



LEGISLATIVE FISCAL OFFICE  
Fiscal Note

Fiscal Note On: SB 14 SLS 25RS 121

Bill Text Version: ORIGINAL

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> April 10, 2025	4:31 PM	<b>Author:</b> MCMATH
<b>Dept./Agy.:</b> Education/ Health		
<b>Subject:</b> Ultra-processed foods; Training for health professionals; SNAP waivers		<b>Analyst:</b> Julie Silva

PUBLIC HEALTH

OR INCREASE GF EX See Note

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Provides relative to nutrition. (See Act)

Proposed legislation prohibits public schools and nonpublic schools that receive state funds from serving foods that contain specific artificial colors and additives to students, effective for the 2026-27 school year; requires the Louisiana State Board of Medical Examiners add continuing education on nutrition and metabolic health as a requirement for physicians and physician assistants that practice family medicine, internal medicine, pediatrics, and obstetrics and gynecology; requires food service establishments that cook or prepare food using certain seed oils to display a disclaimer on the menu or other clearly visible location and provides that failure to comply with proposed law is a violation of the state Sanitary Code; and requires the Department of Children and Family Services to develop and submit a waiver to the U.S. Department of Agriculture to permit Louisiana to prohibit the purchase of soft drinks using SNAP benefits. Requires food manufacturers and food service establishments to disclose certain ingredients. Failure to do so will result in a violation of the state Sanitary Code, effective January 1, 2027.

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						

REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$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

EXPENDITURE EXPLANATION

Proposed legislation is expected to result in an increase in SGF and Federal Funds expenditures for the Department of Children and Family Services (DCFS) to provide required notices concerning updates to SNAP-eligible products. The Louisiana State Board of Medical Examiners (LSBME) anticipates an increase in SGR expenditures to update and provide required training for certain medical professionals, as well as to update computer programming and certification tracking. The Louisiana Department of Education (LDOE) provides they do not anticipate an increase in expenditures; however potential impacts may result due to Act 305 of the 2023 RS, which requires LDOE to reimburse certain school meal costs.

Louisiana State Board of Medical Examiners (LSBME)

LSBME reports the addition of a continuing education requirement on nutrition and metabolic health for certain physicians and physician assistants will result in an increase in state expenditures. The LSBME, primarily funded by SGR collected through the issuance of licenses and board enforcement actions, estimates a five-year cost total for the proposed legislation at \$45,960. In FY 26, \$20,000 is needed to determine approved courses and update LSBME computer systems and programming to track course completion. An estimated \$6,000-\$6,850 is needed to pay for computer services in future FYs. These estimates are based on existing computer programming and tracking. The LFO is unable to corroborate these costs.

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REVENUE EXPLANATION

Louisiana Department of Health (LDH), Office of Public Health (OPH)

Proposed legislation may result in an increase in SGR for the LDH to require food manufacturers to label products containing artificial colors, additives, or banned chemicals with specific warnings and to require food service establishments using seed oils to display a disclaimer in a clearly visible location. Effective January 1, 2027, failure to meet of either of these requirements is a violation of the state Sanitary Code. Based on R.S. 40:6 (A): first time violations may result in a fine of no more than \$25 or imprisonment for not more than 10 days, or both; second time violations may result in a fine between \$25 to \$50 or imprisonment between 10 to 30 days, or both; subsequent violations are punishable by a fine of \$100 or imprisonment for not less than 30 days, or both. The LFO cannot anticipate the total amount of fines that may be imposed and collected as a result of this measure.

Senate

Dual Referral Rules

House

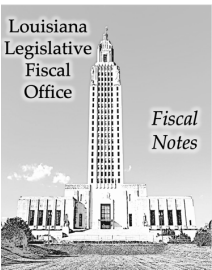
☐ 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

☐ 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Patrice Thomas  
Deputy Fiscal Officer



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CONTINUED EXPLANATION from page one: Page 2 of 2

Department of Children and Family Services (DCFS)

The proposed legislation would result in a minimal increase in expenditures for the Department of Children and Family Services (DCFS) for the printing and mailing of approximately 4,465 notices, which provide a list of restricted items, at a cost of \$0.76 each. Total costs are estimated at \$3,394, funded equally with SGF and Federal funds. Proposed legislation requires DCFS to request a waiver from the United States Department of Agriculture (USDA) to permit Louisiana to prohibit Supplemental Nutrition Assistance Program (SNAP) recipients from purchasing soft drinks with their SNAP benefits. If the waiver is denied, the secretary of DCFS will notify the legislature within thirty days, DCFS will prepare any necessary revisions to address USDA’s concerns, and DCFS will resubmit the waiver annually or until it is approved. Upon approval, DCFS will implement the restrictions within six months and will develop and provide a list of restricted items to EBT authorized retailers. The implementation cost associated with the requirements in the proposed legislation would largely fall on the authorized SNAP retailers in Louisiana, as they would be required to update their inventory to prohibit the purchase of soft drinks with SNAP benefits.

Louisiana Department of Education (LDOE)

LDOE reports they anticipate no impact to state expenditures as a result of the proposed legislation. However, the LFO believes the potential for an increase exists if the total cost of student meals goes up and the federal reimbursement rate for reduced-price meals does not adjust to fully cover the new differential between a free meal and a reduced-price meal.

The NSLP (National School Lunch Program) is administered by local education agencies (LEAs) through agreements with federal school food authorities (SFAs). Food items for public schools are purchased through local-level procurement practices and LEAs submit a monthly reimbursement claim to SFAs based on actual meals served. Meal reimbursement rates are set at the federal level and it is unknown if the requirements of the proposed legislation will impact the price of public school meals to a degree significant enough to necessitate an increase in federal per meal costs. If meal prices increase and the federal reimbursement rate for reduced price meals is not adjusted to maintain the same price differential currently in place between reduced meals and free meals, an increase in the amount paid by the state due to Act 305 of the 2023 RS may be realized. *NOTE: Act 305 is effective only when funds are appropriated by the legislature and any increase in programmatic costs will be assessed through the legislative appropriation process.*

Local fund expenditures may increase in order to comply with the provisions of proposed legislation, but if such an impact occurs, it is not anticipated to be significant. LDOE provides that any increase in costs related to proposed legislation should be absorbable within current federal reimbursement rates. To the extent they are not, it is assumed local fund expenditures will increase. For informational purposes, the School Meals Corporate Report Card estimates that around 4-5% of kindergarten through grade 12 food products are likely to be impacted by the restrictions of proposed legislation. LDOE provided there are compliant products on the market for all school meal component groups.

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}

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