

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 361** HLS 23RS 206

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> May 10, 2023	1:08 PM	<b>Author:</b> DESHOTEL
<b>Dept./Agy.:</b> Office of Technology Services		<b>Analyst:</b> Garrett Ordner
<b>Subject:</b> Prohibits TikTok on State-Owned Equipment		

ADMINISTRATION

RE SEE FISC NOTE LF RV

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Prohibits the use of TikTok and related applications on computers and networks owned or leased by the state

Proposed law requires the Office of Technology Services (OTS) to develop a policy to prohibit the use of the social networking service TikTok or any successor application or service developed or provided by ByteDance Limited or an entity owned by ByteDance Limited. Specifically, the policy must prohibit (1) the presence or use of the application on any computer or device owned or leased by the state and (2) network traffic related to the application on a network owned or leased by the state. The policy must be developed no later than August 1, 2023. Proposed law provides that the policy must not prohibit public employees from using such application for a legitimate purpose approved by the employee's agency or on devices that are not owned or leased by the state. Proposed law provides that the policy developed by OTS is subject to approval by the Joint Legislative Committee on Technology and Cybersecurity. Proposed law provides a civil penalty of \$500 for agency heads who fail to properly implement the policy.

<b>EXPENDITURES</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

  

<b>REVENUES</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>	<b>5 -YEAR TOTAL</b>
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Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
<b>Annual Total</b>						

**EXPENDITURE EXPLANATION**

The Office of Technology Services (OTS) reports that the policy it will develop to prohibit TikTok on state-owned devices and networks will not pose additional costs to the state. OTS reports that while the policy will prohibit the use of the application on state-owned devices and networks, it will not require specialized software to actively remove the application from state-owned devices.

While all state agencies will be required to implement the policy developed by OTS and approved by Joint Legislative Committee on Technology and Cybersecurity, not all agencies' networks and devices are managed by OTS. Agencies may face additional costs to the extent that they choose to implement additional rules beyond what the policy requires or to utilize additional enforcement mechanisms such as mobile device management (MDM) software which can automatically remove the application from devices. For informational purposes, OTS has reported that its preferred MDM software costs \$15 per month per device.

**REVENUE EXPLANATION**

Proposed law provides a civil penalty of \$500 for agency heads who fail to properly implement the policy.

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}

*Evan Brasseaux*  
**Evan Brasseaux**  
**Interim Deputy Fiscal Officer**