

LEGISLATIVE FISCAL OFFICE Fiscal Note

Fiscal Note On: **HB 125** HLS 25RS 503

Bill Text Version: ENGROSSED

Opp. Chamb. Action:

Proposed Amd.: Sub. Bill For.:

Date: May 7, 2025 11:10 AM Author: HORTON

Dept./Agy.: Attorney General and Courts

Subject: Protection, Storage, and Access of Genomic Information

Analyst: Daniel Druilhet

TECHNOLOGY EG SEE FISC NOTE GF EX Provides for the protection, storage, and access of genomic information

Page 1 of 1

<u>Proposed law</u> creates the Louisiana Genomic Security Act; prohibits human genomic research facilities from utilizing genetic sequencers or operational or research software produced in or by foreign adversaries (a state-owned company of, a company domiciled in, or an owned or controlled subsidiary or affiliate of a company domiciled in a foreign adversary); provides that a medical facility or human genomic research facility shall replace any prohibited human genetic sequencers and operational or research software with equipment that is not prohibited; provides that a medical or research facility shall not put into service any new or additional human genetic sequencers or operational and research software used for human genetic analysis produced by a government or state-owned company of a foreign adversary; requires a medical facility, human genomic research facility, or company storing genetic sequencing data, including through contracts with third-party data storage companies, to ensure the security of human genetic sequencing data by using reasonable encryption methods, restrictions on access, and other cybersecurity best practices; requires annual certification (in writing, by each impacted medical facility) to the Attorney General (AG) by 12/31 of each year regarding compliance with the <u>proposed law</u>; assesses fines of \$10,000, for medical and human genomic research facilities in violation; provides the AG investigatory authority.

2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
	\$0 \$0 \$0 \$0	SEE BELOW SEE BELOW \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	SEE BELOW SEE BELOW \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	SEE BELOW SEE BELOW SEE BELOW \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	SEE BELOW SEE BELOW SEE BELOW SEE BELOW \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0

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.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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						

EXPENDITURE EXPLANATION

Attorney General

<u>Proposed law</u> may result in an indeterminable increase in workload in the Office of the Attorney General (AG), to the extent that they experience an increase in the number of instances in which they investigate medical or human genomic research facilities for allegations of violating the <u>proposed law</u>'s prohibitions against putting into service any new or additional human genetic sequencers or operational and research software used for human genetic analysis produced by a government or state-owned company of a foreign adversary. The exact fiscal impact to the AG is indeterminable, because it is unknown the number of instances in which the AG's authority to investigate under the <u>proposed law</u> will be invoked in the future. Any fiscal impact is projected to be absorbed within the AG's budget.

District Courts

<u>Proposed law</u> may result in an indeterminable increase in workload in district courts, to the extent that individuals file suits for damages related to the use of their genomic information by a medical or genomic research facility found to have improperly sequenced their genomic information. The exact fiscal impact relative to the increase in workload is indeterminable, because it is unknown the number of instances in which suits will be filed (and the related hearings conducted) relative to civil suits in violation of the <u>proposed law</u>. Any fiscal impact is projected to be absorbed within Local budgets for district courts.

Louisiana State University System

<u>Proposed law</u> may result in an increase of \$35,000 in SGF expenditures in FY 26 to the Louisiana State University Health Sciences Center at Shreveport (LSU-HSCS) for upgrades to comply with security requirements within the <u>proposed law</u>. Louisiana State University Health Sciences Center at Shreveport maintains research facilities that store human genetic research sequencers and operational and research software used for human genetic analysis. LSU-HSCS projects these expenditures to be recurring within subsequent fiscal years.

REVENUE EXPLANATION

<u>Proposed law</u> may result in an indeterminable increase in Self-Generated Revenue in the Office of the Attorney General, to the extent that the AG collects funds associated with investigations of medical or human genomic research facilities in violation of the <u>proposed law</u>. The exact impact to Self-Generated Revenue is indeterminable, as it is unknown the number of instances in which the AG will successfully generate fines from investigations of medical or human genomic research facilities in violation of the <u>proposed law</u>.

<u>Senate</u>	<u>Dual Referral Rules</u>	House	
13.5.1 >= 9	\$100,000 Annual Fiscal Cost {S & H}	$6.8(F)(1) >= $100,000 SGF Fiscal Cost {H & S}$	romal souto
	\$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