This bill is projected to increase Commission expenditures by \$2,283 in Fiscal Year 2025 for software updates, and potentially up to \$1,480 annually for mailing denial letters to applicants, with the actual amount dependent on the number of letters mailed. Funding from the state general fund may be required to cover these additional expenditures, according to officials.

Software Update: The Commission's Information Management System software would need to be updated to enable installers and transporters to upload documents required by this bill. This upgrade is expected to occur in Fiscal Year 2025 at a one-time cost of \$2,283 for labor, with DPS reimbursing the Office of Technology Services for these costs.

Denial Letters: This bill is expected to impact 320 licensees. The Commission typically sends 12 denial letters annually to applicants who fail to submit required information, each sent by certified mail at a cost of \$4.40 per letter. This number is expected to increase due to applicants not being familiar with the new requirements of this bill. The exact cost of the increased mailings is currently unknown, as it will vary with the actual number of mailings per year. The maximum potential impact of this bill is \$1,480 annually, assuming denial letters are sent to all 320 applicants (the actual number of letters is expected to be lower).

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate
 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}

Michael G. Battle
 Manager, Advisory Services