



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 672** HLS 26RS 217
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: March 6, 2026 12:42 PM	Author: OWEN, CHARLES
Dept./Agy.: Louisiana Economic Development	
Subject: LED Prioritizing Brick Manufacturing	Analyst: Noah O'Dell

ECONOMIC DEVELOPMENT OR INCREASE GF EX See Note Page 1 of 1
 Provides for matters related to brick manufacturing.

Proposed law requires Louisiana Economic Development (LED) to establish brick manufacturing as a priority industry. LED is required to promulgate rules and regulations including but not limited to: 1) Identifying sites with features suitable for brick manufacturing operations; 2) Establish specialized workforce development and training for the industry; 3) Develop job creation and hiring initiatives for the industry; 4) Provide clear regulatory pathways for the industry; 5) Prioritize brick manufacturing enterprises for access to rail lines and port facilities; 6) Other economic development initiatives to support the industry.

Effective August 1, 2026.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW					
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						
REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	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

Proposed law is anticipated to increase SGF expenditures within Louisiana Economic Development (LED) by an indeterminable amount beginning in FY 27. The bill requires LED to promulgate rules to develop specialized workforce development and training initiatives, job creation and hiring incentives, regulatory pathways, and improved access to rail lines and port facilities for brick manufacturing facilities. Implementation of these requirements is expected to increase SGF (and potentially statutory dedication) expenditures relative to the baseline budget.

LED approximates one-time costs of up to \$250,000 SGF in FY 27 to hire an external consulting firm to conduct research and industry analysis to support rule promulgation and program design. The agency's 2025 comprehensive statewide strategic plan, *Positioning Louisiana to Win*, identifies seven priority sectors for the state to target to accelerate economic growth in asset-based industries. While brick manufacturing is not specifically identified as a priority sector, LED indicates that the industry would likely fall under the broader Energy and Process Industries category.

LFO is unable to estimate the increase in expenditures associated with programs and incentives offered by LED to brick manufacturers. **The ultimate fiscal impact of the bill will depend on the rules promulgated by LED, which will determine the scope of programming and incentives available to brick manufacturers.** To the extent existing LED programs (such as the Certified Sites Program (Fast Sites), FastStart, and the High Impact Job Program) are modified to extend eligibility to brick manufacturers that would not otherwise qualify, utilization of those programs and associated expenditures (SGF or statutory dedications) may increase as a result of the bill. If new programs and incentives are developed specifically for brick manufacturers, LED would likely incur additional expenditures, the size of which would depend on the rules promulgated.

LFO cannot independently corroborate the estimated consulting cost. LFO, at a minimum, assumes certain administrative costs would be necessary to implement provisions related to regulatory pathways, access to rail lines and port facilities, and other (undefined) economic development initiatives for brick manufacturers.

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}

Alan M. Boxberger
 Alan M. Boxberger
 Legislative Fiscal Officer